

consumer, and with benefit to Western Australia, we shall have established everything that the Labour Party have been fighting for for the last 25 years and are still fighting for to-day. That is why I regard this matter as being of such great importance. If it can be established that this method is good for the farmer, and good for the community—I do not believe it myself—and the Leader of the House is attempting to justify it, I repeat that the farmers are justified in explaining and demonstrating and putting into practice what the Labour Party, with singleness of mind—I am not charging them with corrupt attempts to line their own pockets—have already done. They have established this socialisation to which the hon. member has referred. I can leave the rest. I hope the Leader of the House will give us a clear assurance when he makes his reply on the second reading.

On motion by Hon. Sir Edward Witteoom, debate adjourned.

House adjourned at 10.12 p.m.

Legislative Assembly,

Wednesday, 12th October, 1921.

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

QUESTION—HOSPITAL FOR THE INSANE, ROYAL COMMISSION.

Mr. JOHNSTON asked the Premier: 1, On what grounds has Dr. Jones, of Victoria, been appointed chairman of the Royal Commission to inquire into the administration of the Claremont Hospital for the Insane? 2,

Are the Government aware that similar charges of maladministration to those made against the Claremont institution have been made against the institutions controlled by Dr. Jones in Victoria? 3, In these circumstances will the Government replace Dr. Jones by an independent Commissioner—say by Mr. A. B. Kidson, the Royal Commissioner on the Mable case? 4, Is it the intention of the Government to reciprocate with the Government of Victoria by permitting Dr. Anderson to visit that State for the purpose of reporting on the charges made against Dr. Jones's administration of the Lunacy Department there?

The PREMIER replied: 1, General fitness. 2, No; but all lunacy administration is naturally the subject of some complaint. 3, No. 4, Consideration may be deferred till the request is made.

QUESTION—STATE STEAMSHIP SERVICE, LAUNCH.

Hon. P. COLLIER asked the Minister for Mines: 1, Is it a fact that a motor launch was purchased some time ago for the purpose of facilitating the passenger service of the s.s. "Eucla" between Albany and Esperance? 2, Has this launch been used for any purpose other than Government service during periods when the "Eucla" was lying at the port of Albany? 3, If so, by whom, and what is the amount earned in freight and other charges?

The MINISTER FOR MINES replied: 1, No. 2 and 3, Answered by No. 1.

SELECT COMMITTEE—GRATUITY BONDS DISPOSALS.

Extension of Time.

Mr. WILSON (Collie) [4.36]: Before moving for an extension of time, I think it due to the House to give some account of what has occurred in connection with this select committee since last week. Hon. members may have observed in Saturday's "West Australian" the following telegram from Melbourne:—

In the House of Representatives to-day Mr. Foley asked the Treasurer whether it was true that the Government had refused to allow a Federal officer to give evidence before the Western Australian select committee that was inquiring into the alleged frauds in connection with gratuity bonds. Sir Joseph Cook, in reply, said that a demand had been made by the Western Australian Government that a Federal officer should give evidence and produce papers. The Commonwealth, however, could not allow a State to take charge of its officials in that way. There was a proper way of doing anything of that kind. He was not against such investigations, and had indeed been fighting such frauds in order to protect the soldiers. He hoped to clear up the

matter in a day or two. Whatever was done, however, must be done with the free will of the Commonwealth.

Let me say here that the Federal Treasurer's statement is misleading, in so far as he ignores the fact that the select committee, nine days before making their statement, had taken the precaution to send a telegram to the Federal authorities on the matter. A message was despatched to the Prime Minister on the 29th September, and I think it not out of place to read that message again—

Western Australian Parliament have appointed select committee inquire into scandals pertaining to cashing war gratuity bonds in exchange land and other things, thereby unjustly dealing with returned soldiers. Committee respectfully request you authorise paymaster Friel to appear before committee and give all necessary data to assist committee to get diggers a fair deal.

That telegram was signed by me as chairman of the select committee. Thus there was a respectful request on the 29th September. It was only this morning that we got a respectful answer. Sir Joseph Cook intimates that there are two ways of doing things. The select committee took both ways. They first exercised their right of preferring a respectful request, and later they exercised the right, as representing a sovereign State, to make a demand. When the House ordered that Mr. Friel should appear before the select committee with books and documents, the committee allowed a reasonable time for him to appear. When the committee met yesterday morning, there was no word from Melbourne. On inquiring at the Premier's office we learnt that no reply had been received to the Premier's telegram. Further, on ringing up Mr. Friel, we learnt that he had received no answer. Thereupon the committee decided to bring things to a head. The member for Moore (Col. Denton) and I were authorised by the committee to see the Crown Law Department on the matter, and the Crown Solicitor drafted an order embodying, in effect, the resolution of this House. That order was despatched by you, Mr. Speaker, to Mr. Friel, requiring him to appear before the select committee this morning and give evidence and produce the necessary books and documents. When the select committee met this morning Mr. Friel attended. He said that he had received from Melbourne a communication to the effect that an officer was coming across in connection with the select committee's investigation, and that he, Mr. Friel, would be authorised to appear before the select committee. In the meantime the Premier's office telephoned that a reply had been received to the Premier's telegram. The select committee this morning, after 13 days' delay, received from the Prime Minister the following message:—

I regret unable to send you earlier reply to your telegram of September 29th, but as matter of importance had to receive Cabinet consideration. This Government is

anxious to assist your committee in inquiring. You, of course, must realise this Government cannot recognise the right of State parliamentary committee investigate the discharge of Federal functions, and it is presumed that your committee is limiting inquiry into matters solely within jurisdiction of State. This Government, therefore, will be pleased to allow its officers attend and produce all necessary documents. An officer will leave here to attend at once to the matter, and he will arrange with you as chairman of committee for attendance as witness of any officer of Treasury. (Signed) Hughes, Prime Minister.

The Federal people now come along, when they are obliged to come. The select committee were determined to see the thing through, and they are going to see it through at whatever cost. I have much pleasure now in moving—

That the time for bringing up the report of the select committee be extended for four weeks.

Question put and passed.

ASSENT TO BILL.

Message from the Governor received and read notifying assent to the Fisheries Act Amendment Bill.

BILLS (4)—REPORTS OF COMMITTEE ADOPTED.

- 1, Factories and Shops Act Amendment.
- 2, Mining Act Amendment.
- 3, Stallions.
- 4, Stamp.

BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

Introduced by Mr. McCallum and read a first time.

PAPERS—SOLDIER SETTLEMENT, PYRTON AND HERNE HILL ESTATES.

Mrs. COWAN (West Perth) [4.46]: I move—

That all papers in connection with the settlement of soldiers on the Pyrtton and Herne Hill estates, described in an article published in the "West Australian" of the 24th September, be laid on the Table of the House.

It would be interesting to know how that settlement is progressing, what it has cost, and any other details which may be obtainable from the papers. I do not know whether any other member read the article referred to, but it served to make me realise that apparently very fine work is

going on out there. Many of us do not know the details of the scheme, or anything at all about it, and it would be a good thing if we had some knowledge of the subject.

Question put and passed.

PAPERS—S.S. "PENGUIN," SALVAGE.

Hon. P. COLLIER (Boulder) [4.48]: I move—

That all papers relating to the recovery and disposal of material, fittings, and gear of the s.s. "Penguin" be laid on the Table of the House.

I understand that there is no objection to the motion. Therefore, I move it formally.

Question put and passed.

MOTION—STATE INSURANCE.

Debate resumed from 21st September on the following motion by Mr. Corboy:—

That in the opinion of the House it is desirable that the Government should immediately do all things necessary to establish a State Life, Accident, Sickness, Fire, and General Insurance Office.

The MINISTER FOR MINES (Hon. J. Scaddan—Albany) [4.49]: Whilst it may be highly desirable to establish a system of State insurance, the question arises, whether the time is opportune.

Hon. T. Walker: We intended to start it when we were in office.

The MINISTER FOR MINES: We did actually begin it by introducing an extended form of workers' compensation which, from a Government point of view, has been entirely successful. But that was restricted to Government employees. When it comes to the establishment of a State system of life, accident, and sickness insurance for other than Government employees, the Government will require to command a fairly large sum of money. Under existing conditions such an enterprise cannot be undertaken by the Government. I do not think the Government would object to an inquiry for the purpose of determining how the system could be introduced, the basis of its establishment, and its probable cost.

Mr. Corboy: It did not cost a penny to establish in Queensland.

The MINISTER FOR MINES: Similar statements are made from time to time in respect of the establishment of superannuation funds, but on investigation it is generally found that the preliminary outlay involved in establishing such a fund on a basis in accordance with the actuarial point of view is very considerable, and that the initial risks are not light, nor of

such a nature that the Government can say "All right, go ahead."

Mr. Troy: When the Westralian Farmers Ltd. started their insurance scheme, how much did it cost them?

The MINISTER FOR MINES: In all such matters the Government frequently have to consider many things not taken into account by private companies. For instance, the Government are expected to be sympathetic, as in the case of the workers' compensation fund and, generally, are in a very different position from that of a company carrying on its private business. We ought to encourage the co-operative system of insurance, under which those directly interested carry their own cover. The Westralian Farmers Ltd. are doing it now.

Hon. W. C. Angwin: They have been lucky.

The MINISTER FOR MINES: That is true. After all, there is a great deal of risk and luck attaching to insurance. Instead of immediately doing all things necessary to establish an all-embracing insurance system, the Government ought rather to encourage it by introducing it on a basis likely to be satisfactory and not involving too heavy a cost to the State. But at the present juncture we are frequently put to it to find sufficient funds for the carrying on of our industries.

Mr. Corboy: This would help you.

The MINISTER FOR MINES: Eventually, perhaps. Almost every day we have propositions put up to us on a basis of ultimate advantage to the State. That cry of "ultimate advantage" has not helped past Governments materially; indeed, in some instances I have found the ultimate results to be to my disadvantage, until now we have it suggested that an enduring monument in marble ought to be erected to my memory, because in my time I was too prone to accept the theory of ultimate advantage to the State.

Hon. W. C. Angwin: What was that in connection with?

The MINISTER FOR MINES: I think, the Wyndham Meat Works.

Hon. W. C. Angwin: You cannot form any opinion of a man until you see his works.

The MINISTER FOR MINES: Some people can, and if you want to judge a man you judge him at a time that suits you, not him.

Hon. W. C. Angwin: But you were supposed to have made £100,000 out of it.

The MINISTER FOR MINES: Still, I am not looking for any monuments.

Mr. O'Loughlin: You think your good deeds ought to be taken with your bad ones.

The MINISTER FOR MINES: Yes, they ought to be averaged up. However, this question before us is one for investigation by some well qualified person. It should not be treated lightly. All I can tell the hon. mem-

ber at the moment is that we are not in a position to immediately proceed to do all things necessary to establish an all-embracing State insurance scheme, but we are prepared to ask those qualified to make an investigation.

Mr. O'Loughlen: Give it to the Minister for Works. He has had a row with some of the insurance companies.

The MINISTER FOR MINES: But it is only on certain points that the Minister for Works has had any dispute. I myself might be dissatisfied with some of the operations of the insurance companies, but that does not lead me to believe that the State should take over insurance generally. It is all very well to say that the State should get the profits being made by the insurance companies, but we have to remember the conditions under which the companies are working, as against those which would be imposed upon the Government. All that the companies submit for public inspection is a balance sheet, which might or might not be understood by the public. The individual results are known only to the individual, whereas all Government actions are open to criticism. The question of what led the Government to a certain conclusion is not taken into account. Most often Governments are criticised after the event, when everybody can be wise, rather than at the moment when they arrive at a definite conclusion. The Government cannot wait until the whole thing is settled before taking action. In this insurance proposition we would be overwhelmed at the outset by complaints when we were treating our clients with a harshness akin to that meted out by the existing insurance companies. All these things ought to be thoroughly digested before setting out upon an elaborate scheme of insurance. If the hon. member will amend his motion to read that the Government should immediately proceed with an investigation into the question of the desirableness of establishing State insurance, the Government will have no opposition whatever to the motion.

Mr. Latham: The Government should have opposition even to that.

The MINISTER FOR MINES: That is a matter for the hon. member. There should be no objection to an inquiry into any phase of public policy. An investigation would not necessarily commit us to any particular course of action. If as a private member I were asked to give my support to the motion, I would decline on the score that the time is inopportune.

Mr. O'Loughlen: But a new company was formed only a few weeks ago!

The MINISTER FOR MINES: That is true, but that company is in an entirely different position from that of the Government. That company had no difficulty in finding 1½ or two millions of capital. The Government cannot do that. When we require to raise a loan for the development of industry and the production of additional wealth, we have to do all sorts of things in the way of organ-

ising public meetings and appealing to the patriotism of the people, whereas when a company comes along and can point to probable profit, it has no difficulty in raising a couple of millions. As to State insurance, I may feel satisfied that it would be a good proposition.

Mr. O'Loughlen: No doubt of it.

The MINISTER FOR MINES: However, that is only a layman's point of view.

Mr. Corboy: Borne out by facts.

Hon. T. Walker: It has been demonstrated in Queensland, New Zealand, and elsewhere.

The MINISTER FOR MINES: New Zealand could easily have found the capital for the purpose of doing it.

Mr. Wilson: Queensland also.

The MINISTER FOR MINES: I do not know that the conditions in those places are parallel with the conditions in Western Australia. Our attention for the moment happens to be centred on other things of more importance to the community. An investigation can do no harm and the House then would be in possession of information which would enable it to understand the nature of the action that could be taken, for instance, as to how the proposal would be established and what it would be likely to cost. If we carry the motion as it is, it will be a direction to the Government to introduce legislation.

Hon. W. C. Angwin: I wish it was.

The MINISTER FOR MINES: The hon. member will not get any further forward if his motion is carried. I suggest that he should alter it in the direction of requesting the Government to make the necessary investigations. These investigations could then be carried out, and if they were found to be valuable and they proved the proposition to be a good one, it would rest with the House to decide whether we should establish State insurance or not. It is wrong to assume that because State insurance has been a success elsewhere it will be a success here. Our problems are entirely different from those existing in other parts of the world, and that is why I suggest we should have an investigation on the spot. If the hon. member will agree to the investigation being made, I will support the motion.

Hon. W. C. ANGWIN (North-East Fremantle) [5.4]: I am surprised at the speech delivered by the Minister for Mines. I believe that if he had not been a member of the Country Party he would have expressed entirely different views. I know that the hon. member is strongly in favour of the Government establishing general insurance in Western Australia. I also know from the experience which has been obtained in connection with the Workers' Compensation Act, that the Government could carry on general insurance to great advantage. Insurance was established under the Workers' Compensation Act because no legislation was required. Just take that one particular branch of insurance. We have passed legis-

lation to compel employers throughout Western Australia to make provision against accidents. I suppose I am safe in saying that scarcely an employer in Western Australia has not insured his employee against accident. We know that the Government are the largest employers of labour in Western Australia, and under the Workmen's Compensation Fund they now pay one-third less annually than they were previously paying to private companies and also they have been able to build up a fund after paying expenses, amounting to many thousands of pounds.

