ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. H. S. W. Parker—Metropolitan-Suburban): I move—

That the House at its rising adjourn till Tuesday the 7th December, at 3 p.m.

Question put and passed.

House adjourned at 12.37 a.m. (Friday).

Legislative Assembly.

Thursday, 2nd December, 1948.

CONTENTS.

The SPEAKER took the Chair at 3 p.m., and read prayers.

QUESTIONS.

MIDLAND JUNCTION WORKSHOPS.

As to Costing System.

Mr. BRADY asked the Minister for Railways:

(1) How many meetings have been arranged between the C.M.E. branch Government workshops and shop stewards to discuss the new costing system?

(2) Did the C.M.E. promise to discuss the new system monthly, and fail to carry out this promise?

(3) Is it the intention of the C.M.E. to call any further meetings?

The MINISTER replied:

(1) One.

(2) At the meeting, held in March, the Chief Mechanical Engineer promised to hold a further meeting towards the end of April if such could be arranged. However, the exigencies of the service prevented this, and with the smooth working of production control, with which costing is allied, a further meeting was considered unnecessary.

(3) Yes, if the joint union executive desires it, or the Chief Mechanical Engineer considers a further meeting desirable.

MILK.

As to Contributions to Compensation Fund.

Hon. J. T. TONKIN asked the Minister for Lands:

(1) What persons or firms holding vendors' or treatment licenses have not contributed to the Compensation Fund the assessed amounts required as contributions from them under the Milk Act?

(2) What amounts are outstanding in each case?

(3) What action, if any, is it proposed to take to adjust matters equitably between licensees who have paid contributions to the Compensation Fund and those who have not?

The MINISTER replied:

(1) and (2) The following persons and firms holding vendors' and treatment licenses

are the major non-contributors to the Compensation Fund, under the Milk Act:—

Name.	Amount of Unpaid Assessments on Returns Submitted.	Estimated Amount due but Assessed as Returns Outstanding.	Total.
	£ s. d.	£ s. d.	£ s. d.
Brownes, Limited	834 9 10	Nil.	834 9 10
Birkbecks Model Dairy	43 8 6	42 18 0	86 6 6
Ceasar, E. M.	26 17 10	10 0 0	36 17 10
Connolly, E. F.	8 18 3	2 0 0	10 18 3
Della, W.....	1,181 8 4	Nil	1,181 8 4
Gobby, W.	6 1 5	4 0 0	10 1 5
Ideal Dairies, Ltd.	148 0 10	Nil	148 0 10
Kielman, C. J. & Son	20 5 9	20 8 2	40 13 11
Marchant, F. S.	11 10 9	2 10 0	14 0 9
Masters Dairy Pty., Ltd.	89 17 1	150 0 0	239 17 1
Mitchell, E. H.	5 10 6	5 10 0	11 0 6
Mounsey, R. M.	688 1 7	125 19 11	814 1 6
Mitchell, J. A.	9 2 5	11 0 0	20 2 5
Mounsey & Schorer	16 2 0	8 1 0	24 3 0
Sheppards Dairy....	119 5 5	132 0 0	251 5 5
Smith, Albert	4 12 10	6 0 0	10 12 10
Sprott, R. R.	7 0 10	3 10 0	10 10 10
South West Dairy Farmers Co-op., Ltd.	373 3 4	Nil	373 3 4
Taylor and Hart	5 17 1	5 10 0	11 7 1
	£3,599 14 7	£529 7 1	£4,129 1 8

(3) Licenses have been requested by the board to pay outstanding assessments. In view of lack of power in the Milk Act for the recovery of outstanding assessments to the Compensation Fund, it is regretted that no further action can be taken.

SUPERPHOSPHATE.

As to Freight Haulage.

Mr. STYANTS asked the Minister for Railways:

(1) What is the ordinary freight on superphosphate, per ton mile, hauled by the railways?

(2) What is the average haulage cost per ton mile for superphosphate upon which a subsidy is paid (including the amount of subsidy)?

(3) What is the freight rate, per ton mile, on superphosphate delivered to wheat farmers before the end of this year?

(4) What is the average cost, per ton mile, of freight hauled by the railways?

The MINISTER replied:

(1) On the average haul for 1947-48, i.e., 155 miles, the freight per ton mile is .54d.

(2) 4½d.

(3) Answered by No. (1).

(4) Approximately 3d.

BUSH FIRES ACT AMENDMENT BILL (No. 1) SELECT COMMITTEE.

Extension of Time.

On motion by the Minister for Lands, the time for bringing up the report of the Joint Select Committee was extended to the 9th December.

BILL—SOUTH FREMANTLE OIL INSTALLATIONS PIPE LINE.

Third Reading.

THE MINISTER FOR LANDS (Hon. L. Thorn—Toodyay) [3.6]: I move—

That the Bill be now read a third time.

I promised the Deputy Leader of the Opposition to inquire whether the Fremantle Municipal Council and the Fremantle Road Board had been approached by the Commonwealth regarding the Bill. I have communicated with them and have ascertained that both have received full particulars of and have agreed to the proposals.

Question put and passed.

Bill read a third time and transmitted to the Council.

BILL—WHEAT INDUSTRY STABILISATION.

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

BILL—LAND ACT AMENDMENT (No. 1).

Council's Amendment.

Amendment made by the Council now considered.

In Committee.

Mr. Hill in the Chair; the Minister for Lands in charge of the Bill.

Clause 3: Add after the word "Act" at the end of the clause the words "Nothing in this section shall apply north of the twenty-sixth parallel of latitude."

The MINISTER FOR LANDS: The object of the Bill was to entitle natives to select larger areas of land than is permitted under the Act. Members representing the North Province in another place felt concerned about its application to the

North, believing that some of the natives might select pastoral leases or dummy for other parties. I have assured them that the matter would be under the control of the Minister and that this aspect would be carefully watched. However, I have no great objection to exempting the North.

Hon. A. A. M. Coverley: Then why did you include it in the Bill?

The MINISTER FOR LANDS: It was inserted after full consideration.

Hon. A. R. G. Hawke: By whom?

The MINISTER FOR LANDS: If the member for Kimberley, who has a wide experience of the North, thinks otherwise and other members agree with him, I shall not approve of the amendment. I should like to hear an expression of opinion from other members.

Hon. A. H. Panton: What are you going to do, agree or disagree?

The MINISTER FOR LANDS: Disagree, and see how we get on.

Hon. A. H. Panton: That is right; show a bit of backbone.

The MINISTER FOR LANDS: I move—

That the amendment be not agreed to.

Hon. A. A. M. COVERLEY: I am not concerned as to what attitude the Minister adopts to the amendment. I am satisfied that the provision was inserted in order to gain a bit of kudos for the Government and impress the section of the community that is always harping on the note of getting improvements in the conditions for natives. The Government has done nothing for them. There is not a decent bit of pastoral country in the North for black or white to select. The only decent country with water supplies and anywhere near the coast was selected 45 or 50 years ago. The only vacant areas of pastoral land that could be taken up are so far out in the desert they they are worthless to anyone.

The Minister for Lands: McLeod already has an area there.

Hon. A. A. M. COVERLEY: Yes, an area that someone else had and abandoned or did not select. When speaking on the Estimates last session, I pointed out that the Government had made all sorts of promises as to what it was going to do for the uplifting of the natives. So far it has done nothing. I regard this Bill as a continuation of what has been going on since the present Government took office—making half-promises to do something for the natives. Members of the North Province evidently object to the application of the Bill to the North. Why, I do not know because there is no land available that white black or brindle would select.

The MINISTER FOR LANDS: Had the member for Kimberley expressed his views on the second reading debate, they would have been of greater value to me when considering the matter. Of course, he had to introduce his little bit of propaganda.

Hon. A. A. M. Coverley: At your invitation.

The MINISTER FOR LANDS: I did not ask the hon. member to employ a political touch. The Government is endeavouring to do something for the natives. Under this amendment, we are definitely doing something for them. The idea is to give eligible natives who served in the war an opportunity to take up a sufficient area of land, in common with other members of the community, in order that they might make an honest living. It is nonsensical for the hon. member to say we are putting it up as political propaganda.

I gave members sufficient information to show that there are educated natives, men who served in the war, restricted to holdings of 200 acres, which are insufficient to give them a living. After representations had been made to the department, the Government decided to give these men an opportunity. I am not too well acquainted with the conditions in the North, but the Communist or half-caste McLeod, who has rallied the natives in the North as Communists, holds about 320,000 acres and is likely to apply for additional leases. Under the Act the limit for a pastoral lease is 1,000,000 acres. I am concerned to know whether we should exempt the North in order to prevent that sort of thing. I am watching McLeod. So far he has done nothing by way of improvements to comply with the conditions of his lease. However, he has had his holding for only two years and it is a little early to start placing restrictions on him. My friend has introduced a political touch into the Government's action. This Government is sincere in trying to do something for the natives.

Hon. A. H. PANTON: I am pleased that the Minister has moved to disagree with the amendment. If the Government desires to give the natives an opportunity of obtaining more than 200 acres, they must be given that right in the North as well as in the South. Personally, I think this will do the natives no good at all. I do not think they are sufficiently well educated to take up more than 200 acres of land. I am prepared to support the Minister if he sticks to his guns.

Hon. J. B. SLEEMAN: We do not know that he will stick to his guns. On another occasion this session, he was going to fight the Legislative Council, and he fought it all right but crumpled up when the barrage came. The least we should do for the aborigines is what is suggested in the Bill. They were the original owners of the country.

Hon. E. NULSEN: I am pleased that the Minister has moved to disagree with the amendment. Our natives have been treated harshly. I agree with the member for Leederville that they are not sufficiently learned, but they would be if they had an opportunity.

Question put and passed; the Council's amendment not agreed to.

Resolution reported and the report adopted.

A committee consisting of Hon. A. A. M. Coverley, Mr. Brand and the Minister for Lands drew up reasons for not agreeing to the Council's amendment.

Reasons adopted and a message accordingly returned to the Council.

BILL—HEALTH ACT AMENDMENT (No. 2).

Returned from the Council with amendments.

BILL—CITY OF PERTH ELECTRICITY AND GAS PURCHASE.

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

Second Reading.

Debate resumed from the previous day.

HON. A. R. G. HAWKE (Northam) [3.24]: The Bill covers a transaction of major importance because it will make legal an agreement already entered into between the Government and the Perth City Council under the provisions of which the Government is to purchase the electricity and gas undertakings operated at the present time by the council. The total purchase price to be paid is £3,000,000, spread over 50 years at the rate of £5,000 per month. The Bill, if it becomes law, will terminate the agreement entered into between the State and the Perth City Council as far back as 1913. That agreement provided terms which the passing of time has shown to have been completely favourable to the Perth City Council and the other local authorities concerned; and very unfavourable, in the financial sense at least, to the Government.

One of the provisions in that agreement was that the Government, from its electric power station at East Perth, should supply to the Perth City Council and to other local authorities whose districts were wholly or partly within a radius of five miles of the G.P.O., Perth, electric current at a price not exceeding .75d. per unit. The agreement on that point, and on others, too, was to last for 50 years, which means that its currency would not be concluded until 1963. The Minister, in his speech in explaining the Bill, told us there are at present two local authorities, in addition to the Perth City Council, benefiting from the agreement. He also said that there had been two other local authorities also benefitting by agreements which they had with the Perth City Council, but which had expired.

I think it would be of considerable interest to all members if the Minister in his reply indicated the names of the four local authorities in question—that is, the names of the two local authorities which, in addition to the Perth City Council, are still benefiting from the agreement, and the names of the other two which have ceased to benefit because the agreements they had with the Perth City Council have expired. Members who have followed the upward movement in the cost of generating electric current, in recent years particularly, will be well aware that the Government has lost a large sum of money in selling electric current to the Perth City Council at .75d. per unit, be-

cause the actual cost of generating current at the East Perth Power House has been above that figure.

That has meant the Government has been losing money on every unit of current generated and sold to the Perth City Council. The Minister told us that approximately £1,000,000 had been lost by the Government during the 35 years the agreement has been in operation. That figure is a tremendous one for a comparatively small undertaking like the East Perth scheme. The Minister further told us that at present the rate of loss in supplying current to the Perth City Council under this agreement is £140,000 per annum. The information the Minister gave under that heading does not constitute the whole story. It might indicate that the Government has lost all that money and that the City Council, on the other hand, has benefited financially to that extent. That, of course, is not the true position at all. I know that the Perth City Council has made a lot of money out of its work as a distributor of electric current but I should think the money or profit made by the Perth City Council in that regard has enabled the council to keep down considerably the rates which it imposes upon its ratepayers for the purpose of carrying on the general affairs of the council.

The Minister for Works: That would inevitably be so.

Hon. A. R. G. HAWKE: Nevertheless I think it can truthfully be claimed that the Perth City Council has passed some of the benefit on to the industries operating within its boundaries because the prices charged for electric current by the Perth City Council are lower today, and have been lower for a considerable time, than similar charges made by the Government to industries just outside a five mile radius from the Perth G.P.O.

The Minister for Works: That is conceded, too.

Hon. A. R. G. HAWKE: Further, the agreement that has been operating for 35 years has not been completely a curse, if I might use that term to describe it. It might be appropriate to describe the agreement as having, in the first place, represented a subsidy by the Government to the Perth City Council and its ratepayers, and in the second place a subsidy by the Government to secondary industries situated and operating within a five mile radius of the Perth G.P.O. To the extent that the Government has subsidised the Perth City Council by enabling it to make substantial profits out of the distribution of electric current, the ratepayers of the City of Perth have substantially benefited inasmuch as the rates they have paid to the Perth City Council have been much lower than they could possibly have been except for the profit which the Council has been able to obtain as a distributor of Government-produced electric current.

During the last 10 years particularly, Governments in this State have concentrated upon the difficult task of trying to expand secondary industries within the State and have provided a large sum of money either directly, or by way of Government guarantee to banks, to assist industry to expand. Governments have also provided a fair amount of valuable technical assistance of one type or another to achieve the same objective. During that period especially secondary industries have developed to a material extent in this State, and particularly within a radius of five miles from the Perth G.P.O. It might therefore be logical to argue that this agreement has not been as iniquitous in the indirect beneficial results it has produced for the Government and for the State, as might appear at first glance.

Although the State might have lost £1,000,000 during the 35 years the agreement has been in operation and although the State might be losing at the rate of £140,000 per year at present because of the operation of the agreement, I think considerable benefits have accrued especially in the field of secondary industries. This is so because of the fact that the Government has been selling electric current produced by it to the Perth City Council at below cost and the council in turn has been selling that current to consumers, specially industrial consumers, at a price far below what the Government would have been selling it to them had the Perth City Council not been in business at all as a distributor of current for the Government.

I think the Minister indicated yesterday, in reply to a series of questions submitted to him by the member for Maylands, that

the price which the Government, through the State Electricity Commission, would charge in the near future for electric current would increase. I think it is inevitable that the price to be charged by the Government after the agreement becomes law will increase substantially. To the extent that the price does increase will industries in the area concerned have to meet a much larger bill for electric current and consequently have to meet larger or heavier costs of production. That in turn will set in motion once again the vicious circle which we have seen operating at such a great pace in so many fields of production in recent months. The industries concerned will have no option but to apply to the Commissioner of Prices for authority to charge more for the goods which they are producing. Where those goods find a place in the calculations which will be made in respect of the cost of living as applied to the basic wage, then the Arbitration Court will be compelled, on the figures submitted to it, to increase the basic wage. Thus the merry game will continue at an even greater pace than at present.

I hope that the Minister in replying to the second reading debate on the Bill, will give the House some detailed information as to the increased prices likely to be charged by the Commission for electric current, especially in the area now being served by the Perth City Council under the terms of the existing agreement. It might be that the Minister knows it is the intention of the Commission to increase substantially the price for current within the five mile radius and also to increase the price outside of that radius. I think members are entitled to have the fullest information upon that point before consideration of the Bill is finalised. I am not suggesting that any member of this House would oppose it for the purpose of defeating any proposed increases in charges for electric current. However, it would greatly assist us in a complete consideration of the Bill, and the agreement which it is proposed to ratify, if we could have made available to us detailed information as to the policy of the Commission in respect of price increases for electric current in the near future.

More than industrial concerns are vitally affected by the price of electric current. The ordinary domestic consumer is materially affected in these days, because of the existence of wireless, refrigerators and so on, and he is a much heavier consumer than he was some years ago. If domestic consumers within the five-mile radius are to suffer substantial increases in the charges for current both for domestic and power requirements, then I think Parliament should have the fullest information possible as to those proposed increases which will doubtless be brought into operation early in 1949. I know that the industrial development which has taken place in Western Australia, and especially within an area of five miles from the Perth G.P.O., has occurred in recent years because of the fact that the price of electric current has been reasonably low, and to a large extent comparable with the price charged in the other capital cities of the Commonwealth.

The Minister for Works: You have no comparative figures in your mind, have you?

Hon. A. R. G. HAWKE: They are not in my mind, but I know the Minister could obtain comparative figures quite easily from the Department of Industrial Development which is vitally concerned in this matter. He could also obtain them from the chairman or the secretary of the State Electricity Commission because naturally both the Department of Industrial Development and the Commission have most up-to-date figures on this subject.

The Minister for Works: There are several bases of charging over there. They are so entirely different from here that comparisons are not easy.

Hon. A. R. G. HAWKE: I know that the price of electric current per unit reduces as an industry takes an increasing quantity of power per week or month.

The Minister for Works: I think that is so.

Hon. A. R. G. HAWKE: But I think the Minister, if he were to obtain the comparative figures, would find that the prices charged within a five mile radius of the Perth G.P.O. are comparable, on a fairly even basis, to charges made to secondary industries within a similar radius of the G.P.O's in the other capital cities of Australia. There is more than one reason why secondary industries would locate themselves within five miles of the G.P.O. in

capital cities. Nevertheless, one most important reason would be the availability of electric power at a low price compared with what would have to be paid once any such industry was established beyond that reasonable distance from the heart of a capital city. I hope the Minister will be able to obtain as much detailed information as possible in this regard and make it available to us when he replies to the debate. During the course of his speech, the Minister said it was essentially a matter for the Government to take the first step to cancel the existing agreement between the Government and the Perth City Council. I am not quite sure what the Minister intended to convey by that.

The Minister for Works: Only that there was no similar obligation upon the City Council.

Hon. A. R. G. HAWKE: No, there was no obligation upon the City Council to endeavour to cancel the agreement or have it amended because, obviously, the City Council was benefiting from it, so that it would be anxious to have the agreement continue for its full currency until 1963 and then probably to have it renewed.

The Minister for Works: That is so.

