neither he nor I wish to see. I think I am entitled to pay a compliment to the workers of this State—

Hon. L. B. Bolton: Not the employers?

The CHIEF SECRETARY: —for the fact that they have such a good record in comparison with other States.

Hon. L. Craig: They have a higher rate of pay.

Hon. H. V. Piesse: And a good lot of employers.

The CHIEF SECRETARY: The rate of pay is based on the cost of living, and on the principles laid down in the Industrial Arbitration Act.

Hon. L. Craig: Not entirely on the cost of living.

The CHIEF SECRETARY: I do not know how the hon. member can get away from that.

Hon. L. Craig: They received a loading of 5s.

The CHIEF SECRETARY: Yes, on account of the so-called prosperity.

Hon. L. Craig: I am glad to hear the Chief Secretary use the word "so-called."

The CHIEF SECRETARY: One could indulge in quite a long discussion on those lines if one so desired, but there is no need to bring that argument into this matter. This measure will provide for a permanent amendment of the Act that will ensure that if the cost of living figures presented by the Government Statistician each quarter indicate that there is an increase or decrease in the cost of living of more than 1s., the court must, of necessity, make a variation in its awards. It does not do away with the annual fixation of the basic wage which, as members are aware, is usually fixed after a very thorough inquiry. Quarterly adjustments deal with the variations that take place during the year, and it is only fair and reasonable that when we expect the worker to accept a reduction in wages because of the figures presented to the court, he should be entitled to expect that when an increase is indicated, he should receive that increase. I move—

That the Bill be now read a second time.

On motion by Hon. L. B. Bolton, debate adjourned.

*House adjourned at 5.13 p.m.*

# Legislative Assembly.

*Wednesday, 21st October, 1912.*



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

## QUESTIONS (3).

### TRAMWAY DEPARTMENT.

*South Perth Bus Stand.*

Mr. J. HEGNEY asked the Minister for Railways: 1, On whose authority did the Tramway Department establish a bus stand on the north side of St. George's Terrace, near Barrack-street, for the new bus service operating between the city and South Perth? 2, Did the Western Australian Transport Board or the Police Traffic Branch, either separately or jointly, recommend the site? 3, Were the above-mentioned authorities consulted beforehand? 4, If not, why not? 5, Why was the Perth City Council not consulted in this matter before the stand was established?

The MINISTER replied: 1, The authority of the Commissioner of Railways. 2, Police Traffic Branch approved the site. 3, Yes. 4, Answered by No. 3. 5, In January last the Transport Board advised the Perth City Council of the proposal to establish a bus stand on the north side of St. George's Terrace.

### PIG FEED.

Mr. SAMPSON asked the Minister for Agriculture: 1, Is slaughterhouse offal, cooked or uncooked, suitable as pig food, and does it compare in the production of quality pig meat with a ration containing wheat, barley, maize, or other grain, peas, and similar legumes? 2, Is it possible to arrange for the supply of wheat and other products as mentioned at prices so economically attractive as to discourage the use of

slaughterhouse offal and if so, would this mean that a better quality pork and one which would make for greater popularity would be produced?

The MINISTER replied: 1, Slaughterhouse offal cooked is a valuable concentrate for feeding pigs, particularly when used in conjunction with cereal grain. 2, Contracts for disposal of slaughterhouse offal usually are based on prices of other interchangeable stock foods.

## FRUIT INDUSTRY.

*As to Freights and Ullaging.*

Mr. SAMPSON asked the Minister for Railways: 1, When a case of fruit is sent from one railway point to another, and the journey involves two railway sections, as, for instance, Karragullen to Fremantle and Port Hedland to Marble Bar, is one railway charge of 1s. 6d. made, or are there two such charges? 2, In connection with the charge of 5s. per case for despatch to a private customer of fruit seaborne from Fremantle, to, say, Port Hedland or to any other port within the State, is the charge of 5s. per case made without respect to the number of cases of fruit forwarded? 3, Is any guarantee given in respect of the prevention of ullaging of cases, either on the railways and by the State Shipping Service?

The MINISTER replied: 1, The charge for a case of fruit from Karragullen to Marble Bar is 5s. 9d., including all freight, handling and wharfage. 2, Yes, the charge is 5s. 9d. per case. 3, The railways and the State Shipping Service take all reasonable care to prevent ullage, but the fruit is carried under owners' risk conditions.

## BILL—LOCAL AUTHORITIES (RESERVE FUNDS).

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

## BILL—MAIN ROADS ACT (FUNDS APPROPRIATION).

Read a third time and transmitted to the Council.

## BILL—GOLDFIELDS WATER SUPPLY ACT AMENDMENT.

Report of Committee adopted.

## MOTION—COMMONWEALTH AND STATE RELATIONSHIPS.

*As to Referendum Proposals.*

**MR. WATTS** (Katanning) [2.20]: I move—

1, That this House, firmly believing that the Federal system of government is the only just and practicable method of governing a large continent such as Australia, strenuously opposes the alteration of the Federal Constitution as proposed by the Commonwealth Government, on the following grounds:—

(a) That the suggested amendments are apparently not genuinely aimed at necessary alteration to the Federal Constitution but will undoubtedly have the effect of ultimately destroying the Federal system of the voluntary union of six self-governing and sovereign States.

(b) That such proposals are designed to bring about unification, camouflaged as a war necessity. They would result in a distinct breach of faith with the States, which entered into a Federal union, and would not only be destructive of the best interests of Western Australia but of every other State of the Commonwealth.

(c) That it is impossible to govern Australia wisely and justly by a huge bureaucracy controlled from Canberra, and that the passage of such proposals would only cloud the future of Australia by bitter home rule agitations from its distant parts.

(d) That while this country is fighting for its very existence and people's minds are distracted by the war, it is in the highest degree improper to divide the nation by highly controversial questions. With the people again leading normal lives free from the stress of war emotions in a period of calm reasoning and clear thinking, a genuine verdict might be obtained.

(e) That the Commonwealth Government at present possesses ample powers to deal with all matters arising out of the war, and these powers could by arrangement with the States (if necessary) be extended for a period after the war.

2, That Western Australian members of both State and Federal Houses, and all Western Australian citizens, be urged to defeat the Federal proposals.

3, That the Premier be requested to forward this resolution to the Prime Minister and the Premiers of the other States.

My object in moving the motion is to deal with the Commonwealth Government's proposal to hold a referendum for alterations and/or additions to the Federal Constitution. In doing so, I wish to assure the House that I and those associated with me have no intention whatever of introducing

to members any matter of a party political nature. Before I gave notice of my intention to move the motion I took the opportunity to inform the Premier to that effect. The motion is tabled with a view to ensuring that members of this House and the people of Western Australia shall be able fairly to assess the effect on Western Australia of these proposals put forward by the Commonwealth Government if they are agreed to, and, because I and those associated with me believe that these proposals will be definitely detrimental to Western Australia if effect is given to them, to endeavouring to ensure as far as possible the unanimous opposition of the people of this State to the proposals as put forward. In introducing the measure to authorise the referendum, the Federal Attorney General, Dr. Evatt, stated, as reported in "The West Australian" of the 2nd October last—

> The fundamental feature of the proposed amendment was to entrust the Commonwealth with powers to give effect to the war aims and objects of the United Nations, including power to guarantee "the four essential human freedoms," power was sought to carry out in peace-time the social and economic aims that the United Nations had declared in war-time.

It is not my intention to go at length into what those things are. I merely propose to ask this House to believe that it is impossible to see what the effect of that proposal would be if those words were incorporated in the Constitution. The "aims and objects of the United Nations" are many and of varied character. They may be added to or taken from, at any time in the near future or within the next two or three years. It seems to me that the powers asked for in that particular amendment are in no way specific. They amount to this: We are asked to hand over to the Commonwealth powers of an unlimited character. Quite aside from the other proposals that are included in the Constitution Alteration (War Aims and Reconstruction) Bill, that one alone would provide sufficient objection to an amendment of this nature—in that aspect at least. Further on in his speech Dr. Evatt is reported as saying—

> In 42 years 18 Constitutional referendums had been submitted to the Australian people and only three had been accepted. He believed that the 15 rejections had been because the people could not be sure how the proposed powers would be used. The people should be told more about the objects sought.

And so he starts off his proposals by telling us, in effect, nothing of the objects that he seeks to achieve. He brings down as the first, and major, proposal of his Bill a generalisation which says the Commonwealth Parliament is to acquire power to carry out the aims and objects of the United Nations. So far as legislation by the Commonwealth Parliament is concerned, that conveys nothing to me except that it would enable him, so far as I am able to ascertain, quite apart from the other proposals contained in the measure, to do almost anything that he happens to think ought to require legislation. I propose later to discuss the constitutionality or otherwise of some of these proposals, and their effect on Western Australia; but for the moment I shall leave that aspect alone and deal with other proposals which are contained in the Commonwealth Constitution Alteration Bill. We find there a proposal to carry into effect the "four freedoms." Freedom of speech and expression is the first one. In this regard by no stretch of imagination can I see anything other than a determined attempt to repress the freedom of speech and expression which we, as British-Australian subjects and citizens of a sovereign State, have enjoyed for the last 50 years. There is no suggestion in Dr. Evatt's proposal to increase the proportion of representation of Western Australia in the Commonwealth Parliament, which might, if properly achieved on a population-cum-area basis, give us some possibility of freedom of satisfactory expression in the House of Representatives.

But there is nothing in the proposals of the hon. Doctor to suggest for one moment that he is prepared to concede that to the small States. Hopelessly outvoted, the whole of the Australian States, with the exception of New South Wales, have really no power to do anything if all the members of the New South Wales party decide that they should not do it. I admit, of course, that New South Wales has not a majority in the House: but New South Wales, I think, has 28 members, whilst 38 constitute a majority of the representatives. Therefore it only requires ten other members of the House of Representatives to join with the New South Wales members, and all the other States, or four of them at any rate, are successfully outvoted; and there is no suggestion in these proposals of Dr. Evatt, or of the Commonwealth Government, which must accept

responsibility too, to increase the proportional representation of States such as Western Australia. In consequence I contend that to talk glibly of granting freedom of expression is, in the circumstances I have indicated, hardly reasonable, and I will put it no stronger than that. The proposals then go on to seek an amendment of the Commonwealth Constitution to guarantee religious freedom—religious freedom which has been guaranteed to the people of Australia ever since the consummation of Federation.

Mr. Patrick: And long before!

Mr. WATTS: I admit that it was granted long before. Dealing with the Commonwealth Constitution of today, I point out that Section 116 comprises these words—

> The Commonwealth shall not make any law for establishing any religion, or for imposing any religious observance, or for prohibiting the free exercise of any religion, and no religious test shall be required as a qualification for any office or public trust under the Commonwealth.

Therefore there is certainly no guarantee of this nature required. Then we come to guaranteeing freedom from fear and freedom from want. Has the Commonwealth Government at Canberra any greater desire to achieve these objects than has been shown by successive Governments of the sovereign States? I submit it is not so. The use of these words without any qualification whatever, without any explanation as to what exactly they are intended to mean, is open to the objection I started off with, that the proposals are in no sense specific. The Commonwealth Government is asking the electors of Australia, and the electors of Western Australia in particular, to determine the granting of powers of whose effect they will not have the slightest idea. That seems to me to be the difficulty. In connection with past referenda, as Dr. Evatt admits, there has been specific information offered to the electors before being called on to vote upon the question; and Dr. Evatt says that they were not told enough. That may be so. Certainly the electors turned down the great majority of the proposals. I think the only one of any importance that was agreed to was the proposal for the Financial Agreement, and that was at the time, and is still, open to some substantial objections from the point of view of the State.

The general trend in Australia since Federation has been to refuse to the Commonwealth Government greater powers. A few years ago we were faced with the extraordinary position that the electors of Australia would not give the Commonwealth Government power to control aviation. This Parliament, and other State Parliaments, contrary to the express wish of the electors, of our own people, passed legislation to give to the Commonwealth authority to do what it wanted to do. Because we felt from the national and international points of view that the Commonwealth was justified in asking for those powers, we granted them.

The Premier: But we can take the power away.

Mr. WATTS: Admittedly. When the Bill was introduced I was in some doubt as to that, in view of the terms of the measure; but we have not as yet shown any intention to take the power away, and I do not think that we should in the future be likely to do so unless circumstances change very much. So long as additional powers are granted to the Commonwealth Government with the concurrence of the State, and because the State is satisfied that these additional powers ought to be granted, so long have I no objection to the granting of these additional powers to the Commonwealth Government; but I have every objection to a wide and sweeping proposal such as that brought forward on this occasion, with no specific guidance as to what actually is intended being submitted to the electors.

Now we come to another part of the proposals, the power of Parliament to extend to all legislation which in its opinion will further economic security and social justice. I would, however, ask members to note that these are measures which it is necessary only for the Parliament of the Commonwealth to be of opinion that they will achieve these things. The Commonwealth Parliament only has to say that it thinks a particular measure will tend towards economic and social justice and it will be in the Commonwealth Parliament's power to pass such measure. It might, in the result, enable the repeal of almost any State Act, whether past or future. It might possibly affect employment, social security, or social justice; and the implications of those terms are exceptionally wide. So once again we

come up against the objection that there is little if any limit that can be applied to the effect of these proposals. The Commonwealth Government, as I see the matter, simply has to declare that some action which in its opinion should be taken might be deemed to achieve something towards those objects. But no State legislation or State Government policy, however necessary or however desirable to any State, would be sacrosanct. Dr. Evatt suggests that these powers are entirely new in Australian Constitutional history. For once I agree with him. They are! There is no question about it, but I would add, too, that so far as I can see and as many others who will probably come much closer to these questions will see, they are entirely without justification. The learned Doctor went on to tell us that our 1900 Constitution was flexible enough for war needs but not flexible enough for post-war needs.

That Constitution has already run the gauntlet of one war, at least the second greatest war in history, and of post-war needs following that war. What evidence is there that it was through its insufficiency for those post-war needs that these extraordinary amendments are required? I think most members will agree that there was little, if any, evidence of that fact. I suggest that if the Constitution be flexible enough to contend with the thousand and one needs of the war—and Dr. Evatt agrees it is; that is a point that should be noted—it should be amply sufficient, in conjunction with the sovereign rights possessed by the States, to deal with our subsequent problems. I am not alone in that point of view. It is always as well, if we can, to quote the ideas of other people who are possibly in a better position to deal with matters we are considering. Consequently I would refer the House to the observations of Sir Henry Manning, a former Attorney General, I think, of New South Wales, who was reported in "The West Australian" a few days ago as having said he could see no need whatever for these alterations in the Constitution to deal with these problems.

The Premier: He said we had plenty of powers as it is.