Mr. O'Loughlen: It is over £40,000.

Hon. W. C. ANGWIN: We know that this is the experience of to-day, and yet year after year we pass laws compelling men to take a certain line of action without making any endeavour to reduce the cost. It is a wrong practice. If we say to the employer that he must insure his men or pay them in case of accident, it is the duty of the Government to say, "We will provide means at the lowest cost to enable you to carry out the provisions of that Act." The Minister says that the proposal will mean a considerable outlay, and that the Government are not in a position to meet such an outlay. Where is the outlay? I noticed in a report that was published, that last season the policies issued by the Westralian Farmers Ltd. to the Industries Assistance Board—a Government institution which nominated the Westralian Farmers to transact their business—amounted to £694,982. Where was the big outlay there?

Mr. Harrison: That includes farmers others than those on the I.A.B.

Hon. W. C. ANGWIN: I am just quoting what was published in the report. Where was the outlay there? This company which acts under Government patronage, and could not pay £5,000 in accordance with the Act to carry on insurance, secures business to the extent I have just mentioned. I am not surprised that the Minister for Mines, now that he has joined the Country Party, backs up the Westralian Farmers Ltd., and opposes general or any kind of insurance, because it may interfere with the business of that company. There is not the least doubt that the people of Western Australia in connection with every kind of insurance, particularly fire, are paying higher premiums than they should be doing. We know also that they do so in regard to the Workers' Compensation Act. The Government have proved this, and why should it be permitted to continue? The business would be such that it would not require very much money to carry out. What is the position so far as New Zealand is concerned? Immediately New Zealand started their insurance policy, down came the rates of the private companies. While the people of New Zealand did not all rush to the Government with their policies, they received a considerable benefit inasmuch as the premiums were reduced by about one-third below what they had been paying be-

fore Government operations began. That is what we want to do in Western Australia, where a monopoly exists. We want competition.

Mr. Pickering: It exists in Queensland.

Mr. O'Loughlen: Suppose it does.

Hon. W. C. ANGWIN: No matter to which insurance company one goes, the rates are all the same. If the Government can do similar work at lower rates it is their duty to do so. We have demonstrated conclusively during the last six or seven years that the premiums can be one-third less for workmen's compensation than those which are being paid to private companies.

Mr. Munsie: More than one-third in some cases.

Hon. W. C. ANGWIN: Even with the payment of one-third less, we have met all the demands, and, as the Minister himself has said, the Government are far more liberal in connection with the payment of claims than are the private companies. After paying all the claims we have built up a fund of between £40,000 and £50,000.

Mr. Mann: Have you allowed for the taxation that a company would have to pay?

Mr. O'Loughlen: That could be taken out of the £47,000.

Hon. W. C. ANGWIN: It can be taken out of the premiums paid. The hon. member's proposal will mean competition and every person in the State who has a small cottage of his own to insure will be able to do so at something like a reasonable rate. I have only a small place, but it costs me 11s. per cent. for insurance. I know of other people who are similarly situated. Previously I paid only 4s. Without giving secrets away, I may say that the matter was under consideration by the Labour Government, and on the advice, too, of the present Minister for Mines. He was a strong supporter of it.

Mr. Latham: He has gained salvation.

Mr. Corboy: He has not got absolution.

Hon. W. C. ANGWIN: He will go to the devil fast enough if he remains with that party. I am sorry for him. I have always respected him but any chances of salvation he had before he become associated with that party he has practically lost. He will have very little chance of introducing anything which will be for the benefit of the people as a whole so long as he remains a member of that party. If he desires he can benefit a few who are wheat growers, but outside the wheat growers he will never have the opportunity of benefiting any other section of the community in the way that the people desire. It would be a good thing to make a start on this insurance even if it is not possible to go the whole hog immediately. A start could be made in one direction and the principle could be enlarged upon by degrees. The first thing that should be taken in hand is workers' compensation. If we started on that principle the time would not be far distant when the people would be clamouring for an extension of it in other directions.

Mr. BOYLAND (Kalgoorlie) [5.16]: I am pleased that this matter has been brought forward, although it has been long delayed. I do not agree with the Minister for Mines that the time is not yet opportune. He knows the time has been opportune for the past eight or nine years, so far as the mining industry on the Eastern Goldfields is concerned. It became opportune when the Workers' Compensation Act came into force in 1902. In dealing with compensation to miners when they met with a serious accident, we found that the insurance companies were always out to cut the amount down to a minimum when it came to a question of compensating the men for their injuries. On the other hand, three or four mining companies who conducted their own insurances always paid a fair amount to such men. When I was secretary of the Kalgoorlie and Boulder Federated Miners' Union, I invited the Company's agents over and over again to go into court and decide the question. When we had a man who had backbone enough to stand up for his rights, these people would back down. We had a case of a man who lost an eye and he was entitled to £200, but the insurance company had the cheek to offer him £100. Sometimes only as much as 20 or 30 per cent. of what is due is allotted to the sufferers. Different mine managers, whose companies have conducted their own insurances, have said that the matter should have been revised long ago. If the private companies will not pay a fair thing to these men, some other means should be found by which the men will be properly compensated. About 70 per cent. of the deaths in the mining industry in the Commonwealth occur in Western Australia. I am not taking into account miners' complaint, the sufferers from which are assisted from another fund. Sometimes injured miners are not compensated at all, and the men have been robbed over and over again. It is time something was done to bring into being a fair and equitable basis of compensation for the men who have suffered so much in their occupation. The mining companies agreed that there should be an amendment to the Workers' Compensation Act so that payment may be made for an accident from the day it occurs. That was at the time when I was associated with the Federated Miners' Union to which I have referred. Only a few weeks ago a man who had lost an eye appealed to me to help him because the insurance company wanted to settle with him for £200, whereas he was entitled to £250. This sort of thing has been going on for years, and the time is fully ripe for it to be dealt with fairly and squarely. The motion is rather too comprehensive; it should be split into two parts, one dealing with State insurance for fire and compensation to workers, and the other part with a compulsory national insurance scheme in order to insure against unemployment, sickness and death. I think we could get that kind of thing if we put up a proper case. I do not think people will be so unreasonable as to turn it down. If we could put up a case

and show that such a scheme would be for the benefit of the State, and the matter were broached in the proper spirit, I do not think it would lack support. In a deliberative Chamber like this, if we can show that something can be done that will benefit the whole State and even the Commonwealth, I am sure it will be taken up with avidity. One great writer said, "It is the fear of want that makes cowards of us all." Why not have a scheme that will do something to take away that fear of want? When I advocate this scheme, I do not advocate a charity scheme. If business men in the community can insure against losses in business, the working community should be able to insure against illness or death, so that, in the event of trouble, there may be something forthcoming to tide their families over. Twelve months ago the Minister for Mines, when in the Eastern States, according to a report in the "West Australian" and the "Kalgoorlie Miner," said he had converted the Prime Minister to the view that something should be done for the miners along these lines. Since then nothing has been done. For the last nine years endeavours have been made to show the number of deaths that have occurred in the mining industry through miners' complaint. The time has come when we should do something to take away from the workers the fear of want. That will make for industrial peace. I congratulate the member for Yilgarn (Mr. Corboy) on bringing the matter forward.

Mr. DAVIES (Guildford) [5.22]: The motion has my full support. I believe the principle aimed at will be brought about sooner than many hon. members think. If it does not have the entire support of members on this side of the Chamber, it will at all events afford all members an opportunity of saying whether or not they are in favour of it. Something has been said about profit making. I am not a supporter of this motion for any profit that may be made out of the scheme. I have had some experience of mining disasters, and recollect the time when widows and orphans had to beg for bread after the bread-winners had been killed. In connection with the Mount Mulligan disaster, and the unfortunate death of 80 men, it is satisfactory to know that under the State insurance system in Queensland the dependants received from the fund a sum of about £40,000. Not many funds could stand such a strain upon their resources.

Mr. Marshall: Do you think they would have got that through private enterprise?

Mr. DAVIES: I think it would have had to be paid under the Workers' Compensation Act. I believe the Government will take some action in this matter, because members will force them to do so whether they like it or not. I also hope the Government will take into consideration the claims of the friendly societies within the State. All members must have had some

experience of friendly societies, which have done an immense amount of good for the worker in the Commonwealth, especially the men who have not been able to do much for themselves. Friendly societies represent the greatest system of co-operation in the world. It would be wrong for the Government to do anything without taking them into consideration. If any inquiries are to be made on the question of State insurance, the friendly societies should be consulted. To leave them out would be a big blow to them. They are made up for the most part of the workers of the State.

Mr. O'Loughlen: They will have to be protected.

Mr. DAVIES: They are entitled to protection. By far the bigger percentage of members of these societies is made up of working men. These societies have for a long time past endeavoured to do something for their fellow men and are entitled to recognition. I regret, with the member for Kalgoolie (Mr. Boyland), that no provision for unemployment was made in the motion.

Mr. O'Loughlen: He says it is too comprehensive as it is.

Mr. Corboy: It speaks of "general insurance"; that would cover everything.

Mr. DAVIES: General insurance would cover everything. If there is one spectre more than another that appals the working man, it is the fear of unemployment. Some scheme should be brought into operation whereby a man will know that he will receive sufficient sustenance to provide food for his family whilst he is out of employment. I would remind the farmer representatives on this side of the House that there is a larger co-operative society in Western Australia than the Westralian Farmers Ltd. I refer to the general community of the State.

Mr. Corboy: They have not got as much pull.

Mr. DAVIES: I would point out that the time has arrived when such a scheme must be put into operation. If the Government do not take action they will be forced to do so. I congratulate the member for Yilgarn (Mr. Corboy) upon bringing the matter forward.

Mr. PICKERING (Sussex) [5.28]: This is one of the hardy annuals; it comes up every session of Parliament.

Mr. Corboy: That is no reason why you should not do something.

Mr. PICKERING: No doubt it will receive the same quietus as it has received in years gone by.

Mr. O'Loughlen: It shows the hypocrisy of the thing.

Mr. PICKERING: Underlying this motion there is not only the question of State insurance but State monopoly.

Mr. Corboy: It should be a State monopoly.

Mr. PICKERING: The result of that would be to cut out all those companies which have been operating in the past. Will this mean any considerable benefit to the employer in the way of rates?

Mr. Corboy: Yes.

Mr. PICKERING: I can quote some figures to show that this is not so. In New Zealand the farmers have been working in competition with private companies. The rates of premiums for farmers in New Zealand are 12s. per cent., whereas in Queensland they are 15s. per cent. Regarding builders, the rates in New Zealand are 20s. per cent. and in Queensland 35s. per cent.

Mr. Corboy: What is the difference in the amount paid?

Mr. PICKERING: There is very little difference.

Mr. Corboy: There is a vast difference.

Mr. PICKERING: Regarding bricklayers, the New Zealand rates are 20s. per cent. and the Queensland rates 35s. per cent.; regarding carters, 40s. per cent. in New Zealand and 35s. per cent. in Queensland. It must be borne in mind that in Queensland, State insurance is a monopoly and they have the advantage of gilt-edged risks.

Mr. Corboy: They only have a monopoly as regards workers' compensation.

Mr. PICKERING: This is a matter as regards workers' compensation. Regarding sale yard employees, the rates in New Zealand are 25s. per cent. and in Queensland 50s. per cent. There is not always an advantage in New Zealand, where there is competition. Take an extreme case where there is no State insurance but open competition and compare it with Queensland. I will take as that extreme case New South Wales, where the bases of comparison are as follows. In connection with brickmaking, the Queensland rates are 27s. 6d. per cent. as against 11s. 6d. to 27s. 6d. per cent. to private companies in New South Wales, where there is no compulsion. Breweries pay 20s. per cent. in Queensland as against 10s. to private companies in New South Wales. Builders in Queensland pay 35s. in Queensland as against 22s. 6d. to private companies in New South Wales.

Hon. W. C. Angwin: What would the position have been had there been no State insurance?

Mr. PICKERING: There would be no difference in New South Wales.

Mr. Corboy: What is the difference in compensation paid?

Mr. PICKERING: Compensation paid in New South Wales on account of death benefits amount to £500, and in Queensland to £600 as a maximum.

Mr. Corboy: No, the maximum amount is £750. You are quoting from an old record.

Mr. PICKERING: These records are pretty well up to date. The minimum in Queensland and New South Wales amounts to £300. So far as disablement allowances are concerned, the maximum is the same in Queensland and New South Wales, namely

one-half the weekly earnings or a maximum of £2 per week in each case, the limit of compensation being £750.

Mr. Corboy: Your figures are four years out of date, so far as they affect Queensland.

Mr. PICKERING: I do not think so. I have yet to learn what advantages will accrue to the State under the proposal, in the direction of making these charges cheaper than in Queensland. We find that in Queensland the revenue for the year I am dealing with was £513,143, being, say, one-fifth in advance of the whole revenue of Western Australia.

Mr. Troy: Where are your figures taken from?

Mr. PICKERING: They are certified by the Queensland insurance authorities. The Queensland revenue represents roughly one-fifth in advance of the whole revenue of Western Australia, which is served by 49 companies. The salaries for the Queensland insurance office amounted to £87,750, whereas the salaries paid in the whole of the offices in Western Australia totalled £59,768.

Hon. P. Collier: What is your authority?

Mr. PICKERING: I got my particulars from the insurance records.

Mr. Corboy: From which office?

Mr. PICKERING: Anyhow, you dispute these figures.

Mr. SPEAKER: Order! Will the hon. member address the Chair.

Mr. PICKERING: The general expenses for the insurance office in Queensland amounted to £40,000, whereas the expenses for the whole of the offices in Western Australia amounted to £37,383. It must be borne in mind that in Queensland the State insurance authorities have the advantage which the private companies do not possess. The Queensland department have the advantage of the Government services acting as agents without commission. In addition, they pay no taxation like the ordinary companies. We must bear all these things in mind, and it would be unwise, when the State is in such a penurious condition, to commence one more State enterprise. There is not one of the State enterprises, apart perhaps from the timber mills, that is remunerative.

Hon. W. C. Angwin: The Implement Works were all right until some people got hold of them.

Mr. O'Loughlen: What about the brickworks and the State hotels?

Mr. PICKERING: Any concern can be made payable if it is written down sufficiently.

Hon. W. C. Angwin: There was very little written down in connection with the State Implement Works.