Hon. A. R. G. HAWKE: I was wondering whether the Minister had in mind, when he made that statement, the possibility that the Government, if the negotiations had not been successful, would have been compelled to seek parliamentary approval for the cancellation of the agreement.

The Minister for Works: I have my own views on that, but I do not care to say what they are at this juncture.

Hon. A. R. G. HAWKE: I think the Minister has indicated indirectly what his views are on the point, and they are in line with what was suggested by the Minister for Housing a few weeks ago when we were debating the action of the Government in handing back to Amalgamated Collieries of W.A. Limited, the Black Diamond leases. The Minister for Housing indicated then that, if necessary, the Government would be prepared to take drastic action to ensure that the inequitable agreement between the Perth City Council and the Government was brought to an end.

The Minister for Housing: Not drastic action, but appropriate action.

Hon. A. R. G. HAWKE: The Minister may have referred to appropriate action but he meant drastic action.

The Minister for Housing: No.

Hon. A. R. G. HAWKE: I say that because, by interjection, I indicated the line that both the Government and Parliament would be justified in taking, when the Minister complained about the agreement because it was suggested that, if necessary legislation should be brought before Parliament for the purpose of bringing the agreement to an end.

The Minister for Works: I think you had better compromise and use the term "necessary action."

Hon. J. T. Tonkin: Necessary action would be drastic action, so where do you get?

Hon. A. R. G. HAWKE: If the negotiations between the Government and the Perth City Council had failed because the council had refused to budge an inch, what alternative would the Government have had?

The Minister for Housing: It might have amended the agreement to provide that prices should be equal to costs.

Hon. A. R. G. HAWKE: I presume the Minister means that the Government might in those circumstances, have brought to Parliament legislation to amend the agreement irrespective of the opposition of the Perth City Council to any such line of action.

The Minister for Housing: Parliament would need to determine what was equitable.

Hon. A. R. G. HAWKE: I agree that that would be so, but I think that if the situation had developed to such a point, the Minister and the Government would have been completely justified in asking Parliament to consider the position and to take positive action for the purpose of amending the agreement in such a way as to make it equitable, in the light of present-day circumstances, to the Government as well as to the council. The Minister told us that the negotiations between the Government and the council in connection with this matter had been carried out over a period of 15 months and he also informed us that the main negotiators for the Government were the Under Treasurer, Mr. Reid, and the chairman of the State Electricity Commission, Mr. Dumas; while the main negotiators for the Perth City Council had been the

Town Clerk, Mr. Green—for some reason I have never been able to understand, he calls himself Mr. McIver Green, although I knew his father in Adelaide for many years and he was always known as plain Thompson Green.

The Minister for Works: I do not think he comes into conflict with the law in doing that.

Hon. A. R. G. HAWKE: No, and I am simply referring to the fact as a matter of interest.

Mr. Bovell: Possibly he wants to show his ancestry.

Hon. A. R. G. HAWKE: The other main negotiator for the Perth City Council was Mr. Edmondson. It is rather intriguing to know that three of those four principal negotiators are members of the State Electricity Commission. Mr. Reid and Mr. Dumas, the two Government negotiators, and the principal negotiator for the City Council, Mr. Edmondson, are all members of that Commission.

Hon. A. H. Panton: It might be said that one was in the bag.

The Minister for Works: He was the nominee of the Perth City Council.

Hon. A. R. G. HAWKE: I understand that during the absence of Mr. Dumas at any time, Mr. Edmondson becomes acting chairman of the State Electricity Commission and, further, that Mr. Edmondson, since the retirement on account of old age of Mr. Taylor, the former general manager of the East Perth Power House, has been acting manager of that undertaking. I would like the Minister to give us some clear-cut information about that matter, because rumours are floating around to the effect that Mr. Edmondson has been appointed general manager of the undertaking on a permanent basis, with what in Western Australia is quite a high salary. I would not criticise the salary, so long as it is not, say, £5,000 a year, but I think the House is entitled to be told whether Mr. Edmondson has, in fact, been appointed general manager of the East Perth undertaking and also what salary is being paid to him in respect of that position. I certainly think the Government was fortunate in having three members of the State Electricity Commission amongst the negotiators, more especially as one was a negotiator on behalf of the City Council. It must, of necessity, have assisted the negotiations to a very great extent.

The Minister for Housing: The chairman of the various committees of the City Council were also involved in the deliberations.

Hon. A. R. G. HAWKE: Yes, but the fact that a member of the Commission was a negotiator for the Perth City Council must have enabled those associated with the council to obtain a much more reliable and detailed understanding of the whole situation than would otherwise have been possible. In other words, Mr. Edmondson, because of his membership of the State Electricity Commission, would have a complete knowledge of the whole situation from the point of view of the Government and of the Commission as well as from the point of view of the Perth City Council. Consequently, I should think he would be able to see the whole of the picture and would be able to appreciate both the Government's side and the council's point of view. Furthermore, he would be able, better perhaps than any of the other negotiators, to appreciate what was a reasonable balance as between the two interested parties.

The Minister for Works: On that ground his would be a wise appointment.

Hon. A. R. G. HAWKE: If the Government had been responsible for his appointment as a negotiator, then I must most heartily congratulate it on its achievement.

The Minister for Works: What would you say, since it was the City Council that chose him as a negotiator?

Hon. A. R. G. HAWKE: I would say that the City Council took a risk in appointing a member of the State Electricity Commission as one of its main negotiators.

The Minister for Housing: He is a good man.

Hon. A. R. G. HAWKE: I have sufficient knowledge of his integrity and ability to know that Mr. Edmondson's major aim would be to do the right thing by all the parties concerned. I notice that the Bill, in addition to securing parliamentary approval with regard to the agreement, seeks to amend the State Electricity Commission Act of 1945. The principle of amending an existing Act by means of a Bill which has nothing whatever to do with the Act, does not appeal to me to any great extent. We have before us—I mention this only by way

of illustration—another Bill the object of which is to amend nine separate Acts. I do not propose to raise any serious objection this session to the use of that principle, but I do ask Ministers seriously to consider the principle before next session in order that they may decide, if they can see their way clear to do so, to get away from the principle I refer to, and to bring down Bills appropriate to the particular Acts that they desire to amend.

The Minister for Housing: I entirely agree with that principle.

Hon. A. R. G. HAWKE: I am glad to hear the Minister say that, and I am sure that the Attorney General would also be in agreement. When we give serious consideration to this matter, we must admit that it could easily be very confusing to lawyers, who have most to do with this sort of thing, as well as to the public generally who may want to know something about the contents of a particular Act. A person may secure a copy of the Act, study its contents, believe that he knows all that the measure deals with, and then may proceed to take some action based upon that knowledge. Then suddenly he finds, from one source or another, that the Act has been amended by means of a measure introduced, not to alter that particular Act, but for some other purpose altogether, but which the Government has taken advantage of to tack on an amendment to the Act I mention.

The Minister for Works: I think that the principle is bad for general adoption, but there are special considerations at times.

Hon. A. R. G. HAWKE: That is a free and easy way of meeting the objection. I may be prepared to admit that once in five years, there may be some justification for the practice. But, as I mentioned earlier, we have before us at the moment two Bills which include this undesirable principle.

The Attorney General: It is only done where there is a number of technicalities, and careful indexing will be observed. I am not referring to the Bill under review, but to the other one.

Hon. A. R. G. HAWKE: There are no technical difficulties associated with this Bill.

The Attorney General: No.

Hon. A. R. G. HAWKE: There could easily have been a separate Bill to amend the State Electricity Act.

Mr. Marshall: That has always been the practice.

Hon. A. R. G. HAWKE: I regret that we have not the two Bills before us at present, as against only this one which ratifies the agreement and then goes on to amend the Act governing the Commission. I hope all Ministers will give consideration to what I have said on this point and that in future sessions the same thing will not occur in regard to other Bills, except perhaps once in three or five years when it cannot possibly be avoided. The public has probably been unconsciously misled by the Minister in regard to the question of whether the Government is to pay interest on the balance of the unpaid purchase price from time to time. As I have mentioned, the Government has undertaken to pay the Perth City Council the sum of £5,000 per month for 50 years, or £3,000,000 in 50 years. Clause 3 of the proposed agreement, which is set out in the First Schedule provides—

> The consideration for the sale shall be the payment by the Government to the Council of equal monthly instalments of £5,000 over a period of 50 years, without interest, the first payment to be made on the transfer day.

"The West Australian" reports the Minister on this point as follows:—

> The Government would pay the Council £5,000 a month over 50 years without interest.

Members of the public perusing that report, or even the agreement contained in the Bill would believe that the Government, by some miraculous stroke of genius, had been able to buy these electricity and gas undertakings for £3,000,000 on a time-payment basis spread over 50 years without the obligation of paying one penny in interest. As I understand the matter, that is not so at all. The Minister, in fact, told us that the present-day value of £3,000,000 at 3½ per cent interest—

The Minister for Works: No, 3¼ per cent.

Hon. A. R. G. HAWKE:—over 50 years, at instalments of £5,000 per month, was substantially less than £1,500,000. If we accept the Minister's words "substantially less than £1,500,000" as, say, £1,250,000, we will find that the amount of interest to be paid over the 50 years will amount to

£1,750,000. Therefore, it is abundantly clear that this method of purchase is a most expensive one and that much more will be paid in interest, under the agreement of purchase, than will be paid in principal, for the purchase of the undertaking.

If the Minister is in a position to tell us what the Government's negotiators and the Government considered to be a fair straight-out price to pay for these undertakings, I, for one, would be extremely pleased. We ought to have that information, not that I am in a position to know whether £1,250,000 would be a fair offer to make for the undertakings. Surely some approximate figure was worked out showing what the undertakings would be worth if the Government were in a position to pay immediately the whole of the amount required to purchase them. If the figure was £1,250,000, or between that sum and £1,500,000, the Government might not have been wise in making the agreement now before us for ratification.

The Minister for Works: The point is, that had such a figure been arrived at, the City Council might not have agreed to sell. It agreed upon £3,000,000.

Hon. A. R. G. HAWKE: But I am trying to ascertain from the Government whether an attempt was made to arrive at a figure which the negotiators for the Government considered would be a fair price to pay, straightout, for the immediate and complete purchase of the undertakings. I am not suggesting that the City Council would have signed an agreement upon that basis, although I do not know why it should object. Had the Government been able to effect a straight-out purchase of the undertakings, it might have been possible for it to approach the Commonwealth Government for assistance to finance the purchase. I know that the Commonwealth Government and the Prime Minister regard the increased development of electrical undertakings in Australia as highly important, because they realise—as most of us do—that lack of electrical power is one of the great handicaps today, especially in the capital cities of Australia, to the increased production of the goods required so urgently for so many essential purposes by the people of Australia.

The Minister for Works: Would the Deputy Leader of the Opposition tell me why he considers whether a figure paid now must necessarily be cheaper and better for the Government than the £3,000,000 spread over 50 years?

Hon. A. R. G. HAWKE: If the Government could have made a reasonable arrangement with the Commonwealth to finance the purchase of these undertakings outright, that would have been preferable to this agreement, which is so worded as to make it appear that no interest is being paid at all. Obviously, interest is to be paid.

The Minister for Works: It is not being paid on the unpaid balance of the purchase price, if that is what is meant.

Hon. A. R. G. HAWKE: No, because the total purchase price has been fixed at such a high figure as to include the interest which otherwise would have been charged. The fact that the proposed agreement is to have such a long currency means, in effect, that the Government will pay during the period of 50 years a huge sum in interest. The Minister, in fact, indirectly told us that that would be so, because he said that the present-day value of £3,000,000, on the basis of 3¼ per cent. interest, would result in a figure substantially less than £1,500,000. Any member who is better at figures than I am—and I should say every other member is—and who makes the calculation will find that the Government will, during the 50 years, pay at least £1,500,000 in interest to the City Council. The remaining £1,500,000 would, I should say, represent the amount that the undertakings might be worth if purchased and paid for immediately.

The Minister for Works: If you bought the undertakings today and made it a cash transaction, you would still for a long time pay interest on the amount. At the end of 50 years, it would be for you to work out what the comparative amounts of interest on the two sums might be.

Hon. A. R. G. HAWKE: I tried to explain, mainly for the benefit of the Minister for Works, that it would have been better, in my opinion, to make this purchase on the basis of immediate and full payment. The Government could then have done what I have previously suggested, that is, approach the Commonwealth Government to ascertain to what extent that Administra-

tion would be prepared to assist the State Government to finalise the purchase.

Mr. Smith: You would not have had to put the rates up then.

The Minister for Works: You cannot be too sure on that point.

Hon. A. R. G. HAWKE: If something on those lines had been attempted, and apparently it was not—

The Minister for Works: You cannot say that, either.

Hon. A. R. G. HAWKE:—we might have had today for ratification an agreement much more favourable than that now before us, under which the Government will be carrying a burden for 50 years before these undertakings finally become its property. The Minister said that the Government would sell electric current to the Perth City Council for the next 15 years at 25 per cent. below cost. I am quoting now from the Minister's uncorrected "Hansard" proof. I am inclined to think either that he did not express himself correctly on this point or that what he said was not correctly reported.

The Minister for Works: Is the reference to street lighting?

Hon. A. R. G. HAWKE: No. The Minister is reported to have said—

> I point out, too, that this is a corrective measure and if it passes through Parliament the Government will for the next 15 years be selling current to the City Council at a figure representing 25 per cent. below cost.

The Minister for Works: In my copy of the proof I have corrected that and negatived that meaning.

Mr. Smith: Is that not in the agreement?

Hon. A. R. G. HAWKE: I think this proof would read correctly if instead of stating that "if it passes through Parliament" etc., it read "and if it does not pass through Parliament."

The Minister for Works: Yes.

Hon. A. R. G. HAWKE: As the Minister agrees with me on that point, I have nothing further to say about it, though it did seem to me that it could not very well be correct in view of the wording of the agreement itself. Later in his speech the Minister said the Government would supply current for street lighting within the district of the Perth City Council, and only within that district, during the next 15 years, at a price not greater than that charged by the electricity and gas undertaking at the present time. When the Minister is replying I would like some more information on that point. I do not know whether the electricity and gas undertaking has been and still is making a substantial profit out of supplying electric current for street lighting within the district of the Perth City Council.

The Minister for Works: Not so substantial as in the case of current for other uses.

Hon. A. R. G. HAWKE: It seems to me that there is little justification for the Government's undertaking in this agreement to make current available for street lighting within the City Council's district at a price not greater than that which the Council is paying at present. If the Council is obtaining current now for street lighting at a price below the cost of production at the East Perth power house, it seems to me that it might reasonably have been asked to pay a fair price for the electric current to be supplied to it for this purpose in the future.

The Minister for Works: This was one of the conditions of the bargain that was struck.

Hon. A. R. G. HAWKE: I appreciate that fact, but I am particularly anxious to obtain from the Minister information as to the price that the council at present pays for current supplied to it for street lighting purposes. If the Minister will give that information when replying to the debate, members will know—they do not now know—whether the Government is undertaking to supply electric current for this purpose to the City Council during the next 15 years at a loss. If the Government has undertaken in the agreement to do that, I think there is very little justification for that action. If, however, the price it will receive for the current during the next 15 years will meet the actual cost of production, plus some slight margin above that cost, I will have no further complaint to make about it.

The Minister said that the cost of generating electric current had trebled since 1913. He further said that members might consider that to be an amazing statement. I do not think there is anything surprising in the fact. The cost of producing most other things has at least trebled since then. That is a period of

35 years, during which there have been two major world wars in which Australia has been involved. The Minister said that the cost of coal in 1913 was 6s. per ton.

The Minister for Works: That was to the then electricity supply authority.

Hon. A. R. G. HAWKE: To the then electricity producer and supplier. Today the price of coal to the Government is, I understand, 23s. 9d. per ton, so the cost of coal for the production of electricity has quadrupled since 1913. This is a vital point because I do not think the Government has achieved the most important objective in its endeavour to put the State Electricity Commission on a sound financial basis. The Commission understands the situation much better than does the Government. As members know, the Commission considers the availability of sufficient supplies of coal at a reasonable price to be one of the most vital considerations in all of its policy and activities. For that reason the Commission was proceeding to develop coal production resources in order to be more sure than it previously was that sufficient coal supplies would be available, and available at a rate cheaper than 23s. 9d. per ton. However, the Government sabotaged the Commission's vital policy in that direction. That policy was first of all to develop an open-cut coalmine on the Black Diamond leases in order that it might obtain its own coal supplies, or as much of them as possible and as quickly as possible. Its long-range policy for producing its own coal requirements involved the development of a mechanised deep coalmine on the Collie Burn leases.

There again the Government, by virtue of its policy of "no socialism," directed the Commission to cease its preparations for the development of the open-cut coalmine on the Black Diamond leases and the deep mechanised mine on the Collie Burn leases. The fact that the Government negotiated with the Perth City Council for the purpose of taking over the Council's electricity and gas undertakings indicates the confusion there is in the minds of members of the Government with regard to its policy of "no socialism."

The Minister for Housing: There is a vital difference between monopolies in public utilities.

Hon. A. R. G. HAWKE: I am usually able quickly to follow the interjections of the Minister for Housing, but this one is very clouded and I am not able to see the point at all.

The Minister for Housing: It is quite clear.

Hon. A. R. G. HAWKE: Possibly the Minister for Housing is trying to suggest that the Government is entitled to have a monopoly in the generation and distribution of electric current.

The Minister for Housing: Public utilities of a monopoly nature are generally considered to be undertakings that might legitimately be run by Governments, even in spite of one's views on socialism.

Hon. A. R. G. HAWKE: I agree with the Minister's interjection, except for the last few words. How does the Minister for Housing justify his interjection regarding the present policy of the Government in connection with this matter and at the same time justify the Government's refusal to allow the authority that is to operate this public utility monopoly to do the things essential for the economic generation of electric current? The price of coal is the most vital consideration in the cost of production of electricity. Surely the thinking of the Minister for Housing is not so confused as to make him believe that he and his colleagues are doing the right thing towards protecting the consumers of electric current by establishing a Government monopoly for the generation and distribution of electricity!

The Minister for Housing: This will protect the consumers in the matter of prices.

Hon. A. R. G. HAWKE: I am afraid, as I indicated earlier, that this will not protect the consumers at all, because in the near future they are to be called upon by the Commission to pay a very much increased price for electricity.

The Minister for Works: Are you suggesting that because the price of coal has increased fourfold that necessarily infers that when we take over the price of current will go up fourfold?

Hon. A. R. G. HAWKE: I was not thinking anything of the kind and I do not accept the invitation of the Minister to think in that way, as it would be entirely illogical. The Government falls far short of its duty to protect consumers of electri-

city if it contents itself by establishing a State monopoly for the generation and distribution of electricity. It will fall far short of discharging its duty if it does not take every available action to ensure that electricity is generated at the lowest possible price so that it may be made available by the Government to the consumer at the cheapest possible price.