Mr. WATTS: That is so. I cannot find the quotation at the moment, but will read it a little later. I firmly believe that his observations are correct, and that there is little, if any, need for the proposals of the Commonwealth Government in that regard. It seems to me that all that is desired by the Commonwealth Government is to get away from the Federal Constitution which our predecessors took so much time and thought to evolve and which, broadly speaking, has served this Commonwealth very faithfully in the last 42 years. By that Constitution certain powers were granted to the Commonwealth. They were, in the result, surrendered by the States which prior to that had complete sovereignty in their respective areas on all these matters. The States handed over certain specific powers because they believed those powers were national in character and could best be dealt with—the question of defence is the best example—on an Australia-wide and not a State-wide basis. I believe that those men who framed and founded the Australian Constitution would today turn in their graves if they knew of these proposals of the Commonwealth Government that are about to be submitted to our people. They would hardly believe it possible that any man following in their footsteps, as it were, could bring down for the endorsement of the people of the Commonwealth proposals of the type that are put before us in the Constitution Alteration Bill.

I propose to return for a moment to the remarks of Sir Henry Manning, who said that the Bill dealt in dangerous and ambiguous generalities. That is a point I have already made as clearly as I could. The newspaper report continued—

> Constitutional amendments were sought on the ground that they were immediately necessary for post-war planning. Most of the legislation for which authority was asked, he declared, could be dealt with under existing powers.

Dr. Evatt, in the subsequent portions of his speech—and I would like to explain that I have only the Press report, because the "Hansard," I understand, is not yet available in this State—said that promises to members of the Fighting Forces must be honoured, and that the constitutional amendments were necessary for that purpose. I deny that. They are not necessary for that purpose. I fully support the learned Doctor in the belief that promises to members of the Fighting Forces—as, indeed, all other promises made by responsible people—should be honoured, but that does not mean to say it is necessary they should be honoured only by the means suggested by

Dr. Evatt. Promises to the Fighting Forces were made during and at the close of the last war. They were substantially honoured, I think, at that time without interference with the Constitution. I believe they can be fully honoured at this time without interference with the Constitution.

I suggest to Dr. Evatt that he turn his attention to securing the co-operation of the State Governments, that he come to the State Governments and say, "We wish to do so-and-so. Can we have your co-operation?" I am convinced that he would get it. If the financial responsibility is a responsibility of the Commonwealth Government, I have no doubt it will assume that responsibility, but I believe, as in most other cases in this world, that if the difficult matters of this time were approached in a spirit of co-operation instead of in this manner, far greater results would be achieved than are likely from this proposal. I have reason to understand that when the Premiers of the States went to Canberra or to Melbourne to discuss uniform taxation there was no spirit of co-operation. They were told, so far as I can understand from what I hear, "Here are the proposals. Take them or leave them."

The Premier: No, not even that; they were told, "You must take them."

Mr. WATTS: Not even that! Now members will perceive how much stronger it was than even I had cause to believe! I find the same spirit is running through this business. Notwithstanding that this proposal attacks the most fundamental principle of the Australian Constitution and the sovereign rights of the people, notwithstanding that it can be established fairly satisfactorily that the proposal is entirely unnecessary, the Commonwealth Government has called a convention at which, according to a Press statement attributed to the Prime Minister, Mr. Curtin, suggestions will be considered, but the final decision must rest with the Commonwealth Parliament. Is that the spirit of co-operation we are entitled to ask for and which I, for one, would very gladly give if it be in my power, so long as I realised that the other side was prepared to exhibit the same spirit? Unfortunately, there is no realisation of that, and I can only form the conclusion that the proposals put forward, coupled with the passage of the Statute of Westminster—to which I shall refer in a few moments—have been put forward in order that the other side may, as stated in this motion, under the camouflage of a war necessity, secure a type of unification which I do not even admit is unification as it has been understood in the past, but is a system of unified government with a huge bureaucratic control from Canberra.

Were I able to see any benefit to be derived by Western Australia, I would qualify my opposition to these proposals. Were I in fact able to see any benefit to be derived by any State in the Commonwealth, I might be prepared to think it all over again; but as I see the position it is simply as this motion states. Everything is to be controlled by a huge bureaucracy, centred in Canberra. I do not think our experience in the last two years, during which we have had a certain amount of bureaucratic control —centred in Canberra—in this State per medium of National Security Regulations, has convinced me, or any other member of this House, that an extension of that practice, when the war is over, to an unlimited extent is going to re-act in favour of Western Australia. In fact, I propose if I can to prove to the House that that is not at all likely to be the effect. I turn now to the question of repatriation which is bound up in the matter of honouring the promises to members of the Fighting Forces. I admit in that regard, and particularly since the making of the Financial Agreement, that there is a distinct responsibility resting in the Commonwealth Government and the Commonwealth Parliament; and, as I have said, I have no doubt that if this matter were approached in a proper manner they would honour that responsibility, but there is no need for them to reserve unto themselves the right to say what shall be done in the individual States.

We may have quarrels with our friends opposite in regard to administration; we may have squabbles in regard to matters purely political, but at the same time we hold—details aside—that Western Australian people are the best people to decide what is good for Western Australia. We know the difficulties and conditions of our State—all members do—far better than does anyone in the Eastern States. What prospects have they got of having that close acquaintance with this State? What prospects have I, knowing Western Australian conditions as I

do, of knowing the conditions in Queensland or New South Wales? They cannot know the conditions in this State as we do, nor have they in the past—and I make no political distinctions here—evinced any great desire as members of the Commonwealth Parliament to know or understand the conditions in this State, or do anything for their amelioration and betterment. We find, on the contrary, that much that we would like to do, and much for which there is ample justification for doing, has been hampered by the methods adopted by our friends, and I call them friends because they are although they have mistaken ideas on occasions as to what friendship means. They have decided what is better for them, but not for us.

The Premier: Our trouble is that they ignore us altogether!

Mr. WATTS: I was not intending to go as far as that, but I am glad to have the Premier's support on these lines. It shows the position to be somewhat worse than I was pointing out.

Another item in this Constitution Alteration Bill is the power to control prices and investments. In this case I gather from Dr. Evatt's remarks that he fears inflation during the war, or as a result of it. If that is so the Commonwealth Government must accept responsibility, because the States certainly have done nothing, nor can they do anything as far as I can see, to bring about any control of inflation. He brings into that question the matter of price control for goods and services. We have had some experience in recent years of price control by the Commonwealth Government. There is no guarantee in that Government's proposals as there is in the Constitution, for example, in regard to taxation, that there will be no discrimination or differentiation between States. There is nothing to indicate that it would not be possible to fix a price for one commodity in Western Australia at a substantially lower figure than that fixed in some other State. We have already had lamentable examples of this differentiation. I am right in saying that whilst potatoes produced in Western Australia were subject to a price fixed at about £12 per ton, a substantially higher price was fixed in other States. The same state of affairs applies to citrus fruits.

This Bill contains proposed powers to regulate the manufacture of goods and services without any safeguards and judging by past and recent experiences, we would find a still greater flooding of Western Australian markets with Eastern States products. We have had evidence in this House that these Eastern States products are not comparable with our own, and we are already in sufficient difficulties, in that we cannot keep these things out, without extending power to the Commonwealth to deal with matters of this kind. We find, as in the case of Nasco gas-producers—and I need go no further than the answer of the Minister for Industrial Development to a question yesterday—that it is impossible to deal with the competition arising from the importation of these inferior products, which it appears is authorised by the same Commonwealth department that demands that the manufacturer in Western Australia should produce an article of superior quality. So I must emphatically decline to allow the Commonwealth Parliament to have any further power over the manufacture of goods and control of services.

I was a supporter of the secession movement in 1933 and did my best, in a small way—and it was a very small way at that time—to ensure that the people of Western Australia supported the movement for secession at the referendum. I still believe today that it would have been far better for Western Australia to have been out of the Federation, and have been a self-governing dominion within the British Empire. But I am not now approaching the matter from that aspect. The Federal Constitution, so far as we are concerned, was produced roughly in the year 1900 and, with slight amendments, has stood for 42 years. I now see that Constitution being attacked on all sides by proposals which I believe to be totally unjustified. I therefore prefer to deal today with the question from the aspect of the Federal Constitution. I retain to myself the right, as I think I am entitled to, to adopt the same tactics as I did in 1933 at any time that it is practicable to obtain Dominion status for this State. At the present time, however, this is an attack upon the Federal Constitution; it is an attack made unjustifiably in a period of war.

We also find in this interesting Bill that the Commonwealth Government desires to create legislation for employment, including the transfer of workers from wartime industries. There may be other members bet-

ter able to judge than I as to the effect if that proposal is inserted in the Constitution. But I cannot see its being of any assistance to Western Australia; nor do I think can anyone else. It always seems to me that Federal legislation goes as far as it possibly can within the Constitution, and if these proposals are carried we might easily find our workers being transferred against their wishes out of Western Australia to some other State or, on the other hand, workers from the Eastern States transferred to Western Australia with detrimental results to our own people. That is another example of guesswork, because the proposals are all so wide that it is difficult to nail down anything as the net result of them if put into effect.

I now come to the improvement of national health, and child welfare. These two items are (l) and (m) in Clause 2 of the Bill. On broad principles it is difficult to believe that these problems could be tackled in Western Australia on a better basis than they have been in the past. I do not suppose we are all agreed on the details of the way in which they have been tackled. Some members think one thing and some another, but I am referring to the broad principles on which they have been dealt with. I think on those broad principles we should view with great satisfaction the efforts of Governments in this State and the work that has been done by all Governments in these two directions. Again, in these matters we have problems peculiar to Western Australia. I ask the House to consider the medical service which has been established in the North-West. The problem there was much greater, I believe, than many people thought, but there is no doubt that the action taken and the work done have produced great benefits to the people of those parts, and I do not doubt for one moment that as time goes on these benefits will be substantially increased if we are left to deal with these particular matters. I do submit, however, that there is little knowledge and less realisation of these problems among those who represent the other States of the Commonwealth, and we have been offered no increased representation, or a better expression of our opinion, in the national Parliament if we are foolish enough to subscribe to these propositions.

We now come to the part dealing with the physical resources and development of the country and the expansion of production. Is there any member who will contradict my belief that the State Governments are the best to deal with matters of this kind, on which they have the fullest knowledge? Expansion of production does not, as it were, recall any pleasant memories of such control as has taken place by the Commonwealth Government in the last two or three years.

Mr. Marshall: It cost £800 for the Commonwealth Government to grow a pumpkin in the North-West!

Mr. WATTS: I do not doubt it. As far as Western Australia is concerned, there is no sign of any desire on the part of that Government to increase our production. The contrary has been the case. I tremble to think what might be the effect if we by subscribing to these proposals for the sake of the Commonwealth Government say—"We think this is a jolly good scheme and you ought to have control of the expansion of production." I doubt if there would be any electors left in Western Australia in the course of a few years to deal with the matter, because there would be no expansion. One can only judge by past behaviour, and there would be only restriction. The results to Western Australia would be calamitous. We might in the end, to use the phrase I have heard employed by the member for Avon on more than one occasion, be reduced to "wood and water jocys" for the Commonwealth Government.

I turn back for a moment to the Atlantic Charter section referred to in Dr. Evatt's speech; and also in the Bill itself, but not in so many actual words. Dr. Evatt said that Australia must be endowed, as a nation, with adequate legislative powers. I wonder what was the most important thing that underlay what we now call the Atlantic Charter? Was it not freedom to trade internationally? I think you, Sir, will agree with me that this is one of the most substantial matters raised by the Atlantic Charter.

Mr. North: Access to raw materials.

Mr. WATTS: The first move in regard to freedom of international trade is to do something about the tariff. What inclination has the Commonwealth Government shown to do anything about the tariff

in the way of making it less, or of encouraging freedom of international trade? I suggest to Dr. Evatt and his friends that they put their own house in order before tackling this question. Let them put into operation the first fundamental of the Atlantic Charter if they are prepared to do so and, when they have done that, they can say "Give us more power to do the rest of it" if those powers are necessary. But they have not shown the slightest inclination in that direction. I have read Dr. Evatt's speech on his return from Great Britain and the United States of America, and I cannot find one word there about putting into operation that part of the Atlantic Charter. So I say to Dr. Evatt—and if he were here I would tell him to his face—that when he can establish to our satisfaction that he is prepared to put into operation that part of the Atlantic Charter, we shall see about the remainder, but not before.

Dr. Evatt, as my colleague, the member for Greenough, told us the other night, quoted the American Ambassador to Britain, but that gentleman's chief, President Roosevelt, who is a far greater man than his Ambassador or even than our Commonwealth Attorney General, has said that "when this war is over, any powers I have taken will be returned to the people." We do not find any suggestion that the Federal Government of the United States of America is going to behave in this fashion after the war. Dr. Evatt, in the course of his remarks, made some cutting statements about the American Constitution. He said—

> Events have proved that our 1900 Constitution is flexible enough for war needs, but it is not flexible enough for post-war needs. Although the Constitution was written in the 1890's many of the words were transcribed from the American Constitution of 1787—the horse-and-buggy age of social organisation.

Mr. Patrick: He would like to forget that he uttered those words.

Mr. WATTS: Under the guidance of the great men who, I believe, are in charge of the United States of America, there will not be any attempt to amend the American Constitution. They will find within the confines of their Constitution, as the Commonwealth authorities of Australia could find if they wished, that they can carry out the things they desire to do without much difficulty. In a subsequent statement reported in the Press, Dr. Evatt said—

> It would be necessary after they got these powers to delegate to the States and local authorities power to act.

Having decided that the States must, in effect, be dispossessed of their sovereign rights, Dr. Evatt proposes to delegate powers to them to carry out his wishes. I can only assume that in desiring to take away their existing rights, he has some idea that State management has been incompetent. If he held any other view, I cannot for a moment imagine why he desires to take away the control of matters which he subsequently proposes to delegate back under his control or under the control of the Commonwealth Government, which is much the same thing. I say that if the States have been incompetent, then their incompetency will not be cured by this proposed delegation of powers. They will still be incompetent, but they will be incompetent managers instead of incompetent directors. That will be the only difference. This proposal to delegate power to act becomes ludicrous if we think of it for a few minutes. If the Commonwealth authorities consider that the States should not have the powers, let them take them away and do the job themselves, but not start delegating those powers back to the States. The suggestion made by Dr. Evatt in that speech is nothing but ridiculous. If we are incompetent to exercise those powers as directors, I say we are equally incompetent to carry them out as managers.

But I do not believe that the Governments of the States or the people of the States are incompetent. I believe that, by and large, we have got over the difficulties of governing and improving this country fairly well. I do not under-estimate those difficulties. They have existed and they still exist, but strenuous efforts have been made. Some of those efforts have not resulted in a great measure of success, but can the Commonwealth claim that its efforts have resulted in a great measure of success? But for the war, what would the Northern Territory be like today; and even with the war I doubt whether the Northern Territory is a very glowing example of the competency of Federal experts to look after such an area of country? There is no evidence that they have made a particularly good job of their administration in dealing with that part of the continent.

Mr. Marshall: That is the part to which I referred just now.

Mr. WATTS: A moment ago the hon. member made a reference to that particular matter. It is ridiculous for the Commonwealth Government to ask us to believe that it can do things so much better than we can. I am satisfied that, with the knowledge we have, we can do a great deal better than any Commonwealth authority.