Mr. PICKERING: In Queensland, with a population of 694,440, the premiums paid amounted to £277,856 and the cost per annum for insurance amounted to 8s. In Victoria, with a population of 1,430,578, the premiums paid totalled £189,679, and the cost per capita worked out at 2s. 8d. In Western Aus-

tralia, with a population of approximately 350,000, as at the 30th June, 1920, the premiums paid totalled £63,790, and the cost per capita was 3s. 7d. per cent. If we are to be faced with the responsibility of supporting a State insurance monopoly, we should have some guarantee that the employers, who have to pay the premiums, will not be mulcted to the extent they are in Queensland. It is evident that any proposal can be made more profitable so long as high enough rates are imposed. It has been suggested that in Queensland 10 per cent. was returned to the employers. I understand it was reduced to 5 per cent., and I believe it is contemplated cutting out the discount altogether. I understand the profits made by the Queensland insurance monopoly is in the neighbourhood of 2 per cent. If this is so, it could be more than made up by taxation. There is another aspect that should be considered, and that is the ratio of claims made by the Queensland monopoly of compulsory insurance and that experienced elsewhere. In 1917 the percentage of claims in Queensland represented 61.57, whereas in New South Wales the private companies, with no compulsion operating for insurance, the claim ratio was 26.16 per cent. In 1918, the claims in Queensland were 66.65 per cent. and in New South Wales 37.35. In 1919 the claims in Queensland were 68.9 per cent., whereas in 1920 the claims ratio in Queensland was 75.1 per cent. and in New South Wales 54.33. It is ridiculous to say that the companies cannot be made to pay. They do pay, because if a man is not able to sue for the recovery of an amount due to him, he will quickly find that his union or someone else will be prepared to take action for him. It is evident, therefore, that the ratio of loss has nothing much to do with that aspect of the case. I think the member for Guildford (Mr. Davies) said that there would be more sentiment shown by the State institution.

Mr. Chesson: That is so, too.

Mr. PICKERING: There is always that tendency in connection with State institutions. There is a tendency to be too liberal.

Mr. Wilson: A tendency to be just.

Mr. PICKERING: A man can insure up to a certain amount and there is no difficulty in securing his money.

Mr. Wilson: Is there not?

Mr. Heron: You have not had anything to do with it, evidently.

Mr. PICKERING: At any rate I contend there is a tendency on the part of State organisations to be more liberal in the settlement of claims although I agree that it is right that the men should be insured.

Mr. O'Loughlen: You thought it was all right when it was a case of the I.A.B.

Mr. PICKERING: It is also right that we should treat the funds held in trust by the State with honesty. It is possible to have influence brought to bear upon State institutions. I know from my own experience

that Government departments are subject to influence. I have been approached with a view to using my influence to get things done for my constituents, and every member of the House knows that, through the exercise of influence, benefits accrue to people. There will be a tendency in a State-run concern, such as that advocated in the motion, for abuses to arise. Insurance has been conducted equitably by the companies in Western Australia. It would be right to legislate in favour of compulsory insurance so that every employer would have to insure his employees. I would be agreeable to a measure of that kind, but I am opposed to any further extension of State enterprise in any shape or form.

Mr. O'Loghlen: You did not oppose the wheat pool.

Mr. PICKERING: Great stress has been laid on the benefits accruing to the workers as a result of a Government scheme of insurance. It is significant, however, that in Queensland no less than 380 claims had to be re-opened. No provision had been made for these claims in the balance sheet and during one year 130 claims originally settled for £5,000 were re-opened and eventually settled for an additional £7,570. Does this infer particularly good treatment to the Queensland worker? It shows that there is not that wonderful benefit accruing to the workers as suggested during the debate. The operations of the Queensland insurance scheme show that these claims had to be re-opened and the Government had to disburse an additional £7,570.

Mr. O'Loghlen: What does that indicate? It shows that the workers were foolish enough to accept a smaller amount than they should have taken at the outset.

Mr. PICKERING: It means that that sum had to be taken from the funds of the State institution in order to meet the claims. They were originally settled by the State authorities on what was considered an equitable basis. There was no object to influence the State scheme to do other than pay an equitable amount. They did so, but, owing to influence brought to bear on the State institution, the further sum I have referred to had to be expended. I do not contend that I am in favour of State insurance. I have never been an advocate of that system, nor have I been an advocate of State industries. I am in favour of private enterprise.

Mr. O'Loghlen: What about your wheat?

Mr. PICKERING: More especially should we not commence a State enterprise such as that suggested, at the present juncture. So far as wheat is concerned, the contributors to the pool pay for it. The State will not have to pay any loss, but if we initiate a State insurance scheme, it will mean additional expenditure without many advantages. I trust members will not be led away by those who see a Heaven in every State institution. Our experience, spread over very many years, has brought disillusionment in that direction. I trust members will not agree to the motion.

Mr. O'LOGHLEN (Forrest) [5.45]: I do not know whether members intend to be guided by the eloquent plea that has been put up by the member for Sussex in his concluding remarks. It is obvious that the hon. member has been pretty well primed up by the insurance companies. He has been reading typewritten documents, as is his custom on almost every occasion when he makes a speech in this House. He appears to be a sort of human reservoir, giving voice to the views of more interested parties.

Mr. Pickering: Now get on to the speech.

Mr. O'LOGHLEN: I am doing so and if I do not succeed equally well as the hon. member, I hope that you, Mr. Speaker, will put me on the right track. The hon. member appears to take that most extremely selfish attitude which is typical of the party to which he belongs.

The Minister for Mines: No!

Mr. O'LOGHLEN: It is typical of the party. The Minister is only a recruit.

Mr. Troy: He is progressing.

Mr. O'LOGHLEN: Yes, he is making magnificent headway. When he returns from Java in a few weeks' time, he will probably be able to teach his colleagues a few more points. This motion proposes to launch a new State activity, and the member for Sussex has announced that he has always been opposed to State enterprise. Yet since he has been in this House and since his party have been represented here, they have taken greedily with both hands every measure of State assistance that was designed for the benefit of the farmers, and they are clamouring for more every day of the week. Surely the hon. member must be logical.

Member: That was for the benefit of the State.

Mr. O'LOGHLEN: Yes, but primarily for the benefit of a section, and the rest of the community have to stand guarantee for that section. Surely the member for Sussex is not so blind that he cannot see the logic of the contention put forward from this side of the House that in the case of a State controlled activity, the people have some measure of control. Take the State railways. The hon. member would not advocate a reversion to private ownership.

Hon. W. C. Angwin: Yes, he would.

Mr. O'LOGHLEN: I do not think so. He advocates State railways because, with the political power which he and his party possess, they are able to dictate from this Parliament the freights which should apply. In any State concern the people's representatives have the power to lay down the policy. If the hon. member and his party so desired they could bring down a motion for a 10, 15, or 20 per cent. reduction in the price of timber put out of the mills.

Mr. Latham: We do not attempt to do that.

Mr. O'LOGHLEN: No, but the hon. member's party has the power. Is not there a vast difference between having control of the position and the country suffering from the

extortion of companies out for private gain? We have something like 43 insurance companies operating in Western Australia, and does it not strike the member for Sussex, who has been such a powerful pleader for these particular vested interests that, as an advocate of efficiency and economy, there is a huge waste under the existing system?

Mr. Pickering: I showed that there was.

Mr. O'LOGHLEN: The hon. member quoted the salary list in Western Australia as compared with that in Queensland, but the figures for Queensland were in respect of the year 1919.

Mr. Pickering: They are worse to-day.

Mr. O'LOGHLEN: Yet the Western Australian figures which he quoted were for the year 1921. He did not give the Queensland figures for the same year. No, it suited the purpose of the insurance companies, who briefed the hon. member to put up the case for them, to pick out the most favourable year from their point of view and contrast it with the figures for Queensland at a time when the scheme was practically in its initiation.

Mr. Pickering: On a point of order, is the hon. member in order in saying I am briefed by the insurance companies?

Mr. SPEAKER: The hon. member takes exception to the remark and I ask the member for Forrest to withdraw it.

Mr. O'LOGHLEN: I withdraw the remark. The figures are misleading. They have been compiled in a dishonest fashion, but I do not say that the member for Sussex compiled them. They are just like the voluminous budgets of literature presented to members of Parliament from time to time and such as have been presented to members of another place to-day. The insurance companies are interested in seeing that this motion is defeated, and they come along to the hon. member knowing that he will put up a good fight for them, as he always does, and they have bombarded the hon. member with this literature. The people who compiled the literature were not too careful regarding the facts, because they have not given comparative statements for a given period. They have skipped from a favourable year in Western Australia and contrasted it with an unfavourable year in Queensland at which time the scheme had not long been under way. That being the case there is not much in the point made by the hon. member that, after the settlement of claims, there was an additional sum of £7,000 paid out consequent upon the political pressure which was brought to bear. It has happened in Western Australia that workers have been foolish enough to accept settlements without having sufficient knowledge of the working of the Workers' Compensation Act. Particularly was this so before the last amendment was made, in which was set out a schedule of the compensation for various injuries. Previously there was no schedule of the kind, and a

worker not au fait with the provisions of the Act was often at a disadvantage. Parliament conferred a great boon upon the great mass of the workers by inserting that schedule showing the various amounts allocated for different injuries. Even since then, however, there have been a big number of workers who have not sought industrial advice. They have not gone to their organisation or perhaps they do not belong to one, but in their extremity they have accepted settlements in a way somewhat similar to that in which soldiers have accepted cash for their gratuity bonds. I know of several settlements which have been filed in the court and later on the victims have disclosed what they received for the loss of a limb. A man of my acquaintance has taken up perhaps a dozen such cases and has succeeded in compelling the companies to disgorge a large amount. Such a thing is not likely to happen to the same extent under a State scheme. The member for Sussex said that the whole of the amount mentioned was paid out owing to political pressure. If it was and the cases were just, it is a good job that at times political pressure can be brought to bear in favour of the working man who suffers injuries sustained in the course of his employment. Very often do we witness political pressure exerted in behalf of people who are well able to look after themselves. I advise the member for Yilgarn to stick to his motion. If this House turns it down it will be tantamount to saying that we are satisfied with the present system of 43 insurance companies and 43 directorates. It is true that a good number of members of Parliament are directors of insurance companies. Possibly they would like to see the companies flourish even a little more.

Mr. Wilson: None on this side of the House.

Mr. Pickering: Nor on this side.

Mr. O'LOGHLEN: As Senator De Largie said on one occasion, "We are a stone-broke crowd and we do not get seats on these boards." I hope that members on this side of the House will make articulate at all times the aspirations of the great bulk of the people who have most to gain from State insurance and who have most to gain from a generous measure of workmen's compensation. New Zealand led Australasia in this respect many years ago, and after viewing the operations of the system there and in Queensland, no one can offer serious opposition to the motion. If the Minister for Works were present I venture to say that he would support the motion. I hope the member for Sussex will pair with him when we take the vote. The member for Yilgarn should stick to his motion, and if the House turns it down it will be a plain indication to the people of the country that the Government are not prepared to engage in a remunerative busi-

ness at a time when the State is greatly in need of the money. The member for Sussex does not mind the State taking on the burden of education, the Crown Law Department and the police and all the other departments which bring in not a penny of revenue and have to be financed out of the revenue of the State, but where there is a chance of building up a reserve fund to pay for these losing services, the hon. member does not approve of it. The hon. member is against State enterprise.

Mr. Pickering: The insurance companies had to put up a bond of £5,000.

Mr. O'LOGHLEN: Some of them were not able to find the £5,000. The member for Sussex spoke about a monopoly. It would be a good thing for the finances of the State if such a scheme were under way here. The present Government, however, will not grapple with a scheme so comprehensive in its scope as one covering State life and fire insurance. Neither will the Government grapple with larger measures, because they are the elements which stand for private enterprise as interpreted by the member for Sussex. The hon. member is not in favour of private enterprise, and he would be opposed to co-operative effort if the Westralian Farmers Ltd. were not at stake. If the Westralian Farmers Co-operative Insurance Department was likely to sustain injury, he would stand up for the Westralian Farmers Ltd. The Westralian Farmers Ltd. are a happy family who are doing well in Western Australia. Only the other day I noticed that they had started a new department. The member for Sussex has gained nothing from his experience as a public man. He has been in Parliament for many years and he still denounces State enterprise of almost every description, except where the farmers whom he claims to represent are likely to benefit. The Labour Government, composed of men now on this side of the House, did more for the farmers than any other Government in the history of the State. This can be proved by figures dealing with the years when we were in office and members on the Government side of the House cannot deny it. Yet they debate this point when they visit places like Greenbushes and Doodlakine—

Mr. Latham: Opportunity is everything.

Mr. O'LOGHLEN: Whereas justice should be the guide. Unfortunately, the gifts of Providence were not lavished during our term of office and, for the first time in history, we found our big wheat growing areas afflicted by drought, as a result of which the people had to be assisted by the Government. The measure of assistance given by the Government, who were supposed to be hostile to the farmer, was something akin to the action of the broken and disheartened punter who at the races has five successive losses and on the welter puts the whole of the family plate hoping for a grand recovery. The Government had to give that assistance to the farmers at that time and all we ask in return is a little

measure of gratitude, instead of sneers at the policy we advocate, sneers at the policy of collective ownership, sneers at our policy designed to bring the greatest good to the greatest number of people. I hope that the Country Party as a whole will not adopt the narrow, hopeless, despairing policy of the member for Sussex that the State must not touch anything unless it is going to confer a benefit on the section he represents, and that the State must not embark upon schemes which will benefit the whole of the community. The hon. member objects to the State undertaking a remunerative trading enterprise. He prefers to see it left to his friends, who are prepared to exploit the people at every possible opportunity.

Mr. Pickering: New South Wales has a Labour Government, but has not embarked on State insurance.

Mr. O'LOGHLEN: What is the position of the Labour Government in New South Wales? It is so precarious that if they lost a member to-morrow, they would be as the hon. member very often is—in difficulties. The Labour Government of New South Wales are attempting big schemes, but are not able to carry them out, because of the presence of too many members of the type of the member for Sussex, who seek to obstruct them at every turn. Later on the New South Wales Government will follow the example of Queensland and New Zealand. We could do likewise if we wished, but the desire is not present yet, and it will take a heap of public education, not from the insurance companies but from people who are disinterested, before the member for Sussex can be convinced that this motion should be carried. The Minister suggests altering the motion, whittling it down to authorise the making of inquiries which possibly may prove hostile to the whole project. I do not approve of this, and I advise the member for Yilgarn to stick to the motion, and give members an opportunity of carrying it. There are on the other side of the Chamber several members who generally support the Government, but who are prepared to support this motion. I hope there will be sufficient of them to ensure its adoption. If not, let the people of Western Australia know that those hon. members and the Government are not prepared to lift a finger in order to bring about an essential reform of this nature—in which case the people will no doubt make various changes at the next election. Finally, I trust that other members of the Country Party in speaking on this subject will show themselves a little more generous than the member for Sussex has done.

Mr. LATHAM (York) [6.1]: I move—

That the debate be adjourned.

Motion put, and a division taken with the following result:—

Ayes	..	..	..	16
Noes	..	..	..	24

Majority against .. 8

AYES.

Mr. Angelo	Sir James Mitchell
Mr. Carter	Mr. Money
Mr. Denton	Mr. Pickering
Mr. Durack	Mr. Plesse
Mr. Johnston	Mr. Scaddan
Mr. Latham	Mr. J. H. Smith
Mr. C. C. Maley	Mr. Mullany
Mr. H. K. Maley	(Teller.)
Mr. Mann	

NOES.