The Minister for Housing: That is our sole objective.

Hon. A. R. G. HAWKE: I am convinced that the State Electricity Commission would have been able, if the Government had not sabotaged its preparations and activities, to produce its coal requirements at 10s. per ton cheaper than it can be purchased from the virtually private coal-producing monopoly now operating on the Collie coalfields.

The Minister for Housing: I am almost tempted to allow a trial to be made, in order to find out.

Hon. A. R. G. HAWKE: It is some consolation to get anywhere near an attempt to induce the Minister for Housing to try anything.

The Minister for Housing: Just to settle the argument.

Hon. A. R. G. HAWKE: I challenge the Minister to do that.

The Minister for Housing: I doubt, however, whether I would surrender to the temptation.

Hon. A. R. G. HAWKE: The Minister quickly goes into reverse gear when he realises the implication that he was almost about to surrender to the temptation. Possibly he has been on the brink of yielding to temptation in more directions than this one.

The Minister for Housing: A wiser judgment has prevailed.

Hon. A. R. G. HAWKE: I am positive the Minister would never allow a test on this basis to be made. He must know from his observations and experience that it would be almost impossible to produce coal by any other method at a cost as high as that incurred by Amalgamated Collieries in the production of coal. No other method than that employed by the company could be as inefficient and extravagant. That is why the Government is paying 23s. 9d. per ton for coal as against 6s. per ton that ruled in 1913.

The Minister for Housing: You could not get coal produced at 6s. a ton today.

Hon. A. R. G. HAWKE: I am not suggesting anyone could do that, but I claim that if the Commission had not been sabotaged by the policy of the present Government, it would have been producing coal now, or at any rate in the near future, at a price a great deal less than 23s. 9d. per ton. The agreement between the Government and the City Council means that the former will take over the gas supply as well as the electricity undertaking of the City of Perth. The public may have been misled by what the Minister said on this point, and by the correct report of what he said which appeared in "The West Australian" this morning. The Minister made his statement on this point in such a way as to suggest that the price of gas would have been substantially increased by the Perth City Council in the near future but for the fact that the Government had made this agreement. I suggest that members of the public, on reading the report of what the Minister said, would come to the conclusion that there is to be no increase in the price of gas. I do not know whether there is to be an increase, but I will read exactly what the Minister said, because what he said may need considerable clarification. The statement is as follows:—

> All members should appreciate that the cost of manufacturing gas owing to the increased price of Newcastle coal and other causes has risen materially, and I am informed that it would have been necessary for the Perth City Council to raise the price of gas to a substantial degree had this proposal not been pending.

I do not know what other members who are readers of "The West Australian" would take that to mean. I would think that the Government by making this agreement and taking over the gas undertaking as well as that connected with electricity has averted a rise in the price for the consumers of gas in the area concerned. If there is to be no rise because of the action of the Government in taking over the undertaking, then the Minister should say so in clearer terms. If, on the other hand, there is likely to be an increase in the price of gas when the Government is manufacturing and distributing it, the Minister should tell the House and the public that an increase is likely. At least the point should be made perfectly clear by him when replying.

The Minister for Works: I am not in a position at this juncture to tell the House, because I do not know what the Commission might do by reason of a variation in the price of coal.

Hon. A. R. G. HAWKE: If the Minister would make it clear that the taking over of the gas undertaking by the Government does not necessarily mean that there will be no increase, that would at least make the position much clearer in the minds of the public than it is as a result of his statement published in "The West Australian" this morning. I suggest to him that he reads carefully the report of his speech on that point in "The West Australian," and he will then see how easy it would be for any member of the public to come to the conclusion that the making of this agreement between the Government and the Perth City Council has averted what would have been a certain increase in the price of gas. I have no other phase of the agreement to discuss. As I said at the beginning, this Bill, especially the agreement, covers a major transaction, one of primary significance, regarding the standing of the Government in relation to the distribution of electric current in particular.

In the long run, the agreement will be beneficial, I am sure, to the Government, even though it is prejudicial to the consumers of electric current. There is no doubt that the ratification of this agreement between the Government and the council will be prejudicial to all consumers of electric power in the districts previously served by the Perth City Council. Industrial consumers will suffer because the price of electric current to them will be increased, and domestic consumers will also suffer because, similarly, they will have to pay an increased price for electric current. However, the equity of the situation is very important and that equity doubtless demanded that every possible action should be taken by the Government to ensure that its financial interests were protected.

Another important point is that the State Electricity Commission would have continued, year after year, to bear a heavy financial burden of loss if the existing agreement had remained in operation. The Commission would have found it impossible to finance its operations. One result of that would have been that it would have had further to increase its charges to its outside consumers, creating a much greater injustice between consumers within a five-mile radius of the Perth G.P.O. and consumers outside the five-mile radius but who are within a 10-mile radius.

The Minister for Housing: That is the important point. Country consumers would be paying concession rates to the City of Perth consumers.

Hon. A. R. G. HAWKE: There is a great deal in that argument and if there were no other reason why I should support this Bill and also the agreement which it aims to ratify, it would be sufficient for my purposes. Nevertheless it is regrettable that those manufacturers who have established and developed industries within a five-mile radius of the Perth G.P.O. in the knowledge that the cost of electric current was cheaper within that radius will now have to face up to a situation in which they will be called upon to pay a price equivalent to that which will have to be paid by industrial concerns outside the radius.

MR. READ (Victoria Park) [4.44]: This Bill seeks to ratify an agreement whereby the management of a department selling power or light passes from one public body to another—that is, from the management of the Perth City Council to that of the Government which, of course, is the State Electricity Commission. Having taken part in some of the deliberations of the council over a period as to the conditions of the sale of the Electricity and Gas Department to the Government, I find myself in a somewhat similar role to that of Mr. Edmondson. We are both in the position of buyer and seller. Most of us who take an interest in these affairs realise that when the State Electricity Commission was established to serve the whole of the people of the State with electricity those undertakings already in operation would ultimately be absorbed.

There was some protest against the action of the Perth City Council on behalf of some of the ratepayers by those people who called themselves the City of Perth Ratepayers' Association (Central Ward). We, the councillors, received a number of protests from that body, which represents a minority in the central ward, and they are the people who seek to protest on every occasion when there is a proposed, or indeed an actual,

increase on the city rates. For instance, these people only come into being, I understand, when it is necessary for the rate to be raised in order to carry out the undertakings of the Perth City Council. A letter to me states—

The City of Perth Ratepayers' Association (Central Ward) protests against the haste and rapidity with which the decision to sell the Electricity and Gas Department undertaking to the Government was made. Prior to the announcement of the Council's recent decision, no public announcement had been made of the Council's intention or was the matter referred to in the last annual report or at either of the yearly or half-yearly meetings of the ratepayers, or by the Lord Mayor or any councillors at the last annual election. The ratepayers therefore had no opportunity of formulating their views on this important matter, the selling of one if its most valuable assets.

The members of the ratepayers' association do not represent a hundredth part of the total ratepayers. To my mind, the opinion of that organisation counts for nothing, but its members may be capable of doing a considerable amount of damage. What sort of a business arrangement would it be if we permitted this minority to advertise and hold meetings in order to cloud the issue? They could hold meetings, rush to the Press with statements and thus impede the actions, not only of the City Council but also of the Government. Amongst the members of the Perth City Council are representatives of the central ward for whom the people have an opportunity to vote every year, and those representatives are returned on behalf of the whole of those ratepayers to assist in the management of the affairs of the city.

However, I should like to disabuse the minds of those people who have spoken of the hasty and secret selling of the electricity and gas undertaking to the Government. I have a memorandum from the Town Clerk to the Finance Committee setting out all the negotiations leading up to the sale. The opening paragraph states—

A letter from the Premier, Mr. Ross McLarty, dated the 31st July, 1947—

so these negotiations have been going on since July, 1947—

and addressed to the Lord Mayor, drew the attention of the Lord Mayor to the electricity agreement which exists between the State and the council, dated the 16th October, 1913, which was ratified by Parliament by an Act, No. 34 of 1913, entitled the Electric Light and Power Agreement Act, 1913, setting out the terms of the agreement for a period of 50 years. The Premier pointed out that since the date of the agreement, many changes had occurred, which justified the reviewing of the agreement between the council and the State, and that he felt it should be possible by negotiation to arrive at a solution which would be fair and satisfactory to both parties.

The memorandum then proceeds to give an account of the many meetings held between members of the Government and officers of the Perth City Council who were interested in the sale and purchase of the undertaking. We have to bear in mind that the agreement provided for the sale of current in bulk to the City Council at .75d. per unit and this has resulted in later years in the Government's losing money on the transaction. Those people who are interested in the management of the Perth Electricity and Gas Department were fully seized of the knowledge that the Government would not be content to continue losing money in thousands of pounds down the years. We all know that the alternative would have been the introduction of a Bill asking Parliament to amend the agreement. The result then would have been that the City Council would have been obliged to retail current for power and lighting at increased costs.

I consider that the price fixed and the conditions of the agreement, viewed from all angles, are most fair. The same consumers will participate, though the management will be different, but the concern will be consolidated, and we have to visualise that in due course the State Electricity Commission will be the sole managers of all such undertakings in the State. The member for Northam stated that the increased charges would be unfavourable financially from the point of view of the producing interests, but it must be borne in mind that possibly the rates to producers have been lowered on account of the profits made by the City Council.

There are other benefits that ratepayers have enjoyed from these profits; I refer to the benefits in the shape of good roads and footpaths, because the profits from the trading of the City of Perth Electricity and Gas Department were used for the benefit of the ratepayers. Thousands of pounds have been spent on roads and footpaths in the city—roads that are used not only by ratepayers of the city, but also by taxpayers generally, and at times by practi-

cally all the residents of the State. I think that point has been covered by the member for Northam fairly well. I gathered that he was in agreement with only parts of the Bill, but I believe that there is nothing in the agreement that will ultimately prove detrimental to the people of the State or, indeed, to the residents of the metropolitan area. The City Council is to receive £5,000 a month over a period of 50 years. My reaction to that is that the improvements that can be effected in consequence will be considerable. I look for some benefit in my time, though, by the time the whole of those payments have been made, I shall not have any further interest in them.

HON. A. H. PANTON (Leederville) [4.52]: There are one or two points I desire to discuss. First and foremost I suggest that the Government is gradually moving our way by socialising industry as it is doing. With the Acting Leader of the Opposition, I regret that the Bill deals with only the retail section whereas I should have liked to see it start at the beginning by developing the production end. There has long been an argument, indeed, it has extended throughout the half-century I have been associated with the Labour movement, whether we should stand for nationalisation or municipalisation. On this occasion the Government has decided that nationalisation would be preferable to municipalisation for the distribution of electric current. However, I am always thankful for small mercies and am quite prepared to accept the little that the Government is giving us.

I have been rather interested in reading the agreement contained in the Schedule to the Act of 1913. There are two provisions to which I should like to direct the attention of members. In Clause 6, the following provisions appear:—

(b) The total cost shall be arrived at by adding to the operating cost a percentage, to be made up as hereinafter provided, on the capital cost and expenses (including the necessary cost and expenses of raising the money) incurred by the Government under Clauses 1 and 2 of this agreement, representing antiquation fund, sinking fund, and interest.

(c) The percentage referred to in the last preceding subclause shall be made up of two per cent. for antiquation fund, one per cent. for sinking fund, and the actual percentage which shall be paid by the Government by way of interest in respect of the loan to be raised for providing the said capital expenditure: Provided that from and after the date when the said sinking fund shall enable the redemption of the said loan nothing shall be charged for sinking fund or interest, and the only percentage then included in the total cost shall be the two per cent. for antiquation fund.

From my reading of the report of the Commissioner of Railways, up to 1946 a sum of £64,030 had been credited to the replacement fund, but after that there is no further reference to it. If we take the antiquation fund and the sinking fund, in 1946 the total amount was £497,697, leaving £433,667 unaccounted for and not provided for. I think it would be well if the Minister made some inquiries so that he might inform us during his reply just what happened to the £433,667. I should like to know what became of it.

The Minister for Works: I am not quite sure of your meaning.

Hon. A. H. PANTON: I might be wrong in my figures. The Acting Leader of the Opposition claims to be the worst mathematician, but when he made that claim, he overlooked me. In my opinion, there is an amount of £443,667 unaccounted for. I have raised this question because I have been advised, rightly or wrongly, that although those provisions were included in the agreement for a certain purpose, the money was used to meet the cost of building railway carriages, and I have been told that this was done in a year when the Labour Party was not in office. It would be interesting to know just what happened to that money.

Much has been said about the agreement. I have heard the Scaddan Government of 1913 condemned for showing lack of foresight in making such an agreement. People have asked how the Government of that day came to make such an agreement. In view of those questions, I have looked up the history of the negotiations leading to the completion of the agreement. Although it seems to me that the officers of the Crown Law Department as well as the Government of the day might have taken a longer view than they did by having a provision inserted to cover rising costs, I also know, from my experience as a Minister for nine years, that Governments do not enter into big contracts of this sort without giving the matter a great deal of thought and without obtaining expert advice.

I was wondering who were the experts that advised the Seaddan Government in 1913 and have found that they were the consulting engineers, Merz and McLellan, of London. They had just completed supervising the electrification of the Melbourne suburban railways, and I suggest that representatives of a firm brought out to supervise such a work as that must have been fairly good engineers and fully competent to advise the Government on questions affecting the power house and electricity supply. These gentlemen were also responsible for our reverting from the 40 cycle to the 50. Now we are going back to 40. They were also responsible for the advice that 3 lb. of Collie coal should produce one unit of current at a cost of .52d. I understand that 3 lb. of Collie coal has produced the one unit, but never at .52d.

As the Minister has told us and the agreement shows, the maximum was to be ¾d., which was never reached either. The Government of that day probably should have taken a longer view than it did, but I submit in justification of some of the things done in that period that we had a very big war in 1914. Although the Kaiser was rattling the sword a bit in 1913, I do not think anyone thought a war was likely as early as August, 1914.

The Minister for Works: There was the possibility of it.

Hon. A. H. PANTON: We then had a war to make the world safe for democracy, and we did not think that our sons would be going to war again within 25 years, but that happened. The Government is now asking us to ratify an agreement for 50 years, and I defy the Minister to say just what the world will be like at the end of that time. The Minister is just about as old as I am.

Hon. A. A. M. Coverley: So he will not be worrying much in 50 years.

Hon. A. H. PANTON: People, 50 years ago, had very little idea of what the world would be like today as a result of mechanical and scientific improvements. Our Ministers in 1913 were unfortunate in being led astray as a result of the advice they received. I am only hopeful that this Bill will come to a better conclusion than the one ratified by Parliament in 1913. It would be a very game man who would try to give an indication of what things will be like in 50 years. The Acting Leader of the Opposition was dealing just now with the question of the value of £3,000,000 over 50 years at the rate of £60,000 a year. I have some figures here, and it will be worth the Minister's while to check them. I understand that £3,000,000 spread over 50 years is worth, at the moment £1,473,000 taking interest into account at 3¼ per cent.

I am suggesting that if I went to the Commonwealth Bank and said I wanted £3,000,000 spread over 50 years at £60,000 a year, the bank would say I would have to deposit £1,473,000. We have been told by by the Minister and through the Press that we were paying the £3,000,000 without interest, and I was unsophisticated enough to take those statements at their face value. I am particularly proud that the Government has now seen the light and is beginning to socialise various public utilities. I am not sure whether I will be as well off, as a citizen of the State, under this scheme, as I have been as a ratepayer. The member for Victoria Park did not tell us that. I agree with the Acting Leader of the Opposition that there will be a rise in costs.

Mr. Marshall: There has got to be a rise in costs.

Hon. A. H. PANTON: I do not know about that. When people say there has got to be a war, we get a war.

Mr. Marshall: We can avoid a war.

Hon. A. H. PANTON: We have not done so yet. If people say there has got to be a rise, everyone takes it for granted that there will be one, and the Premier smiles because his Government is responsible. I wish the Government success with this scheme, and I hope it will pay the £3,000,000 in much less than 50 years. The member for Murchison will be able to tell us that before 50 years we will be able to get money at much less than 3¼ per cent.

Mr. Marshall: You need not wait 50 years for that.

Hon. A. H. PANTON: If that is so, we are not doing a good job today with this transaction.

Mr. May: You will not want any money at all then.

Hon. A. H. PANTON: That will be the day! I hope the position will be as good as it looks on paper and that it will not be long before this Government—if it is here

—will see the necessity of giving the Electricity Commission the right to produce its own coal, because I feel it is a very shandygaff sort of business to take over the distribution of a commodity such as electricity, and, at the same time, give private enterprise the right to produce coal at any cost it likes. The Minister for Housing asked just now if we would like to go back to 6s. a day. In 1913, wages were about 9s. a day. In 1911, when the Scaddan Government was elected, railway men were getting 7s. a day. As usual when a Labour Government comes to office, it had hardly been returned when there was talk of a strike for 9s., and that was the amount of wages in 1913.

The Minister for Lands: Yes. I was getting it, and I was told I was not worth it.

Hon. A. H. PANTON: I was getting it, too.

The Minister for Works: Were you worth it?

Mr. Marshall: You must have been overpaid.

Mr. SPEAKER: Order!

Hon. A. H. PANTON: If I have ever been overpaid, it has been since I have been in this House. This is the best job I have ever had. I again congratulate the Government on bringing down the measure. I trust I shall live to see the day when the Electricity Commission will not only be distributing electricity, but producing its own coal. I believe I shall live to see that day, because I did not expect to live long enough to see this Liberal Government introduce a piece of socialising legislation such as this.

MR. SHEARN (Maylands) [5.12]: The Government is to be congratulated on the Bill, because the Electricity Commission will carry out one of the functions for which it was originally established. I cannot conceive of its doing that unless it takes over this enterprise either now or in the not too distant future. It can generally be said that the Perth City Council has, in all the circumstances, been fortunate in the deal having been consummated at this stage. The ratepayers will be saved a lot of difficulties in connection with improvements to installations. On the other hand, it was inevitable that the Government or the Electricity Commission, would take over these utilities. I have no complaint there. Like the member for Northam, I hope that the Minister, when he replies, will give some indication as to what the additional impost is likely to be on the consumers in the metropolitan area, and on the local authorities.

As members know, I represent a huge district—from a road board point of view—where there is a considerable amount of developmental work to be done. At the same time, increasing demands are being made for street lighting. Even now, we have a problem to provide lights. My board is interested to know what the alteration is likely to cost it in the ultimate. I also represent in my parliamentary capacity a community largely comprised of workers, many of whom have installed radios and other electrical appliances which increase their consumption of electricity. They, too, are seriously concerned to know just what the repercussions will mean to them. I would like to know—perhaps the Minister will tell us—just what has been done, if anything, in connection with the managerial side of the Electricity Commission.