Mr. Marshall: That has been proved.

Mr. WATTS: The convention is to make suggestions and the final decision will be left to the Commonwealth Parliament. The proposed convention is not founded on the system of the original Federal Convention but is loaded in favour of the proposals that have been made. We know perfectly well that on both sides of the Commonwealth Houses of Parliament there is considerable support for these nice little schemes, and we know it will be difficult to obtain absolute unanimity amongst representatives of the States, no matter how hard we try. It has been suggested, I believe, that, following the practice of the Loan Council, there should be a casting vote in favour of the Commonwealth, so that if the States were unanimous, the prospects of a victory would be remote, and even if the States did win at the convention, the final decision would rest with the Commonwealth Parliament and so the greater part of the time of the Convention would have been substantially wasted.

Let me now say a word or two about State Parliaments. I do not suggest that State Parliaments have carried out their duties with complete efficiency. I am well aware of and desire to see abolished a number of practices that in my opinion are discouraging respect for Parliamentary institutions and are noticeable to some degree even in this Parliament. But they are distinctly more noticeable in the Commonwealth Parliament. We are capable if we wish—and I think we would wish to do so—of giving careful consideration to the reconstructing of our methods of carrying on Parliamentary business and Parliamentary government. We are quite capable of giving attention to matters that require attention, but it does not need the will of the Commonwealth Parliament, a Parliament that is far less well behaved than, for example, this one, to show us the way to conduct our business.

I turn now to some aspects of the constitutionality of these proposals. I do not profess to be an expert on these questions or even to be possessed of any great knowledge of them. I do not propose, therefore, to make use of any beliefs of my own in this regard, but I intend to refer the House to the statements of Sir Edward Mitchell, K.C. who, I believe, is recognised as a man of great constitutional knowledge. Writing in 1931 in a book entitled "What every Australian Ought to Know," Sir Edward Mitchell referred to the difficulty of "inferring a power to amend the Constitution so as to give the Commonwealth Parliament power to legislate as it thinks fit." Evidently he foresaw the proposal contained in Clause 3 of the Constitution Alteration Bill. That proposal is as follows:—

> All the powers conferred on the Parliament by this section may be exercised, notwithstanding anything contained elsewhere in this Constitution or in the Constitution of any State, and shall be exercisable as on and from a date to be proclaimed by the Governor-General-in-Council.

The Minister for Lands: And the existing Constitution is to become a mere scrap of paper.

Mr. WATTS: The observations I intend to quote on this subject are to be found on pages 78 and 79 of the book.

The Premier: Is not that a question involving the Statute of Westminster?

Mr. WATTS: That is difficult to decide, but I will deal with it in a moment. Sir Edward Mitchell said—

> Looking at the first nine clauses of the Constitution Act, it is quite clear that the Imperial Act——

The Constitution Act, of course, is an Imperial Act—

> ——makes a distinction between the first eight clauses and what is described in Clause 9 onwards as the Constitution.

The Constitution does not start until we reach Section 9 of the Constitution Act, because Section 9 states, "The Constitution of the Commonwealth shall be as follows." After that the Constitution commences and runs on to Section 128—

> It is also clear that the last clause of such Constitution limits the power of alteration conferred by it to altering the Constitution itself, as distinguished from the first eight clauses which are usually referred to as the covering clauses.

The last clause, of course, is the one giving the power to submit to the people certain questions by way of referendum in regard

to amending the Constitution, and also provides certain things that cannot be amended —so they do not come into this controversy —without the consent of the particular States that they are to effect. Sir Edward continued—

No power is given in the Act to alter such covering clauses.

I have pointed out that the covering clauses are the first eight sections before the Constitution starts—

The only way in which they could be altered would be by a new Imperial statute—

The Statute of Westminster gets us into a nasty tangle in that regard. I doubt very much whether it would prevent the Imperial Parliament from taking action, but apparently it would need the consent of the Commonwealth Government before doing so.

The Premier: It says that the Commonwealth Government cannot alter the Constitution.

Mr. WATTS: The Premier is getting a little further than the point I have reached at the moment—

—and having regard to the fact that the whole Act was founded upon an agreement between the existing Australian Colonies (a matter which has been judicially recognised both by the Judicial Committee of the Privy Council and by the High Court), it seems obvious that no Act would be passed by the Imperial Parliament to alter such covering clauses without the unanimous consent of all the parties who agreed to the particular kind of Federal Commonwealth described in the preamble and in covering Clauses 3, 4 and 6.

Mr. Doney: Does that provision still obtain?

Mr. WATTS: Yes, I will come to that in a moment—

No Act would be passed by the Imperial Parliament to alter such covering clauses without the unanimous consent of all the parties.

"All the parties" are, of course, the six States. What are the clauses to which he refers? They are the preamble, and Sections 3, 4, and 6. The preamble reads—

Whereas the people of New South Wales, Victoria, South Australia, Queensland and Tasmania, humbly relying upon the blessing of Almighty God, have agreed to unite in one indissoluble Federal Commonwealth under the Crown of the United Kingdom of Great Britain and Ireland and under the Constitution hereby established:

And whereas it is expedient to provide for the admission into the Commonwealth of other Australian Colonies and possessions of the Queen:

Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

I shall now quote Clause 3:—

It shall be lawful for the Queen, with the advice of the Privy Council, to declare by proclamation that, on and after a day therein appointed, not being later than one year after the passing of this Act, the people of New South Wales, Victoria, South Australia, Queensland, and Tasmania, and also, if Her Majesty is satisfied that the people of Western Australia have agreed thereto, of Western Australia, shall be united in a Federal Commonwealth under the name of the Commonwealth of Australia. But the Queen may, at any time after the proclamation, appoint a Governor General for the Commonwealth.

A Federal Commonwealth therefore does not, it would seem to me, enable us to imply authority to make it something which is definitely not a Federal Commonwealth. I interpolate that. Clause 4 is as follows:—

The Commonwealth shall be established, and the Constitution of the Commonwealth shall take effect, on and after the day so appointed. But the Parliaments of the several colonies may at any time after the passing of this Act make any such laws, to come into operation on the day so appointed, as they might have made if the Constitution had taken effect at the passing of this Act.

Clause 6 is as follows:—

"The Commonwealth" shall mean the Commonwealth of Australia as established under this Act.

"The States" shall mean such of the colonies of New South Wales, New Zealand, Queensland, Tasmania, Victoria, Western Australia, and South Australia, including the northern territory of South Australia, as for the time being are parts of the Commonwealth, and such colonies or territories as may be admitted into or established by the Commonwealth as States; and each of such parts of the Commonwealth shall be called "a State."

"Original States" shall mean such States as are parts of the Commonwealth at its establishment.

Those are the clauses to which Sir Edward Mitchell refers. That there is a difference between the power of repealing or altering the Constitution and of altering such covering clauses was recognised and preserved in Clause 4 of the intended Statute of Westminster, which is now actually in force. Section 4 of that statute provides—

No Act of Parliament of the United Kingdom passed after the commencement of this Act shall extend, or be deemed to extend, to a Dominion as part of the law of that Dominion,

unless it is expressly declared in that Act that that Dominion has requested, and consented to, the enactment thereof.

Therefore, no Act of the Imperial Parliament passed after the adoption of the Statute of Westminster—it has been adopted, I understand, by Australia—can apply to dominion affairs or extend to the law of a dominion unless it has received the consent of a dominion Government. "Dominion Government" in this case definitely means the Commonwealth of Australia. So it would seem that, while in 1935 we had an undoubted right to approach the Imperial Government for the right to secede and for the necessary amendment to the Constitution Act, constitutionally at all events that right has been taken away from us today by the adoption of the Statute of Westminster. I point this out more particularly—not because I want to get into a long argument about the Statute of Westminster and so take up the time of the House unnecessarily—for the reason that I consider it gives support to my belief that this is a well-planned scheme of the Commonwealth Government to deprive the States of their last vestige of sovereign authority.

That is the reason for the adoption of the Statute of Westminster and for the proposed referendum, if the people have not sense enough not to defeat the referendum. As I said, we have the two parts of a well-laid scheme ultimately to deprive the States of Australia of the last vestige of their sovereign rights. Upon that basis the States did not enter into the Federation; upon that basis there can be no Federal compact, and upon that basis I suggest that the covering clauses—as they are called by Sir Edward Mitchell—of the the Constitution Act come into the question and put into relief, as it were, this point: Are the proposals of the Commonwealth Government constitutional or not? I shall continue with my quotation, if I may—

> The only law existing enabling the covering clauses of the Constitution Act to be altered was by a further Imperial Act such as I have described.
>
> Next, a reference to Section 128 makes clear the careful way in which the federating Australian Colonies took care to protect even the Constitution itself from further change, except in the manner specified in such clause. The Constitution is part of an Imperial Act and cannot be altered unless power is given by an Imperial Act to do so. Australian legislation could not of itself do so.

Section 128 commences with a general prohibition: "This Constitution shall not be altered except in the following manner:" That method of legislation effected, I think, two things. The first was to negative any possibility of Section 5 of the Colonial Laws Validity Act being held to apply to an amendment of the Constitution.

What follows is more important to us—

> The second purpose was to prohibit any method of altering the Constitution other than that described by the words "in the following manner." There is no direct affirmative power of amendment given. It is given by necessary implication, but such implication is from words prohibiting its being done except in one manner; and when it is suggested that the power of amending the Constitution so as to substitute an entirely different manner of amending, is also to be implied from such words, that appears to me to be not merely directly contrary to the intention of the "political compact of the whole of the people of Australia enacted into binding law by the Imperial Parliament," but also to be without any necessary foundation in language or reason.

That is the point I desire to make. Sir Edward Mitchell continues—

> In addition, by such "political compact" the States respectively protected themselves as regards certain specified matters by the last paragraph of Section 128. That puts a further difficulty in the way of inferring a power to amend so as to give the Commonwealth power to legislate as it thinks fit, and would also make it directly contrary to the political compact the States agreed to.

That, as I have said, was a Federal compact; and the present Commonwealth Government, in my opinion, shows no sign of endeavouring to continue the Federal compact, but rather desires to destroy it. Sir Edward continues—

> Apart from those reasons, I submit that the Federal union which would exist after such an amendment were made, would be quite different in character from the Federal union described in the covering clauses I have referred to. If that be so, then the legal position would result that one part of the Commonwealth Constitution was alterable, and had been altered under Section 128, and the other part was unalterable, except by an Imperial Statute, and remained unaltered. In such a case I would submit that the alteration which was inconsistent with the unalterable part must give way to that which is not capable of alteration.
>
> The reasons I have submitted would apply even more strongly to any attempt at unification. Unification, whatever form it takes, must obliterate the States to the extent of making them quite different political entities to the definition of them in Clause 6 of the covering clauses.

Sir Edward Mitchell was able to see to some extent into the future and he dealt—fortun-

ately as far as I am concerned—with the particular point which has been worrying me. I believe there is grave doubt as to whether or not what is proposed in the suggested measure is not entirely beyond the powers of the Commonwealth Government and should not be the subject of a referendum which that Government may conduct.

The Premier: The High Court might say so.

Mr. WATTS: First, Dr. Evatt, in his wisdom, suggests that it would be far better for the Commonwealth Government to take the place of the High Court. He says—if he is correctly reported in the columns of the Press on the 16th October—that it was better that the Commonwealth Parliament, rather than the High Court, should decide matters which were not really legal issues. The High Court may not be always as successful, in our opinion, in determining these issues as we would like; but I venture to suggest it would be a darned sight better than would the Commonwealth Parliament. I propose now to wind up as soon as I can by dealing shortly with one or two paragraphs of the motion. The first I desire to deal with is—

(b) That such proposals are designed to bring about unification, camouflaged as a war necessity. They would result in a distinct breach of faith with the States, which entered into a Federal union, and would not only be destructive of the best interests of Western Australia, but of every other State of the Commonwealth.

I think I have advanced arguments sufficient, for the moment, to support my contention that such proposals are designed to bring about unification. I have shown that to the best of my ability. I have also shown that the war and post-war problems, which are mentioned in the speeches, have been used as a means of making the people think that the proposed amendments are necessary. I believe I am entitled, in the circumstances, to use the word "camouflaged." I do not propose to add anything further to that point. The next paragraph to which I wish to refer is paragraph (c)—

That it is impossible to govern Australia wisely and justly by a huge bureaucracy controlled from Canberra, and that the passage of such proposals would only cloud the future of Australia by bitter home rule agitations from its distant parts.

Members will agree with me that immediately there is dissatisfaction in any part of Australia with the administration of the central Government, then, as has happened in other parts of the world and, indeed, in parts of the British Empire, there is a substantial risk of bitter home-rule agitation. I wish to refer to the remarks of Dr. Evatt in the House of Representatives on the 3rd September, 1942, on his return from his oversea journey. He told us what the united nations had declared. He said—

First, their countries seek no aggrandisement, territorial or other.

I would recommend that reflection to Dr. Evatt when he considers his Commonwealth proposals. He continues—

Second, they desire to see no territorial changes that do not accord with the freely expressed wishes of the people concerned.

Thirdly, they respect the right of all peoples to choose the form of Government under which they will live and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of it.

We might to some extent convey these sentiments back to Dr. Evatt for his further consideration. They represent the right of all people to achieve the form of government under which they live. We achieved a form of government in 1900. He desires to take away that form of government, as I believe I have established, and substitute in its place something entirely different. It will not matter to him, if he is enabled to get away with this under Section 128 of the Constitution, whether the people of Western Australia agree to the change. Western Australia is a sovereign State, but if he can induce four other States of the Commonwealth to agree to the proposal, and induce a majority of the electors over the whole of the Commonwealth to agree, it will not matter to him that Western Australia has objected, but he will take away the sovereign rights of the people of Western Australia, and the rights to self-government that were entered into under the Federal compact in 1900.

We shall be deprived substantially by the action of this Commonwealth Minister of the right to which, when he came back from oversea, he claimed that under the Atlantic Charter his own Government subscribed. I fail to appreciate the point of view of Dr. Evatt in these matters. I repeat that there was no sound co-operation on this question. There was no coming to the Governments and State Parliaments and saying, "These things are necessary for our welfare and yours, and we can prove it. We want to meet you on the mat-

ter and to arrange with you to secure some additional authority." We might then have got somewhere in the matter if we had found anything in the way of power that it was necessary the Commonwealth Government should have. The method adopted on this question and adopted in our past relations with the Commonwealth Government is the antithesis to what Dr. Evatt referred to as being so dear to our hearts in the Atlantic Charter. I believe he is running a substantial risk of turning Australia over in future to a bitter home-rule agitation. There is only one way to avoid that, and that is by defeating the referendum, and by allowing the Commonwealth Government, if it has some really good case, to get down to brass tacks and submit the proposals to us as the Parliament of Western Australia.