Mr. Angwin	Mr. Munzie
Mr. Boyland	Mr. Richardson
Mr. Chesson	Mr. Sampson
Mr. Collier	Mr. Simons
Mr. Corboy	Mr. Teesdale
Mrs. Cowan	Mr. J. Thomson
Mr. Davies	Mr. Troy
Mr. Gibson	Mr. Walker
Mr. Heron	Mr. Willcock
Mr. Lambert	Mr. Wilson
Mr. Lutey	Mr. O'Loghlan
Mr. Marshall	(Teller.)
Mr. McCallum	

Motion (adjournment) thus negatived.

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

Ayes	..	..	..	23
Noes	..	..	..	17
Majority for	..	..	..	6

AYES.

Mr. Angwin	Mr. Munzie
Mr. Boyland	Mr. O'Loghlan
Mr. Chesson	Mr. Richardson
Mr. Collier	Mr. Simons
Mrs. Cowan	Mr. J. H. Smith
Mr. Davies	Mr. J. Thomson
Mr. Heron	Mr. Troy
Mr. Lambert	Mr. Walker
Mr. Lutey	Mr. Willcock
Mr. Marshall	Mr. Wilson
Mr. McCallum	Mr. Corboy
Mr. Mullany	(Teller.)

NOES.

Mr. Angelo	Mr. Mann
Mr. Broun	Sir James Mitchell
Mr. Carter	Mr. Money
Mr. Denton	Mr. Pickering
Mr. Durack	Mr. Plesse
Mr. Johnston	Mr. Sampson
Mr. Latham	Mr. Scaddan
Mr. C. C. Maley	Mr. Teesdale
Mr. H. K. Maley	(Teller.)

Question thus passed.

RETURN—STATE IMPLEMENT WORKS.

Order read for the resumption of the debate, from the 21st September, on the following motion moved by Hon. W. C. Angwin—

“That a return be laid on the Table of the House showing the amounts written down or placed to a suspense account re-

garding the State Engineering and Implement Works—(1) Buildings and Plant; (2) Losses during working, stating years; (3) Interest and compound interest; (4) Depreciation.”

Hon. W. C. ANGWIN (North-East Fremantle) [6.12]: Since this motion was moved, the papers asked for by it have been laid on the Table at the instance of the Minister for Works. I therefore ask leave to withdraw my motion.

Motion, by leave, withdrawn.

Sitting suspended from 6.13 to 7.30 p.m.

BILL—STATE CHILDREN ACT AMENDMENT.

Second Reading.

Hon. W. C. ANGWIN (North-East Fremantle) [7.30] in moving the second reading said: A little while ago several amendments were made to the State Children Act with a view to facilitating the work of the court controlling State children. As a result, certain ladies and gentlemen were appointed justices of that court. The Bill has been drafted in accordance with the views of the members of that court who, during the last year or two, have been doing very valuable work. They now ask for a little additional power to enable them to more fully assist the children coming before them. In the first place, they desire discretion in the matter of imposing imprisonment in default of the payment of fines. Under the Justices Act, if a fine be imposed on the parent of a child and not paid, imprisonment must follow. The members of the court unanimously hold that this should not apply to the children, and that even in the case of the parents the question of imprisonment should lie within the discretion of the court. Unfortunately the Bill does not provide that discretion in the manner desired. It provides that there shall be no imprisonment for the child. But there have come before the court instances of widows and others in such poor circumstances as to be quite unable to pay a fine. Under the Justices Act it is almost obligatory on the court to commit such persons to prison, irrespective of what the court may think. The Auditor General has pointed out that when a fine cannot be collected the officer whose duty it is to collect it must be surcharged with the amount unless he takes action to have the defaulter imprisoned. The members of the court declare that in many instances it would be a serious hardship on the parents to commit them to prison for no better reason than that they cannot afford to pay the fines imposed. In some cases, I understand, the members of the court have paid the fine rather than send the parents to prison, as prescribed in the Justices Act. The State Children Act provides that the secretary of the department shall deal with State children in a certain manner. The

court hold that if they had the right to place out the children committed to the State, their work in this respect would be of greater benefit to the children than has been the work of the department. However, as one who controlled the department for three years, I contend that the court must not fall into the error of considering themselves an administrative body. They have to deal, in accordance with the Act, with all cases brought before them. The administrative body is the State Children Department. The court takes strong exception to the separating of brothers and sisters committed to an institution.

The Colonial Secretary: They are not separated if it is possible to avoid it.

Hon. W. C. ANGWIN: But in the case of a brother and sister the children are separated, one going to one institution and the other to another.

The Colonial Secretary: Nothing else can be done in such a case.

Hon. W. C. ANGWIN: Yes, the court might be allowed to send the children to foster parents.

The Colonial Secretary: That is done now.

Hon. W. C. ANGWIN: Not in all instances. The court strongly recommends that it should be done. One member of the court told me that it was heart-breaking to see brothers and sisters separated from each other.

Mr. Davies: It can hardly be avoided when the children are going to an institution.

Hon. W. C. ANGWIN: But the secretary has power to place them with suitable persons willing to take charge of them. They could be sent together to foster parents. The Bill gives the court power to make an order which shall be varied only by the Minister. Some members of the court want the right to say what shall be actually done with the children. Personally, I think the Bill goes quite far enough, for it must be remembered that the court is not an administrative body. Another request made is in regard to the inspection of institutions. While the Act was going through Parliament two years ago, a provision was inserted giving the members of the court the right to visit any institution when authorised by the Governor to do so. The court now desire that those words shall be deleted, and that members of the court shall have the right to visit institutions at all times. I think that is going too far, and when in Committee I will move an amendment giving the members of the court the right to visit institutions, not at all times, but at any reasonable time.

Mr. Underwood: Who is to be the judge of the reasonableness?

Hon. W. C. ANGWIN: That can be determined in Committee. Those in charge of the institutions welcome the visits of the court, for those visits serve to remove any false impression and to give the public greater confidence in the institutions.

Mr. Teesdale: What about letting the members of the court loose on the foster mothers?

Hon. W. C. ANGWIN: This is dealing, not with foster mothers, but with institutions. Foster mothers are under the supervision of the inspectors of the department. Again, all cases under the Bastardy Act have to be heard in the Children's Court. Some difficulty has arisen in the securing of special magistrates to sit on those cases.

The Colonial Secretary: A special magistrate has now been appointed under that Act.

Hon. W. C. ANGWIN: The Bill asks that two justices shall be allowed to sit on such cases, as is provided in the Justices Act.

The Colonial Secretary: Two women justices may sit now.

Hon. W. C. ANGWIN: Then again, suppose a child is arrested at night time. As hon. members are aware it is not always possible to secure the services of a justice of the peace in order to bail out the child, and it has happened that a child has had to remain locked up all night. It is suggested in the Bill that power to admit a child to bail should be given to the secretary of the department, clerk of courts, and any officer in charge of a Government detention house. Therefore if a child be taken away to the institution at Mount Lawley, and the parents wish to bail out that child, it will be possible for the person in charge of the institution to grant the bail. Under the existing law it is necessary that the services of a justice of the peace should be obtained. Then again it is provided that it shall not be necessary that every child shall be made a State child before action can be taken for its maintenance. As hon. members are aware, under the existing law any near relative of the child can be sued in the court for the maintenance of that child, but before action can be taken now the child must first be made a State child. It is suggested in the Bill that that provision should be altered so that it should not be necessary to make the child a State child before it can receive maintenance. We also ask that power shall be given to inspectors to visit factories and shops and places of amusement, a power similar to that given to the inspectors under the Factories and Shops Act. There have been complaints lately about young children taking part in entertainments. Of course permission can be secured for them from the Minister, but in many cases they have taken part in performances without that permission, and it is advisable that inspectors under the Bill should have the power which it is sought to give them. I regret this Bill does not go quite as far as I would like to see it go. I notice an amendment on the notice paper in the name of the member for West Perth to the effect that when a child has been convicted in a Children's Court, that

conviction shall not be used against the child when grown to manhood or womanhood. I regret that another place did not consider it advisable to include that amendment. The provision is an important one and should have a place in the Bill. On more than one occasion it has been brought under the notice of the court that the fact of a child having been convicted has been used detrimentally to that child's interests. In some instances owing to the special circumstances, the members of the court themselves have enabled the child to secure employment, and the previous employer has gone out of his way to make known to the new employer the fact that a conviction has been recorded in the Children's Court against the child. The amendment provides that any person who discloses this fact may be fined not less than £100. It is very important that this clause should be included in the Bill.

Mr. Teesdale: But the fine is a ridiculous one.

Hon. W. C. ANGWIN: I am not so sure about that. A child's future may entirely depend on secrecy being observed in regard to a conviction, which conviction may have been merely for a trivial offence.

Mr. Mann: You would have to show intent.

Hon. W. C. ANGWIN: In an instance I have in mind there certainly was intent. I could give the hon. member that instance privately.

The Colonial Secretary: This clause will not prevent that.

Hon. W. C. ANGWIN: Will it not? Then I hope that the Minister will assist me to alter the clause so that it will. The general provisions of the Bill will assist the court to deal with cases which appear before it in a far better manner than has been the experience of the past.

Mr. Mann: Are all convictions recorded? For instance, I have read of lads being fined for playing football on Sunday.

Hon. W. C. ANGWIN: All convictions must be recorded. I have watched very closely the work of the Children's Court during the past few years. The members of the bench have in almost every instance considered the welfare of the children. I know that difficulties have been experienced in many of these cases where children have been deserted, and where people give their time and take such an interest in the welfare of the children, it is the duty of the House to assist those people in any manner which it is considered will be of benefit to the children. That being so I have no hesitation in recommending the Bill. I move—

That the Bill be now read a second time.

Mrs. COWAN (West Perth) [7.55]: I strongly support the Bill and I hope the House will deal with it from the points of view which have been put forward by the

previous speaker. It is really very important in the interests of the children of the State that we should regard these questions from a standpoint different from that of an ordinary court. The idea of treating children on ordinary police court lines has become obsolete, and we wish now to do as much as possible in the way of reform. Take Clause 10 which provides a case in point. At the present time the court must impose a fine. That is why we desire to strike out the words "any child." In one case not long ago, had it not been for Mr. Lovckin, who was sitting on the bench, the woman who was before the court must have been sent to prison because she had no means of paying the child's fine, and being the mother there was no one else to pay it. That kind of thing has happened more than once. I do not think members of the bench should be placed in the position of being compelled to put their hands in their pockets. If the mother fails to pay the child's fine, a writ of execution must be issued, and if the fine be not paid three days' imprisonment must be awarded for every one pound or less. Then every time the woman fails to pay, the court must go on adding to the sentence. Only the other day Mr. Lovckin paid a woman's fine. In fact he has done so on other occasions. This woman was receiving 34s. a week from the State to keep herself and five children. Will anybody tell me that that woman was in a position to pay a fine, even though that fine was one of a shilling? As a matter of fact it was 8s.

Mr. O'Loughlen: They are refusing even that 34s. next week.

Mrs. COWAN: That is not the point we are dealing with now.

The Colonial Secretary: It is not true.

Mrs. COWAN: By excising the words I have quoted that kind of thing will be prevented from happening. It is harsh to a degree, and detrimental to family life if a woman has to be sent to prison. The only alternative is for the bench to pay the fine so that the mother may not have to go to prison. It seems to us an extremely cruel thing that because a child has been fined for perhaps only a breach of a municipal by-law that that child should not be given a chance even though it be not a first offender. A child may be accused of having rung the neck of a duck, or cut a few letters on a tree in the park, or picked wild flowers more than once. We must remember that these offenders are very young and we should regard them as wards in chancery rather than criminals. Very often they are only troublesome children who have not had much chance, and I do not think that we should stigmatise them as criminals for the rest of their lives. If they are really bad they will continue so even after they reach 18. And the offences which appear in the records may then be used against them and create great prejudice. We should give them a clean sheet from the time when they reach the age of 18 years for whatever they have done in the past. It

is hard enough for people to be punished for the sins of their parents. Why should we punish children for what they have done—after all they are still only children up to the age of 18—and thus carry their youthful misdeeds on to be a stigma against them for the rest of their lives? After all, many of the so-called sins are not of a serious nature. It is not fair to them and it is not the right way to deal with the question. I hope the House will support the Bill and pass it practically as printed. It is my intention to withdraw one of the amendments I have placed upon the Notice Paper.

Mr. Simons: Which one?

Mr. COWAN: The second one.

Mr. SPEAKER: That can be done at the Committee stage.

The COLONIAL SECRETARY (Hon. F. T. Broun—Beverly) [8.0]: I intend to support the Bill, although not in its entirety. I agree with most of the clauses contained in it. Since I have been Colonial Secretary I have done all I could to assist the Children's Court in their work. I know the members of that court are doing good work and I appreciate it. As a result of the department working in with the court we can do very much better work. By the department keeping in close touch with the court the children are better treated and the department has a better opportunity of getting through its work, and placing the children out in a satisfactory manner with the assistance of the members sitting on the bench. When this measure was introduced in another place most of the kudos was taken by the hon. member who presented it. He mentioned that the court was responsible for doing most of the good work. Whilst I admit that is so, in respect to the court, I do not want to leave out the department. Mr. Watson and his officers are undoubtedly doing good work, and are responsible for placing out the children in good homes after the court has dealt with them.

Hon. P. Collier: I think the department is doing splendid work.

Mr. Simons: In spite of the Ministry!

The COLONIAL SECRETARY: There are some amendments in the Bill with which I entirely agree. One amendment provides for the letting out of children on bail. As pointed out by the member for North-East Fremantle, it is difficult at times to get a Justice of the Peace during the evening. Because of this some children have had to be kept in the detention ward. If it is possible to keep the children out of that ward we always like to do it. Only a short time ago I was blamed for making an arrangement by which boys who had been running away with a number of motor cars were let out on probation. The member for East Perth (Mr. Simons) was good enough to guarantee that he would take care of the boys and act as sponsor for them. Since these boys have been released on probation they have behaved themselves. I am satisfied that when their

probationary period expires and they are once more free they will not cause any further trouble. If we can manage to do this with the children instead of punishing them they will be the better for it. They will not be driven to commit offences afterwards. The amendment in the Bill will overcome that point. We shall not need to keep children over night in the way that we have had to do in the past in order that they may be brought before the court the following morning. I am glad the member for West Perth (Mrs. Cowan) intends to withdraw one of her amendments on the Notice Paper. That is the amendment relating to Clause 3. This question was fully thrashed out in another place and the Bill was amended as it appears here. The clause provides that the recommendations of the court shall not be departed from with regard to placing children out in any institution or with a foster mother without the consent of the Minister. I agree with that proposal. In the past the department has, as far as possible, carried out the directions of the court. There may have been one or two occasions when we have departed from them, but it has been imperative that we should do so. The cases mentioned in another place were discussed with me by the secretary of the department. The member for North-East Fremantle knows that institutions do not take boys and girls together. We can very seldom send a brother and sister out together. We can send two sisters to one institution, or two brothers. In one instance the court recommended that the brother and sister should be placed out together. There was a difficulty in getting anyone to take them both. The department were endeavouring to arrange this but they had to be boarded out during the interval. I have issued instructions to the secretary of the department that wherever possible the directions of the court must be carried out and the children kept together. I am a thorough believer in that principle. When a brother and sister have lost their parents it is our duty to see that they grow up together so that they may love one another, and that the brother may take care of the sister when she is growing up. That is the proper course to adopt, and we are adopting it as far as possible. I am going to oppose Clause 4, which relates to visitors to institutions. The institutions have not objected to people visiting them. A request was made to me a little while ago to appoint the members of the court as visitors to institutions or homes. I did not accede to the request. I appointed two male members and two female members of the court as visiting members so that they could go to any institution at any time they desired. In another place this particular clause was thrown out, but when the Bill was re-committed it was re-inserted. The hon. member in charge of the Bill stated that the heads of the different denominational institutions did not object to members of the court visiting them. They did not

object to the magistrates visiting the institutions, but they did not know at the time it was intended that all the members of the court should do so. There are about 60 members of the Children's Court throughout the State, 20 or 30 of them being in the metropolitan area. After this Bill passed through another place complaints were made to me by heads of the institutions as to the number of persons whom they thought had been appointed as visitors. It was pointed out that the department had its own inspectors, in addition to which there would be four members of the court and the special magistrate, making five more in all. An hon. member in another place said that the number was not sufficient because of the number of institutions that had to be visited. I had no objection to increasing the number by two if it could be proved that this was necessary, making a total of seven members of the court. No complaint has been made to me in the matter. I asked for certain information to be obtained for me from the heads of the different churches and denominations.