I know the Bill provides that the staff is to be taken over but I want to know whether the present general manager of the Electricity and Gas Department who has been acting as such for some weeks past, will be appointed and under what conditions. If that is not so, just what arrangements have been made, if any, for the management of this huge undertaking. I am concerned about this feature because there is in the course of erection a project at South Fremantle which involves approximately £5,000,000 of public money. It is a matter of importance to me to know who is going to look after it all from a supervisional point of view.

I do not for one moment suggest that Mr. Edmondson is incapable, but it seems to me, in view of the circumstances, that the Government may have considered the advisability of getting the best possible service in Australia for this all-important job and calling for applications for the position. Apart from the construction of the South Fremantle station the Electricity Commission has in its programme, spread over the years, a very comprehensive proposal for the whole State. It seems to me, therefore, that we want a man who not only has general business acumen—as unquestionably Mr. Edmondson has—but also has a considerable amount of engineering ability. He

will need to have had considerable experience in that sphere and I will be interested to hear from the Minister whether this particular aspect has been considered by the Government, although I have no doubt that it has already been covered.

So far as the money that is involved in the purchase is concerned I would say, on looking at the schedule in the Bill, that the Government at present would have somewhere in the vicinity of perhaps a half to three-quarters of a million pounds worth of freehold property coming into its possession as a result of this acquisition. Who can say what that freehold security will be worth to the Electricity Commission in 50 years. We all know that Western Australia has developed very fast and in the years to come the location of all its freehold assets will be of inestimable value. I think that should be borne in mind.

The Minister no doubt will tell us something about the purchase taking place on a cash basis. It does seem possible that the Commonwealth Government, difficult though it is to deal with at the moment, might have been influenced in this matter because it is of such unquestionable importance to the development of the State as a part of the Australian continent. That Government might have been influenced to make the money available to the State for the purpose of this purchase and so limit the interest liability which it is suggested is involved. I have not had the privilege of looking at the speech of the Minister but I tried very hard to catch all he said on the second reading.

That being so I have only been able to get a superficial survey of this scheme. Now that we know of the terrific loses that have been occasioned over the years by virtue of the agreement, and in view of the fact that this agreement had a considerable number of years to run, I think that there was only one of two things for the Government to do and this appears to be the right one. It is to take the enterprise over at this stage on a long-range term. If the Minister will be good enough to clear up one or two points that have been mentioned in relation to the purchase I think all members will agree that this is an imperative step for the Government to have taken.

THE MINISTER FOR WORKS (Hon. V. Doney — Williams-Narrogin—in reply) [5.20]: I am obliged to members for the friendly response that they have given to the Bill. I do not think there was any major criticism at all although there have been a host of questions asked. The Acting Leader of the Opposition in particular, was in a highly inquisitorial mood, but I am not at all sorry because the points that were submitted by him were appertaining to the matter under discussion and I shall reply to as many of those points as I can. However, it is not to be expected in the circumstances, that I shall be able to refer to them all or give the information that I should have liked to.

It must be remembered that there has been no time for me to collect data upon the several matters that members have brought up for discussion. It was only the day before yesterday that negotiations in regard to this matter ceased and since then it has been a question of printing the Bill and a considerable amount of hurry and scurry on the part of the Commission, the Crown Law Department, the Government Printer and I suppose, to a certain extent, myself. If I fall short in the quality of my replies it is because I have not the information and can hardly be expected to have got it in the short time since the negotiations have been completed.

The Acting Leader of the Opposition asked to be informed of the names of the local authorities involved in the agreements between themselves on the one hand and the City Council on the other. The Nedlands Road Board and the Claremont Municipality were the two authorities whose agreements with the Council terminated, one on the 30th July, 1945 and the other on the 29th March, 1945. The other two authorities concerned are the Subiaco Council and the South Perth Road Board. In the case of the latter its 25 years agreement will terminate on the 1st August, 1953 and the agreement with the Subiaco Council will run for the full 50 years from 1913 to 1963. The agreements to which I have referred were subject to the following condition:—

> This agreement is dependent on the continuance of the agreement of 16th October, 1913, and if for any reason that agreement is determined then the Corporation shall have the right to determine this agreement and the Board will have no claim whatever against them . . . .

The Acting Leader of the Opposition also mentioned that in reply to questions submitted by the member for Maylands, I

stated that the cost of current would increase. I am now being asked to say just exactly to what figure it is likely to rise. I take my stand on the fact that it will rise but I am not, as members may understand, in a position to say at just what figure it will be sold from the transfer date onwards. I should say that as from the transfer date onwards for quite a reasonable period—say three or four months—the figure will probably remain the same as it is now, but I may not be correct in saying that either. As from transfer day onward the Commission will be very busy with its calculations but I will inform the people of Perth as early as possible just what that increased figure will be.

The matter of industry having to face a larger bill for current was also brought forward by the Acting Leader of the Opposition. Industry now pays a price which is substantially less than the domestic rate and that must unavoidably be the case. Industry is, and must always be, the favoured child of any Government and that is so particularly in the early days of the existence of an industry and especially a new industry. It is mainly with new industries that this State is concerned. I have been pressed to say precisely what the charges for current will be in the area immediately affected—that is in the area covered by the City Council's territory. There again I am not yet in a position to advise the House because the Commission has not had time or opportunity to go into the question and it must therefore remain unanswered for a month or two. I might say that there is no likelihood at all of there being any startling increase. I might, with some justification, hazard a guess that the cost of production today would be somewhere around 1d. It may even be more.

Mr. Smith: That will be 100 per cent. increase.

The MINISTER FOR WORKS: If the hon. member finds that 1d. is a 100 per cent. increase on ¾d.—

Mr. Smith: You said a 1d. increase.

The MINISTER FOR WORKS: If I said a penny increase I apologise to the hon. member because what I really meant was an increase from ¾d. to 1d. In saying that I do not mean to imply that that will definitely be the increased charge. It may be less and it may be more.

Mr. Smith: They are producing it for less at Kalgoorlie. It is being produced for .66d.

The MINISTER FOR WORKS: I do not know that that has any bearing on what we are doing here. If they can produce it for less than 1d. on the Goldfields then let them do so, but it can be seen that I am not justified in binding the Commission at this juncture.

Hon. A. R. G. Hawke: Prices mount with McLarty.

The MINISTER FOR WORKS: I do not think that the price will mount more with this Government than with any Government that might have been in power at this time. The name of Mr. Edmondson has been very freely canvassed during the debate. I cannot inform the House just exactly where we stand in regard to the appointment of Mr. Edmondson to the vacant position of General Manager of the Electricity and Gas Department. I am not able to give the information sought. I realise nevertheless that the question is quite proper and if the Acting Leader of the Opposition cares to make this a matter for a question on an ensuing day, I shall go to some trouble to provide an appropriate reply.

As to the price we are to pay, no-one has said that the Government has made a bad bargain in taking it over at a figure that, at the end of the 50-year period, will represent a total of £3,000,000. Some seem to think, however, that we should have arrived at the cost by some other method.

Mr. Smith: We have been wondering whether it was unencumbered.

The MINISTER FOR WORKS: The House could hardly expect the Government to buy something for £3,000,000 without having to pay interest on such a large sum. The popular suggestion seems to be that we should have raised a sum of money for the purpose of the purchase and from the varying figures we may take it that they thought £1,400,000 should have been borrowed. If we take that as the amount and consider the other suggestion that the money should have been borrowed at 3¼ per cent., we find that at the end of 50 years, which is the term covered by the agreement, the £1,400,000 at 3¼ per cent. will represent an annual payment of £45,000. Multiply that figure by 50 and we get £2,250,000.

Then if we take into consideration the capitalisation, we get back to the £1,400,000, which is what members themselves suggested. So if the idea of those members is that we would have saved by putting down the money straight away, we have by our own methods saved about £650,000 by the end of the 50 years. Let me make it plain that I do not say that suggests a proper computation of the position. I simply say that I accepted the advice tendered by members and find that to be the result.

Hon. A. R. G. Hawke: The Minister overlooks the fact that he left out of account that in paying £60,000 a year, he is wiping something off the principal annually.

The MINISTER FOR WORKS: I have not overlooked that at all.

The Minister for Education: You made the suggestion and at 3¼ per cent. that is the charge.

Hon. A. R. G. Hawke: Who suggested that?

The Minister for Education: You did.

Hon. A. R. G. Hawke: Nothing of the kind.

The Minister for Education: How otherwise could you pay cash for it?

Hon. A. R. G. Hawke: The Minister for Education is utterly wrong.

The MINISTER FOR WORKS: This sum has been worked out hurriedly, and I am not insisting that the basis of it can be regarded as a fair estimate of the value of the undertaking.

Hon. J. T. Tonkin: You are overlooking—

The MINISTER FOR WORKS: Many things—

Hon. J. T. Tonkin: Conveniently—

The MINISTER FOR WORKS: As the hon. member has overlooked many things in his criticism, from his particular point of view. The Acting Leader of the Opposition suggested that, in future, we should charge a little more for street lighting. That may be so; I am not sure. The supply of current for street lighting is based not upon a price per unit but per pole. The strength of the lighting varies considerably, and it would not be easy for me to give a comparative figure.

Hon. A. R. G. Hawke: I do not think we will make the Minister a bank manager.

The MINISTER FOR WORKS: I imagine that if I were in that position and had in the bank officers like the hon. member, the institution might easily go bankrupt.

Hon. A. R. G. Hawke: It would certainly go bankrupt, without me being there.

The MINISTER FOR WORKS: With regard to the price of gas, members were keen to know whether it would go up or down. I have no information to give the House on that point. If I were to make any pronouncement, it would be just guesswork; and I am not keen to do that. The member for Leederville referred to a sum involving £493,000. That refers to something that happened many years ago.

Hon. A. H. Panton: Not too many.

The MINISTER FOR WORKS: The present Government had nothing whatever to do with that.

Hon. A. H. Panton: I did not say it did.

The MINISTER FOR WORKS: I sought some information on the matter and I find that it is dealt with fully in the report submitted by the Commissioner of Railways for the year 1946.

Hon. A. H. Panton: I bet the later reports do not show what became of the money.

The MINISTER FOR WORKS: I do not know about that.

Hon. A. H. Panton: I am telling you.

The MINISTER FOR WORKS: It is easy to ask me where the money went, but it plays no part in this agreement; so I do not think it is incumbent upon me to provide that information. I have told the hon. member where he can get it.

Hon. A. H. Panton: I know; that is where I got it.

The MINISTER FOR WORKS: There were some other questions asked, but I think it is too much to expect me at this juncture to provide all the information sought.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1 and 2—agreed to.

Clause 3—Ratification of agreement:

Mr. SMITH: Can the Minister inform the Committee whether with regard to the

loans mentioned in the Second Schedule, the obligation is placed upon the Government to take over those loans and the City Council's obligations in connection with them. The net indebtedness under this heading is shown as £166,000 of which the Electricity and Gas Department's proportion is £157,000. What is the position regarding those loans? Is interest to be maintained at the reduced rate indicated, or is that rate likely to be increased before the loans are paid off? Some of the loans fall due within the 50-year period, and I assume the Government has something in mind with regard to repayment.

The MINISTER FOR WORKS: The Bill sets out that, with respect to the unredeemed portion of debentures, the Government assumes full responsibility. This is to be taken over as a going concern, and when the loans fall due they will be met. Obviously, if we have taken over the securities, we must take over the obligations as well. Whether that be so or not, of course the agreement requires them to be taken over.

Clause put and passed.

Clauses 4 to 9, First Schedule, Second Schedule, Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—SOUTH FREMANTLE OIL INSTALLATIONS PIPE LINE.

Returned from the Council without amendment.

BILL—COAL MINE WORKERS (PENSIONS) ACT AMENDMENT.

Second Reading.

Debate resumed from the 30th November.

MR. MAY (Collie) [5.48]: This amending Bill has two special purposes. One is to deal with the ever-rising cost of living, and the other to bring the fund within reasonable distance of solvency. Like most superannuation funds, this fund is still behindhand actuarially. Before dealing with those aspects, I feel I should say a few words as to the origin of the fund. It was brought into existence by the depression and subsequent years. During the depression, men in the industry worked very short time and consequently received poor wages. We had the spectacle of men over 70 years of age working, when work was available, while lads of 17 to 20 years of age were unable to obtain employment in the mines. It was then decided that some form of equalisation should take place.

As a result of the many discussions by the men in the industry, a system was adopted under which younger men were to be in a position to replace the older men in the industry. The industry, in fact, is today suffering as a result of that period, because the young men of the depression years —I am speaking of the period from 1929 onwards—who were ready to work in the mines were forced to leave Collie. The consequence is that the industry is today famished for labour, having been deprived of the services of those men. Had circumstances at the time been normal, those young lads would have entered the industry and would now be taking their full share of the burden of producing coal. In order to catch up with the change that has taken place in regard to the coal requirements, inexperienced men have of necessity been employed in the mines. That is the real reason for the origin of the fund.

There are one or two drastic proposals in the Bill. One deals with the benefits to the men working in the industry and the age at which men may enter the industry and become beneficiaries of the fund. Any person who enters the industry over the age of 35 years will not become entitled to a pension at 60, but will receive some compensation, inasmuch as he will receive back any contributions he has paid, provided he has been in the industry for ten years. This proposal was discussed last Sunday by members of the union, who think that the age limit should be increased to 45 years. I realise that that would throw a much heavier liability on the fund; but if the age were increased to 40 years, it would mean that the worker would have been 20 years in the industry when he attained the age of 60. I must ask the Minister to give this phase consideration when the Bill is in Committee. The Bill also provides that men entering the industry shall be medically examined. No serious objection can be raised against that provision, as it will in some small degree assist in stabilising

the fund. Unless the medical examination is made, men might get into the industry who afterwards would become a liability on the fund. I understand that the men already in the industry are not required to be medically examined.

The Bill also deals with the workers employed on open-cuts. The Minister has clarified the position of these workers, as the Bill indicates that such a worker has to be wholly or mainly employed on excavating overburden or winning the coal before he becomes eligible for a pension. I see trouble ahead in fixing the dividing line between a worker who is a truckdriver, and consequently a transport worker, and a man working on the face of the open-cut. The truckdriver eventually arrives at the face of the open-cut and then has to go to his destination to dump the overburden or to deliver the coal within the precincts of the screening belt of the gantry. There will need to be a line of demarcation so far as those workers are concerned. In regard to the increases in contributions to the fund, previously the men were called upon to pay 2s. 9d. a week. It is proposed that this sum shall be increased to 4s. The company previously contributed 5s. 6d. per week for each man; that sum will now be increased to 8s. In addition, 2d. per ton is to be taken from the profits of the company. Previously there was no limit to the tonnage per year on which that 2d. was payable; but, under this amending Bill, it is proposed that there shall be a limit of 580,000 tons per annum. No contribution will be required on deliveries above that quantity.

According to the Bill, the Government will in future contribute a sum up to £16,000 per annum. It is believed that, although these revised contributions will not, according to the actuary, stabilise the fund, they will go a long way towards doing so. Previously the benefit payable from the fund to a single man at the age of 60 was 40s., and that is now to be increased to 52s. 6d. per week. Whereas a married man previously received 65s. a week at the age of 60 he will in future, between the ages of 60 and 65, receive 90s. per week.

The payment to widows is to be increased from 30s. to 40s. per week and the allowance for children under the age of 16 years is evidently to remain the same, at 8s. 6d. a week, with a maximum payment of 20s. 6d. per week. There are other alterations proposed in the payment of benefits but, as the Minister pointed out when introducing the Bill, much of that matter is highly technical and I do not propose to deal further with it at this stage. Invalidity pensions are also payable under the measure in certain circumstances. The pensions to which I have referred are payable to men between the ages of 60 and 65 years. When any man receiving a pension under this fund reaches 65 years of age he is forced, by the provisions of the legislation, to apply for any benefits that he may be eligible to receive from the Commonwealth and such benefits are to be deducted from the total he would otherwise receive under the Collie Miners' Pension Fund.

It is thought that the means test being progressively lifted from the Commonwealth social service pensions will ultimately be of some advantage in helping to stabilise the Collie fund. Anyone connected with this fund or responsible for its administration—and more especially its financial stability—will appreciate that the progressive lifting of the Commonwealth means test will assist materially in stabilising this benefit fund. An actuary might not be satisfied with this fund, but experience over the years has taught me that it is extremely difficult to satisfy an actuary. It is hard to arrive at any correct understanding of when a superannuation fund should be regarded as stable. It was provided in Section 15 of the Coal Mine Workers (Pensions) Act that alterations in miners' pensions would be governed by the rise and fall in the cost of living. But before the fund came into operation the Commonwealth had upset that arrangement with regard to the rise and fall of the cost of living in relation to Commonwealth social service pensions and consequently that provision of the State Act never became operative.

Last year's amending Bill removed that provision and as the Act at present stands —also under the Bill now before us—no provision is made for any increase in these pensions in future should the cost of living rise further and reflect itself in the Commonwealth pensions. I appreciate that the reason for not dealing with that aspect

is the desire not to overload this fund with further liabilities. The Bill provides for the rates payable under the fund to remain static—provided the measure be passed. The rates will then remain static until the 30th June, 1950, irrespective of any increase that may occur in the Commonwealth pensions. I must ask the Minister to give that question further consideration. I have been requested by the men in the industry, who were represented at the meeting held last Sunday, to draw the Minister's attention to this aspect in the hope that, even at this late stage, provision might be made to ensure that payments under the State fund should not lag behind those of the Commonwealth.

At present a man and his wife receive an old age pension, under the Commonwealth legislation, of £4 5s. per week. Under the State fund they receive £3 5s., so there has been a lag in that direction for some time. I hope the Minister will give the matter consideration so that those receiving benefits under this Collie scheme may to some extent keep in line with increases that may be made in the Commonwealth social service payments. Generally speaking, the men in the industry realise that they must make an extra contribution in order to keep the fund solvent. The same applies to the companies, who are also responsible for certain payments into the fund. In order to keep the fund stable the Government has agreed to contribute considerably to it.

I will have something further to say on certain clauses when the Bill is in the Committee stage but, with the exception of the items I have referred to, I feel the Bill as presented to us is a step towards equalising the pensions that the Collie coalminers compulsorily retired receive under the Act. I believe the Bill is an honest attempt to equalise those payments with the Commonwealth social service payments and I must acknowledge that in some respects this fund will be more beneficial to the miners between the ages of 60 and 65 than would the Commonwealth payments. I realise that until the Bill is passed the men now relying on payments under this fund are being penalised, and I therefore hope the measure will soon become law.