The time which has been chosen and referred to in the motion is a most extraordinary one. Here we are, as the motion indicates, fighting for the very existence of our country. We had an example afforded us today in town at half-past 12 of the things that have to be done for the preservation of our existence—I refer to the march of the troops through the city. We are told that absolute unity is essential, that we must all live austerely, and yet we have brought before us a proposal which I venture to say will cost more political bickering and enmity between certain sections of the people than would anything that has been done in the last twenty years. This proposal is brought before us at a time when unity and devotion to the war effort are essential to all our people. I do not quarrel with that, for absolute unity and a full war effort are required, but I strongly disagree with the bringing down of this proposal in the form in which it has been brought down, particularly at this difficult time. I spoke of the austerity we have been asked to observe. We are recommended to save our tram fares and walk, and to buy war savings certificates.

Those who make these suggestions lose sight of other subjects to which I have referred, and which I will not now discuss further. What is going to be the cost of the proposed referendum? I have here a copy of "Smith's Weekly," of the 10th October, 1942. This states that plans for another referendum for constitutional reform are being made, and draws attention to the costliness of ascertaining the will of the people on matters affecting the Constitution. It states that figures supplied in the Senate the other day revealed that the last three referenda had cost Australia £330,000.

The Premier: An average of over £100,000.

Mr. WATTS: That is a substantial sum to spend at a time like this. There is no need for creation of disunity of this kind. Any Government that suggests that it is necessary at this time to embark upon the proposal in question, and at no time sought to obtain the necessary co-operation of the States, should not have its wishes carried into effect. I conclude by saying I hope the House will agree to the motion in some such form as I have moved it. I firmly believe it will not be for the good of Western Australia to have these referendum proposals carried. I am a Western Australian first. I think all members of the House will agree with that sentiment so far as the people of this State are concerned. We are proud to be members of the Australian community, but we are prouder still to be members of the Western Australian section of that community, which in past years has led in many directions, in war effort by voluntary enlistments, by trying hard to lead in war funds in regard to loan investments, and so on. Western Australia, I suppose, is by and large the most loyal of the six loyal States of the Commonwealth. We have nothing whatever to be ashamed of in this State. We can look back, I think, over our behaviour as a part of the Commonwealth and a part of the British Commonwealth of Nations with great satisfaction. In future I trust we shall be allowed to retain the sovereign powers of the Parliament that were left to us by the Commonwealth Constitution and wield them in an even more efficient manner than has been the case in the past. I submit the motion.

**MR. PATRICK** (Greenough): I second the motion. I will be brief because I have already on another occasion said most of what I would otherwise have said. We seem to have got into the habit of referring to these proposals as those of Dr. Evatt, whereas they are in truth the proposals of the Commonwealth Government. I suppose it is that in this matter Dr. Evatt is the dominating personality.

Mr. Marshall: He was dominated while abroad.

Mr. PATRICK: He is the dominating personality in this connection. Some people are tending to romanticise Dr. Evatt because he stepped down from a High Court judgeship to take a smaller part in politics. There is nothing peculiar about that. Men have stepped down to smaller remuneration because they have gone to something they liked better. I could quote the case of a man who used to live in this city. He received a very high remuneration, but he left his position to become a farmer. No one could say he had stepped out of his old position to obtain a better one, but he enjoyed his life and had good health, and has never had any regrets. When I was a young man in South Australia, Premier Kingston had been earning an income of £10,000 at the bar. He went into politics, and was in a state of perpetual "hard-upness." We also had the example of Sir Stafford Cripps, who gave up an income of £30,000 a year to take on the ordinary job of a Minister in the House of Commons. There is nothing very peculiar about that sort of thing.

One of Dr. Evatt's opinions I am very largely in accord with. About 18 months ago he very strongly advocated the establishment in Australia of a National Government, but was severely lectured by Mr. Curtin for departing from the principles of his Party. Dr. Evatt introduced these proposals. I regret that while the minds of people are concentrated upon the war effort one of the most controversial questions ever placed before them should be so lightly tossed into the political arena. This is the greatest issue that has faced the people since they entered into Federation some 42 years ago. And yet this issue is being raised while we, as a nation, are fighting for our very existence. The present Constitution was adopted only after many years of discussion. I was too young to have a vote on that question, but I can recall all the great men in South Australia speaking upon it. Amongst others I remember Sir Josiah Symon and Sir Frederick Holder. All these statesmen discussed the matter from the Federal point of view. They had in their minds no thought of unification. As the Leader of the Opposition has said, they would no doubt turn in their graves if they could see the proposals that have been brought forward. When he was chairman of one of the first conventions, Sir Henry Parkes, who was largely responsible for Federation being brought about, said—

> We desire to enter upon this work of Federation with a perfect preparedness to leave the proposed convention free to devise its own scheme, and, if a Central Parliament comes into existence, with a perfect reliance upon its justice, upon its wisdom, and upon its honour.

If Sir Henry could only see these proposals today I do not think he would use those words. They do not honour the principle of Federation that was entered into in those days. Most of the Australian statesmen made a close study of other constitutions in the world before drawing up the present Commonwealth Constitution. As I have previously stated they adopted very largely the Constitution of the United States. That Constitution, as does ours, seeks to maintain the Federal structure, with a strong National Government dealing with national affairs, and State Governments dealing with self-government in ordinary affairs. In the case of both the United States and ourselves, all powers not given to the Central Government remained with the States subject to the Constitution. If a unitary form of government had been proposed in those days Federation would never have been brought about, and had the present proposals been presented in peace-time I do not think there would have been the slightest chance of their being agreed to. In a unitary Government, as Dr. Evatt says, it may be necessary to delegate certain powers to the States. Those powers can be taken away just as easily as they can be delegated. That is the difference between a unitary form of government and the present form of Commonwealth Government.

The Premier: That is the South African system.

Mr. PATRICK: Yes. In my opinion the main grievance Dr. Evatt has is against the Australian people. He said that in 42 years 18 constitutional referenda had been submitted to the Australian people and that only three had been accepted. He believed that the 15 rejections had been brought about because the people could not be sure how the proposed powers would be used. The people should be taught more about the objects sought.

The Premier: That was pretty vague.

Mr. PATRICK: Yes. I favoured some of the proposed changes. It will be remembered that there was a referendum on the question of extending the Commonwealth's powers in connection with marketing. The State Government of the day strongly opposed the proposal. I think the member for Nedlands went on the platform at the Town Hall with the then Premier, Hon. P. Collier, to make a special plea to the people to reject the proposal.

Mr. Hughes: And once you agree to anything of the sort you lose control.

Mr. PATRICK: Yes, and in this instance all power is to be given to the Commonwealth Government. I do not agree that the people lacked intelligence in that they could not understand the proposals referred to by Dr. Evatt. I would not say the people indicated lack of intelligence because they disapproved of the proposal to nationalise monopolies. Everyone knows what monopolies are. There is a very strong argument in favour of a proposal of that nature, but the people rejected it. Dr. Evatt seems to imply lack of intelligence on their part in that they did not understand the proposal. I think infinitely more difficulty will be found in understanding the proposals that are now to be submitted to the people by the Commonwealth Government, when contrasted with the simple issues of the past. Dr. Evatt quoted the four methods that might be availed of in dealing with such a matter. He said—

> There were four methods by which changes could be made. First, detailed alterations could be drafted to Sections 51 and 52 of the Constitution, adding new powers and deleting limitations. This method, which hitherto had been usual, made it very hard for the layman or even the lawyer to understand the effect of the changes.

That is the ordinary constitutional method, namely, to add some powers to the provisions in the Constitution dealing with the functions of the Commonwealth Government. Then Dr. Evatt went on to say—

> Secondly, that the whole Constitution could be rewritten——

That is a nice proposal to make in these days.

> ——on the basis of, say, the South African model; but that could hardly be done in wartime.

The Union of South Africa system is purely unitary, and has been devised to operate in the country where the white population represents only about one-quarter of the total inhabitants. There are several sections in the Constitution which would never be accepted in any ordinary British community. For instance, under the South African Constitution the migration of people within the Union can be controlled. I do not think we would accept control over the movement of people from one part of the Commonwealth to another in normal times. In South Africa such movements are controlled no doubt because of the very large population of blacks in the Union. The system in the Union is not comparable with that obtaining in Australia, because we have not such a large black population to deal with. Quite evidently the Constitution of the Union of South Africa is unitary, with very few federal pretensions. The Union Parliament has full control over everything but may delegate some questions to the Provinces to deal with, nevertheless still retaining paramount rights even in respect of such questions.

So, in South Africa, there can be legislation both by the Provinces and by the Union, but the Union has the paramount power. In addition the Union has the right to veto any Provincial Act, and no such Act can become law without its agreement. Further than that, the Union appoints an administrator to each Province and those administrators take an active part in the government of the Provinces and in influencing Provincial legislation. Finally, the South African Union, under the Constitution, can at any time abolish one or more of the Provinces by means of a single Act of Parliament. It could wipe out all the Provinces by means of a single Act. One authority on the South African Constitution has stated that those powers are "not so much mere theory." Dr. Evatt in his speech went on to say—

> Thirdly, the division of powers could be written on the Canadian model giving residuary powers to the Commonwealth and only such powers to the States as were enumerated; but there were objections to this.

I shall now proceed to point out what are his probable objections to the Canadian model. Canada, while enjoying a Federal system, differs from the method adopted by its great neighbour, the United States of America, in that the Canadian States have certain defined powers—I hope members will take note of this point—and all that is

not so defined remains with the Dominion Government. That, of course, is contrary to the conditions that obtain in the United States and Australia. Canada also has the power to disallow any Provincial Act within a year of its passing. That is contrary to the Constitutions of the three great Federations—the United States of America, Switzerland and Australia. There is no power, of course, in the Australian Constitution that enables the Commonwealth Government to veto a State Act that is within the State's constitutional powers.

The three countries I have mentioned are probably the best examples of a Federation. One interesting fact that may be mentioned in passing relates to the amending of a Constitution. That is the one direction in which the Constitution of the United States of America differs from that of Australia. The States can initiate amendments to Federal legislation, and it is done in this way: On the application of two-thirds of the State Legislatures, the National Parliament must call a convention for considering proposed amendments, and such amendments are effectual as part of the Constitution if ratified by the Legislatures of three-fourths of the States. Had we a provision of that description in our Constitution, we could seriously alter the present Commonwealth Constitution if two-thirds of the States were to order the Commonwealth Parliament to call a convention and any amendments submitted were re-enacted by three-quarters of the State Legislatures and thus became part of the Commonwealth law. If that were the case here it would put the States in a very strong position.

In Switzerland the circumstances are somewhat different. There they have 22 cantons, which are the equivalent of our States, and each canton has its own Legislature and Executive. The Federal system there has endured for nearly 100 years—without any tinkering with it. The system differs there in that the people have greater power because they have that of the initiative and referendum. The cantons, on a petition from 5,000 electors, can require that any Act passed by the Legislature must be referred back to the people. Such referenda have been held very frequently, and legislation has been thrown out after being passed by the canton legislatures. As for the central Federal Parliament in Switzerland, a petition signed by 50,000 electors is required before a Bill must be referred to the people prior to its taking effect. The veto of the people has frequently operated successfully in that respect.

Reverting to the position in Canada, Dr. Evatt indicated that he did not favour copying the Canadian system. Possibly the reason for his attitude is that under the British-North America Act, the States' powers are clearly defined and the remainder rest with the Dominion Government, which cannot take away any of the powers granted to the States. In fact, any of those clearly-defined powers can only be assumed by the Dominion Government if they are surrendered by the States themselves.

Mr. North: That would not suit Dr. Evatt.

Mr. PATRICK: It would not suit him at all. On the other hand, in war-time, in Canada, as in Australia, the Dominion Parliament has all the powers that are essential for such a period. As in Australia, the Central Government in Canada desired to control taxation. It therefore secured control of the income tax and other taxation as has happened in Australia. In Canada the move was strongly resisted by the Provincial Governments, as it was resisted in Australia by the State Governments. The Dominion Government convened a conference to deal with the matter and the Premier of Ontario, which is the largest Province in Canada and contains nearly one-third of the population, speaking in the Ontario Parliament in 1941, said—

> There were serious doubts as to the advisability of calling a conference of this nature in wartime. They had done this country a great service when they had said "no."

Presumably he refused to attend the conference. The Premier continued—

> Quebec, too, would never be agreeable to any changes that would centralise power at Ottawa. The Dominion was asking the Provinces to relinquish certain powers in perpetuity, not merely as a wartime expedient.

As a matter of fact, the delegates from Quebec and Ottawa walked out of the conference. However, the position we are faced with in Australia is exactly that which faced the Canadian Provinces. We are now asked to surrender powers in perpetuity and not merely as a war-time expedient. In the case of Quebec, the second largest Province with 29 per cent. of the Canadian popula-

tion, the following passage occurred in the Governor's Speech in 1941—

While lending themselves to a co-operation essential to the maintenance of their confederation, they would uphold the preservation in their entirety of the rights and privileges upon which rested the autonomy of the Provinces.

Then in 1942 the Premier of Ontario, speaking in Parliament, said—

An agreement was proposed between the Dominion and the Provinces as to the amount of compensation to be paid for the surrender of certain taxes.

That is just the same as in Australia where the Commonwealth has paid to the States certain amounts as compensation for taking over the field of taxation. The Premier of Ontario continued—

Ontario insisted that a clause be inserted in the agreement declaring that the Provinces had neither abandoned nor given over to the Dominion any of their rights as vested in them by the British-North American Act. To that the Dominion had agreed.

In the Governor's Speech delivered at Quebec in 1942, the following appeared—

The agreement with the Federal authorities was of a temporary nature and their Constitutional rights must be fully protected.

So members can see that in some ways the Canadian Provinces hold a more satisfactory position than the Australian States, because their powers are clearly defined and cannot be so easily taken from them. That probably accounts for Dr. Evatt's objection to re-writing the Constitution of Australia by adopting the Canadian form. Then we have Dr. Evatt's statement that—

There remained the plan of allotting to the Commonwealth a broad but specific power——

I am glad the Federal Attorney General used the word "specific," because nothing he has said about the proposed alterations has been specific.

——to carry into effect Australia's war aims and objects, including attainment of post-war economic security and social justice.

Further on Dr. Evatt said—

It was proposed in the Bill to insert alterations not in that part of the Constitution containing the principal existing powers of the Parliament but in a separate part. No time limit was fixed for the duration of the war aims and reconstruction powers.

In saying that, Dr. Evatt admits that he has not fixed any time limit respecting the powers that are to be assumed by the Commonwealth. It is easy to make such remarks. Dr. Evatt went on to say—

But the problem went deeper. This country, like the other United Nations, had pledged itself to achievement of the Atlantic Charter objectives. To honour those pledges Australia must be endowed as a nation with adequate legislative powers.

I want to know why it is not necessary for the United States and Canada to be endowed with similar powers. Presumably those countries intend to carry out their obligations under the Atlantic Charter and the "Four Freedoms." The Leader of the Opposition quoted a recent statement of mine that the extraordinary powers granted to the Commonwealth Government by the people were intended only for the duration of the war.