Mr. Teesdale: How many members of the court are there?

Mrs. Cowan: There are 10 men and five women in Perth.

The COLONIAL SECRETARY: There are 13 in Perth and there are 60 in all throughout the State. Any of these 60 members could, under the Bill, visit any of the institutions they desired.

Mrs. Cowan: That was never intended.

Hon. P. Collier: It is not what is intended. It is what the Bill says.

The COLONIAL SECRETARY: The Bill provides for that.

Mrs. Cowan: You should not agree to it.

The COLONIAL SECRETARY: The Bill says "any members of the Children's Court." I have here a communication from the Diocesan Secretary—

Mr. Fisher, Diocesan Secretary, stated that Archbishop Riley is quite opposed to the court being given such power. No objection is raised to visits at reasonable times as ordinary visitors but not as inspectors. By the Archbishop's reference to "Magistrates" is meant "Members of the Children's Court." His Grace the Archbishop is absent in the Eastern States, and not able therefore to contradict the statement that he is agreeable to the amendment. Copy of the letter to Mr. Lovekin is attached.

Other communications are, briefly, as follows:—

Clontarf Orphanage (Boys), Brother Geoghegan, Manager. Brother Geoghegan states he is strongly opposed to the amendment. Objects to such a number of persons being granted the right to visit and inspect. Considers Children's Court have completed their work when children have been committed to the department's care and think liable to lead to dual con-

trol. No objection to visits as ordinary citizens. Sister Mary Claver, Matron of the St. Vincent's Foundling Home, strongly objects to amendment. Only too pleased for the Court to visit during visiting hours but as visitors only. Visiting hours 10 a.m. to 4 p.m. Sister Ursula, Matron of St. Joseph's Girls' Orphanage, objects to amendment. Considers same undesirable. No objection to visits as ordinary visitors. Visiting hours 9 a.m. to 5 p.m. Rev. Mother Superior of the Home of the Good Shepherd states she most emphatically objects to amendment. Major McClure, controlling Salvation Army boys' homes at Kelmescott and Karrakatta, states he is strongly opposed to amendment. Considers inspectors from department sufficient. Undesirable for the court to be given such powers. No objection as ordinary visitors in visiting hours. Brigadier Lane, controlling Salvation Army girls' home at Kelmescott and Cottesloe Beach, states she is strongly opposed to amendment. No objection to the special magistrate, but thinks department should be only body to inspect. No objection as ordinary visitors in visiting hours.

The postscript from the Acting Secretary of the department states:—

I spoke to Archbishop Clune this morning. He agrees generally with the views of Archbishop Riley, as expressed by Mr. Fisher, the Anglican Diocesan Secretary, and is at one with the views of his institutions, but thinks that if opposition is shown to the clause. It is left open to the public to think the institutions may have something to hide. He understands that visits by the Court will be at reasonable hours. When the matter was brought under his notice, the word "inspect" was not mentioned.

That is the information I have obtained since the Bill went through another place. I do not think that it is desirable that so many visitors should be appointed to go to these institutions as inspectors. If it is found necessary, owing to the inability of those who are already appointed to visit all the institutions, I shall have no objection to appointing two more with power to inspect. The additional two should be ample for all purposes. Although I have spoken in complimentary terms regarding the work the Children's Court is doing, I wish the members of that Court to remember that they have an Act to administer. In administering that Act, however, they have only power to try the cases appearing before the court, and their duty ends there. It is not within their power to instruct any institution as to what is to be done with the child subsequently. Recommendations are made to the Secretary of the State Children Department and that Department is responsible for the child subsequently.

Hon. W. C. Angwin: I said that the members of the court were not administrators.

The COLONIAL SECRETARY: That is so, but I desire to draw attention to a re-

port appearing in the "Daily News" of yesterday. A girl was tried before the court and I will read a small portion of the report appearing in the "Daily News" to show that one of the members, who is the special magistrate, is attempting to go too far.

Mr. O'Loughlen: He mixes publicity with his legal work.

Mr. Teesdale: He has only been appointed 10 minutes and he is already starting along those lines.

Mr. Mann: At any rate he has done good work.

The COLONIAL SECRETARY: His duty is to attend to the court and look after the duties conferred upon him under the Act.

Mr. SPEAKER: Does the report the Minister intends to read, deal with the Bill which went through another Chamber?

The COLONIAL SECRETARY: The portion I desire to read leads up to something I admit.

Mr. SPEAKER: Does it deal with the administration of the court?

The COLONIAL SECRETARY: Yes; Mr. Speaker can rule me out of order if he thinks I am going too far. The report deals with a case before the Court and the particular part I desire to refer to deals with the action of the court. The matron of the receiving home (Mrs. Tilley) was called to give evidence and referring to the girl who was before the court she said:—

She has defied all the nurses and put the whole staff in a nervous state and injured one of the nurses. If she were taken to the home this afternoon she would be gone by 10 o'clock to-night. Defendant is the worst girl I have had to deal with in my three years experience. Do you think the influence is a good one for the other children?

Mr. Lovekin: I am prepared to accept the word of honour of a boy or girl.

The Matron: I am afraid you are taking a great risk. Nurse Assistant McRae, who has had most to do with the defendant, feels that she cannot continue with her in the home.

Mr. Lovekin: We cannot listen to that sort of talk. If she does not like to do so, someone else will be found.

That is a nice thing for a special magistrate in the Children's Court to say. Does any magistrate say he will instruct the Superintendent as to how she must act or what she should do? I would point out to hon. members that we should not give too much power under this measure. If hon. members cannot trust the Minister he has no right to be in his office. I will not let Mr. Lovekin or anyone else over-ride me while I am in that position.

Mrs. Cowan: That is quite right, but is it not possible that this is a case of inaccurate reporting? It may be a case of being hoist with your own petard.

The COLONIAL SECRETARY: This is Mr. Lovekin's own paper. For my part I

hope the report is not true. I have no more to say except that there is an alteration sought, of Section 5 of last year's Act. If members look at the Bill they will see that the effect of Clause 12 is to repeal the bastardy law. If the Bill is passed, the Bastardy Act will be repealed and then any two justices of the Children's Court will be eligible to try bastardy cases. I do not say that if two women justices of the peace were on the bench of the Children's Court, they would endeavour to act other than with justice, but we must be careful in connection with such cases. To deal with such cases the court should be constituted properly and if there is a doubt it should be given in favour of the person brought before the court. As it stands at present, I found that it was necessary to have a special magistrate appointed so that he could sit with two justices of the peace and deal with these cases in the Children's Court. Mr. Lovekin was appointed the special magistrate so that such cases could be dealt with there. Under the old Act no bastardy case could be dealt with by two justices of the peace.

Mrs. Cowan: Every resident magistrate can deal with them.

The COLONIAL SECRETARY: That is a different thing. The resident magistrate can deal with these cases. The provision was made in the old Act so that no two ordinary justices could deal with such cases without a magistrate being on the bench as well. If the Bill is passed as it stands, it will mean that two women justices of the peace can sit and try this type of case. I will oppose that particular amendment and I will leave it to members to use their own judgment.

Hon. W. C. ANGWIN (North-East Fremantle—in reply) [8.27]: In reply to the Minister I would point out that his remarks regarding the special magistrate would have had more effect had the magistrate been appointed for a longer time.

The Colonial Secretary: He has only been appointed for about two months.

Hon. W. C. ANGWIN: It is over two months since the Bill has been drafted.

The Colonial Secretary: No, it has been drafted since then.

Hon. W. C. ANGWIN: Regarding the bastardy cases in the Children's Court, any two justices can hear a bastardy or affiliation case under the Justices Act but the same did not apply to the Children's Court, with the result that the special magistrate was appointed so that those cases could be dealt with before that tribunal. The Minister says that he has now appointed that special magistrate to enable cases to be dealt with there.

The Colonial Secretary: That is so, but that was before this Bill came forward.

Hon. W. C. ANGWIN: Regarding the admission of visitors to the different institutions for the purposes of inspection, Section 17 provides that magistrates in the

Children's Court shall have the right at any time to visit and inspect institutions. The Minister said that the institutions objected to these visits.

The Colonial Secretary: During the hours I mentioned.

Hon. W. C. ANGWIN: I asked for further information and the Minister brought forward a letter from a gentleman named Fisher who sought to explain the views of Archbishop Riley.

The Colonial Secretary: You have Archbishop Clune's letter.

Hon. W. C. ANGWIN: I have it here, but I did not want to read it. It shows conclusively that my contention was correct that these people do not object. The Minister did not read that letter but he read one from some brother in connection with a Roman Catholic institution and also some letters from other institutions as well. He did not read the letter from the head of the Church. The only objection regarding visits to the institutions appears to be from the Protestants.

The Colonial Secretary: Not at all.

Hon. W. C. ANGWIN: Well, I will read Archbishop Clune's letter.

Mr. Teesdale: There were letters read from three or four institutions.

Hon. W. C. ANGWIN: The letter reads as follows:—

Dear Mr. Lovekin.—I have no objection whatever to the magistrates of the Children's Court visiting the institution whenever they so desire. The fact is, that we welcome inspection as we feel it will remove prejudices. I have the honour, Mr. Lovekin, to be yours faithfully, P. J. Clune.

That is definite enough. In fact, we could not have anything more definite.

Hon. P. Collier: Archbishop Clune has gone back on the other Archbishop.

Hon. W. C. ANGWIN: I mention that letter to show that I did not mislead members when I said that the heads of the church were agreeable to the inspections being made.

The Colonial Secretary: I did not say that you had misled members.

Hon. W. C. ANGWIN: No, but the Minister said that these people had raised an objection.

The Colonial Secretary: They have, since this Bill went through another place.

Hon. W. C. ANGWIN: The Minister went to understrappers to find an objection.

The Colonial Secretary: Is Archbishop Riley an understrapper?

Hon. W. C. ANGWIN: It is true that Archbishop Riley is not so definite as Archbishop Clune, because he wrote that letter. I have here the original letter. We cannot be surprised at his objection to visits to institutions except between 10 o'clock and five o'clock.

Mr. Teesdale: He made the statement since that letter.

Hon. W. C. ANGWIN: No, the statement has been made by Mr. Fisher.

Mr. Teesdale: No, by Archbishop Clune.

Hon. W. C. ANGWIN: No, by some person on behalf of Archbishop Clune. Mr. Fisher has tried to interpret the views of Archbishop Riley while the Archbishop is in the Eastern States.

The Colonial Secretary: What is the date of the letter from Archbishop Clune?

Hon. W. C. ANGWIN: September 21.

The Colonial Secretary: The one I read is dated 26th September. It is from the Acting Secretary of the State Children Department.

Hon. W. C. ANGWIN: The statement I read from Archbishop Clune himself is definite.

Mr. Teesdale: He has changed his mind.

Hon. W. C. ANGWIN: The objections to the visits to Roman Catholic institutions are not from the head of the church. I have already read the letter from Archbishop Clune.

Hon. P. Collier: He should write to C.O.L. Perth and see about it.

Hon. W. C. ANGWIN: At any rate it shows that there is very little to complain about.

Mr. Davies: Is not the opposition to the justices of the court?

Hon. W. C. ANGWIN: It may be to the magistrate of the court. Perhaps the Minister may be right in objecting to so many visitors. I understood there were only ten.

The Colonial Secretary: That is not so.

Hon. W. C. ANGWIN: I know from my own experience that these institutions invite visitors. I have had the pleasure of going through most of them myself except the one at Collie which I understand is closed now. It would be well for members to go through these institutions because if they did so I am satisfied that when we come to deal with these institutions they would be more sympathetic than at the present time. It is true that the Minister has good officers. He has a good sympathetic officer in Mr. Watson, who is a man of tact. Whenever information has been given to him that children have been separated, I have always found him willing to endeavour to place the children to the best advantage. There has been a tendency to remove children from the care of foster-mothers when they reach the age of 12 or 13 years. That is just the time when they should be left with the foster-mothers. I hope the second reading will be agreed to.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Stubbs in the Chair; Hon. W. C. Angwin in charge of the Bill.

Clause 1—agreed to.

Clause 2—No execution or detention in default of payment of fine:

Mrs. COWAN: I move an amendment—

That in line 8 the words "by any child" be struck out.

Hon. W. C. ANGWIN: If a child is convicted and fined the child is not imprisoned. If a fine is not paid but is passed on to the parent and the parent is not in a position to pay, then imprisonment follows. Some objection has been raised to the deletion of these words because of their probable effect in connection with the Education Act. If a parent neglected to see that children attended school, the magistrate would take care that proper penalties were imposed. In many instances parents are not in a position to pay fines, and the discretionary power should be left to the court. It would be possible to achieve the same object in another way, namely by appealing to the Executive Council to have the fine remitted, but that procedure would cost more than the amount of the fine.

Mr. Munsie: Will the amendment give the discretionary power to the bench?

Mrs. Cowan: Yes.

The COLONIAL SECRETARY: I cannot see that the amendment will make any difference. The court will be able to ascertain the circumstances of the parent and may administer a caution instead of imposing a fine. If the amendment is passed parents guilty of a breach of the Education Act might escape without penalty and continue to neglect to send their children to school.

Mrs. COWAN: Section 28 of the Act provides that no child shall be liable to imprisonment for neglect to pay a fine but shall be liable to be sent to an institution, and an institution is put to the expense of keeping a child for a term equal to the term of imprisonment.

Hon. P. COLLIER: It seems to me that the amendment will carry us no further. Section 28 imposes certain obligations upon the court and the clause as printed will achieve the object the hon. member has in view.