THE MINISTER FOR HOUSING (Hon. R. R. McDonald—West Perth—in reply) [6.12]: I thank the member from Collie for his analysis of the Bill. I appreciate the points he raised and the feeling on the part of the Collie miners that there are certain features of their pensions scheme that might be improved to their advantage, in the sense that they might be made more generous. However, the Government feels that this measure at present goes to the maximum of what can be done. It is a substantial advance and brings this fund into line with those of the other States which recently raised their pension payments. Pending further experience of the fund, in the light of the next few years, and on the advice tendered to the Government, it is not thought practicable at the present juncture to enlarge the benefits now being paid under this scheme. For that reason the matter of cost of living adjustments must also remain in abeyance for the present.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR HOUSING: With regard to the references made by the member for Collie to pensions reflecting rises in the cost of living, that is something which has not been practicable in New South Wales, and on actuarial advice and in order to maintain some degree of stability in the fund, it is, on our present experience, something which the fund would not be warranted in undertaking. Before concluding my remarks respecting the matters raised by the hon. member, I would like to make one reference to Mr. Bromfield to whom I referred when introducing the Bill. He is the chairman of the Collie Miners' Pension Board as well as the State Public Service Superannuation Board. I would like the House to know the valuable services he has rendered in connection with the Collie Miners' Pension Fund.

A vast amount of work has been involved in this very intricate subject and in all the references that had to be made to the consulting actuary in Victoria, Mr. Gawler. Matter had to be prepared, figures collated and the issue put before him, and then the present measure had to be framed broadly for the Parliamentary Draftsman, in this instance, the Solicitor General. In addition to that, I had to be educated as to some slight knowledge of the technicality of this superannuation fund.

Hon. A. H. Panton: I guess it gave him a few headaches; not educating you, but framing the whole scheme.

The MINISTER FOR HOUSING: Educating me was not an easy job. I would like the House to know the work done and the valuable services rendered by Mr. Bromfield in the matters I have mentioned who, as I have said, went down to Collie and consulted the miners in the steps that have been taken to improve the benefits under this fund and at the same time to take some action to put it on a sounder actuarial basis.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1 and 2—agreed to.

Clause 3—Amendment of Section 2:

Mr. MARSHALL: One accepts this measure as being one to provide, or otherwise increase, the pension rate of those who will join the industry after January next. Paragraph (b) of the proviso to paragraph (a) reads as follows—

> Fails to pass the prescribed medical examination at the time and place prescribed.

A man who is employed in metalliferous mines and has a compensable disease must pass a medical examination, and the third schedule of the Workers' Compensation Act sets out the complaints which are compensable. There is a material difference between working in a metalliferous mine and working in a coalmine, and therefore it is difficult to understand what will be prescribed when a medical examination takes place. I can see nothing to prevent a man from entering the coalmining industry, giving a lengthy period of service and ultimately enjoying a pension. I therefore would like the Minister to explain that paragraph.

The MINISTER FOR HOUSING: The inquiry by the member for Murchison relates to a matter which is rather technical for me to deal with. The idea is that men shall enter the industry whose physical condition is such that it can be anticipated that they will remain in it until they reach the retiring age and become entitled to a pension. Such men shall not be over 35 years of age and their physique will enable them to make contributions over the whole of their working life and thereby ensure the stability of the fund. I express an uninformed opinion that the type of examination to be prescribed here will be one to ensure that a man will not crack up because of the type of work he has to perform underground. That examination will be prescribed by regulation.

The Act gives power to deal with that by regulation and the House will have the opportunity of seeing in those regulations the kind of medical examination proposed, and if it differs from that requirement the House can deal with it. Broadly speaking, it can be said that the examination is to ensure that men do not go into an industry where, after a few months or years, their work causes a physical breakdown. It is no good to them, the industry or the stability of the fund which looks to the contributions of the younger men to support the finances in the interests of their fellow workers who are looking forward to the benefits derived from the fund. I cannot carry it beyond that. I can see obvious difficulties arising if individual men entered the industry and after three or four years were unable to continue, and under this measure be entitled to draw out all their contributions. They are entitled to do that even though they may be over 35 years and have not passed a medical examination. That would mean working in the industry for a time, but not contributing to a fund upon which their fellow workers were relying when they retired.

Mr. May: Is there a similar provision regarding the medical examination in the Acts of Queensland and New South Wales?

The MINISTER FOR HOUSING: I understand that these provisions are not in the Acts of those States, but our actuarial advice is that they would be wise to adopt similar safeguards to maintain the stability of their funds. In view of our experience of the fund and the accrued liability, it is essential to ensure, for the sake of stability, that those entering the industry should be physically fit and not over 35 years of age. The provision is in the interests of the industry and of the fund for the purpose of keeping down contributions. The poorer the risk, the higher the contributions must be.

Mr. MARSHALL: I do not disagree with the Minister, but the industry will get the pick of the men applying for work in the mines. In metalliferous mining a man is rejected on account of suffering from one or other of the compensable diseases. Here, however, a man might be rejected without knowing the reason. We ought to be told something of the nature of the medical examination. When there was an acute shortage of labour, the doctor might be inclined to pass doubtful cases, but if labour were plentiful, he would probably be very strict. This might handicap the industry by leaving only the older men in it. Will the Minister indicate what might prevent a man from entering the industry?

The MINISTER FOR HOUSING: The hon. member's suggestion should be considered in framing the regulations. It should be possible to state the particular aspects of health that are requisite, and it might be permissible for the applicant to receive a copy of the medical certificate so that he would know the reason for the adverse report. I point out that these provisions will not debar men from entering the industry. If a man were over 35 or did not pass the examination, he would have his contributions returned to him after the expiration of the period so that he would be participating in a sort of provident scheme all the time. These requirements will ensure on the pension side that there will be a reasonable balance of men contributing to the fund for such a period as will afford a foundation for the scheme. I agree that the examination should be specific.

Mr. MAY: Had the views communicated to the union been included in the Bill, it would have been more acceptable to the workers. An assurance by the Minister that all reasonable care will be exercised when framing the regulations should meet the position. If all unfit men were rejected for work in the mines the labour difficulty would be greatly increased.

The MINISTER FOR HOUSING: The medical examination will be a reasonable one. A man might be suffering certain disabilities and yet be able to work in the industry throughout his life, but some disabilities would preclude his carrying on for many months or years. The medical examination and the degree of physical fitness required must have due regard to the need of the industry to get men, and should not be unduly limiting by keeping out men who could undertake the work. I think a medium sort of examination would meet the case.

Mr. MARSHALL: I fear that, if the examination were very strict, trouble will eventuate. If only a few men were rejected but were yet able to work in the industry, they would have to contribute to the fund without having any pension rights and would be working alongside men who were entitled to pensions.

Mr. May: They would enter the industry on that understanding.

Mr. MARSHALL: Quite so, but mem often start working on some understanding; and then revolt against such a restriction. However, I do not propose to press the matter.

Mr. MAY: The men in the industry feel that the age of 35 is too low. Such a man would still have the prospect of 25 years of work ahead of him, which is a long time to be excluded from the benefits of the fund. The men asked for an age limit of 40. However, I realise that it would make a big difference to the stability of the fund if men were permitted to enter the industry at too great an age. Would the Minister consider making the age 40 in order to satisfy the men working in the industry?

The MINISTER FOR HOUSING: I appreciate the desire to have the age limit raised to 40, but by this Bill we propose substantially to increase the benefits the men are to enjoy. If we retain the present pension rates, then 40 years of age might be possible, but we cannot increase them and at the same time raise the age from 35 to 40. I am compelled, in a matter of this kind, to rely on the actuarial advice we have received. The present anticipations are that there will be a deficiency in the fund of £150,000 which the rest of the taxpayers of the State will have to find. In addition, in order to maintain the increased benefits the rest of the people are raising their annual contributions, through the State, from a maximum of £4,500 to £16,000.

When the next triennial actuarial valuation takes place at the end of 1950, the position of the fund can be again examined, and, if some additional advantages can be given, the matter can be considered. If the experi-

ance is less favourable than at present hoped, it is possible the contributions might be increased.

Mr. MAY: I want to ask the Minister, in connection with paragraph (ii), who will be the authority to say whether a man is a transport worker, or works at the face of the open-cut. I take it the question will be decided by the pension tribunal, but there will be difficulty in some cases. Will there be any right of appeal? I cannot see any such provision.

The MINISTER FOR HOUSING: What we have done in the measure is to follow the amendment in the New South Wales Act. No doubt the question arises there more frequently than it will here, and the decisions in N.S.W. will be a guide for our board. By Section 28 of the parent Act, the Minister may refer any question arising under the Act to the Court of Arbitration, and all persons interested shall be heard. That provision is included to meet cases such as the one mentioned by the hon. member. I think the Coal Mines Pensions Board would refer such a question to the Minister who would pass it on to the Arbitration Court, and that tribunal would make a determination on which the board would act.

Mr. MARSHALL: I find that in the parent Act there is no definition of a transport worker. Without knowledge of an open cut, one might think a transport worker is one who drives a motor, or some other vehicle. The removing of over-burden, in connection with open-cut work, is done by bulldozers and mechanical shovels. Would the Minister say that the operators of those machines are transport workers?

The MINISTER FOR HOUSING: I agree it is not always easy to define the different classes of work carried out in open-cut operations. We might create more difficulties by embarking on a series of definitions than by agreeing to what is provided here. It has not been done in the New South Wales Act. To clarify the position in New South Wales, an amendment similar to what appears in paragraph (ii) has been adopted. It will be found, I think, that the bulldozer driver is classified as an excavator under the terms of the measure before us. We might keep in line with New South Wales in this respect, as we are attempting to do by the Bill, so that any rulings and agreements reache there will be of advantage and guidance t us under our Act.

Clause put and passed.

Clauses 4 to 7—agreed to.

Clause 8—Amendment of Section 9:

Mr. MARSHALL: Proposed new Sub section (2) provides for the non-paymen of a pension to a wife. When domestic un happiness occurs and parents part, the chil dren generally go with the mother. Even i the mother receives no support herself, sh generally asks the husband to maintain th children. It would not be fair to den such a woman that which the pensioner ha paid for over many years. It would b vindictive to punish a woman who may no be to blame for domestic unhappiness. A guilty party might be punished in the term proposed here, but it would be unfair t punish an innocent party who had main tained herself for a number of years.

The MINISTER FOR HOUSING: Th tribunal would decide what should be pai to a wife. The object of this provision i to ensure that an allowance will not be pai to a man who is doing nothing to maintai his wife, and is not prepared to do so. I a man does maintain his wife, even thoug she lives apart from him, she will get th allowance. This clause is identical with provision in both the New South Wales an Victorian Miners' Pensions Acts. In neithe of those two States does the Act refer t children. If members are prepared to allo the clause to go through, I will make in quiries as to the query raised by the mem ber for Murchison.

Mr. MARSHALL: I do not propose t interfere, but I think it might be reviewe and reconsidered. It might be that a hus band makes the life of his wife intolerable A case such as that would be difficult fo the tribunal to adjudicate upon. An unfor tunate woman might have had a rough tim by having to support herself over a perio of years, and she will reach the stage wher she will not be able to compete with younge women for employment. She will be dras tically penalised if the clause is strictly en forced.

The MINISTER FOR HOUSING: I d not think there will be any ill-effects fro this clause. The idea is that the husban shall pay to the wife the amount of th

pension, or addition to the pension, he is entitled to draw by reason of his dependent wife. Where he refuses to support his wife, the tribunal can say, "You cannot draw on the pension fund if you are not going to pay that part of the pension to your wife."

Clause put and passed.

Clauses 9 to 11—agreed to.

Clause 12—Amendment of Section 13:

Mr. MAY: This clause proposes to alter the wording of the original Act. I want an assurance from the Minister that it will not interfere with the endowment which may be payable for any children under 16, and that the endowment can be collected in addition to the full amount of pension being paid at that time.

The MINISTER FOR HOUSING: This amendment is in consequence of the Title of the Child Endowment Act, 1941, being altered to the Social Services Consolidation Act, 1947. The amendment is merely a machinery one to correct that alteration. The position will be just the same in future as it is now, and that is that moneys paid by way of child endowment will be taken into consideration as part of the earnings of a mine worker in the same way as are moneys received by way of old age pension. In other words, a man cannot receive the full advantages under both Acts at the same time. The amendment makes no alteration to existing practice.

Clause put and passed.

Clause 13—Amendment of Section 14:

Mr. MAY: When this fund was created, there existed at Collie an old age and indigent fund. This was brought into being by the old miners who were ineligible to receive superannuation from the Collie Miners' Pension Fund.. These miners were to continue to receive a sum of 12s. 6d., and they are still receiving that amount. I think there are 50 of them still alive, and I would like an assurance from the Minister that this payment will continue.

The MINISTER FOR HOUSING: There will be no change from the existing practice. These men will not be prejudiced in any way, and the amendment is merely to make the Act clearer.

Clause put and passed.

Clause 14—agreed to.

Clause 15—Amendment of Section 22:

The MINISTER FOR HOUSING: I said, when introducing the Bill, that under the parent Act each company is required to deduct from profits or dividends 2d. a ton on each ton of coal sold, towards its contribution to the Collie Miners' Pensions Fund. That applies to each company operating in Collie now and in the future. By this Bill we are fixing a maximum of 580,000 tons of coal a year, on which they will be compelled to pay 2d. a ton out of profits or dividends. One company is producing more than that amount and the other company is producing a great deal less. On looking at the matter, I found it might be read that the smaller company had to pay 2d. a ton on 580,000 tons a year, although its actual production would be only probably 100,000 tons a year. In order to meet the intent, I move an amendment—

That after the word "on" in line 4 the words "a maximum of" be inserted.

This is to ensure that a small company which produces less than 580,000 tons a year is not obliged to charge against profits or dividends 2d. a ton on 580,000 tons, but may charge 2d. a ton on its actual coal sold.

Mr. Marshall: What is the rate over 580,000 tons

The MINISTER FOR HOUSING: Over that figure, the amount paid would be part of the ordinary cost of industry, but up to that figure 2d. a ton is to be charged directly against profits or dividends. The Bill places a ceiling at the amount of coal in respect of which 2d. a ton is to be charged against dividends. That figure may possibly have to be reconsidered in another place because there has been some question of how the figure was arrived at.

Mr. May: You do not propose to bring it below 580,000 tons in another place?

The MINISTER FOR HOUSING: The suggestion is that we bring it to what the average or mean was in 1944 and 1947.

Mr. MAY: I would like an assurance from the Minister that in the reconsideration that is to be given to the matter in view of the mistake that seems to have arisen with regard to the calculations of the mean production, the contributions from profits will not be reduced so that the fund will be adversely affected. The policy throughout the Bill is to secure the stabilisation of that

fund, and I would like some assurance on the point.

The MINISTER FOR HOUSING: This will not affect the fund by one penny piece, and every employee of the company will mean a contribution of 8s. to the fund. All that is involved is a matter of calculation of the mean average coal production of the largest company in the years 1944 and 1947.

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

Clause 16, Title—agreed to.

Bill reported with an amendment and the report adopted.

BILL—COMPANIES ACT AMENDMENT.

Received from the Council and, on motion by the Attorney General, read a first time.

BILL—LAND ACT AMENDMENT (No. 1).

Council's Message.

Message from the Council received and read, notifying that it did not insist on its amendment.

BILLS (2)—RETURNED.

1, Road Closure.

2, Reserves.

Without amendment.

BILL—PHARMACY AND POISONS ACT AMENDMENT.

Second Reading.

THE MINISTER FOR HEALTH (Hon. A. V. R. Abbott—North Perth) [8.37] in moving the second reading said: The Bill proposes to make a number of amendments to the Pharmacy and Poisons Act, 1910-1937, to enable the measure to be more efficiently administered by the Pharmaceutical Society of Western Australia. Under the Act that society has two main functions. The first is the responsibility to control the registration and professional conduct of pharmaceutical chemists, and the second is to police the sale and distribution of poisons. The proposed amendments are brought forward at the request of, and after discussion with, representatives of that body. In respect of the poisons at present controlled under the Act, these are divided into two classifications —those under the Fifth Schedule, which deals with ordinary drugs that are poisonous, and those under the Ninth Schedule, which deals with poisonous preparations such as sheep dip, photographic chemicals and so forth.

A perusal of the Bill will show that it is sought to add a further schedule to the Act which will deal with the newer drugs that are not of themselves of a poisonous nature but which, owing to the care with which they have to be used, have to be treated as such. These include such drugs as penicillin, the sulpha lines and so forth. Under the Act the council of the society, as I mentioned previously, is responsible for the control, sale and distribution of poisons. The Bill enlarges the authority of the council, but, as it is considered desirable the Government should accept the final responsibility in connection with such matters, control by the council will be subject to the Minister. Additional definitions have been inserted, and some of those included in the Act have been amended so as to clear up some difficulties that have arisen.

The society is a corporate body and the management is vested in a president and six other members, under the style of the Council of the Pharmaceutical Society of Western Australia. At present, the members of that council hold office for three years and all retire at the same time. The society desires that the retirement of those members shall be staggered, and therefore provision is made in the Bill that, at the expiration of the term for which the existing members of the council hold office at the commencement of this amending legislation, the members of the society may elect, for varying terms as will be prescribed, seven of their number to form the council. Section 20 now provides that if a chemist is convicted of any offence, which, in the opinion of the council, renders him unfit to practise, his name, upon the recommendation of the council, may be erased from the register.

It is thought desirable that more flexible provisions should be made to deal with chemists who have been guilty of impropriety, misconduct or infamous conduct in a professional respect, or have been convicted of any offence that renders them unfit to practise or are addicted to alcohol or any deleterious drug to a degree that renders

them unfit to practise. Subject to proper investigation, the council may order the names to be erased from the register, suspend the chemists for a period not exceeding twelve months, or may censure them. Provision is made for an appeal to the Governor against any decision of the council. Section 31 sets out the conditions to be observed by any person licensed to sell poisons. The Bill, by Clause 16, seeks to add conditions, by providing that a licensed person shall—

(a) refuse to sell and refrain from selling any poison to any person who is—

(i) apparently under 18 years of age;

(ii) unknown to the vendor, unless the sale be made in the presence of some witness who is known to the vendor, and to whom the purchaser is known, and that person signs his name together with his place of abode, to the required entry before the delivery of the poison to the purchaser.

Then again Section 34 provides that no person shall sell any poison unless the bottle or other vessel, wrapper or cover, box or case containing it, is marked "Poison." The Bill embodies a new provision that will enable regulations to be made setting out the warnings that are to be placed on the containers of poison. The object of Clause 19 is to recast and clarify Section 41 under which persons engaged in wholesale dealings are exempted from the provisions of the Act. That section is now inconsistent with other provisions of the legislation requiring the registration of pharmaceutical chemists. Section 42 deals with poisonous substances and preparations specified in the Ninth Schedule. Subsection (2) of that section provides that any person may apply to the council for the issue to him of a license.