As regards the powers now asked for by the Commonwealth, they could easily be arranged with the States. The States have previously surrendered powers—in regard to aviation and the flour tax, to give two instances. Many of the matters mentioned by Dr. Evatt could easily be carried out in co-operation with the States. We know that after the last war most of the Federal plans, for housing, for example, were carried out by various State Government departments. I believe that where they were carried out directly by the Commonwealth Government, they proved far more costly than the workers' homes provided by this State. Indeed, I maintain that such homes were constructed much more economically here than was the case in any other Australian State. Does the Commonwealth wish to duplicate State activities with scores of expensive boards of which we have so many already? There is no need for that. Take water supply and conservation! All the States have skilled men capable of dealing with those matters. Our Public Works Department could co-operate with the Commonwealth in carrying out water conservation. The only requirement we have in that connection is finance. Let the Commonwealth Government provide the necessary finance, and our State department will carry out the work far more economically than the Commonwealth could.

Dr. Evatt says he intends to delegate certain powers to the States. He declares that the States would not be destroyed, that the Commonwealth would have to delegate powers to the States and local governing bodies. The learned Doctor also states it is better that the Commonwealth Parliament

rather than the High Court should decide questions which are not really legal issues. But that would be a complete departure from the Federal system of government. Both in the United States and in Australia a High Court was set up to deal mostly with disputes between the Federal or Commonwealth Government and the States. What position would we be in if we had not a right of appeal to the High Court? The Commonwealth Legislature might easily put up matters detrimental to the small States, and probably unconstitutional, with the aid of Federal representatives of the larger States; and yet we would have no right to appeal to the Federal High Court. In this connection an interesting statement appears in this morning's paper. It is a statement made by the Most Rev. Dr. J. D. Simonds, Coadjutor Archbishop of Hobart and Coadjutor Archbishop-elect of Melbourne. I quote from "The West Australian"—

> He was commenting on the proposed amendment of the Constitution, and counselled the people to be on the alert that individual liberties were not infringed permanently. The German Reichstag and the French Chamber of Deputies have gone through the formality of voting away their powers, he said, and he trusted Australians would never give away their rights like that, or if it were necessary to do it, that any abrogation of their rights would be only for a time, not more than three years at the most.

No doubt the reverend gentleman was referring to the taking-away of powers from the High Court. I recently argued that it would be perfectly right for the State to give the Commonwealth powers for a period —during which we would see how things worked out—and thereupon appeal to the people in the calm atmosphere of peace. The Commonwealth already has extensive powers not expiring until 12 months after the end of the war. There would be no objection to giving a further extension of those powers and letting the people see how the arrangement worked out. That could be done without amending the Constitution. The Commonwealth scheme had already carried out some big works in co-operation with State departments—for instance, the transcontinental railway and broad-gauge railways in the Eastern States, and a large irrigation scheme in the Murray River basin, for which the Commonwealth largely provided the finance. Further, if the States wanted to bring about a uniform guage throughout Australia, they would give the necessary permission and the Commonwealth could furnish the necessary finance.

This seems to me a deliberate attempt to use the war in order to destroy the Federal system. I am convinced that what is proposed will never function satisfactorily in this huge continent. The other States are appallingly ignorant about Western Australia. Their daily papers for days at a stretch are without a reference to Western Australia, though other States are freely mentioned. It is a fine thing for this State that we now have so many Victorians, New South Welshmen and South Australians here; for they will return with some idea of the troubles facing Western Australians. Development will go to the States with the greatest political power. I mentioned the other day that what we required was an extension of the Federal system. In New South Wales everything is dragged into Sydney. With an extension of Federal powers, we would get decentralisation, and probably a much better form of government.

Our only hope, as the Leader of the Opposition has said, should the motion be carried, is to engage in a struggle for home-rule which would probably last for many years. The people would become so disgusted with a Government centred in Canberra, that they would make a strong attempt to break the Federal union. Therefore I maintain that we should fight this proposal as a State and as a people, and with every means in our power. I support the motion.

On motion by Mr. North, debate adjourned.

## MOTION—FORESTS DEPARTMENT.

*As to Cutting Rights.*

**HON. W. D. JOHNSON** (Guildford-Midland) [4.11]: I move—

> That in the opinion of this House the Forests Department's persistent refusal to make available cutting rights on the Crown forest lands within carting distance of the sawmills now operating in the metropolitan area is unfair discrimination between the people of the metropolis and those of the country districts; it limits and/or prevents healthy competition, and consequently makes sawn timber relatively dear to consumers in the metropolis.

I want the House to appreciate that I bring forward this subject as a matter of principle. While it will be necessary for me to mention and quote individuals, I am not directly asking the House to be favourable

to any one individual. My desire is to see that sawmills operating in the metropolitan area shall be kept in operation. I wish the House to understand that these sawmills, now liable to be closed down, have been operating for some years under a policy which now exists, and to which I am taking exception. The sawmills in question have been operating as valuable adjuncts to the Forests Department of Western Australia by cutting all trees of millable class on private lands, thereby doing the State a service over the years. There was no need to protest earlier, although the system has been in operation since 1928. However, it did not detrimentally affect the metropolitan area between 1928 and the present time, because during that period mill logs were available on private property, and the sawmills would purchase these in sufficient quantities to go on operating and to service customers patronising them in the metropolitan area.

Those private areas are now cut out; but I would emphasise that had the timber not been cut for milling purposes—the most remunerative way in which timber can be used—those trees in many cases would have been destroyed by over-maturity or in other cases by fire. Therefore I submit that the Forests Department has shown no gratitude to the mills which have rendered good service, but has adopted a short-sighted policy in refusing to allow them to continue operations by giving them access to Crown forest lands that are within carting radius of the same area in which those mills have been operating over the years. I have been trying for some time to get the Government to reconsider its policy in view of present circumstances. There was no need to raise the question before, because, as I have said, timber was available until quite recently. The matter first arose on the 22nd April last, when the Deputy Conservator of Forests wrote a letter in the following terms:—

> With reference to your request for logs for cutting at your mill at Midland Junction, I have to advise that log supplies cannot be made available from Crown lands. Applications of a similar nature have had to be refused in the past. Milling timber remaining on Crown lands is limited, and the cutting of this timber has been planned to provide supplies for existing mills drawing logs from the forest.

When I first read that communication I could not grasp its meaning; but in subsequent discussions with Mr. Stoate, the Deputy Conservator, I ascertained that the department's policy is to make logs available to mills operating actually in the forests from which the logs are obtained. For that reason metropolitan mills could not obtain logs, since they would not be cutting where the logs are produced. The economical arrangement operating in the metropolitan area has been to bring the logs to the mill and not take the mill to the logs.

[Resolved: That motions be continued.]

Hon. W. D. JOHNSON: I was observing that the policy of the private mills in the metropolitan area has been to bring logs to the mills instead of taking the mills to the logs. The advantage has been that there has been no waste other than the sawdust. As a matter of fact, in my district, both in Guildford, where A. D. Jones has been cutting for some time, and at the West Midland mill, all the sawdust has been used by the municipalities of Guildford and Midland to fill in low-lying areas, swamp land, etc., to the advantage of the district. In Guildford a low-lying portion was raised almost to the road level. Then a liberal covering of Guildford clay was made on top of the sawdust after it had remained there for some time, and on top of that was constructed a number of tennis courts that are being used to this day. So it can be said that even the sawdust is not lost by cutting taking place in the metropolitan area, and the face-cuts cut up for firewood have been an asset to housewives of the metropolitan area and of particular advantage during the period when we were so short of firewood.

Mr. Sampson: Would not sawdust poison the soil?

Hon. W. D. JOHNSON: I do not suggest that swamp land can be raised with sawdust and that then vegetables can be grown thereon, but swamp land can be raised and covered in a way to make it serviceable for tennis courts. In one part of Guildford, I think, there are three cottages that were built on top of what was a clayhole. This was first filled with sawdust, which was left to rot for some years and was ultimately covered with soil. The cottages are there today, and seem to be quite sound. I do not want to go into that phase, but it proves that there is no waste when logs are brought to the mill and the mill is domiciled in the metropolitan area, because everything is used.

Mr. McKee, who owns the mill which has been operating in Midland Junction, brought his difficulty under my notice. I sympathised with him because I knew the work he had been doing, and was aware that he had been quite a valuable citizen and a good employer of labour. I felt that, seeing that he had been a servant of the country within a carting distance, it would be a simple matter to arrange not for him to have the right to own any of the forests, but for the forests to be thrown open for competition so that he could make application and, if successful, could carry on his many operations; while if anybody else was successful the timber would still be milled in the metropolitan area. In other words I thought it would be wise to make the timber available within the 15-mile carting distance which is declared by the Transport Board, and to have the timber in that area reserved for consumption in the metropolitan area.

On the 14th May, in response to my representations, the Premier, as Minister for Forests, wrote to me explaining the policy of the department, and pointed out that in the circumstances the application made by me on behalf of metropolitan sawmillers and particularly the one in my electorate, could not be reconsidered. The Premier conveyed that he thought the policy reasonable. He sent me a covering letter giving me, for my own information, the details associated with the position. I am not going to make those public because the Premier gave them to me, and I think it is understood by members that when such information is given it is given for one's own use. However, the Premier will forgive me if I read one clause because it has such a bearing on the matter, and I will not in any way cover the more or less private policy matters referred to in the letter. As a matter of fact, it would not do much harm if I read the whole lot, but I do not propose to do so. Clause 5 states—

> In regard to Mr. McKee's claim that he was supplying 90 per cent. of the City Council's requirements and military and other orders that could not be supplied by the other firms, investigations had shown that only a very small percentage of the City Council's requirements had been supplied by him and that there was no shortage of timber in the metropolitan area.

I had already had assurances that there was a definite scarcity of timber. I discussed with Mr. Stoate, in his office and over the telephone and in other ways, the misleading statements that challenged my contention as conveyed to me by Mr. McKee that there was a shortage of sawn timber in the metropolitan area at that period. I have here a letter sent by the Military authorities to the Forests Department regarding defence requirements. It reads as follows:—

> R. & I. McKee, sawmillers of Midland Junction, are contractors for the supply of timber to the Department of the Army which at this stage is urgently needed. It is understood that the above millers have obtained a cutting concession over a large area adjoining Toodyay and the conditions are that they mill the timber on the area. This, I understand, provides for the establishment of a mill. To prevent the holding up of any important and urgent requirements for defence it is requested that the above millers be permitted to carry on cutting at their present site until the new mill is established and producing at a sufficient rate to comply with defence requirements. I would like to point out that this firm has given good service and any drop back in their supply would seriously hamper defence arrangements both for our and Allied Forces in this area.

Mr. T. A. Dudley is the proprietor and controller of the General Timber Company. He is of the firm of Dudley & Dwyer, builders and contractors, who operated so extensively in the metropolitan area for some time and later established the General Timber Company under the guidance of Mr. Dudley. Mr. Dudley wrote to me about the same matter. He said—

> It has been brought to our notice that the sawmill of Midland Junction owned by Mr. McKee may be forced to close down through not being able to obtain logs. To a fair extent we depend upon this sawmill for our supplies of jarrah scantlings and the position for us will be serious if Mr. McKee has to close down. We have tried without success to obtain supplies of jarrah from other sawmills. Of course we cannot buy our supplies from the bigger companies as their prices to us do not allow us enough margin to trade profitably. We shall be glad to know if you can render us some assistance in this matter. We have written to the Forestry Department in the matter.

Therefore we have at the same time from the Defence Department and from a private individual a clear statement that supplies in the metropolitan area were short. I have quoted those two letters to show that I had made a statement to the Forests Department that there was a shortage of timber, and a statement regarding Mr. McKee supplying the City Council which had been misrepresented by the Forests Department's correspondence. What I did say was that over the last five years—and that was the period when Mr. McKee had the major part of the

timber concessions on private land and had ample supplies—he supplied to the City Council up to 90 per cent. of its requirements. Mr. Stoate made inquiries at the period when Mr. McKee and others had been forced to cut extensively for military requirements and little, if any, for the City Council, and then questioned the accuracy of my statements. Members will, therefore, understand the reference in this letter that I am going to read, and which I wrote to the Premier on the 2nd June. It is as follows:—

The day you were leaving for Canberra, I saw Mr. Doig and suggested that the matter of the cancellation of McKee's timber-cutting rights recently acquired by tender in the Toodyay area be held over pending your return as there was no time between the receipt of your letter for me to contact you in order to discuss this important matter. I am now informed by Mr. McKee that his deposit on this area has been returned. I do not know whether this means that the matter has been closed, or whether it is still open for further discussion.

I submit that the Forests Department's policy of gradually closing down on the metropolitan area sawmilling operations is too drastic, and under the conditions of trading in timber supplies in the metropolitan area it is distinctly unfair to the metropolitan consumers. The forests belong to the people and should be available for use in the most economical way and should certainly be free from cutting and marketing understanding, by which competition is deliberately restricted. McKee is a freelance competitor and his statement that he has supplied 80 per cent. of the City Council's requirements during the last five years is substantially correct.

During the recent period when supplies were inadequate for military and other orders, the City Council's supplies fell below the usual percentage, but that does not justify the discrediting of McKee's claim, covering as it did a five-years period.

I resent paragraph (5) of your letter of the 14th ultimo, as it questions the accuracy of my statements. I had conveyed this resentment to Mr. Stoate of the Forests Department before you wrote to me and I requested that an Army Supply officer be allowed to display to him a file proving that sawmills, including the State Saw Mills, in reply to timber orders had replied to the military stating that they could not quote. During this period McKee was struggling to keep military needs satisfied.

McKee has offered to put a mill on the area at Toodyay to cut the urgently needed sleeper supplies. This can and would be done by a steam-driven plant. McKee's plant at West Midland is electrically driven and would not be suitable where electric current was not available. He consequently put up the same business proposition that he be given permission to take his Midland plant as near to the timber cutting at Toodyay as would be possible from an electric current supply point of view. This, of course, entails the conveying of jarrah and possibly other logs from the Toodyay area to the electric plant, but why not?

The above request was refused by the Forests Department and it would now appear, unless wiser counsels prevail, that the electric plant and McKee's competition is to be silenced, and I submit in all earnestness that this is not sound public policy. From a State revenue point of view the Forests Department's policy might be more lucrative, but I appeal for more consideration of services and less of these profit-making arrangements.

On the basis of service and free marketing, I urge that McKee be given a cutting area that will keep his Midland mill in operation. There are suitable areas adjacent but they are supposed to be emergency areas. Are we not going through a period of acute emergency? Is this a time when an up-to-date plant servicing military and metropolitan consumers' needs should go out of production?

In conclusion, I suggest that you endeavour to keep McKee working by giving him a cutting permit to bring jarrah from Toodyay, as he has suggested, or give him some alternative whereby he can maintain supplies.

I am prepared to meet you at any time, in company with Mr. McKee, for a discussion of this very important and urgent matter, if you so desire. I do submit that it cannot justly be left where it is at present.

Yours faithfully,

(Sgd.) W. D. Johnson.