Hon. W. C. ANGWIN: The clause as printed applies not to the parent but to the child. If the amendment is passed the clause will apply to the parent as well as to the child. That is the legal explanation of the effect of the amendment.

Mr. RICHARDSON: I think the amendment will defeat what the mover desires. If a child is fined for a misdemeanour, the clause as printed will mean that no execution can be issued on either the parent or the child. The striking out of the words proposed to be deleted would defeat the very end which the member for West Perth desires to attain.

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

Clause 3—agreed to.

Clause 4—Amendment of Section 17a:

The COLONIAL SECRETARY: For the reasons which I have already given on the second reading, I must vote against this clause.

Clause put and negatived.

Clause 5 to 13—agreed to.

New clause:

Mrs. COWAN: I move—

That the following be inserted to stand as Clause 14: "Whenever any child who has been committed to the care of the State or who has been committed to an institution or who has been convicted under this Act attains the age of 18 years, the fact of such committal or conviction shall not be admissible as evidence in any court of law. Any official or other person who makes public, or is privy to making public, the fact that any child has been committed or convicted under this Act shall be deemed to be guilty of an offence. Penalty: One hundred pounds."

Mr. MULLANY: While supporting the first part of the new clause, I think the second part goes altogether too far. Where will that second part lead us to? It may result in people being prosecuted, and fined as much as £100, for mere gossip.

Mr. Simons: We could now give you four cases in which convictions would be obtained.

Mr. MULLANY: No case has been put up for passing the second part of the new clause.

Mr. MANN: I move an amendment on the new clause—

That between the words "who" and "makes," in line 8, there be inserted "wilfully."

Mr. Simons: That amendment would make it too hard to obtain convictions.

Mr. MANN: I do not think so. As an official I know how these records have to be handled. The absence of the word "wilfully" would leave officials and others in a very awkward position.

Hon. W. C. ANGWIN: I hope the Committee will carry the amendment.

Mrs. Cowan: I am ready to accept it.

Hon. W. C. ANGWIN: There have been cases in this city where the former employer of a girl or boy has deliberately communicated to a later employer the fact of an offence having been committed by the girl or boy, with the result that the child lost its employment. A similar provision to this has been found necessary in America.

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

Title—agreed to.

Bill reported with amendments.

BILL—GRAIN.

Second Reading.

Debate resumed from the 8th September.

Mr. A. THOMSON (Katanning) [8.59]: The subject of this Bill has been previously discussed in this Chamber, and, somewhat strangely, the opposition has always come from the same quarter.

Hon. W. C. Angwin: Such a Bill as this has never previously been discussed here.

Mr. A. THOMSON: No; but the subject of bulk handling has been previously discussed in this Chamber. Let me say that we representatives of farming constituencies appreciate very highly the sincere desire of the hon. member who has just interjected, to safeguard the interests of the primary producers. Long before I had any thought of entering Parliament, I knew of conferences held in various parts of what is now my electorate passing, as a rule unanimously, resolutions in favour of the institution of a system of bulk handling of grain. Those conferences consisted of members of the farming community, which community is, after all, most vitally interested in the subject. Bulk handling has been a burning question among the farmers for a number of years. I do not propose to traverse the whole of the arguments used by the member for North-East Fremantle. There is an old saying that if you convince a woman against her will she is of the same opinion still. I am not suggesting that the hon. member is a woman, but still he has that same characteristic. He remains of the same opinion. The Government, of which the hon. member was a Minister, were responsible for the appointment of a select committee to investigate the question of bulk handling. That committee's recommendations were as follows—

1. That the system of bulk handling and shipping of wheat be gradually introduced in Western Australia. 2. That steps be taken to introduce the system at once so as to provide for the surplus above the amount already capable of being handled by our present bag facilities. 3. That provision be made for handling from 5,000,000 to 8,000,000 bushels in the season 1915-16, at an estimated cost of £161,700, together with an additional £100,000 for railway facilities. 4. That an elevator trust be formed to determine the sites and arrange for the erection, design, and working of the elevators, and control of the receipts, delivery, weighing, cleaning, inspection, and grading of wheat. 5. That a wheat standards board be formed representing the producing, the milling and exporting, and the elevator interests. The duty of this board shall be to fix the standards or grades of wheat and to hear appeals against the grading by inspectors, and generally to arbitrate upon disputes with respect to the quality of wheat.

Hon. W. C. Angwin: They said it would cost £100,000 for rolling stock. You might read that as well.

Mr. A. THOMSON: I have read it. To-day hon. members are strong believers in co-operative enterprise. We have in the Bill one of the greatest evidences of co-operation, inasmuch as the farming community are not asking for anything at all.

Mr. Willecock: Only for a monopoly.

Mr. A. THOMSON: If it were not for the necessity for a monopoly for 25 years, there would be no occasion to ask permission of the House to instal the system. It is astonishing to find hon. members opposite denouncing this proposal as a monopoly, since, as a matter of fact, they are themselves the greatest monopolists in existence. No man can go to work at any particular trade unless he belongs to a trade union. If that is not a monopoly, I do not know what is. The company are asking for protection for 25 years in view of the fact that they are taking upon themselves a very great liability. Although asking for a monopoly in the bulk handling of grain, they do not propose to prohibit a continuation of the present system. There is nothing in the Bill to debar people from shipping wheat in bags. Therefore it will be seen that it is not a dangerous monopoly which is asked for, but purely a protection for those prepared to spend money in the establishment of a system approved by all large grain-growing countries. It is time we also came into line. While I am supporting the Bill generally, I am not supporting it in its entirety, for when in Committee I propose to eliminate that clause which provides that failure on the part of the company to observe any of the specified conditions in one district shall not be deemed to warrant the revocation of the company's rights in other districts. The hon. member who introduced the Bill has assured me that he is prepared to accept that amendment. The whole of the evidence adduced goes to show that bulk handling will be in the interests of the farming community and of the State as a whole. A select committee which sat in Victoria summarised its recommendations as follows:—

Looking at the question from every point of view, we are strongly in favour of altering our system of handling grain so as to bring it into line with that already adopted by other grain producing countries. The initial cost will be considerable, but the greater part of it will be on the Government—

Here it will be borne by the farming community.

Mr. McCallum: The Commonwealth Government are giving you £2 for every £1 subscribed, and you will never repay it.

Mr. A. THOMSON: The Commonwealth Government are lending the money at interest. Whenever I have borrowed money I have had to return it.

Hon. W. C. Angwin: In this instance it will have to be returned by the State.

Mr. Marshall: Your greatest difficulty was to raise a loan.

Mr. A. THOMSON: I never had any assistance from the hon. member in that direction. The managing directors of the company placed before the Commonwealth Government a scheme for the erection of elevators on a purely co-operative basis and asked for the advance of certain money. We have had the member for South Fremantle (Mr. McCallum) move the adjournment of the House in order to draw attention to unemployment, which we all deplore.

Hon. W. C. Angwin: I hope the unemployed will not have to wait for the erection of the elevators, for that would mean starvation.

Mr. A. THOMSON: The elevators would never be erected if the hon. member had his way, for he is not in favour of the introduction of machinery.

Hon. W. C. Angwin: If you had worked in a saw pit, as I have, you would know what to think of machinery.

Mr. A. THOMSON: I have worked just as hard as has the hon. member. Probably he wants to still retain the old pit saw instead of having the circular saw. However, since we are told that there is unemployment in the State, I am astounded at hon. members opposing the construction of these elevators which will mean the distribution of over half a million of money and so provide considerable employment for unskilled labour. The summing up of the recommendations of the Victorian Committee continues—

through the Railway Commissioners, and the ultimate gain to everybody will repay all parties concerned, including the Government. It will, moreover, put our grain growers in a position to compete fairly with other grain growing countries. The advantages are as follows:—1, The immense saving in labour, time, and cost of handling the grain. Terminal elevators in America receive, unload, store the grain for any period up to 10 days, and load it into ships for a charge of half a cent. per bushel, equal to one farthing of our money. 2, The saving in shipping charges by the reduction of the time occupied in loading and unloading, and the consequent reduction in harbour wharfage dues, as well as in the ship's charter time. 3, The reduction of the area of water frontage and wharfage accommodation necessary, owing to the expedition in loading and unloading. 4, The expedition in unloading railway cars, thus doing away with the congestion at the terminal point, and releasing the cars with much greater celerity than is possible at present. 5, The avoidance of the loss now accruing in handling by the leakage of torn sacks. 6, The absolute security of the grain during transportation from any condition of weather by its being in rain-proof cars; these cars also preventing any possibility of pilfering.

Hon. W. C. Angwin: Somebody stole the Victorian committee's report out of the library here.

Mr. A. THOMSON: Is this it?

Hon. W. C. Angwin: I do not know, but I have been looking for it in the proper place, and cannot find it.

Mr. A. THOMSON: I did not steal it, since it is still within the precincts of the House. I regret that the hon. member has been unable to produce arguments from this report. A Royal Commission held in Western Australia decided definitely that bulk handling would be in the interests of the farming community and of the State.

Hon. W. C. Angwin: When was that Victorian report written?

Mr. A. THOMSON: It does not matter. It all goes to prove that we are lagging behind the times in not having bulk handling in Western Australia. The member for East Perth (Mr. Simons) who visited America and Canada is broad-minded enough to say that he is prepared to support bulk handling in Western Australia. I cannot understand the attitude of hon. members opposite. It seems that they are almost afraid that bulk handling will deprive those they represent, namely, the lumpers, of a certain amount of employment. One can only come to that conclusion because of the most strenuous opposition which has come from hon. members who represent the ports of this State.

Mr. Willecock: I said I would support the Bill.

Mr. A. THOMSON: I am pleased to hear that. We know that the member for North-East Fremantle has been very consistent in his opposition, and I congratulate him on his consistency.

Hon. W. C. Angwin: I put up good arguments and you are not able to answer them.

Mr. A. THOMSON: I would not attempt to answer them because it would be like attempting to convince a woman against her will. Perhaps I am in the same position.

Hon. W. C. Angwin: Look here, do you know anything at all about the subject?

Mr. A. THOMSON: I know just as much about it as the hon. member.

Hon. W. C. Angwin: Don't you know any more?

Mr. A. THOMSON: Probably I am not much of an authority on the subject. The experience of other parts of the world in bulk handling convinces me that it will be to the interests of Western Australia to adopt it. That is, if we are desirous of having our people competing with other parts of the Commonwealth, it is our duty to assist the farming community who propose to take this responsibility on their shoulders.

Hon. W. C. Angwin: And who now want to get out of it?

Mr. A. THOMSON: If they want to get out of it let us pass the Bill and put the farming community to the test.

Hon. W. C. Angwin: They cannot get out now because they have signed all the papers.

Mr. A. THOMSON: I trust the Bill will pass the second reading and go through Committee practically unaltered.

Mr. RICHARDSON (Subiaco) [9.20]: It is many years since I first began to take an interest in bulk handling, and from the investigations I have made I have come to the conclusion that if we as a State are to keep abreast of other parts of the world, we must take up bulk handling in its entirety and do our best with it. If we are going to do that I believe that the best method we can adopt is to secure the co-operation of the farmers and if the company which is being formed goes into the matter thoroughly, I feel convinced that there will be a saving of a great deal of waste, not only in the way of bags, but in the way of handling and in many other respects as well. Whilst I am prepared to say that bulk handling is the very best operation which can take place, and is much in advance of the bag system, still I feel that we want to move very carefully in respect of the Bill we are considering. It has been stated that we are giving a monopoly to this particular company. To a certain extent it is a monopoly. We propose to give them certain rights extending over 25 years, and if it were not for the fact that it was a co-operative company formed by the farmers themselves, to handle their own wheat, I personally would not consider it at all. But apart from that there are redeeming features, and I do not look upon the Bill in the way of a monopoly as we usually understand monopolies. The worst features of a monopoly are entirely eliminated by the provisions of the Bill. I might mention one or two of them. In the first place all farmers will have the right to have their wheat handled by this company, and the company will not be able to refuse them that right by reason of their not being shareholders.

Mr. Mann: But they confine their efforts to one zone.

Mr. RICHARDSON: I admit that, and I notice that the member for North-East Fremantle has given notice of his intention to move an amendment in that direction. There is another point in regard to this, and it is a good point. It is that no one can traffic in the shares, and any producer of wheat would be able to buy shares in the company at any period at the original price. I mention this to show that there are redeeming features so far as the monopoly is concerned, and there is one great feature in the agreement with the Federal Government. It is the fact that no matter how many shares a farmer may have in the company, he is only entitled to one vote.

Mr. Pickering: Very democratic.

Mr. RICHARDSON: It is, and I feel sure hon. members opposite will fall in with the idea. The basis of the agreement is to be found in Clause 3. In that agreement certain rights are given to the company. Reference has been made by the Deputy Leader of the Country Party to what he described as the pernicious proviso in the second paragraph of Subclause 3 of Clause 3, which proviso he declares he would be quite prepared to delete.

Hon. W. C. Angwin: They have altered their minds during the last few months.

Mr. RICHARDSON: There is no doubt that when we look at the clauses of the Bill we must come to the conclusion that they were framed on the assumption that the company was going to be a huge success, and for that reason I would advise members to be extremely careful as to what they are doing in regard to it. Let me point out that throughout the whole of the debate when the Westralian Farmers' agreement was being discussed in the Federal Parliament, almost every member who spoke for or against that Bill expressed a doubt as to whether the company was going to be a prosperous one or not. With the exception of the Western Australian members—and it proves to me that they had gone thoroughly into the question of bulk handling—hon. members over there were not as convinced as are the members of the Country Party in this House that the company is going to be a huge success. To my way of thinking they were to a certain extent guided by what the Western Australian Federal members said, and in several instances, Federal members were to a great extent misled by the statements of the Western Australian Federal members. In that respect I may be permitted to read an extract from a speech made by Senator Drake-Brockman whilst discussing the Bill. He said:—

We hope to have a twenty million bushel crop this year in Western Australia. He was referring to last year's crop, and we only got about ten millions out of it.

It will be at least somewhere in that vicinity. If that expectation is fulfilled, 20 million bushels of wheat will pass into the pool, and if every farmer comes in, as I believe he will, an amount of 20 million shillings, or a shilling per bushel, will be contributed by them. From that source one million pounds or at a conservative estimate £800,000 will be available.

It looked a pretty good proposition from the fact that Senator Drake-Brockman assured the House that on a conservative estimate the company in Western Australia would be provided with about £800,000. I believe that is about the total cost. I am quoting these figures because the Federal members may not have been so ready to grant this very large loan to the Westralian Farmers had it not been that these statements were laid before them

as positive facts. It behoves us in view of statements such as I have read, to consider, as the Federal members would have considered in the first place had those figures not been placed before them, the whole question very carefully. There are also other points that we have to consider. Before the Federal Government will grant one penny piece to the Grain Elevator Company in Western Australia, the company will have to spend £100,000. It will thus be seen that the Federal Government are covering themselves fairly well in regard to this proposition which they are taking on; they are not going to advance one penny until that sum of money has been spent. There is another point to which I wish to draw attention and it is the fact—it came out during the discussion in the Federal Parliament—that a Royal Commission had been appointed in South Australia to investigate the cost of altering the railway rolling stock to enable wheat to be carried in bulk for the various districts in that State to the ports of shipment, and it was shown by the Commission that it would cost the South Australian Government £300,000 to provide the necessary rolling stock.