Under the Interpretation Act the term "person" would probably include a body corporate. In dealing with the sale of poisons set out in the Fifth Schedule, Section 29 provides that no license shall be issued to a company or friendly society although carrying on business as a chemist, but such license may be issued to any pharmaceutical chemist who is an employee of the company on its behalf. No similar provision is now included in Subsection (2) of Section 42.

The new subsection provides that a license to sell any poisonous preparation, as specified in the Ninth Schedule, shall not be issued to any body corporate or partnership, but may be issued to any person on his own behalf or on behalf of any body corporate or partnership. The object of this is to ensure that some person will be responsible for seeing that the provisions of the Act are complied with. A licensee, together with his employer, is jointly responsible and liable for punishment if any offence under the Act is committed.

A new part is inserted in the Act after Section 43 which deals with a new class of drugs that were classified as poisons, but that are deleterious if used indiscriminately, such as penicillin, sulpha drugs and other drugs of a like nature. No provision at present exists in the Act to deal with these. By Clause 22 provision is made that these drugs shall not be sold except by such persons and under such conditions as may be prescribed. At present, under the Health Act penicillin, even if used for veterinary purposes, requires a doctor's prescription. This causes a great deal of inconvenience, as penicillin is now one of the best remedies for mastitis, which is a disease affecting cows. It is proposed to repeal the provision in the Health Act and to deal with such drugs under the parent Act. Section 44 of the Act contains a number of general provisions relating to the control of the sale of poisons.

The Bill proposes to add a new provision which is designed to prevent persons, other than chemists, accepting prescriptions, sending them to chemists to be made up and then delivering the resulting medicine. This practice is considered to be undesirable, because the medicine is capable of being interfered with, or may be given to a person for whom it is not intended. It is felt that the chemist himself should receive the prescription, make it up and see that it is given to the person ordering it. Section 50 of the Act provides that any patent or proprietary medicine can be sold in any place which is at least 20 miles from the nearest chemist, whether it contains poison or not. It is thought desirable that all medicines which contain poison should be brought within the scope of the Act, and therefore Section 50 is being repealed. The Bill contains some other amendments of an administrative nature, which can be more appropriately dealt with in Committee. As I have said, the Bill has been brought down after careful consideration and consultation, not only with the Pharmaceutical Society, but also with the commissioner of

Public Health. I feel that it will place the sale of poison on an even better footing than at present. I commend the measure to members and move—

That the Bill be now read a second time.

On motion by Hon. A. A. M. Coverley, debate adjourned.

BILL—GOVERNMENT EMPLOYEES' PENSIONS.

Message.

Message from the Governor received and read recommending appropriation for the purposes of this Bill.

Second Reading.

THE PREMIER (Hon. D. R. McLarty—Murray-Wellington) [8.50] in moving the second reading said: This Bill proposes to grant pensions to a group of Government employees, the majority of whom have been out of the Service for some time. They are mainly ex-wages employees who were permanently employed prior to the 17th April 1905, but who have been refused pensions under the 1871 Superannuation Act and who are not eligible to contribute under the 1938 Act. Before explaining the provisions of the Bill more fully, I should like to refer to the history of this subject. Most members will be conversant with representations which have been made over a period of years by ex-wages employees, principally of the Railway Department, to have their claims for pensions under the 1871 Superannuation Act recognised by successive Governments.

A Select Committee of this House was appointed in 1937 to inquire into the Government's liability to pay superannuation to railway employees. I shall refer to the recommendations of the Select Committee at a later stage. Summed up briefly, the position has been as follows:— Pensions under the 1871 Act were permissive, the Governor in Council being the final arbiter. The Act provides that employees must have served in an established capacity in the permanent Civil Service of the Colonial Government, whether their remuneration be computed by day pay, weekly wages or annual salary. "Established capacity" had not been defined in the 1871 Act. There were a number of conflicting opinions as to whether it did or did not include wages employees, and these opinions are set out in the report of the evidence given before the Select Committee. In December, 1936, the Government declared its policy in this regard as follows:—

Claims for superannuation by railway servants will be inquired into and receive consideration only—

(a) when the claimant establishes that he was holding a salaried staff office on the 17th April, 1905; or

(b) when the claimant establishes that, although he was not holding a salaried staff office on the 17th April, 1905, he had prior to that date held a salaried staff office for an aggregate period of at least 10 years.

The policy of the Government as declared at that time was, in reality, a re-affirmation of the practice which had operated over a long period previously, and that policy has been consistently adhered to ever since. The Select Committee considered that it was not the intention of the Legislature to confer a benefit on persons in one section and annul it in another, and expressed the opinion that persons employed in the railway service of the State prior to the 17th April, 1905, whether on day pay, weekly wages or annual salary, have a legitimate claim to a superannuation allowance, provided that they have complied with the other essential requirements of the Act. A motion moved subsequently—

That in the opinion of this House the Government should give effect to the recommendations of the Select Committee

was passed with a majority of 14. Subsequently, the Government agreed to adhere to the policy defined in December, 1936. Following the introduction of the 1938 contributory scheme, those wages employees who were still employed on the 1st March 1939 and who had not attained age 65 on that date, became eligible to contribute for a pension under the Act. Most of them could only afford to contribute for the first four age-30 concession units, since owing to their advanced age, the cost for additional units at actual age rates would have been prohibitive. But those over 65, and those who had left the service prior to the 1st March, 1939, were disqualified from contributing for benefits under the 1938 Act. They were in the position of being deemed to be ineligible under the 1871 Act, although permanently employed prior to the 17th April, 1905, and, because of their advanced ages, of being disqualified from receiving benefits under the contributory scheme. Since the present Gov-

ernment assumed office, representations have again been made by those concerned to have their claims recognised.

Apart from the question as to whether or not they had any moral or legal claims under the 1871 Act and whether the policy of successive Governments was just and equitable, I do not think anyone will dispute the fact that the circumstances mentioned have been rather severe on this group of ex-employees. An estimate prepared in 1938 showed that the probable annual cost of paying pensions to railway wages employees under the 1871 Act at that time might be in the vicinity of £135,000 per annum, and the total ultimate liability over £2,000,000. That estimate included all those who subsequently elected to contribute under the 1938 Act. With a view to ascertaining the probable position as it exists today, a list has been prepared of all the wages employees who were in the Service prior to the 17th April 1905 and who are known to be still living. The 647 persons listed come within the following categories—

(a) Contributors or pensioners under the 1938 Act, including those still in the Service	462
(b) Retired prior to the 1st March, 1939, and ineligible under the 1938 Act	154
(c) Retired after the 1st March, 1939, but ineligible because of age to contribute under the 1938 Act	7
(d) Still employed on the 1st March, 1939, but who did not elect to contribute under the 1938 Act, including five still employed	12
(e) Those of doubtful eligibility for reasons of resignation, etc., before attaining age 60	12
	647

There will no doubt be others under the heading of (b); they are those who retired prior to the 1st March, 1939 and ineligible under the 1938 Act, particulars of whom are not available. It is not known who they may be and whether or not they are still living. There are also others from departments other than the Railway Department, but it is thought they will be few in number. In view of the changed circumstances which followed the introduction of the contributory scheme, the Government has given consideration to ways and means of providing a measure of relief for this group of ex-employees, whose numbers are rapidly diminishing.

The Government has given consideration to the alternatives of (a) recognising the claims of ex-wages employees for superannuation under the 1871 Act or (b) providing some other scheme that would be regarded as reasonable to the men and that would not involve the State in an unreasonably large expenditure of public funds. If the Government were to follow the former course and pay all of those 647 men pensions in accordance with the 1871 Act, the cost in the first completed year, on the basis of an average pension of £5 per week—increased from £4 by last year's amending legislation—would be in the vicinity of £170,000. As an offset to that there would be a reduction of approximately £60,000 on account of the Government's share of pensions under the 1938 Act for the 462 contributors to pensions under that Act.

It is thought that the average pension might be considerably more than £5 per week when accurately computed. Even if it were not more, the State would be required to find at least £100,000 in the first completed year. The Government was faced firstly with the serious responsibility of finding a substantial sum of money for the purpose and, secondly, of upsetting the procedure, practice and policy followed by successive Governments ever since the 1871 Act came into operation. It was therefore decided that there was no justification for the Government paying pensions to those persons under the 1871 Act. As an alternative the Bill has been prepared to provide for a modified scheme, and is submitted for the consideration of members.

It is proposed that a person shall be eligible for benefits under the scheme only if (a) he was permanently employed prior to the 17th April, 1905, (b) he was continuously employed for not less than 10 years from a date prior to the 17th April, 1905 and (c) he was still in the Service on attaining the age of 60 years or was retired before that age through invalidity. A person shall be disqualified if (a) he is receiving or is eligible to receive a pension under the 1871 Superannuation Act or (b) is a contributor or a pensioner under the 1938 Act or (c) was dismissed from the Service for disciplinary reasons.

If a person resigned or was discharged or retrenched before attaining the age of 60 years he would be eligible only if he were

re-employed in the Government service and were still so employed at the age of 60. In any such case he would receive a pension calculated on the first period of continuous service, provided it was not less than 10 years. Subsequent service could not count for the purpose of calculating the amount of pension payable. The amount of the pension is to be calculated in accordance with the number of years of continuous service, and with a minimum of 10 years, and the average annual amount of wages received during the last three years of his service.

For example, if he served continuously for 10 years from a date prior to the 17th April, 1905, he would be paid 10/48ths of his average annual wages. If he served for 11 years he would receive 11/48ths of his average annual wages, and so on up to a maximum of 40/48ths for 40 years service or longer. In no case is a person to be paid a pension in excess of £130 per annum, which is equivalent to £2 10s. per week. There is to be no retrospective payment of pensions.

Hon. A. H. Panton: That will hurt.

The PREMIER: I am trying to make it perfectly clear. The pension will become payable when the Act is proclaimed or subsequently, where necessary. There is no provision for the payment of a pension to the widow of a deceased pensioner or eligible employee. No contributions from employees are required. Those are the principal features of the proposed scheme, and other features can be explained when the Bill is in the Committee stage.

Mr. Marshall: What is the position of proposed beneficiaries who are in receipt of the old age pension?

The PREMIER: I will explain their position. It is desired to make it clear that the proposed scheme will apply only to that group of persons who were permanently employed prior to the 17th April, 1905, and who were refused pensions under the 1871 Act and were unable to participate in the 1938 contributory scheme. Persons who joined the Service after the 17th April, 1905, are not included. They may or may not be eligible under the 1938 Act. Those who are eligible under that Act had an opportunity to contribute for the first four units of pension at the age 30 rate. The cost to them of those four units was 8s. 5d. per fortnight, which provided them with a pension of £2 10s. per week, increased from £2 last year, and their widows with a pension of 25s. per week, almost wholly at the expense of the State.

It is considered that provision has been made by the State for that group and any scheme for the remainder, who were ineligible, should have, as its basis, a maximum pension comparable with that payable for the first four aged 30 concessional units mentioned, £2 10s. per week. Admittedly those covered by the 1938 scheme were required to contribute, but whereas their widows are eligible for pensions, the widows of those who will be covered by the present proposal will not be so eligible.

Hon. A. R. G. Hawke: Robbery.

The PREMIER: In fixing the maximum amount of pension payable at £2 10s. per week the Government was influenced by (a) the amount payable in respect of the first four age 30 concessional units under the 1938 Act and (b) the ability of the State to finance the scheme and (c) the incidence of the Commonwealth means test in respect of old age pensions. The amount of pension payable in respect of the first four age 30 concessional units is £2 10s. per week. Because of the advanced ages of those concerned the Government is responsible for the payment of almost the full amount of £2 10s. per week. The amount payable from the fund is only a shilling or two per week. Only 10 per cent. of those covered by the 1938 Act contributed for units of pension in excess of the age 30 concessional units. The additional units were at the actual age rates and were very costly in the case of older employees.

In the circumstances it was considered that a maximum pension of £2 10s. per week under the proposed scheme would be equitable and would not create an anomalous position in respect of those covered by the 1938 contributory scheme. The cost to the State was an important factor in deciding the maximum amount of pension payable. There are 168 persons, known to be living, who would be immediately eligible under the proposed scheme. If we add 25 per cent. to cover the unknown number, the maximum might be approximately 210. If every one of them were eligible for the

maximum pension of £130 per annum the cost for the first complete year would be between £22,000 and £27,000. All but four of those 168 employees will be over 75 years of age on the 1st July, 1949. Seventy-three of them will be over 80 years of age on that date. The numbers in the various age groups will be as follows:—

Age	Number in Group
60	1
72	3
75	3
76	19
77	22
78	19
79	28
80	20
81	22
82	7
83	3
84	7
85	6
86	4
87	3
88	1

In addition there are still five in the service who are between 60 and 65 years of age. It may therefore be anticipated that the annual cost will decrease fairly rapidly. It is reported that since the figures were compiled in May last 12 or more have died. At the end of 10 years the annual cost might be reduced to between £2,000 and £3,000. The ultimate liability over 10 years or more might be between £100,000 and £125,000. If a higher maximum rate of pension were fixed it would create an anomaly in respect of those covered by the 1938 scheme and would involve the State in much greater expenditure. It was also necessary to consider the effect the payment of a State pension would have on Commonwealth old age pensions, which many of those concerned would be receiving. The payment of £2 10s. per week to a married man would be within the limits of the £3 per week permitted to be earned without reducing his own or his wife's old age pension.

Hon. A. H. Panton: That is £3 between the man and his wife.

The PREMIER: Yes. Should each be in receipt of the maximum old age pension their joint income from both Commonwealth and State sources would be £6 15s. per week. Should they be in receipt of any other income exceeding 10s. per week in addition to the State pension of £2 10s. per week the amount of the old age pension would be correspondingly reduced. The payment of £2 10s. per week to a single man who is in receipt of the maximum age pension would result in a reduction of such pension by £1 per week if he was in receipt of no other income.

Mr. Marshall: You will be paying the maximum if the Commonwealth removes the means test next year.

The PREMIER: We will take that hurdle when we come to it.

Hon. A. H. Panton: Are you going to take the maximum amount of £1 per week from the Commonwealth or are you going to take it from your fund?

The PREMIER: In some cases there would be relief from the Commonwealth pension.

Mr. Rodoreda: It will be no relief to the State Treasury; the Commonwealth gets the relief.

The PREMIER: Yes. If the total income of the pension is above that which is permitted to be earned under the age pension, then a reduction is made from the amount allowed by social services.

Hon. A. H. Panton: Could you make the Commonwealth pay and then reimburse from our pension?

The PREMIER: I will explain as I go along. That was not advisable. It was a matter that came to my mind.

Hon. A. H. Panton: It always comes to my mind.

The PREMIER: A single man could receive by way of both pensions a total of £3 12s. 6d. per week. The Government gave consideration to the practicability of fixing a nominal rate of pension in excess of £2 10s. per week and deducting the amount of the Commonwealth age pension. If this were done, we would be faced with the same problems as those associated with the coalminers' pensions scheme. The incidence of the means test would result in the payment of a multitude of different rates of pension. Those disqualified under the means test from receiving the age pension would be entitled to the maximum amount from the State, but those who were in receipt of an age pension could only be paid the amount permitted under the means test. There would be no uniformity of treatment and there would be many difficulties associated with the administration of such a scheme.

In conclusion, it is desired to mention that the provisions of the Bill in respect of qualifying service, method of computing rates of pension, break of service, etc., follow closely along the lines of the procedure practised and policy established under the 1871 Act. I had the following notes added so that my previous remarks could be clearly understood. I want again to emphasise that the pensions are not on a flat rate. A person could be eligible for a lower rate of pension. For example, if he served continuously for only 20 years and his average annual wages were £260, he would be entitled to 20/48ths of £260 which equals £108 6s. 8d. per annum. That particular person would have to serve 24 years before he could qualify for £130 per annum or the maximum of £2 10s. per week.

Mr. Brady: They all must have started in 1895 or before.

The PREMIER: No, before 1905.

Mr. Rodoreda: Ten years before that; 1895 or before that year.

Hon. A. H. Panton: How soon before 1905 must they start?

The PREMIER: Any time prior to 1905. They must have started before the 1871 Act was terminated.

Hon. A. H. Panton: If they started a fortnight before the 17th April, 1895, they will become eligible?

Mr. Hegney: Then they must do ten years after that?

The PREMIER: They must do ten years. I move—

That the Bill be now read a second time.

On motion by Hon. A. R. G. Hawke, debate adjourned.

BILL—TRAFFIC ACT AMENDMENT.

Returned from the Council without amendment.

BILL—MARKETING OF APPLES AND PEARS.

Second Reading.

THE MINISTER FOR HOUSING (Hon. R. R. McDonald—West Perth) [9.22] in moving the second reading said: This measure is to make provision for the marketing of the 1949 apple and pear crop of the State of Western Australia. Members will recollect that commencing in the year 194 and ever since there has operated a Com monwealth marketing scheme under Nationa Security Regulations in relation to apple and pears, in the first place, I think throughout the whole of Australia and fo the last five years or so in the States o Western Australia and Tasmania. The Com monwealth scheme was initiated under th Commonwealth Defence powers and at time when governmental action in th Federal sphere was essential to preserve th stability of the industry which, in th absence of the oversea market which ha been enjoyed prior to the war, would hav been placed in a position of extreme diffi culty, particularly in the two exportin States of Tasmania and Western Australia Tasmania in particular has a very large pro duction of apples and had a large expor trade in apples oversea, particularly to th United Kingdom.

Western Australia also had a large appl production and, prior to the war, enjoye a substantial and important measure of ex port trade. In fact, taking it broadly i our State, one-third of our production o apples would be consumed locally and two thirds would need to find markets interstat or oversea. Prior to the war, the apple an pear crops of Western Australia were sol on the open market but, as members wil appreciate, when the war came and shippin was extremely doubtful and markets wer closed in Continental countries in particu lar, then exports from all States like West ern Australia and Tasmania were almos completely terminated. So, to maintain th industry and those dependent upon it an the considerable advantage that the State enjoyed from this important industry, th Commonwealth stepped in, under th National Security Regulations, and acquired at the beginning of each season, the appl and pear crops, and proceeded to marke them, both inside Australia and, wher markets could be found, outside Australi and, after meeting administration expenses the proceeds were paid to the growers.