P.S.—I would also point out that McKee is a firewood supplier up to the full extent of his sawmilling face cuts. I believe he supplies many tons per week to Midland Junction and adjacent areas. Can we afford to discontinue such services at present?

(Sgd.) W. D. Johnson.

Actually it is 30 tons per week. That letter, of course, really covers the matter of principle I am now raising. I am sorry the Premier could not see his way clear to appreciate that there would be after all a time when the 1928 decree should be considered. Even if there was no war, or other difficulty, it would have been worth while to reconsider it, in view of the fact that all the private lands had been denuded of serviceable stock. In reply to that letter, I received this communication from Mr. Wise, who was then Acting Premier.

Mr. SPEAKER: The Minister for Lands.

Hon. W. D. JOHNSON: Yes!——

With reference to your letter of the 13th inst., regarding the position of Mr. McKee's sawmill at West Midland, I desire to advise you that it is likely that Mr. Willcock will be absent from the office for some little time, and Mr. Coverley has been appointed Acting Minister for Forests. Will you kindly get in touch with Mr. Coverley and request that he receive the suggested deputation?

The reason for that letter was that the Midland Junction Municipality, during the time I had been having these discussions with the Conservator of Forests and the Minister, had become impatient and alarmed because it could see, through the falling off in the consumption of electricity by Mr. McKee, that he was being gradually strangled. I propose to read, although they are fairly long, the notes of the deputation. They emphasise the injustice. The Minister for the North-West received the deputation, as suggested by the Minister for Lands, and it took place on the 15th August. Members will say that there was a good deal of patience exhibited because I first raised the question in April but did not reach the deputation stage until the 15th August. There was a period in between when we had secured an additional area for metropolitan cutting.

The deputation was introduced by me, and comprised Messrs. A. W. Pauley, the Mayor of Midland Junction, F. Gawned, Town Clerk; W. K. Crosbie, Secretary Swan Road Board; J. Brady, representing the A.L.P., Midland Council; H. McLean, Councillor; T. A. Dudley, Retail Timber Merchant and R. McKee, Sawmiller. I propose to read these notes although it will mean a certain amount of repetition. They are as follows:—

Mr. Johnson: This matter has been the subject of discussion with the Minister and with the Forests Department for some time. It is whether timber in the bush within the recognised carting distance of the metropolitan area should be available to metropolitan sawmilling operations. It has come to a head by Mr. McKee, who is a sawmiller at West Midland and who has been operating for some years, having been informed that no Crown lands—although adjacent and within the fifteen-mile radius—can be made available for cutting.

McKee has operated on private land and has done a service inasmuch as if he had not operated on this area the timber he has produced would in all probability have been burned out. He has supplied local governing bodies in the district with much of their timber requirements—both ordinary building material and bridge timbers—and the waste product of his mill has been used as firewood. At the present time when this commodity is so difficult to obtain McKee's mill is providing a considerable quantity of firewood.

According to Forestry Department policy metropolitan trade should be available to the country operated mills in addition to overseas trade which is almost exclusively theirs. That is all right provided the metropolitan mills had proper competition. The Sawmillers' Association is a big combine and they can oust fellows like McKee. They have big areas over which they have the right to cut timber. I am informed that the carting distance for logs allowed by the Transport Board is 15 miles and I am sure that within this distance there is ample timber available for cutting that would meet the requirements of the metropolitan area for some time; even within 15 miles of Midland Junction. They say this is a reserved area—an emergency area. Is not that emergency with us at the present time? This is not the time to close down mills when timber can be used to advantage.

The position is McKee has reached the stage when he cannot get the logs to cut. Circumstances have brought the matter to a head. We do not want special consideration for McKee but when the timber is there within the 15-mile radius we feel it would be doing a service to the community for the Forests Department to give a permit. It would be to the advantage of conservation as the Forests Department reserves the right to mark the trees which are to be cut and thereby govern the quantity, more so as I understand that this area is maiden bush and quite a number of the jarrahs and wandoos have reached maturity and are now on the decline from a timber point of view. In addition, there have been losses by fire in the area.

There is another aspect. McKee's mill is operated by electricity which he gets from the Midland Junction Council. If he is compelled to go into the country he must obtain a steam plant, which is unprocurable at present. Not only do we scrap McKee, but also McKee's plant. In addition, the Midland Council loses the sale of a considerable amount of power. The Midland Junction Council and kindred bodies have asked me to make these representations.

Mr. Pauley: As a representative of the Midland Council I would like to point out that this is a populous district and McKee's mill is providing a service for the needs of this centre. Also, he is one of our largest consumers of power and when the mill was fully operating he was taking something like 3,000 units per month but his consumption has now dropped down to 350 units per month.

We think there should be some explanation forthcoming so as to enable my council to form the opinion as to whether McKee has been given proper consideration in his request for an area in which to cut timber. He has put in a large electric plant and McKee has informed my council that if he can get the cutting rights he has ample orders to fulfil.

Mr. Crosbie: I am here to represent the Swan Road Board and I support what Mr. Johnson, M.L.A., has said. There is one point I cannot understand—if there is no other land upon which the Government will let him operate within reasonable distance why is it they will not allow him to operate anywhere else? I understand he was the lowest tenderer recently and that was cancelled by the Forestry Department. Does he have to move his plant to where he cannot get electricity—is that the reason the tender was cancelled? Is it because he cannot put in a steam plant or otherwise?

The reason we support this request is because ours is a large rural district and the mill has been a beneficial adjunct to us. For instance recently it took us two months to get sufficient material to repair a bridge on the south side of the abattoirs, but if McKee had had the logs it would have been a different story. We made application to the Department of Supply and received approval within a day or two but we had to wait eight weeks for delivery of the timber. Owing to the dangerous nature of the damage to the bridge it was quite possible that an accident could have occurred and the board sued for damages. The timber had to be brought all the way from the South-West and repairs had to wait.

There is another aspect—people are crying out for timber for air-raid shelters and cannot get it and the same applies to firewood. A local mill within reasonable distance of the metropolitan area is a decided advantage. It does not deter anyone from doing business with the large timber companies but it has the advantage of the consumer not having to pay freight on long distance and all the waste can be used as firewood, not destroyed as is done by the country mills.

Mr. McClean: I am pleased to support the claims already made on behalf of McKee's mill, particularly from the firewood point of view. None of us will deny that the position in regard to firewood has been very serious and if they are going to stop this mill the position will become very serious as far as the Midland district is concerned. There are definitely hundreds of people who have not had a fire this winter and that is why I am supporting this deputation. There is another angle—certain timber combines may be throwing their weight about. However, I feel that every consideration should be given to the continuance of McKee's mill, particularly at the present time.

Mr. Dudley: I am a retail timber merchant without a sawmill in the country. I rely on these small mills for supplies. I am depending on fellows like McKee. Regarding the shifting of electric plant as it concerns McKee, if the other mills are stopped, they, too, have their mills running by electricity and will be thrown out of production if they have to alter to steam. There has been a serious shortage of timber—a lack of mouldings and scantlings.

If we did not have small mills like McKee's, retailers like myself would not be able to carry on our business. To reserve timber to country operated mills would create a monopoly. You must also take into consideration that these small mills tend to keep prices down. Whilst they get a reasonable return we pass it on to the purchasers, which is of some benefit, because most of them are workers or small settlers endeavouring to build a home. We propose to protect the export trade and at the same time create a shortage of houses in our own State. Why should the people of Western Australia suffer for the benefit of big combines? If these small mills are forced to close down it will mean I will have to go to the big timber merchants, pay a higher price, which I will have to pass on to the workers.

Mr. Brady, of the A.L.P., Midland Junction, stated—

The Premier: Surely you do not want to read all that.

Hon. W. D. JOHNSON: It is necessary for me to make out my case because I feel deeply on the matter. I have been trying to get something done for months and, now that I am on my feet, I want to put the whole case on record. To quote the views expressed at the deputation is the easiest way of doing it. I want to read the words of the deputationists, and I read better and faster than I speak.

Mr. Brady: As a resident of Midland I am interested in the welfare of this mill. The question of firewood supply in this district is particularly acute. A number of men have thrown up wood-cutting for more lucrative employment. The woodyards will only supply to old customers. The only man who will supply to all and sundry is McKee. It is a disgrace that people cannot get fuel.

In comparison with the associated mills there is a difference of £20 to £25 in the quotes for a small cottage in excess of the figures quoted by McKee's mill. I think it would be a retrograde step for the Government to allow big monopolies to cripple a man like McKee. I hope his application will receive the fullest consideration. As far as I know McKee is a good employer. All the time I have been at the Trades Hall I have heard no complaint. He pays his employees full wages.

Mr. McKee also dealt with the matter. I did intend to read the Minister's reply to the deputation, but in deference to the wishes of the Premier, I will not do so.

The Minister for the North-West: You ought to read it.

The Premier: You have quoted the views of many different people whereas you might have bovrilised their statements.

Hon. W. D. JOHNSON: In the past I have been reproached on the score of having cited only one man's opinion and asked why I did not quote other authorities. I do not intend to be caught like that again. This is a matter of some concern to the metropolitan area and I am expressing, not my own views, but those of people who discussed the matter with the Minister. Mr. McKee said—

The Forests Department is conserving this area which is maiden bush. It has never been cut over and a lot of trees have reached maturity and their prime. If this bush had been cut over before, it would have assisted the growth of the younger timber. There is a tremendous number of trees that have reached maturity and are now deteriorating. It is well known that even if the Forests Department

were to grant any cutting rights, they still reserve the right to mark the trees which I am permitted to cut down.

There is another point—regarding poles. I have gone over this country very thoroughly and have a good idea of the number of poles being carried. I am of the opinion there is something like 20,000 or 30,000 poles with a six or eight-inch crown in that area, and although there is an urgent need for these poles, I am not allowed to cut one.

I have a letter here from the Kalgoorlie Power and Light Co. requesting the urgent supply of poles, but the Conservator would not permit them to be cut, with the result that this company had to wait for months and bring them another 200 miles from the South-West with the consequent increase in freight to Kalgoorlie.

Now I will give the reply of the Minister for the North-West—

I am pleased to hear your representations and arguments on behalf of Mr. McKee's mill. However, there are one or two points I would like to make clear. Mr. Johnson has left the impression with me that McKee could get no further concessions and that the matter had now come to a head. This is not so. In 1928 the Forests Department recommended a policy of reforestation and the then Government agreed to the recommendation. Part of that policy was that no cutting rights would be granted on Crown land in the metropolitan area. Mr. McKee was fully aware of this, but as he was operating on private land, it did not affect him until such time as the private lands cut out of timber. I take it that time has now arrived, but I cannot agree that the action of the Forests Department has brought it to a head.

The Forests Department has pursued the policy laid down and McKee has been advised, in response to numerous applications, that cutting rights could not be granted. If he took no heed, then it can hardly be said that the department is at fault.

Mr. Pauley raised the question of why he should be forced to move his plant. That is not the Government's responsibility any more than it would be when a mining town closes down. In the case of the latter, that is a risk which has to be taken where any raw material is concerned, and equally applies to sawmilling operations.

Mr. Johnson has given me the impression that something has happened just recently in regard to McKee's mill, but the same position has operated since 1928. Whilst I feel sorry for fellows like McKee, it is not within my province to dictate governmental policy. That is the prerogative of Cabinet. You can rest assured that I will place the facts before Cabinet after I have had an opportunity of discussing the matter with the Conservator of Forests.

I would like to point out, however, that the Government has to consider these matters from a State-wide point of view. We do not view it parochially. For a long time Western Australia depended on its export trade, not only in regard to timber, but in many other commodities. Large sums have been expended on railways with a view to assisting the development of the State. Above all there is the question of employment to be considered. The large combines referred to by speakers are big employers of labour. The State Saw Mills, which is not the biggest, employs some hundreds of men each week. All these facts must be taken into consideration when policy is being decided and laid down.

Regarding the supply of poles, if Mr. McKee quoted to the Kalgoorlie Power Co., he did so with the full knowledge that he acted without the prior authority to cut and therefore was not at liberty to tender. Of course you are at liberty to do these things to foster your own interests and those of the district, but you cannot lay the blame at the Forests Department for anything of this nature. These poles, if they are left, will not be wasted, as they are growing into millable timber.

Nevertheless, you can rest assured that all the points you have raised this morning will be fully gone into. More than this, I cannot promise you, except that we will certainly take into consideration the fact that conditions are very much different today from what applied in 1928, and this fact will not be lost sight of. As far as McKee's tender being the lowest and then being cancelled is concerned, I am not aware of the circumstances of this but will look into the matter.

That gives a very good review of the case as presented by the deputation. Now I wish to read other points that Mr. McKee has brought under my notice. While we were discussing the matter, I heard that the Education Department had a reserve in the Kalamunda district containing a fair quantity of millable timber, some of it matured trees. I got into touch with the Education Department and found that my information was correct, so I advised McKee to make application for a cutting permit on that area. I pointed out to him that the Forests Department would have to advise the Education Department upon it. On receiving his application, the Education Department took it up seriously. McKee got into touch with Mr. Stoate, of the Forests Department, and ultimately a price was arranged and, under direction of the Forests Department, that area was cut out. McKee paid the price and milled under the direction of the Forests Department.

The Premier: That land belongs to the Education Endowment Trustees. We would not stop that.

Hon. W. D. JOHNSON: I quote that because members may think I was somewhat lax in allowing the matter to drift on from

April to August. During that period, however, I got cutting rights for McKee and then allowed the other matter to rest, hoping that wiser counsels would ultimately prevail. All the time, however, I was more or less in touch with Mr. Stoate. McKee has written as follows:—

> We finished cutting on the Education Department timber on the 30th May. For over two months the mill has been closed down. Mr. Stoate has consistently refused to make any further timber available, despite the fact that I have offered to cut sleepers. I have the offer of a very good order to cut sleepers and other heavy and long timber for the Commonwealth Government railways to be railed to Parkeston. This order is worth following up as we are favourably situated for freights.
>
> I had to let a pole order for 500 30 ft. poles for the Government Electricity Department go because Mr. Stoate would not make poles available in this district. Last week I had a very good order from the Kalgoorlie Power Corporation, 150 poles, but Mr. Stoate would not make poles available and took the order away from me. This was an urgent Royal Air Force job. I protested to the best of my ability to the Department for the Interior by letter over this order. A copy of the letter is attached.
>
> There are many poles being wanted in the metropolitan area and north-eastern districts and this is the lightest and shortest freight by rail, but Mr. Stoate will not consider any of these things. Between Chidlow and Karragullen there are tens of thousands of poles of all descriptions from 20 to 50 ft. in length and very close to railway sidings that could be got with a minimum of labour and cartage.

The Government must realise that poles are being cut on other forest land, and I do not think it sound to say that the poles should be allowed to grow into mature timber. While they are growing into mature timber, older timber is passing beyond the stage of maturity. The department should permit poles to be cut at the same time as the millable timber is being cut. The poles are required and there is mature timber to keep the mill going. McKee informed me that we have forest land within 15 miles of the metropolitan area carrying jarrah and other timber; there are 40,000 acres carrying well over 200,000 loads of mature millable timber. That does not include young growing trees. During the past 12 months the price of timber has increased by 15 per cent. in the metropolitan area, and I am informed that no discounts are now allowed.