Mr. Munsie: It would cost £400,000 here.

Mr. A. Thomson: Not according to your own report.

Mr. RICHARDSON: Western Australia is in a worse position than South Australia because we have a greater railway mileage than South Australia.

Mr. A. Thomson: We have a greater number of ports.

Mr. RICHARDSON: In my opinion South Australia would have an advantage over this State.

Mr. A. Thomson: They cannot load big ships at the small ports.

Mr. RICHARDSON: I am speaking of railway rolling stock, and in my opinion, it is only a question of the railway mileage. We have a greater mileage in this State, and consequently it is going to cost us more to convert our rolling stock than it would cost South Australia. We have to provide more trucks by reason of the further distances. Even if we were similarly situated to South Australia, we can estimate that we will be morally bound, once we pass the Bill, to supply sufficient rolling stock to enable the company to convey their wheat to the ports in bulk. That brings me to the point that the Federal Government are advancing £440,000, and they propose to take the whole of the assets of the company as being sufficient security for the advance. We hear from day to day of the encroachments on the part of the Federal Government, and the powers which the Federal Government arrogate to themselves, in connection with each and every State. Let me place the position clearly before the House. This company after operating for two, three, or five years, through some cir-

cumstances which we do not foresee at present may fail. What is going to happen? The whole of the assets will be handed to the Federal Government, and we have the aspect before us of the Federal Government sending their officers here to control all our wheat.

Hon. W. C. Angwin: The State would have to step in, I think.

Mr. RICHARDSON: I want to see a provision made whereby the State will have the first right of taking over the assets of the company in case it should fail. Suppose the Federal Government said, "We cannot handle this proposition; we are going to close it down and cut our loss." By that time we will have provided £300,000 worth of rolling stock, which will be a dead letter. We would not have the power, while the Federal Government step in, of taking over the bulk handling of wheat for 25 years, because we are granting them that right. That right is handed to them because of the lien they have on the Grain Elevators Company of Western Australia. I should like to see this State obtain the first right, in case of accident, of taking over the assets. I hope the Grain Elevators Company will be a great success.

Hon. W. C. Angwin: I do not think it will be.

Mr. RICHARDSON: I believe in the system of handling wheat in bulk, because it is the proper method to adopt. It is possible, however, it will prove to be a failure and I want Parliament to be sure that, no matter what happens, Western Australia will not lose the right to handle its own wheat.

Hon. W. C. Angwin: If I were to prophesy I should say that if you put that clause in, the company will be a failure in 12 months.

Mr. A. Thomson: You are too much of a pessimist.

Hon. W. C. Angwin: Not on this point; I have given it too much consideration.

Mr. RICHARDSON: There are many difficulties in the way. The Bill is framed on the assumption that the company will be a huge success. We hope that will be the case, but let us make provision so that, if anything should happen and the company turns out to be a failure, the State will be covered as a result of the action of this Parliament.

Mr. McCALLUM (South Fremantle) [9.57]: There are one or two fundamental principles which underlie the request that has been made that this Bill should be passed. I want to examine these principles, more particularly because the Bill has received the whole-hearted support of the Country Party. We are told that it is the one party which stands on a broad base, and that anything that applies to it possesses nothing in the way of selfish motives, that the party is always prepared to apply in principle that which beneficially affects it to any other section of the community, and that there is no sectional interest behind their desires, and

that anything that is put through Parliament for the benefit of the farming community will always willingly be extended to other sections of the community.

Mr. A. Thomson: Where do you get all that?

Mr. McCALLUM: I am repeating the protestations which have been uttered by members on the cross benches. Now that we have the Leader of that party amongst us again he may deny that, and admit that they are here to extract for the farmers benefits for that section of the community alone. If he will admit that, then on one point at least we shall be in agreement. The members of the Country Party have claimed that they are prepared to apply to the community in general all the benefits that they may receive from Parliament, and that their interests are national interests. The Premier of South Australia and the Premier of Victoria both stated that the wheat pool is unadulterated syndicalism. I do not agree with the Premier of Victoria. Though it is syndicalism in its essence there is a slight smattering of Government control about it. This measure savours of State socialism. It now has the backing of those who all through have denounced these principles. This afternoon we listened to a speech by the member for Sussex (Mr. Pickering) who has said he is up against any further activities in connection with State enterprises. If this is not a State enterprise I should like to know what it is.

Mr. A. Thomson: In what way is it a State enterprise?

Mr. Munsie: It is putting the State to very great expense.

Mr. McCALLUM: Members on the cross-benches are out-and-out Socialists without any limitation when it comes to securing anything for their own benefit, but when it comes to the fundamentals as applied to the general community they cannot support the principle. They say they want to be given a monopoly in the bulk handling of wheat. They ask for what amounts to a subsidy of £2 of the people's money for every £1 that they put up themselves. They ask for a 99 years' lease of the picked site in the chief harbour of Western Australia.

Hon. W. C. Angwin: And the most suitable site on the railways.

Mr. McCALLUM: If this principle is to be extended to wheat growers, how can it be limited only to wheat growers? They are laying down here the fundamental principle that, if adopted by Parliament and placed on the statute-book, will mean that in time to come others than wheat growers will ask for it to be applied to them. What would be the attitude of members on the cross benches if the bootmakers' union of Western Australia asked for a subsidy of £2 for every £1 they were prepared to raise for the handling of the boot supply required in Western Australia and for a monopoly of the business? What would be their attitude if the engineers' union asked for a similar con-

cession? The members of the Country Party asked for this principle to be applied to the wheat growers, but a time will come when it will be asked for by others. Not only are they asking for a monopoly in the bulk handling of wheat and the backing of the money belonging to the State, but they say there is no suggestion that the farmers will not have entire freedom to export wheat in bags if they think fit.

Mr. A. Thomson: Quite right!

Mr. McCALLUM: If I were a betting man I would wager that not many sessions of Parliament will go by before these same people will ask for a Bill to prohibit the export of wheat in bags.

Mr. Willecock: They must have bags.

Mr. Mann: They have to utilise bags.

Mr. McCALLUM: Not in all cases. In some places they are using timber in the bulk shipments of wheat.

Mr. Mann: In Australia it has not been successful without bags.

Mr. McCALLUM: It has been done in other parts of Australia.

Mr. Mann: It is one of the disadvantages of the scheme that the farmers will still have to use bags.

Mr. McCALLUM: I am arguing in reply to the member for Katanning, who says it is not an actual monopoly for the handling of the wheat supply. It will not be long before they will be asking for a Bill to prohibit the export of wheat in bags. We were given a lecture the other night by the member for Williams-Narrogin (Mr. Johnston), who stated that the reason for the opposition to the measure from this side of the House was the same reason which prompted those who opposed Richard Arkwright's effort to introduce machinery into the cotton industry in Great Britain. The hon. member was candid enough to say that he had obtained his information from the encyclopedia. He has not studied the history of the question or he would not have put forth those arguments. If he had known the facts concerning the case he would have known it was not a question of the introduction of machinery that prompted the opposition to Arkwright's efforts, but it was because of the employment of little boys and girls in the work that was to be done. We are sufficiently enlightened on this side of the House to say that if the labour movement of Australia is to advance at all towards its objective, we must have the most up-to-date appliances that science has invented applied to industrial life.

Mr. A. Thomson: And you are opposed to the principle of bulk handling?

Mr. McCALLUM: Not at all. We must have the most up-to-date appliances that can be found applied to industrial conditions here, otherwise we will never be able to establish the labour movement as it should be established. What we are aiming at is a higher standard of civilisation and better conditions for men and women, which will lead to social progress and advancement generally. We cannot do that unless we

have applied to our industries the most up-to-date labour-saving appliances that science can invent. The member for Katanning knows that the words he used were absolutely incorrect. He must realise that no member on this side of the House would oppose the introduction of this measure on that score, for he would be false to the movement to which he belongs if he did so. I deprecate such statements, which are made purely for political motives and nothing else. So far as we are concerned, we welcome the introduction of up-to-date machinery in any industry, which will allow Australia to give men and women engaged in industrial occupations better and happier conditions than exist in other parts of the world. How, otherwise, can our industries compete with other countries?

Mr. Latham: Are you speaking for the whole of your party?

Mr. McCALLUM: Yes. It is one of the fundamentals upon which the party is established. We cannot live without it. The figures adduced by the member for North-East Fremantle (Hon. W. C. Angwin) as to the financial position of the scheme have remained unchallenged, as has also his statement about the interest, depreciation and sinking fund involved out-weighing any of its advantages. The member for North Perth (Mr. MacCallum Smith) left his figures unchallenged. No attempt has been made to contradict the position as set forward by the member for North-East Fremantle. It has been estimated that the sum of £300,000 will be required to recondition the rolling stock that must be provided under this scheme.

Mr. Latham: That was increased by £100,000.

Mr. McCALLUM: I have made my own calculations at £200,000. The member for Subiaco (Mr. Richardson) placed the figure as high as £400,000. I do not think anyone will argue further that it can be done under £200,000.

Hon. W. C. Angwin: That was for a very small quantity too.

Mr. McCALLUM: In addition to that there are appliances on the Fremantle harbour at the present time which will become obsolete. They will be absolutely useless. Over £60,000 of the public money is sunk in those appliances.

The Minister for Mines: We will have them transferred to Albany.

Mr. McCALLUM: That machinery will have to remain out of use and upon it there is an annual charge of over £7,000.

Mr. MacCallum Smith: There is £700,000 of the people's money sunk in the Wyndham Meat Works.

Mr. McCALLUM: I am arguing on wheat at the present time, but I am prepared to argue the Wyndham Meat Works matter with the hon. member any time he likes.

Mr. SPEAKER: Order! Not under this Bill.

Mr. McCALLUM: Apart altogether from the money that the State will have to find to recondition the rolling stock, there is upwards of £70,000 at Fremantle that will have to be added to the dead loss.

Mr. Latham: We can dispose of those appliances.

Mr. McCALLUM: Those appliances will have to be scrapped, for there will not be much sale for them. If we accept the views of the members sitting on the cross benches that bulk handling will be the scheme for the future, there will

be no use whatever for these appliances; they will have to be written down as dead loss altogether. I cannot speak from personal knowledge, but the statements made in this House were emphasised in the Federal Parliament when the Bill to provide a loan for this company was before members there. The statement was made that there are few ports in Great Britain, where the Australian trade is done, that are equipped for the handling of wheat in bulk. In fact, it was stated that there was only one port in Great Britain to which the Australian trade goes, that is equipped for bulk handling of wheat. I do not vouch for that statement, but the members of the Country Party will be well advised to inquire as to whether that is a fact.

Mr. Latham: It has been inquired into already and we have the facts.

Mr. McCALLUM: No definite information has been given to us as to the position in Great Britain.

Mr. Pickering: It has been given to the House several times.

Mr. Latham: Do you believe there is only one port in Great Britain so equipped?

Mr. McCALLUM: I said I could not speak from personal knowledge, but if such is the case, it will be a poor look out for Western Australia.

Mr. Latham: At any rate it is not true.

Mr. McCALLUM: There is another feature of the case and I am glad that the Premier has entered the Chamber. We listened to a lecture from the Minister for Mines as to what he was prepared to do with anyone who defied parliamentary authority. He said that anyone who would not agree to abide by the decision of Parliament, should be dealt with and that he was prepared to go to any extent in using the forces of the law to have the decisions of Parliament respected.

The Minister for Mines: Did I say that?

Mr. McCALLUM: Yes, on more than one occasion. The Minister owes his position in this House to his cry on that score. I want the Minister to say now what he proposes to do with the Premier.

The Minister for Mines: I propose to treat him very kindly, if you will let me do so.

Mr. McCALLUM: The last Parliament refused to pass a measure of this description, yet behind the back of Parliament, the Premier signed a lease for 99 years covering a most valuable portion of the citizens' property. The Premier did that after Parliament had specifically refused to pass a measure similar to this. If we are to be governed by constitutional means, by the laws of the country, and if Parliament is to be considered in such matters, what does the Minister for Mines propose to do in such a case?

The Minister for Mines: It is subject to parliamentary approval.

Mr. McCALLUM: It is laid down by the Solicitor General that the lease cannot be cancelled by Parliament. The conditions can be altered but the lease itself is binding.

The Premier: Not at all.

Mr. McCALLUM: That is the ruling of the Solicitor General. What right has the Premier to lease such a site as the one in question after Parliament refused to pass the Bill?

The Premier: We lease land frequently at Fremantle.

Mr. McCALLUM: The Premier did this knowing that Parliament had previously refused to enter into such an arrangement as is now proposed in the Bill before us. If government by Constitutional means is good for one section of the community, it must be good for the Premier.

The Minister for Mines: It must be constitutional or it would be illegal.

Mr. McCALLUM: If one man can go behind the back of Parliament, where will it stop?

The Premier: How many times have you applied for the lease of land?

Mr. McCALLUM: Never. Unfortunately I have never been sufficiently in a position to have an interest in such dealings.

Hon. W. C. Angwin: The lease should not have been signed.

Mr. McCALLUM: This lease was signed and entered into before the company was properly formed. As a matter of fact, the company is not properly formed yet.

The Premier: You can vary it if you want to.

Mr. McCALLUM: Despite the decision of Parliament, a company which is not yet properly formed has been given a 99 years lease of the picked site at the Fremantle Harbour and the rental has been fixed.

Mr. Latham: As Minister for Lands, the Premier must have that right.

Mr. McCALLUM: In the face of Parliament refusing to agree to a measure of this description, it was most inadvisable and unfair for the leader of the Government to do anything of this nature. When Parliament is asked to grant a monopoly for the handling of wheat or any other commodity and refuses to grant that monopoly and in face of that, a lease for 99 years of the best site in the chief harbour of the State is granted, it is a very serious position. We find that the rental of this picked site is the mere paltry sum of £5 a week.

Mr. Latham: What was it bringing in before?

Mr. McCALLUM: The site was owned by the Fremantle Harbour Trust. As a matter of fact, this may mean a loss.

The Premier: Do you not believe in having the wheat shipped from Fremantle? If not, we will take it to Bunbury if you like.

Mr. McCALLUM: The Premier knows he cannot ship it from Bunbury.

The Premier: Oh yes we can.

Mr. McCALLUM: I have given notice of my intention to move an amendment to provide for the reappraisal of the rental every 10 years. Can the Premier give an explanation as to why he should give this company any better terms than he has given to the Fremantle Meat Works?

The Premier: Yes, if you sit down.