A certain guaranteed figure was also en joyed by growers for their production s that they might receive such an income a would enable them to be maintained on thei holdings and to continue in the industry In the early part of this year, when, to som degree, pre-war conditions returned, tw

things became likely in the State of Western Australia. The first was, compared to the apple crop of this year, that is at the beginning of 1948, the apple crop of next at the beginning of 1949, would be much larger. Secondly, there might be an improved opportunity of export owing to Great Britain coming once more into the market for apples and, side by side with this anticipated increase in the crop for 1949 in this State and the prospect of the export trade being to some extent revived, there was a serious shortage of fruit-cases. During the war years when the export trade was reduced to small proportions, and when to some extent marketable crops might not be so large, the importance of fruit-cases was not so evident. However, with the gradual return to peacetime conditions, and particularly with respect to the forthcoming 1949 crop, the position at the beginning of this year was such as to give concern to the industry and to the Government.

It was then found, on an estimate made in August last, that the total local production of fruit-cases suitable for apples and pears, including the carryover for last year, would be approximately 1,180,000 boxes, whereas the anticipated number of boxes required to meet the needs of that portion of the crop to be boxed would be something like 500,000 more. Conferences were held and the advice and assistance of the Western Australian Fruitgrowers' Association and others interested in the industry were invited. As a result of deliberations, the Commonwealth Government, through its Apple and Pear Marketing Board, purchased 510,000 cases from Sweden in order to make the additional provision required for the Western Australian crop for 1949. That purchase was made under financial guarantees given by the Commonwealth.

Another problem arose in connection with the importation of those boxes, and that was the question of equalising in the industry the amount paid for boxes, because the price of the local box is 1s. 8d. and the cost of the imported box was 3s. 6d. In order to obviate unfairness as between different producers, it became necessary to have some sort of equalisation scheme. Towards the middle of the year, it appeared probable that the Commonwealth Government this year would not proceed with the requisition of apples and pears as it had done in previous years. The reason is that its constitutional power to continue acquisition under its defence powers is now open to grave doubt and the Commonwealth was likely to decline to acquire the apple and pear crop in Western Australia and Tasmania for 1949.

Following this information, the Government got into touch with the Commonwealth Minister for Commerce and Agriculture, Mr. Pollard and discussed the position with him. He affirmed that the Commonwealth, for constitutional reasons, would not be prepared to acquire the apple and pear crops this season. However, he adopted a very helpful and appreciative attitude as to the position that would arise in the two States. He intimated that in those two States, which depend so greatly on the export trade for the stability of their industry, if there was a substantial preponderance of growers who desired the Commonwealth board to continue in operation for the purpose of marketing the crops, the Commonwealth board would co-operate in every way and endeavour to make its services available and assist in the marketing of the crops from the two States for 1949.

The problem of Tasmania was even more difficult than that of Western Australia because, whereas we had a potential deficiency of half a million cases, Tasmania had a deficiency of two million cases for which it had to look to imports from oversea and in respect of which it would have to make provision for the financial outlay to buy the boxes in anticipation of harvesting the ensuing crop. Following the discussions with the Federal Minister, in which he expressed willingness to co-operate as far as he could constitutionally, and to continue the Commonwealth board so that its experience, organisation and resources might be available to the two States, we took steps to consult those engaged in the industry. The matter was brought up at the annual conference of the Western Australian Fruitgrowers' Association, and the following motion was carried unanimously:—

That the executive be requested to take an immediate poll of growers as to a scheme for the marketing of apples and pears as similar as conditions may permit to the 1948 acquisition plan with provision for guaranteed advance and distribution to growers of any surplus.

That with this in view, the Minister be requested to keep the Apple and Pear Market-

ing Board in being and that this conference recommends that growers vote for this scheme.

The resolution referred to the crop to be harvested at the beginning of next year. The measure now before the House and the whole scheme is confined entirely to the crop of 1949.

Mr. Marshall: Has a plebiscite been taken of the growers in this State?

The MINISTER FOR HOUSING: Yes.

Mr. Marshall: Did they vote in favour of it?

The MINISTER FOR HOUSING: They did. In order that growers might be fully informed of the situation, the association distributed a brochure which gave a very clear and informative picture of the situation. It commenced by citing the resolution of the annual conference and continued:—

The association understands that the Commonwealth Government considers that the validity of acquisition of apples and pears in 1949 would be constitutionally doubtful and that it is not prepared to prolong the present scheme. The industry has been conducted under the artificial circumstances created by the war and arising from the help it has had from the acquisition scheme . . . The executive considers it is very doubtful indeed as to whether any section of the industry is equipped to move from acquisition to a complete absence of assistance and organisation in one year.

The brochure then sets out the plan recommended for 1949, as follows:—

The essential features of the plan, which the association's recent annual conference endorsed are—

(1) State legislation be enacted to "vest" all apples and pears in an appropriate authority. (The State constitutionally has this power, which is equivalent to acquisition, except only as to interstate sales.)

(2) A similar enactment or, failing that, an effective means of control of at least 80 per cent. of apple and pear production, to be established in Tasmania.

(3) The scheme to be administered in both States, and centrally co-ordinated, by the Australian Apple and Pear Marketing Board; that authority to be kept in existence by the Commonwealth as an experienced administrative body with existing organisation, etc.

(4) This plan to operate, so far as concerns this poll, for 1949 only.

(5) A major objective to be that of facilitating the adjustment of all sections of the industry to the transition from the acquisition plans of 1940-1948 to circumstances of "open" marketing.

(6) The Commonwealth to provide and guarantee payments to growers on delivered fruit not less than the basic advances of the 1948 season; also all "presentation" costs.

I understand that "presentation" costs are marketing expenses.

(7) The plan to operate on a pool basis but with separate pools for the two States. All State surpluses, after providing for ratable proportions of central administration, to be returned to growers in proportion to quantities delivered by them in accordance with Board instructions.

(8) The Commonwealth, as the guarantor of basic advances, to meet any losses.

(9) The Commonwealth to provide immediate finance for the procurement of estimated requirements of cases and packing materials.

I shall not read the whole of the brochure but, as I stated, it deals with the matter fully and clearly. As previously mentioned this plan has been drawn up at the instruction of the delegates to the recent annual conference of the association, who unanimously recommended its adoption by the growers at the poll.

A poll of growers was then held of growers of 300 or more trees of apples and pears of varieties not subject, in 1948, to release. It was a voluntary poll and, of 889 entitled to vote, 597 recorded their votes. Of this number, 515 voted in favour of the plan and 77 against, and there were five informal votes. Of the votes that were cast, 86 per cent. were in favour of the plan, which had been recommended by the annual conference. After the opinion expressed by the growers of this State the Commonwealth Minister for Commerce and Agriculture was approached and, at a conference some two or three weeks ago, called by him at Canberra, this State and Tasmania were represented Ministerially and by their officers. This State was also represented by Mr. Soothill, vice-chairman of the Apple and Pear Marketing Board and associated with the industry in this State, as an expert on these matters. The basis of a plan was then agreed to.

The basis of the plan is this, that the States of Tasmania and Western Australia shall make their own arrangements to secure the fruit for marketing as the Commonwealth will not proceed this year—that is in 1949—with acquisition. It was the acquiring authority in these two States for this year's crop—1948—but it is not prepared

to do the acquiring for the 1949 crop. The Commonwealth, therefore, left the States to take any requisite measures to acquire, take possession of or secure contracts over the apple and pear crops in their respective boundaries. That having been done, the Commonwealth agreed, firstly, that the Commonwealth Apple and Pear Marketing Board would continue in existence and undertake the marketing of the apple and pear crops as the agent for the two States concerned; secondly, that it would guarantee to the growers in each State a return equal to that which was guaranteed to them for the crop at the beginning of this year; and thirdly, if the sale proceeds of the 1949 crop were such that any surplus remained over the guaranteed price, then that surplus would be distributed amongst the growers. Accordingly, the Bill is now presented to the House. As I said, it is confined to one year's crop only—that to be marketed at the beginning of next year.

The Bill provides that the Governor may make such an agreement as I have outlined between the State and the Commonwealth. It then provides for the appointment of a State Board to be known as the Western Australian Apple and Pear Board, which is necessary, because, in the terms of the plan proposed to and endorsed by the growers, there must be an acquiring authority in this State. The members of the State Board will be the same people as have been members of the State committee under the apple and pear marketing regulations, namely, four representatives of the growers, one representative of the local marketing agents, one representative of the consumers, and the State Superintendent of Horticulture. It is likely also that in view of the export that may take place there will be added to the board one representative of the Fruit Exporters' Association. I may add that this year it is very probable that the British Government, by an agreement made direct between it and the Australian Government, will purchase 3,000,000 bushels of apples from Australia. The order or purchase has not yet been finally confirmed, nor has the price been arrived at. It seems likely, however, that this amount of apples will be taken from the 1949 crop by the British Government.

It is hoped that the Commonwealth Minister will say, as he did previously, that the fulfilment of the order is to be left to the two main exporting States, Western Australia and Tasmania. This year it is anticipated that the total production of apples in our State will be from one and three quarter to two million bushels, and that the quantity to be packed will be possibly between one and a quarter to one and a half million bushels. The whole pack cannot be completed because of the shortage of labour. These figures are given as tentative only because much depends on weather conditions and other factors. It is sufficient to say that we have in this State for 1949 a production which should be of a value of £1,000,000 to £2,000,000. The Bill, therefore, provides for a State board which will acquire the apples and pears in this State. It also provides for the registration of the growers, to the extent of an acre or more, of apples and pears. It takes in all those who are now registered under the National Security Regulations. They will automatically be registered under the measure. Those not so registered will be required to register within a month.

On the acquisition of the apple and pear crop in this State, the Commonwealth Board then becomes the marketing authority and accepts delivery and sells the fruit both inside Australia and overseas; it deals with matters such as the fruit case position, and equalisation of costs, and will make advances to the growers based on the presentation or marketing costs, and through the Commonwealth see that the growers obtain a return which will be equal to that which they obtained for their crop at the beginning of this year. In other words, the Commonwealth Board will continue in operation as the marketing authority for Tasmania and Western Australia. The administrative expenses it incurs will be distributed equally between the two States in such a way as may be agreed upon, and, in the absence of agreement, in such proportions as shall be determined by the Commonwealth Minister. I have no doubt that he will, having regard to the size of the industry in the two States, make an equitable allocation between them.

Mr. Hoar: Will the Commonwealth Government have the responsibility for determining the quota from each State.

The MINISTER FOR HOUSING: Yes, the Commonwealth has that right now. The contract will be a direct one between the Commonwealth and the British Governments. The Commonwealth, therefore, will

be able to say from where the apples shall come. It will be within its rights to say from which States and in what proportions they shall come. I think I am right in saying that last year, when a certain amount was sold to Great Britain in the same way, the Commonwealth, bearing in mind that Western Australia and Tasmania relied upon their export trade, allocated the whole of the British order between those two States. From some of the remarks made by Mr. Pollard in the Commonwealth Parliament when I was in Canberra two or three weeks ago, I feel confident he will consider that Western Australia and Tasmania, where the industry relies so much on export, must be protected to the fullest possible extent in relation to this order.

Hon. A. H. Panton: Will there be just as many apples and pears lying on the ground at Bridgetown and other places?

The MINISTER FOR HOUSING: That is always a difficulty.

Hon. A. H. Panton: I think it is a terrible shame.

The MINISTER FOR HOUSING: It is a matter of labour. I think the member for Nelson will bear me out when I say that one of the chief difficulties of the growers is that of securing labour. They cannot market all the crop they could because of labour shortages.

Hon. A. H. Panton: They told me at one time that they were not allowed to sell the apples.

The MINISTER FOR HOUSING: There may be some limitations which I do not propose to discuss at this stage. In order to maintain a price, as far as possible to the growers, some limitation on the disposal of apples and pears has, I believe, had to be made. That is a subject receiving consideration, and I, perhaps, would not be wise to embark on it now. In any case, I am not fully conversant with all the various factors involved. The measure before the House provides for authority to make an agreement with the Commonwealth on the lines I have mentioned, to provide for the agency of the Commonwealth Board to market these apples, for the guarantee by the Commonwealth of a return not less than that received by the growers for the 1948 crop and that if there is a surplus then the growers will receive the benefit of it. The terms are generous because if there is a loss on the guarantee, the Commonwealth Treasury will bear it, and if there is a surplus the growers are to receive the benefit. The agreement has not yet been signed, in fact it has not yet been finally approved. From the drafts that have been exchanged with the Federal Minister by airmail I think we can expect that the last draft of the agreement and the Bill sent to him will meet with his approval.

I propose to lay on the Table of the House a copy of the proposed agreement between the State and the Commonwealth in relation to the marketing of the 1949 apple and pear crop so that members will see what is being arranged to carry out the terms I have mentioned. I hope to have extra copies available tomorrow so that members may be able to study the draft agreement referred to in the Bill. I am hoping that by tomorrow afternoon, when the matter is being further discussed, to be able to inform the House that I have received advice from Mr. Pollard that the agreement, which has been sent to him, has met with his approval and will be signed by the Commonwealth Government. Until the agreement is signed, the measure cannot come into force because it depends on an agreement being arrived at between the Commonwealth and Western Australian Governments. The finances involved by such a scheme are very considerable.

The marketing costs have to be paid and the growers receive progress payments or advances because they need something to keep them going. So, for some considerable time, there is money going out in very large sums, and little or nothing coming in until the crop can be marketed in due course. Under the Bill members will see that authority is to be given to the Treasurer of this State to sign a guarantee to the Commonwealth Bank to enable that bank to put in the hands of the Commonwealth Board mainly, and the State Board to some extent, such funds as are needed to carry out the marketing of this product.

It may seem rather strange that the State should be providing money for a Commonwealth board to utilise in carrying out this scheme, especially when the Commonwealth is actually agreeing to meet all losses on the scheme, and further is assuming the real financial liability. Whether for constitutional reasons or otherwise the Federal Minister considers that the most desirable

procedure is that the State, by giving a guarantee to the Commonwealth Bank, shall provide such funds as are necessary to enable the Commonwealth Marketing Board, and the State Board, to have means to proceed with the carrying out of this scheme. As the money comes in from the sale of apples and pears, the funds will be there to pay for the bank advance and the guarantee will, in due course, be cancelled. There is no financial risk involved at all because the whole scheme is guaranteed by the Commonwealth in exactly the same way as has been the case in prior years, but with this exception, that in 1949 the acquisition part will be carried out by a State authority because the Commonwealth, constitutionally, is no longer certain of its ability to acquire apples and pears.

Mr. Marshall: It seems particularly doubtful about the necessity for legislation of this sort having regard to the possible available markets.

The MINISTER FOR HOUSING: The markets are by no means certain to absorb the crop either of this State or of Tasmania and if marketing is on a disorderly basis, and not regulated over the year in the way it has been done in the past by the Commonwealth Apple and Pear Board, then the price may be such that the growers will receive an extremely poor return for their product. In the case of perishable articles such as apples and pears—I am speaking more particularly of apples because they are the major portion of the crop—members I think will realise and know that all sorts of things have to be done. They must be kept in cold storage for many months; contracts must be made well in advance for their storage and they have to be brought on the market at the required time; shipping has to be arranged; markets oversea have to be sought and the necessary arrangements made. I confess that until I had occasion—originally through a shortage of boxes—to go into the matter of marketing apples and pears, I had no idea of the complexity that is involved in the marketing of this product.

Hon. A. H. Panton: You are now beginning to realise the necessity of control.

The MINISTER FOR HOUSING: I realise the necessity of some measure to meet the transition period between the dropping of the Commonwealth marketing organisation and the return to a position where the growers, having lost their old pre-war arrangements, are compelled to take up and make their own marketing arrangements. Broadly speaking, the proposed agreement seeks to carry on for a further year as nearly as possible what was done by the Commonwealth under the National Security Regulations, thereby giving the industry a breathing space of six to eight months in which to review the future and where necessary to take steps to organise itself if it is no longer to be able to rely upon Commonwealth or State assistance.

Mr. Marshall: I think we give overdue consideration to the producer and not enough to the consumer inasmuch as we get the windfalls and somebody else gets the fruit.

The MINISTER FOR HOUSING: I think the producers might have another story to tell. I think it has been the case that the interests of the consumer have been given full consideration, but I have yet to learn that the industry has been receiving, and is likely to receive, such large returns that it can afford to be careless without obtaining a reasonable price for its product. I wish to read a resolution of the Executive of the Western Australian Fruitgrowers' Association which met for some hours today in order to study this Bill and the proposed agreement with the Commonwealth. The Executive passed the following resolution:—

> That this meeting of the State Executive of the Western Australian Fruitgrowers Association Inc. expresses on behalf of the association its hearty appreciation of the representations made by the State Government to the Commonwealth Government and of the intention of the two Governments to implement a plan for 1949 and endorses this and the methods proposed for its application, and emphatically trusts that the plan will be implemented accordingly.

This therefore is a proposal which has been considered and sponsored by the association which is representative of fruitgrowing interests throughout the State and I feel that it can be accepted with confidence.

Hon. J. B. Sleeman: I do not think the Housewives' Association would have passed that.

The MINISTER FOR HOUSING: I do not know so much about that. I think they are very fair.

Hon. J. B. Sleeman: They are fair all right.

The MINISTER FOR HOUSING: I am not so sure that they would not be wholeheartedly behind the scheme. This has been a matter of some anxiety to the industry and, of course, to the Government in view of the sudden announcement of the Commonwealth that it was no longer proceeding with the acquisition. On behalf of the Government and myself, I would like to express appreciation of the assistance we have received from the association and from all those engaged in the industry and in particular from Mr. Soothill, the vice-chairman of the Australian Apple and Pear Board, who has given his wide knowledge and experience to help in framing this agreement and the Bill by which it is to be implemented. I move—

That the Bill be now read a second time.

On motion by Mr. Hoar, debate adjourned.

BILL—ACTS AMENDMENT (INCREASE OF FEES).

Second Reading.

Debate resumed from the previous day.

HON. A. R. G. HAWKE (Northam) [10.10]: This Bill proposes to amend nine different Acts for the purpose of enabling higher fees than thoes now chargeable to be levied against the different classes of persons covered by those Acts. When speaking this afternoon in connection with the Bill to ratify the agreement made between the Government and the Perth City Council, I expressed dissatisfaction at the fact that that Bill, in addition to ratifying the agreement, was also amending the State Electricity Act. I suggested that the principle of amending the Electricity Act by a Bill, the main purpose of which was to ratify an agreement between the Government and the Perth City Council, was wrong and undesirable. The offence in that particular Bill is a very minor one compared with the same offence as permitted by this Bill.