If we take into consideration the discounts formerly allowed, we find the price has increased 25 per cent. in 12 months. I am also informed that for green jarrah in the rough the Defence Department was charged—or quoted, I am not sure which—£15 15s. per load. True, that was for big timber, 12 ins. by 14 ins., or 14 ins. by 14 ins., and 20 and 30 ft. in length. That class of timber is available within a radius of 15 miles of the metropolitan area; but the only suppliers who can quote for it are members of the combine. The combine was able to quote a price considerably above the actual value of the timber, because there was no reasonable competition. I am assured by the metropolitan sawmilling operators that they could have cut that timber at £10 10s. per load, as against £15 15s. charged or quoted to the Defence Department. I do not know whether that order has been finalised, but if the department secures the timber it will have to pay the combine's price because no one else can quote under existing conditions.

The position today is that orders for timber are plentiful. Everybody is crying out for timber and supplies are getting less and less. Recently, Mr. McKee secured an area from the Midland Railway Co. and he is today carting timber 35 miles. The area consists of poor sandplain country, which has very little millable timber growing on it. He is doing his utmost to fill his military orders and at the same time to supply firewood in the Midland district. As a matter of fact, he recently made representations to the Defence Department and secured cutting rights for firewood on the rifle range and other defence areas, upon which there is no millable timber. He has filled in his time and the time of his men and has used his electric plant to cut firewood, which he has supplied in enormous quantities to people in the Midland district. He tells me that his men and his plant today produce only about a third of the timber which they could obtain from a larger area. Members will understand that he obtains the right to enter upon an area in order to cut timber. When he enters upon the area he cuts as directed by the department's inspector, and he has to pay so much per load for the timber he cuts. He said that if he were in decent close bush, of which there is plenty available, he could, with the same staff and plant, easily produce three times as much timber per day as he is now producing. That is a serious matter. He is being pressed by the Defence Department for supplies. The Minister himself can make inquiries and he will find that there is a shortage of supplies of sawn tim-

ber—particularly poles—for military purposes. The Defence Department is crying out for poles; yet McKee definitely states that, with the same plant and the same labour, he could produce on other areas three times as much as he is producing from the thinly timbered area upon which he is now working.

We have been led to believe that the Government's policy is to take all possible short cuts and to get the utmost from each man and each machine, so that each man and each machine is utilised to the utmost capacity. McKee has said that he is ready to cut whatever timber is most urgently required, but he would appreciate some co-operation by the Forests Department. Although I have quoted McKee extensively, I do not wish members to think I am putting up a special plea for him. I like the man and admire the way he has worked up a business. He has wonderful gifts and is specially capable in the bush, and he employs the same ability in managing his sawmill. While I have that high regard for him, I do not wish the House to think that I consider he should receive special consideration. I want members to say it is reasonable that timber on Crown lands within 15 miles of the metropolitan area should be thrown open to competition by all the mills. If the Sawmillers' Association desires to establish a mill in the metropolitan area, there is no reason why it should not compete. The policy today, however, is to prevent competition. The policy is to prevent millers from operating in the metropolitan area. Twelve months ago, there were four mills operating in the metropolitan area; today there are only three. One is closed down, I assume because of shortage of supplies. Like McKee, these people have cut out all the available private timber. They have had to take the knock!

The policy of 1928 should not be the policy of today. Even the Minister who received the deputation was not enthusiastic about maintaining the policy of 1928 and saying that it was suitable for 1942. It was a suitable policy in 1928, because timber was then available and there was competition. The mills then operating were doing a service to the State and to the Forests Department. In 1942, when they can no longer operate because timber is not available, it is distinctly unfair to adopt a dog-in-the-manger policy and say, "We have got this timber but it is held for an emergency." How long is the emergency to continue? Surely, this is a period of emergency! Surely it is a wrong period to say that a well-equipped electric plant should be closed down! If McKee could shift his mill elsewhere, there might be some argument in favour of that contention.

No doubt the Minister, when replying, will quote the Toodyay experience; but in that case McKee tendered and, under the terms of the contract as far as I read them, he had no reason to suspect that he would be denied the right to take the jarrah logs to his mill, provided he cut the wandoo sleepers required by the Railway Department. There was nothing in that contract to indicate that he would be debarred from cutting in the area, where electric current was available. He tried to help the department when he found that it had placed that interpretation upon the contract. He suggested that he would remove his mill from West Midland to a position as near Toodyay as he could get, provided electric current was available. In other words, he was prepared to go to the very margin of the area where electricity was supplied. The department, however, refused his offer. It said the mill had to be placed in a forest and that McKee would not be allowed to cart logs to his mill. That is what I protested against. That policy was sound in 1928. It did not penalise the metropolitan consumer and it was not discriminating, as my motion says, between metropolitan and country consumers. Competition was equal and the price of timber was kept within reasonable bounds, but all that has gone by the board.

Mr. Marshall: Why was the policy right in 1928?

Hon. W. D. JOHNSON: Because then private lands were available. I agree with the then policy that it was well to compel to the utmost the cutting of timber which otherwise would have been destroyed. McKee has been cutting on private lands for years, but these have gradually been cut out. Of course, he had to pay royalty to the private owners. Had that policy not been adopted, the timber would have been chopped down in order to clear the land, and would have been destroyed by the many bushfires that unfortunately occur in areas adjacent to the metropolis. Goldfields members are aware that the most economic freight they can

obtain is from the metropolitan area. Recently I saw on a file of correspondence relating to the Kalgoorlie Power Co., a special appeal to the Forests Department to release timber that McKee could obtain and that was wanted for the aerodrome at Kalgoorlie. The Forests Department, however, remained adamant, even though the timber was required for military purposes. The company was compelled to obtain the timber from the South-West and so had to pay the extra freight. I presume it passed the cost on to the Defence Department. Districts apart from the metropolitan area are affected; timber should be provided for the goldfields from areas that permit of the cheapest possible freight being charged. I leave the matter at that. I trust the House will support the motion. I do not want to be accused of making an appeal for McKee; that would be unfair. I am appealing to the Government and to the House to say that timber within carting distance of the metropolitan area should be made available to the metropolitan people.

On motion by the Minister for the North-West, debate adjourned.

## MOTION—WORKERS' COMPENSATION ACT.

*To Disallow Fees Regulation.*

Debate resumed from the 9th September on the following motion by Mr. Watts:—

That Regulation 20 made under the Workers' Compensation Act, 1912-1941, as published in the "Government Gazette" on the 5th day of June, 1942, and laid upon the Table of the House on the 4th day of August, 1942, be and the same is hereby disallowed.

**THE MINISTER FOR LABOUR** [5.17]: This regulation sets out the fees to be paid to the chairman and members of the Medical Register Committee which, as members will remember, was set up following an amendment to the Workers' Compensation Act a session or two ago. The main obligation upon the committee is to ensure that the medical practitioners do not exploit the provisions of the Workers' Compensation Act. The fees are as explained by the Leader of the Opposition when he moved his motion for the disallowance of these regulations some three or four weeks ago. The fee for the chairman is seven guineas per sitting and for the ordinary members of the committee five guineas per sitting.

The Leader of the Opposition submitted that there was a good argument to be put forward against the fees on several grounds, one of which was that the regulation provides that the fees are to be collected not only for any meeting of the committee, but also for any adjourned meeting. He suggested to us, on the occasion of his speech in connection with this matter, that the committee might meet today for half an hour and because of some factor or another might find it necessary to adjourn until the next day, and the adjourned meeting might take only ten minutes or a quarter of an hour. He pointed out that legally the chairman and members of the committee would thus be entitled to draw the fees set out in the regulation for both the principal meeting and the adjourned meeting. Later in his speech he emphasised, and later on still in his speech re-emphasised, the fact that he believed the chairman and other members of the committee to be conscientious and honourable men. I put it to the Leader of the Opposition that even though the circumstances he suggested regarding a very short meeting and an even shorter adjourned meeting are legally possible they would never arise in practice.

Mr. Watts: You do not have to be dishonourable to have an adjourned meeting.

Mr. Seward: A radical change would have to come over human nature.

The MINISTER FOR LABOUR: It would be possible for meetings to be adjourned in the two instances described by the Leader of the Opposition, but I submit that no member of the committee would make any attempt to draw two separate sets of fees for any meetings which occurred along similar lines to those.

Mr. Watts: Even one fee would be too much.

The MINISTER FOR LABOUR: It would be if the meeting lasted for the very short period suggested by the Leader of the Opposition.

Mr. Watts: What guarantee have you that it will not?

The MINISTER FOR LABOUR: I have the guarantee emphasised by the Leader of the Opposition in his speech, namely, that the chairman and members of this committee are not only ordinarily conscientious and ordinarily honourable, but are highly conscientious and highly honourable. The reason why provision has been made in the

regulation for adjourned meetings is to meet the position that might easily arise of a medical practitioner being brought before the committee to answer a charge that might be preferred against him. It is quite easy to foresee that if a medical practitioner is charged with some serious offence under the regulations the meeting might occupy not only a full day in having the charges made against him and in defending them, but it might be adjourned, and the hearing and determining of the charges occupy not merely one whole day but several whole days. So it was necessary to place in the regulations a provision to cover adjourned meetings which might arise and be necessary in these circumstances.

Some doubt was expressed by the Leader of the Opposition whether the fees prescribed for the chairman and the professional members of the committee were reasonable or unreasonable. I think he had an idea, which might have become stronger or weaker since, that the fees prescribed for the chairman and the medical members are reasonable. In his speech he asked us to assume that the fees were reasonable. He then went on to say that even if we did assume that the fees prescribed were and are reasonable, why should the lay members of the committee receive the same fees? The reply to that is that the lay members are men of considerable standing in the community and that, by virtue of being members of this committee, they have to take upon their shoulders a good deal of responsibility. The fees were drawn up on the basis of the responsibility that each member of the committee would have to take upon his shoulders. The Leader of the Opposition knows well, and will freely admit I am sure, that the regulations do place very heavy responsibilities upon members of the committee. That responsibility on the shoulders of the medical members of the committee is really no heavier than that upon the shoulders of what might be termed the lay members of the committee. Therefore it is not considered desirable that the fees to be paid to the lay members of the committee should be considerably less, or less at all, than the fees to be paid to the medical members. Another argument by the Leader of the Opposition was that members of the Pharmaceutical Board, the Dental Board and the Medical Board do not receive any fees at all.

Mr. Watts: Members of the Medical Board do.

The MINISTER FOR LABOUR: They may, but I understood from the hon. member that members of the other two boards do not. The duties of the Medical Register Committee under the Workers' Compensation Act are very different in principle from the duties of members of the Pharmaceutical Board or of the Dental Board. The members of both those boards are drawn from the respective professions and take action from time to time to control those professions, to see that each member carries out his work in accordance with set principles and arrangements. Briefly, the main purpose of each of those boards is to look after the profession and ensure that everything is done as it ought to be. The main purpose of the Medical Register Committee is not to control the medical profession except in one important particular, and that is to ensure that no medical practitioner in this State does anything that could reasonably be construed as being exploitation of the provisions of the Workers' Compensation Act. So I submit that the purpose of the Medical Register Committee is rather different from that of the other boards mentioned.

The members of the Pharmaceutical Board benefit correspondingly with other members of the profession from the work done by the board. The members of the Dental Board benefit equally with other members of that profession from the work of their board. The Medical Register Committee, however, is a body to police the activities of medical practitioners, not in respect of their work as professional men, but only in respect of activities associated with the treatment of injured men coming under the provisions of the Workers' Compensation Act. There is no personal benefit to any member of the Medical Register Committee arising from any action taken by the committee.

The fees set out in the regulation for members of the Medical Register Committee were drawn up and agreed upon after consideration had been given to the fees paid to other boards in existence in this State that might be considered to have a somewhat similar standing. I will quote the fees payable to the chairman and members of two other boards to indicate the basis used to determine the fees for the members of the

Medical Register Committee. The Perth City Council Appeal Board, which deals with appeals against rating assessments, consists of professional men and laymen. The chairman receives eight guineas and the other members, whether professional or laymen, received five guineas per meeting. The other is the Aliens Appeal Board, the chairman of which receives five guineas and the other members, whether professional or laymen, receive an equal amount.

Although the Medical Register Committee has been set up by the State Government by regulations promulgated under the Workers' Compensation Act, the fees and expenses of the board are paid by the insurance companies that undertake the writing of insurance business in respect of workers' compensation. If those fees had to be paid by the State Government, fairly strong argument could perhaps be adduced against them. I have had some consultation with the insurance companies regarding the fees. As a matter of fact, there was some consultation before the fees were decided upon, and not one company at that time raised any objection and no company has since raised any objection to the fees. This shows clearly that the companies are quite satisfied with the scale set down in the regulations, and are content to pay the fees as well as the other expenses of the board. If the insurance companies are quite happy in meeting those fees and expenses, I cannot see that we need to get excited about them.

The setting up of the Medical Register Committee will benefit the insurance companies greatly over a period of time. Already the companies, and the workers also I hope, have benefitted as a result of the appointment of the committee. The moral effect upon the doctors who, in a few instances, were exploiting the Act has been very favourable. Other factors have also operated, and they have had the effect of making it unnecessary for doctors to exploit the Workers' Compensation Act. The war has had a beneficial effect in that direction. Instead of there being too many doctors in the community, and some of them not able to get all the income they wanted out of their ordinary practice activities, the war has created a severe shortage of doctors.

Mrs. Cardell-Oliver: Their incomes are much less now.

The MINISTER FOR LABOUR: The result is that they have plenty of work today without hanging on to a workers' compensation case for ten times as long as might really be necessary. I am quite sure, however, that the existence of the Medical Register Committee has had a highly useful and beneficial effect in the direction I have indicated. Even if the committee should never be able to prove a case of exploitation against one single doctor, I feel sure that the responsibilities and powers given to it will prevent the degree of exploitation of the Workers' Compensation Act by a few members of the medical profession that was practised prior to the amendment of the law being made. Therefore I hope that the motion for disallowance of the regulation as moved by the Leader of the Opposition will be defeated.

**MR. WATTS** (Katanning—in reply): My friend the Minister for Labour seemed to me to be making very heavy weather of his defence of the regulation. He started off, as I saw it, having great difficulty in justifying his point of view; and so he proceeded to misinterpret, to some extent what I have said, with the result that I think the House might be misled. The Minister sought to give the House the impression that I assume the members of this committee to be dishonourable, and, being dishonourable, likely to hold two sittings where there was need for only one. I said no such thing. I am prepared to concede that it might be quite appropriate to have a meeting for an hour today and then adjourn for another meeting of ten minutes tomorrow—which would represent two sittings. Then the Minister would have us believe that the members of the committee are going to say, "Well, there is five guineas provided per sitting, but as the two meetings together occupy only one hour and ten minutes we will make the fee £2 12s. 6d." But how in the face of this regulation could they do that? They are entitled to a certain sum, which must be paid to them.