Mr. McCALLUM: I am not going to sit down. I want to deal with the Premier first. The Fremantle Meat Works have to submit to a reappraisal of their rental every 10 years. Why does not the same thing apply to the company under review? Why should this company have the best site in the Fremantle Harbour on lease for 99 years at a paltry rental of £5 per week? The proposition is altogether unreasonable. How many of us know what will be the position at Fremantle 99 years hence?

Mr. Simons: How many care?

Mr. McCALLUM: I care, at any rate. I hope it will not be many years before the Harbour is

extended to Rocky Bay. If that is accomplished and wheat is loaded at Rocky Bay, it will be found that the sites there are far better. They are natural elevator sites which can be used for the loading of ships.

Hon. W. C. Angwin: That is the reason why they want the monopoly.

Mr. McCALLUM: The effect of this will mean that no matter what the advantages of the Rocky Bay site will be, they will not be availed of because this company will have the monopoly of bulk handling of wheat.

Mr. MacCallum Smith: If that is so, £5 a week is too much.

Mr. McCALLUM: No one will be able to use the Rocky Bay site no matter what the advantages of the site the Rocky Bay situation may be. The natural advantages of the site at Rocky Bay will not be available for the loading of ships on account of the monopoly. This will mean that savings which could be effected by the use of the more natural site will be lost and the company under review will have the most valuable site in the harbour tied up for 99 years.

Mr. MacCallum Smith: Do you mean to say that we should wait until the Rocky Bay site is available?

Hon. W. C. Angwin: It would be a good thing if you did.

Mr. McCALLUM: If the company is to have a 99 years lease, it is a fair thing to provide that their rental shall be reappraised every 10 years. I regret that the member for North Perth (Mr. MacCallum Smith), who is practically in charge of the Bill, although it has been introduced as a Government measure, has not given us any information regarding the memorandum and articles of association.

Hon. W. C. Angwin: Nor yet what it will cost.

Mr. McCALLUM: In justice to this House, I think the member for North Perth should have supplied every member with a copy of the memorandum and articles of association.

The Premier: I agree with that.

Mr. McCALLUM: He has not told us the number of shareholders in proportion to the growers of this State. If the scheme sets out to cater for all the growers in Western Australia, surely we should have information showing the proportion of shareholders to wheat growers so that we may know where we stand.

Mr. MacCallum Smith: It would be of no use to you, for the figures fluctuate.

Mr. McCALLUM: We want to know what the position is now. The hon. member is asking for the monopoly, and we are entitled to know what the position is at the present time. There is a danger that the control of this company may fall into the hands of a few individuals and if that is so, it may mean that, given a monopoly, they will be able to charge what they like. It is contended that their charges will be safeguarded by the right to use bags and that the bagging system will be a check. It will not be beyond the powers of the company, however, to see that they make their charges slightly less than the cost of handling with bags to make it attractive. For instance, if they find that they can charge a penny less than the bagging system entails—

Hon. W. C. Angwin: They say it will be 3d. less.

Mr. McCALLUM: I am merely putting up a supposititious case. The member for North Perth said it would be 4d. Say that the company do it for a penny cheaper than would be possible under the bagging system, they would make the charge so that it would merely be ½d. cheaper. Thus they would be taking ½d. more than they were entitled to from the farmers. I propose to ask the House to agree that the board, which is to be appointed under the Bill, shall have the right to fix the price the company shall charge the growers for handling wheat. That is provided for under the Commonwealth Act which was passed to make available to the States a sum of £2,850,000 for the establishment of bulk handling systems. On that point I take my stand regarding this Bill. The statement has been made that there is no chance of the State itself taking over the bulk handling of wheat. More than one member has stated that if it were possible for the State Government to operate the bulk handling scheme, they would favour the State doing so in preference to a company. Is there any chance of the Government doing so, however, after giving the company such a concession as I have referred to? The Commonwealth Government have made this large sum of money available for any State Government prepared to take up the bulk handling of wheat.

The Premier: Where is it?

Mr. McCALLUM: The Commonwealth Government have provided the money.

The Premier: That was years ago.

Mr. McCALLUM: It is still available. The New South Wales Government have drawn on that fund.

The Premier: They have swallowed it.

Mr. McCALLUM: There is about £1,800,000 still left.

The Premier: Apply for it.

Mr. McCALLUM: If the Premier will agree to do so and the Government will take the monopoly instead of handing it over to a private company, I will withdraw my opposition to the Bill. To those who agree that this work should be carried out by the State Government provided the funds were available, there is the answer. There is the money available if the State Government will only undertake the work. I will not support a monopoly of any description being handed over to private enterprise, no matter what restriction is placed upon it.

Mr. Johnston: I think New South Wales has drawn more than one million of that money.

Mr. McCALLUM: The latest figures I saw showed that £900,000 had been drawn.

Mr. Johnston: The terminal elevators will cost more than one million.

Mr. McCALLUM: I am talking about the amount of money which is available.

Mr. Johnston: It is all Commonwealth money.

Mr. McCALLUM: No, there is State money in it, too. Anyhow, there is the answer to those who say that the State ought to undertake this work if it were possible to get the money. There is every possibility under the articles of association of the company watering down their capital. Although they provide that only 8 per cent. interest is to be paid, they can pay 8 per cent. on the watered capital, the same as almost all other companies are doing. This has been done by companies everywhere in order to hide up the big dividends which are being paid. I have

given notice of an amendment to provide that the 8 per cent. is to be limited to the original capital. I have given notice also that provision must be made in the articles that at any time a grower shall be entitled to take up shares in the company.

The Premier: That is provided for in the Bill.

Mr. McCALLUM: It is not in the Bill.

The Premier: Yes, it is.

Mr. McCALLUM: If all the shares in the company are subscribed, how will other growers get in?

The Premier: They must get in.

Mr. McCALLUM: There is nothing in the articles of association to enable them to do so. It cannot be accomplished under the Bill. Therefore, I shall move to provide for the retiring of capital, so that if any grower holds over 100 shares, any shares in excess of 100 may be repurchased by the company at the original value and re-issued to bona-fide growers who have not previously held shares.

Mr. MacCallum Smith: What is the reason for that?

Mr. McCALLUM: How otherwise will new growers be able to take up shares in the company? We are told that wheat growing in this State is only in its infancy. Are not new men in the industry to have a chance of becoming shareholders in the company?

Mr. MacCallum Smith: They will treat the new men the same as the shareholders.

Mr. McCALLUM: There is nothing to show that the shareholders will not be given preferential treatment as far as the 8 per cent. is concerned, and the company have the right to charge as they like.

Mr. MacCallum Smith: All will be treated alike.

Mr. McCALLUM: If the hon. member is true to the principles of co-operation, he will not object to the provision I suggest, that at all times during the existence of this company any new comer will be able to take up shares. In the Act passed by the Commonwealth Parliament, Subsection 5 of Section 4 makes provision that no transfer shall be recognised unless and until the other shareholders of the company have, through the directors of the company, been given an opportunity to purchase such shares on reasonable terms. As time goes on the number of shareholders will become more and more limited, and the directors will not dare sell outside until shareholders in the company have had an opportunity to purchase the shares. In the end the company may be controlled by a handful of members. A similar provision appears in the company's articles of association. Fancy setting that out and then asking Parliament for a monopoly. It is something which Parliament should not grant. There are quite a number of clauses in the memorandum and articles of association to which I take strong exception, and I do not think there is any doubt as to what is behind the whole business. I venture to say that if the company are successful, it will not be very long before the Westralian Farmers, Ltd., will be a subsidiary company to this one. The whole trend of the discussion from the other side is in the direction of showing that this is purely a company to deal with and handle wheat, formed for that purpose and that

purpose only. Yet what does the memorandum of association provide. Provision is made for handling almost anything and for dealing in almost all lines of business.

Hon. W. C. Angwin: They will control the Government yet.

Mr. McCALLUM: The company can take control of almost any article sold in the State at the present time. Here is one of the provisions—

To carry on any business of a similar nature or any business which may in the opinion of the directors be conveniently carried on by this company.

Mr. MacCallum Smith: All companies put those provisions in their articles of association.

Mr. McCALLUM: All companies do not come to Parliament and ask for the people's money to subsidise them to the extent of £2 to £1 and ask for a grant of property at the main port. If the company are prepared to stand on the same footing as other companies, let them make their own articles, but they should not come here and ask for a monopoly. In their memorandum they set out clearly that one of their objects is to carry on any business of a similar nature that the directors may think it convenient to operate. There is no limit to it. Another paragraph in the memorandum of association states—

To manufacture, buy, sell, and generally deal in any plant, machinery, tools, goods, and things of any description which in the opinion of the company may be conveniently dealt in by the company in connection with any of its objects. To purchase or otherwise acquire all or any part of the business, property, and liabilities of any company, society, partnership, or person formed for all or any of the purposes within the objects of this Company, and to conduct and carry on or liquidate and wind up any such business.

Mr. MacCallum Smith: All within the objects of the company.

Mr. McCALLUM: I think it is quite clear what will happen. It has been pointed out that there is a little doubt about the financial position of a certain company in Western Australia.

The Premier: I do not think it is a fair thing to say that.

Mr. McCALLUM: I am naming no company, but I think it is quite clear what is going to happen. Another paragraph in the memorandum of association reads—

To enter into any arrangements with any governments or authorities supreme, municipal, local, or otherwise that may seem conducive to the company's objects or any of them and to obtain from any such government or authority any rights, privileges, and concessions which the company may think it desirable to obtain and to carry out exercise and comply with any such arrangements, rights, privileges and concessions.

Hon. W. C. Angwin: And to enter into an agreement to run the country.

Mr. McCALLUM: It is clear enough that the company are taking power to deal with any concession or rights that Parliament may have conferred on any other company. To me it is clear that these articles provide for all eventualities as one who runs may read. Another paragraph in the memorandum of association states—

To construct, improve, maintain, develop, work, manage, carry out, control any railway, tramways, workingjacks, jetties, sidings, wharves, manufactories, warehouses, electric works, shops, stores, and other works and conveniences which may seem calculated directly or indirectly to advance the company's interests and to contribute to, subsidise or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof.

Hon. W. C. Angwin: They will have the tramways and railways yet.

Mr. McCALLUM: Yet this is a company, we are told, for the bulk handling of wheat. There is no phase of commercial operations in this State that the company cannot undertake under their articles of association.

Mr. MacCallum Smith: What about running a hotel?

Mr. McCALLUM: The only thing that is not included is provision for entering into the licensed victualling business. Other paragraphs in the memorandum of association read—

To amalgamate with any other company having objects altogether or in part similar to those of the company. To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of this company or for any other purpose which may seem directly or indirectly calculated to benefit this company. To take or otherwise acquire and hold shares in any other company, having objects altogether or in part similar to those of this company or carrying on any business capable of being conducted so as directly or indirectly to benefit this company.

There is direct provision for the establishment of subsidiary companies. Nothing could be clearer. This Parliament is being used to give the company a monopoly and having obtained it they could immediately set up in all these other businesses and form subsidiary companies to have and hold or acquire all these other businesses. They will have the monopoly upon which to establish themselves in competition with every other commercial enterprise in the State. I could go on quoting from the articles of association to show that there is no limit at all to their provisions. Another paragraph in the memorandum of association states—

To remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the company's capital or any debentures or other securities of the company or in or about the formation or promotion of the company or the conduct of its business.

Hon. W. C. Angwin: The member for Williams-Narrogin denied that in the Press.

Mr. McCALLUM: Here is a provision clearly for the issuing of free shares for any purpose the company may deem fit. In the articles of association it is provided that no person shall be allotted or registered as the proprietor of more than 5,000 ordinary shares, but later on that is nullified by an article which says—

The board may issue ordinary shares as fully paid up in consideration of properties or rights acquired or to be acquired by the company or in consideration for services rendered to or

work and labour done on behalf of the company, notwithstanding that no cash has been actually paid for or in respect of such ordinary shares by the persons to whom the same are issued.

Will the member for North Perth say that that does not provide for the issuing of free shares? Will he say that there is no provision whereby the company can issue free shares and then pay an 8 per cent. dividend on the shares for which no payment at all has been made?

Hon. W. C. Angwin: I hope they get 8 per cent. I think they will be 8 per cent. out of pocket.

Mr. McCALLUM: Though it is provided that no one shall hold more than 5,000 ordinary shares, another article states—

The company may by special resolution consolidate its shares or any of them into shares of larger nominal amount or subdivide them into shares of smaller nominal amount than is fixed by the memorandum of association.

Mr. Pickering: That is watering down.

Mr. McCALLUM: Or watering up, whichever the hon. member likes. It gives power to confine the shares of the company to a few individuals, or to water the capital down as much as they like. A demand for a monopoly made by such a company is a demand that Parliament should not accede to. If the House is determined to pass the Bill, then I hope hon. members will at all events see that the interests of the State are safeguarded in connection with the lease, so that the site at Fremantle shall not be tied up for 99 years at a paltry rental of £5 per week. Although the company say they are prepared to erect silos at all ports, paragraph (b) of Subclause 2 of Clause 3 does not deal with terminal silos at all. I commend that paragraph to the attention of the members for Geraldton and Bunbury.

Mr. Pickering: And Albany.

Mr. McCALLUM: Yes, and Albany. Under that paragraph all the company need do is to erect elevators in the districts mentioned, whereupon they can bring all the wheat to the port. There is nothing in the Bill to say that the wheat produced in a district shall be shipped from the district. Perhaps, in calling attention to these matters, I am arguing against the interests of Fremantle. Still, I hope that the members concerned will see that the Bill does make provision for compelling the company to carry out their obligations. When I was in Sydney recently with the Leader of the Opposition, that gentleman and I made it our business to obtain all the information we could regarding the bulk handling system in New South Wales. We did not confine our inquiries to the Minister in charge of the system. The Minister placed us in touch with the officials administering the system and they in turn took us to the men actually handling it. The unanimous advice given us by all these people was that Western Australia should be very careful indeed before spending money on bulk handling, and before committing the State to that system. I pass on that advice to those proposing bulk handling here. To the Bill itself I am entirely opposed, because there is no necessity whatever for it. I hold that monopolies are good for those who

have them. If there are to be any monopolies, let all the people be in them. Let the State Government handle this monopoly. The Commonwealth is ready to provide the money needed. We as a Parliament should not grant any monopoly to individuals, and particularly not to individuals constituting a company whose articles of association contain such dangerous provisions as those to which I have called attention. As regards the lease at Fremantle, it is no credit to the Premier that he should have granted it, as he has done, to the disadvantage of the taxpayers of this State. I hope he will agree to the amendment I have suggested, providing for periodical reappraisements. Who can say what will be the value of that site in 99 years' time? The proposal is altogether unreasonable. I shall vote against the second reading. If the Bill gets into Committee, I trust it will be amended materially.

Question put and passed.

Bill read a second time.

House adjourned at 10.21 p.m.

Legislative Council,

Thursday, 13th October, 1921.

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

QUESTION—FAIR GROUNDS, LEASING.

Hon. F. A. BAGLIN asked the Minister for Education: 1, Has the reserve, known as the Fair Grounds, at the south end of William Street, been leased to any person? 2, If so, to whom, and under what conditions?