The Minister also lost sight of the fact, or omitted to notice it, that I had suggested I could conceive of circumstances in which these adjournments might be justified and the sittings were long enough, and that I had proposed, in the course of my remarks, that the fees might be fixed on another basis, so that if there was a very

long sitting the members of the committee would be entitled to a substantial amount. But I pointed out then, and I point out now, that I think the regulation should not stand for all time, making it possible for the members of some committee to meet when there was not sufficient work to justify it. I hold with giving them proper and reasonable remuneration for the work they do; but at present the only payments that can be made are £7 7s. per sitting for the chairman and £5 5s. for the members. Moreover, an adjournment might follow at any time and again the £7 7s. and the £5 5s. would be payable. I consider that the Minister was not setting a proper example to the public by proposing legislation of this kind. It does not make any provision for a fair day's pay for a fair day's work. Not for one moment do I suggest that the committee members should not be paid a remuneration commensurate with the work they do and the difficulties they may have to experience. We have to make sure that the regulations are so drafted that work would have have been done before payment of fees was made.

I turn back to the duties of the Medical Board. The Minister drew sharp distinctions between the union and the Medical Register Committee and the Medical Board. Suppose I concede that the members of the Medical Board, no matter how long their sittings might be, were paid an amount of only £1 1s. per sitting! Say that the members of the committee did far more important work, are they justified in being paid £7 7s. for the chairman and £5 5s. for members with no limitation as to how long a sitting shall last? I would be very disappointed if this House was prepared to agree to a regulation drafted as this one is. I do not care whether the fees are being paid by the insurance companies or by the Government. If the principle as stated in the regulation is wrong, the regulation should be disallowed, no matter who pays the fees in question. In my opinion the principle stated in the regulation is wrong. There is no method of ascertaining, under the regulation, what is a reasonable payment for the amount of work done in a sitting or in an adjournment thereafter.

I am not going to allow, so far as I am concerned, this regulation to remain in the "Government Gazette." Evidently, it is ill-considered. The Minister and those advising him have not gone the logical way about it. I shall not strongly dispute with the hon. gentleman whether the laymen should have less than the professional men on the committee, provided they receive it for the work they do, and provided that consideration is given, as I have said, to the time and effort involved in the work, and not according to regulations submitted in general terms like these—chairman £7 7s. per sitting and for every adjournment £7 7s., and members similarly £5 5s. Unless Parliament takes steps to control this kind of thing, we may be told at some future time that a much greater fee for a sitting is justified, and that we should make no inquiry as to the length of time consumed in a sitting because the men concerned are honourable men. I agree that they are honourable men, but they have no alternative but to receive the fees prescribed by the regulation.

Question put and a division taken with the following result:—

| | |
|---|---|
| Ayes .. .. .. | 15 |
| Noes .. .. .. | 18 |
| Majority against .. | 3 |

AYES.

| | |
|---|---|
| Mr. Berry | Mr. Seward |
| Mr Boyle | Mr Shearn |
| Mrs. Cardell-Oliver | Mr. J. H. Smith |
| Mr. Keenan | Mr. Thorn |
| Mr. Kelly | Mr. Watts |
| Mr. Mann | Mr. Willmott |
| Mr. Patrick | Mr. Doney |
| Mr. Sampson | *(Teller.)* |

NOES.

| | |
|---|---|
| Mr. Coverley | Mr. Millington |
| Mr. Cross | Mr. Needham |
| Mr. Hawke | Mr. Nulsen |
| Mr. J. Hegney | Mr. Tonkin |
| Mr. W. Hegney | Mr. Triat |
| Mr. Hughes | Mr. Willcock |
| Mr. Johnson | Mr. Wise |
| Mr. Leahy | Mr. Withers |
| Mr. Marshall | Mr. Wilson |
| | *(Teller.)* |

PAIRS.

| AYES. | NOES. |
|---|---|
| Mr. Hill | Mr. Holman |
| Mr. Stubbs | Mr. Panton |
| Mr Abbott | Mr. Raphael |
| Mr. North | Mr. Rodoreda |
| Mr. Warner | Mr. F. C. L. Smith |
| Mr. McLarty | Mr. Styants |

Question thus negatived.

## BILLS (2)—RETURNED.

1, Albany Reserve Allotments.

2, Perth Dental Hospital Land.

Without amendment.

## MOTION—PUBLIC TRUSTEE ACT.

*To Disallow Charges Regulation.*

Debate resumed from the 9th September on the following motion by Mr. Watts:—

That Regulation 6 made under the Public Trustee Act, 1941, as published in the "Government Gazette" on the 26th day of June, 1942, and laid upon the Table of the House on the 4th day of August, 1942, be and the same is hereby disallowed.

**THE MINISTER FOR JUSTICE** [5.48]: The regulation which the Leader of the Opposition has moved to disallow is really the life-blood of the Public Trustee's office. If it should be disallowed, the Public Trustee would be forced to go to the Treasury for finance.

Mr. Watts: The Minister need deal with only two aspects of the regulation. I was compelled to move to disallow the whole regulation.

The MINISTER FOR JUSTICE: I realise that. Careful consideration was given to the regulation. The charges were compared with those made in the other States of Australia and New Zealand. The rates fixed are lower than those fixed in the other States, but not lower than those in New Zealand. In one instance, our charge is the same as that in New Zealand. The commission has been fixed at 2½ per cent. on the corpus and at 5 per cent. on income, but those are the maximum rates that may be charged. Specially reduced rates apply to estates of deceased members of the Military Forces and for work done for mentally afflicted and incapacitated members of the Forces. That matter was carefully thought out.

The rates were fixed only after a thorough investigation and due consideration. I myself reviewed them. I was anxious that the Public Trustee in this State should not make charges higher than those made by private trustee companies, whose commission is 2½ per cent. on corpus and 5 per cent. on income. The Public Trustee will be called upon to do much work that no one else will undertake. That will of course reduce his earnings. It is but reasonable to give the Public Trustee power to exercise a discretion as to whether he shall employ an agent and pay him commission, or whether he shall undertake all the work himself and possibly charge less than 2½ per cent. No member will object to that, not even the Leader of the Opposition. A suggestion was also made that the Public Trustee should do the work of estates without making a charge. In my opinion, that would be wrong. No public trustee that I know of undertakes the responsibility of managing an estate without charging for his services. He is entitled to some remuneration, but I can see no reason why we should take away from him the resiliency or elasticity he should exercise in conducting the business placed under his control.

Mr. Watts: In that case, he is a mere receiver of revenue.

The MINISTER FOR JUSTICE: No.

Mr. Watts: Yes, he is. He has paid commission to an agent already and he himself wants commission.

The MINISTER FOR JUSTICE: He is entitled to it if other trust officers are. I find that in New Zealand, Queensland and Tasmania commission is charged. Queensland and Tasmania charge commission on income but our Public Trustee does not do that. The previous Curator and the Official Trustee all charged on income. The other paragraph to which the Leader of the Opposition took exception is as follows:—

(f) The Public Trustee shall take and retain a commission of one per centum on all moneys received for investment under the provisions of Section 37 (1), (2), and (3) of the Act.

The proposal follows the procedure of New Zealand, Queensland and Tasmania. In those other places the Supreme Court charges one per cent. on investment and five per cent. on income, whereas our Public Trustee does not charge anything on income. Under Workers' Compensation provisions, New Zealand charges one per cent., and Queensland one per cent. on investment and 2½ per cent. on income, Tasmania 5 per cent. on investment and 2½ per cent. on income. The figures for this State are considerably less than those for Tasmania and Queensland, and the same as those for New Zealand. The amount involved is very small. As far as workers' compensation is concerned, £7 10s. would be the maximum and there is the advantage of investment through the common fund. According to my information there will be adequate compensation and the persons concerned will not be out of pocket. After due consideration of and inquiry into the charges in other States of Australia and in New Zealand I consider the regulation quite justified. I hope the regulation will not be disallowed because I do

not think it is a penalty in any way. If the Leader of the Opposition had investigated the matter and compared the figures with other charges I am sure he would not have moved the motion.

**HON. N. KEENAN** (Nedlands): This is another illustration of a Government activity which, as soon as it starts operations, finds it necessary to impose the same costs as are levied by private enterprise. One outstanding illustration of this kind of thing is the State Saw Mills, which entered into a combine and is today working with that combine to keep up a fixed price no matter what the public wants or what lack of justification there may be for the charge made, and is making considerable profit.

The Premier: Is it not better for the money to go to the State than to private people?

Hon. N. KEENAN: The Premier has mistaken my point. The Government brings down a Bill and asks to be given power to do certain things, which it says will be done reasonably cheaply and advantageously to the people. As soon as the power is obtained, however, the Government instrumentality levels its price up to that of its competitors.

The Premier: And then acts as a policeman for the rest of the time.

Hon. N. KEENAN: The Minister has the audacity to justify these charges on the ground that they are made elsewhere. Let me read the charges to which the Leader of the Opposition takes exception.

Mr. SPEAKER: The hon. member is not in order in quoting from "Hansard" of this session.

Hon. N. KEENAN: I was only going to refresh my memory. The Public Trustee receives rents, and charges the person to whom the rents are paid the agent's commission for collecting them and then has the audacity, which I admit is the case also with private trustee companies, to add on a bit for himself, up to 2½ per cent. Does the Minister know that is the case?

The Minister for Justice: Yes. What is wrong with it?

Hon. N. KEENAN: He does not do anything at all.

The Minister for Justice: Yes, he does.

Hon. N. KEENAN: He gets an agent to collect the rent, charges that agent's commission to his principal, whoever that may be, and then adds on 2½ per cent. for himself. Of course the private companies are doing that also.

The Minister for Works: They are not audacious!

Hon. N. KEENAN: Their audacity is very mild compared with that of the Public Trustee, whose office was created for the special purpose of giving service to the public at the most reasonable cost. It is said to be a reasonable cost if the Trustee receives money for the collecting of which full commission was paid, and then charges for his services as a receiver!

The Premier: A lawyer once charged me 10s. for waiting while I paid an account.

Hon. N. KEENAN: There are peculiar lawyers. If the Premier gave us all his recollections of his dealings with lawyers he would find there were some compensations.

The Premier: Some have been generous enough.

Hon. N. KEENAN: This regulation is indefensible. I the Government in introducing the Bill in the first instance had said, "All we want to do is to get power to conduct an office and charge to the limit that is at present charged by private trustee companies," the Bill would never have been passed.

The Minister for Justice: This is a maximum charge and the Public Trustee has the privilege of reducing it.

Hon. N. KEENAN: Do you think he will?

The Minister for Justice: I do.

Hon. N. KEENAN: That is not in accordance with experience. I do not think I have ever heard of a charge capable of being imposed which has not been imposed because of the generosity of a public officer.

The Minister for Justice: Private trustees sometimes reduce the charge.

Hon. N. KEENAN: The Minister does not understand. I admit that private trustee companies make these charges sometimes, but I say the Minister secured this statute on the plain allegation that he was going to do a service to the public. What he has done is merely to create another competitor charging exactly the same prices. The regulation is indefensible.

**MR. WATTS** (Katanning—in reply): So far as this question of the agents having deducted their commission and then the Public Trustee having some

more commission is concerned, I am quite prepared to let it rest on the observations made by the member for Nedlands. The point I want to impress on this House is the one in reference to workers' compensation. Members will recall last year when the Public Trustee Act was before the House that a number of members, including myself, took exception to the compulsory handing over to the Public Trustee for investment, of all moneys required to be invested under the Workers' Compensation Act. It is because of those provisions being included in the Public Trustee Act that I seek to have this regulation disallowed. Everyone knows that as there are seven or eight paragraphs in the regulation, I have to move to disallow all of them, although I do not disagree with six, but only two. Of those two this one giving the right to deduct commission from the amounts handed to the Public Trustee for investment by way of workers' compensation is that to which I chiefly object.

I cannot understand any honourable Minister purporting, as the Minister for Justice does, to represent the workers, coming here and suggesting that we should agree to a regulation which will have the effect of taking away from the workers, for the benefit of the Public Trustee's Department, money which has been paid to him as compensation for his injuries, or to his relatives as compensation for his death, which is the most likely instance to arise.

The Minister for Justice: It is a lesser charge than any other.

Mr. WATTS: I cannot help that. There should be no charge, and no Minister is justified in saying that there should be a charge. The money is paid by the insurance company indemnifying the employer as compensation in the case of the death of the worker.

The Minister for Justice: For investment.

Mr. WATTS: Yes, because the magistrate has ordered it. For years the magistrates without any charge at all, and I believe in the great majority of cases with considerable success and satisfaction to the parties concerned, have arranged for these moneys to be invested.

Hon. W. D. Johnson: I have had experience of that.

Mr. WATTS: We have brought down a Public Trustee Act which will compel that money to go into the hands of the Public Trustee for investment, quite unnecessarily. I said 12 months ago that it was quite unnecessary, and I repeat it today. It is even more unnecessary now—if that could be possible—for these deductions to be made by the Public Trustee.

The Minister for Justice: They get the advantage of the common fund.

Mr. WATTS: I do not care what advantage they get! They lost nothing by the magistrates' system of investment, as far as I know. I do not think it is a reasonable proposition that the Public Trustee, who has obtained this power because we gave it to him, against my wish and that of a great many other members, should be able to deduct commission from the workers' compensation money. If it is considered by the Government of this State to be good for the workers that it should go into the common fund and be handled by the Public Trustee, then let that officer do it, but do not come to me and ask me to agree to the making of a deduction from the money to which the worker is entitled!

The Minister for Justice: It is only one per cent.

Mr. WATTS: I do not care if it is sixpence. The money should be returned intact. I am prepared to rest on the other matter, but this point is a most important one. We are going to admit a principle if we agree to these regulations which, in my view, is entirely wrong. I ask this House to disallow this one.

Question put and a division taken with the following result:—

| | | |
|---|---|---|
| Ayes | .. .. .. | 22 |
| Noes | .. .. .. | 7 |
| Majority for | .. .. | 15 |

| Ayes | | Noes | |
|---|---|---|---|
| Mr. Berry | Mr. Mann | Mr. Coverley | Mr. Willcock |
| Mrs. Cardell-Oliver | Mr. Marshall | Mr. Hawke | Mr. Wise |
| Mr. Doney | Mr. Needham | Mr. Millington | Mr. Cross |
| Mr. J. Hegney | Mr. Seward | Mr. Nulsen | |
| Mr. W. Hegney | Mr. J. H. Smith | | |
| Mr. Hill | Mr. Tonkin | | |
| Mr. Hughes | Mr. Triat | | |
| Mr. Johnson | Mr. Watts | | |
| Mr. Keenan | Mr. Willmott | | |
| Mr. Kelly | Mr. Withers | | |
| Mr. Leahy | Mr. Sampson | | |
| (*Teller.*) | | (*Teller.*) | |

Question thus passed.

*House adjourned at 6.13 p.m.*