It is most undesirable that we should have a Bill before us to amend nine separate Acts. I know that from the point of view of the Parliamentary Draftsman and probably also from the point of view of Ministers this is a very easy and convenient way of tackling the problem. This method means that we have before us for consideration one Bill only, whereas if each separate Act were to be amended, nine separate Bills would have to be prepared and each one would have to be separately introduced and passed through Parliament. Nevertheless, the convenience of the legal profession and the public generally, is surely a greater consideration than the convenience of the Parliamentary Draftsman and the Ministers of the Government.

The Attorney General: It is the same form as the Roads and Reserves Bill.

Hon. A. R. G. HAWKE: I am not sure whether it is the same method but in any event I suggest that this principle of amending several Acts by introducing only one amending Bill, is a procedure which we ought to discourage as much as possible. The Premier, when introducing the Bill, told us that it had become necessary to amend the Acts in question because the charges laid down under those Acts could not be amended by regulation. He also told us that where charges under any particular Act could be amended by regulation, that action had been taken and the fees and charges in question had been increased.

The charges which are to be increased, if this Bill becomes law, cover licenses in connection with the business of auctioneers, bake-houses, land agents, marine dealers, moneylenders, pawnbrokers, secondhand dealers, factories and shops and also matters in connection with deed polls and licenses associated with the changing of the names of individuals. No set formula seems to have been used by the Government in deciding these increases. It looks to me as if some officer or Minister was instructed to make increases in the charges and he took each item one by one and said, "We will increase this particular charge from so much to so much" with the result that the increases are not by any means uniform. They are higgledy-piggledy as it were, and the percentage increases vary considerably in the different instances. I propose to read out the major increases and the percentage increase each one represents.

The annual general license for auctioneers is at present £25, which is to be increased to £30 or an increase of 20 per cent. For country licenses for auctioneers the increase is from £15 to £20, or a percentage increase

of 33⅓ per cent. Why there should be an additional 13⅓ per cent. increase on country licenses as against the general licenses, I am completely at a loss to understand. For district licenses for auctioneers, the increase is from £5 to £7, or a percentage increase of 50. Bakehouse licenses have increased from 10s. a year to 12s. Why the Government has bothered to make that miserable increase, I am certainly not able to understand or explain. If any were thought to be justified, surely a greater increase than 2s. a year should have been fixed.

Mr. Yates: That brings down the average!

Hon. A. R. G. HAWKE: Why the Government should waste its time by altering an Act of Parliament for the purpose of increasing an annual license fee from 10s. to 12s., is likely to remain one of the unexplained mysteries that will be the marvel of members of Parliament in future years.

The Attorney General: You know that there is provision by which these fees can be altered by regulation.

Hon. A. R. G. HAWKE: I shall deal with that point later on, but that does not explain to the slightest extent why the Government in this Bill should provide for an increase of 2s. a year in the license fees for bake-houses. It should have either left the fee as at present, or, if it considered an increase was justified, provide one that was worth while. The annual charge imposed upon land agents has been increased from £5 to £7 10s., representing a 50 per cent. increase. Evidently, the Government feels it can safely "sock" the poor old marine dealers because it has increased the license fee for that section of the community from £1 to £2, or an increase of 100 per cent. Apparently, the marine dealers are not very many in number or are not organised. Consequently, the Government feels it can safely and without fear of repercussions, electoral or otherwise, "sock" these poor unfortunates with a 100 per cent. increase in their annual license fees.

Then again, evidently the Government is not scared of moneylenders because their annual license fee has been increased from £5 to £10—an additional 100 per cent. On the same basis of reasoning, the Government is apparently substantially scared of the pawnbrokers because the increase in their annual license fee is only 50 per cent., the charge rising from £10 to £15. I do not know whether any Minister in the Government has had any personal dealings with pawnbrokers, and on that account wants to curry favour as much as possible with the pawnbroking profession, in consequence of which that section of the community has been "socked" to the extent of only 50 per cent. Secondhand dealers are to get it in the neck because their annual license fee is to be doubled from 5s. to 10s. per year, representing an increase of 100 per cent. The Premier smiles very broadly and seems to think that an increase from 5s. to 10s. is not very much, although it represents an additional 100 per cent. It has to be remembered, however, that secondhand dealers have to battle for their existence. I suppose their margins of profit are looked after very carefully by the Minister and the Commissioner for Price Control, and, in the circumstances, the increase of only 5s. per year in the annual license fee would probably be supervised by them.

The registration fee for factories and shops is to be increased from 2s. 6d. to 3s. per year where less than three persons are employed and from £2 10s. to £3 where the number employed is over 60. Thus the Government is handling in very gentlest and smoothest manner, the registered proprietors of factories and shops because the increase proposed to be imposed upon those people is infinitesimal. Just why the Government is handling this section of the community so gently, is beyond my clear understanding, although I would hazard the guess that many of those people have political affiliations that would cause the Government not to want to offend them beyond the slightest possible extent. In connection with the change of names, the present rate of 20s. for a deed poll is to be increased to 40s., representing an addition of 100 per cent. and the present charge of 10s. for a license in that regard is to be increased to 40s., an increase of 400 per cent.

I have no objection to these substantial additions, because I feel in the back of my mind, if not in the front of it, that any person who wishes to change his name must, in the majority of instances, do so for a purpose that is not 100 per cent. respectable. In the circumstances, any such person should be prepared to suffer the imposition of a heavy financial penalty as proposed.

Hon. J. B. Slaeman: That would not apply when the Government wants to change its name again, would it?

Hon. A. R. G. HAWKE: Had there been legislation of this nature in operation over the years, imposing a heavy financial charge upon any political party that changed its name, I am sure the Liberal Party would now be financially broke.

Mr. Hegney: And not only the Liberal Party.

Hon. A. R. G. HAWKE: The Premier when he introduced the Bill told us that the anticipated additional revenue as the result of these alterations, was £2,640 a year. It will be seen, therefore, that the additional revenue to be obtained by the Treasury is merely a drop in the bucket—a very small drop in a very big bucket. One is led to wonder why the Bill has been introduced. It may very well be that the Premier felt that, having "socked" every other section of the community during the 18 months he has been in office, on the grounds of equity and fair dealing he ought to "sock" this last remaining, very small section of the community. As the Attorney General interjected earlier, the Bill, in its aim to amend each of the nine Acts in question, proposes to alter them further by setting out that each Act is to give the Governor-in-Council power in future to alter by regulation any of these fees and charges.

That means that when the Premier feels it is financially desirable or politically safe further to increase these charges, he will be able to do so by the action of the Governor-in-Council in extending approval to the appropriate regulation, which will avoid the necessity of bringing down Bills to amend those Acts. As I understand the position, Parliament will still have a say because those regulations will have to be tabled in each House of Parliament for consideration by members. The Bill, in increasing charges upon these sections of the community, is rather intriguing to me, especially when we realise that this Government has increased charges in many other directions, such as railway freights and fares, water charges, tram fares and so forth.

The Premier: Did you say water charges?

Hon. A. R. G. HAWKE: They have been increased in the metropolitan area.

The Premier: The Government did not do that. The increase is on account of the augmented valuations.

Hon. A. R. G. HAWKE: The Government is collecting the additional charges from the ratepayers. I am paying more in connection with a small property I own in the metropolitan area, and it is not much satisfaction to be told by the Premier that the Government has not done it, seeing that the Government is getting the benefit of the increased charges. If the Government did not desire to get the benefit of that additional revenue, it could have prevented that increase.

The Premier: Anyhow it is due to increased values.

Hon. A. R. G. HAWKE: It imposes an additional charge upon thousands of people. This is all very intriguing to me, and particularly so in view of the fact that this afternoon I looked through some election advertisements the Premier was responsible for issuing in March, 1947. By way of illustration, I want briefly to quote from one of them. The contents of the advertisement will not be particularly strange to you, Mr. Speaker, and I am sure they will be very familiar—even uncomfortably familiar at this time—to the Premier. The advertisement appeared in "The West Australian" of the 6th March, 1947. It read—

Housewives:

A word about that 5s. increase in the basic wage.

How Labour robs the workers—

The worker fondly imagines he has had a real 5s. rise, but his wife, the soundest little economist in the country . . .

The Premier: Hear, hear!

Mr. Bovell: You cannot dispute that.

Hon. A. R. G. HAWKE: I would like to read that again, Mr. Speaker, if you have no objection—

but his wife, the soundest little economist in the country . . .

The Premier: Hear, hear, again!

Hon. A. A. M. Coverley: Nice work!

Hon. A. R. G. HAWKE: I shall continue—

knows otherwise. She knows that extra income tax takes its toll. She also knows of the increases which have recently been made and which are about to be made by the Labour Government in the price of cigarettes, clothing and tea. Increased road and rail fares and increased water rates are next on Labour's list.

Mr. Kelly: They have all risen since, too.

Mr. Leslie: You told us that we were following in Labour's footsteps. How true that was!

Hon. A. R. G. HAWKE: I can understand the member for Mt. Marshall wanting to quiet his conscience in this regard, because I think he authorised a similar advertisement and probably had something to to do with the preparation of other advertisements.

Mr. Leslie: No, you cannot claim that.

Hon. A. R. G. HAWKE: Continuing—

> The housewife knows that this is the Labour Government's cunning method of turning the increased basic wage into a cruel and bitter farce. She is unable to makes ends meet.

Mr. Yates: That was back in 1947, was it not?

Hon. A. R. G. HAWKE: This advertisement was, as I said, published by the Liberal Party in "The West Australian" of the 6th March 1947. I think we might very easily apply it to what the present Government has been doing during the past 12 months, except that the present Government is doing far worse than it prophesied the Labour Government of March, 1947, would do, had it been returned to office. The Premier, in introducing this Bill, had to eat—unpleasant as the process was—the words which he used on the public platform in March, 1947, and the words for which he was partly or wholly responsible in advertisements such as the one I read a moment ago. It is altogether intriguing, and to some extent grimly satisfying, to me to see Minister after Minister of this Government stand up and eat the words so freely used in the election campaign of 1947 and in the referendum campaigns that have taken place in the last two years. We find Minister after Minister, when introducing Bills similar to the one now before us, pleading the exact opposite of what they told the people in the campaigns I have mentioned.

Today the Government is introducing legislation to increase prices and charges and to make it more difficult for that wonderful little economist—the best little economist in the country, the housewife—to make ends meet, or to get them anywhere near meeting. Minister after Minister has introduced legislation to continue the regimentation of the community, to continue the strictest system of control over this, that and the other sections. As a matter of fact, the Government is regimentation-mad. I often wonder how long the Honorary Minister will be able to put up with the activities of her colleagues in controlling and regimenting the people of the State. I imagine that her patience must be about completely exhausted, and I should not be a bit surprised if, in the near future, before this session closes, she is not responsible for the creation of a Cabinet crisis in Western Australia similar to the one now existing in Victoria.

MR. SHEARN (Maylands) [10.36]: After having heard the Acting Leader of the Opposition humourously discuss this Bill, I have no intention of traversing its provisions. I cannot, however, conceive that the Premier introduced the measure because of its revenue-earning capacity, and therefore I ask myself the reason why he did introduce it. I am hoping that one of the main reasons will be that, as a result of these increased fees, the people who provide the additional funds will benefit. Section 2 of the parent Act provides that no person shall carry on business as a land agent unless he is licensed. That carries attendant responsibilities, including the provision of a bond, before he can obtain a license. Section 13 of the parent Act provides that any person who carries on business without a license shall be liable to a heavy penalty.

Will the Premier inform the House whether any part of this increased revenue will be applied in properly policing the Act, because I can assure the Premier that a number of people in this State are flagrantly committing breaches of the Act, in that they are not registered, yet are carrying on business. If the fees are to be increased, I consider it to be the duty of the Government, through the appropriate authority—the police—to make every reasonable effort to see that licensed people and the public shall have a greater measure of protection than at present. I hope the Premier will be able to indicate to the House that he intends to do what I suggest.

THE PREMIER (Hon. D. R. McLarty—Murray-Wellington—in reply) [10.39]: I take it that the Acting Leader of the Op-

position is supporting the second reading of the Bill.

Hon. A. R. G. Hawke: That will depend upon the Premier's reply.

The PREMIER: One thing that has struck me most forcibly since I assumed the Treasurership is how ready members of Parliament are to ask that expenditure should be incurred in every possible direction.

Hon. A. R. G. Hawke: It was ever thus!

The PREMIER: I think it was ever thus! Perhaps the Acting Leader of the Opposition will agree, too, that it was ever thus when there was a complaint about a rise in taxation!

Hon. A. R. G. Hawke: Yes.

The PREMIER: I do not propose to traverse the budget again.

Hon. A. H. Panton: Why?

The PREMIER: I gave very full information in regard to the budgetary position. I indicated then that certain charges would have to be made in order that additional revenue could be obtained. I said I hoped to get in the vicinity of £1,000,000, and that if I could not, the State would be in an exceedingly difficult position. No Government likes the idea of imposing additional taxation.

Hon. A. H. Panton: I think you do.

The PREMIER: No, the member for Leederville is quite wrong. I do not like the idea of imposing additional taxation. I told the Acting Leader of the Opposition that, because of my intense dislike to doing that, I had endeavoured to make these charges as light as possible. The Government has had to look round in very many directions in order to secure additional revenue. I hope this year to get about £898,000.

Hon. J. B. Sleeman: How much do you expect to get by way of increase from the bakers?

The PREMIER: Only an additional £30, which shows how moderate we are, and how considerate we are to those who have to bear this additional tax.

Hon. A. H. Panton: The bakers will put a halfpenny on the price of the loaf for that.

The PREMIER: No. Care has been taken that no increase can be made in the direction suggested by the member for Leederville.

Mr. Marshall: You ought to be able to get a bit more dough from the baker!

The PREMIER: Mr. Speaker, the debate is becoming rather flippant and I had better be more serious. The Acting Leader of the Opposition made some complaint about nine separate Bills being amended as the result of this measure. I can see no serious objection to that; in fact, I am unable to see why there should be any objection at all. It is surely better to bring those nine small Acts into one Bill, than to have nine separate Bills. The public will know exactly what is happening, as all the additional charges are set out in separate clauses. I cannot see that any hardship or inconvenience will be inflicted upon any section of the community.

Hon. A. R. G. Hawke: It could be very confusing.

The PREMIER: It is not confusing. The charges are plainly set out. As the Acting Leader of the Opposition has said, the Bill also provides that, should it be desired on some future occasion to increase these charges, they may be increased by regulation, instead of introducing legislation to effect that purpose. As I explained when introducing the Bill, most of these charges can be dealt with by regulation. I do not know why there should be any differentiation in regard to the items contained in the Bill. If Parliament disagrees with the increased charges made by regulation, the regulations can be disallowed. No great hardship is being imposed and it is many years since any increased charges have been made in the case of the industries or businesses mentioned in the Bill.

Mr. Marshall: Are you sure that many of these people have not been trapped under measures such as the Health Act, and so on?

The PREMIER: I do not think they have. At all events, this legislation deals with specific items, and the charges mentioned have not been raised for many years. We must have additional revenue from somewhere, and in these times every little helps. If the member for Maylands can show me where certain improvements can be made in relation to the matters he referred

to, consideration will be given to them, but I make no definite promise at this stage that the money that is to be raised will be used for any specific purpose. I think I have covered the matters referred to by members and I hope the Bill will be agreed to.

Question put and passed.

Bill read a second time.

In Committee etc.

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

Bill read a third time and transmitted to the Council.

BILL—BUSH FIRES ACT AMENDMENT (No. 2).

Second Reading.

Debate resumed from 24th November.

MR. HOAR (Nelson) [10.50]: I find little difficulty in supporting the measure, the intention of which is to amend the Bush Fires Act. The main purpose of the Bill is firstly to interpret more clearly the provisions of the parent Act covering the burning-off period throughout the State, where districts vary considerably in the matter of fire hazard, and to bring all railway land—including the Midland line—under the provisions of the Act. The intention is, further, to synchronise the work of private landholders with that of the Railway Department or railway companies in the burning of fire-breaks. It also deals with the fitting of spark-arresters to tractors and the furnishing of returns by local authorities showing statistics in relation to fires. The Minister was right when he said that considerable confusion can exist regarding some sections of the Act governing the periods of control of burning and of total prohibition. He said there were two distinct periods governing the control of fires in the State, but actually I believe there are three periods. The first is between the 31st May and the 1st October in any year. That is considered to be a period safe for the lighting of fires, for clearing, cleaning up generally, or the precautionary measures that a farmer or landholder desires to take. It is considered that a man can safely light fires in that period without the permission of the Minister or his representative.

The second period dealt with is from the 1st October to the 31st May the following year. During that eight months period, it is permissible to light fires, but with certain restrictions laid down in the Act. Superimposed on those provisions there is the power of the Governor to declare at any time any part of the State to be a prohibited area for the lighting of fires. That power has been proved necessary and, although I do not believe it has been used to any great extent, it is essential, because of the varying conditions and fire hazards in the different districts. That power can be and is on occasion used to counter the increasing fire hazards. When I examined the Act—it was the first time I had read it thoroughly—I realised that the varying periods and changing circumstances responsible for the different dates for the prohibition of burning must be confusing to many people and, to some extent, to local authorities. It is a good thing that an effort is made in the Bill to clarify the situation as far as possible and to define more clearly the sections of the Act governing these contingencies.

The Minister and the department have done a reasonably good job in this regard. It is not easy to collate these various provisions into a comprehensive measure readily understandable by anyone but, so far as it is possible for that to be done, it has been done in this measure. I approve of the proposal to bring the Midland Railway Company under the provisions of the Act. I visualise the day—perhaps not far distant—when there will be a co-ordination throughout the State of the activities of all fire brigades and local authorities in the provision of safety measures in relation to fires. Knowing, as I do, the danger that railway property can be to adjoining landholders, I consider it is necessary that such properties should be cleaned up at regular intervals. It would be absurd if, in an endeavour to achieve that degree of safety in the country districts of the State, the Midland line was exempted from the provisions of the Act. I have no hesitation in approving of that provision in the Bill.

The Governor has certain powers that override those of the Minister in regard to declaring certain times as prohibited burning periods. Included in the Bill is power for the Minister to supersede the Governor's notice of prohibited burning times and, on

his own authority, to suspend the operations of any such declaration with regard to any land used for railway purposes subject to such conditions as may be prescribed or as may be imposed by the Minister for any period expiring not later than the 24th day of December in any yearly period. I think the Minister should have that power, but I cannot understand why the 24th December has been chosen. Under the Act, there is provision for a two-monthly period only. The Governor may from time to time suspend the operation of any declaration made under the section so far as that declaration extends to any railway reserves or any land under the control of the Conservator of Forests, for any period not exceeding eight weeks in any one year.

I may not have been attentive when the Minister spoke, but I do not know why he has chosen the 24th December for this particular date. As I see it, the object of the Bill is to encourage co-operation between the Railway Department, railway companies and landholders with adjoining land, in simultaneously burning, but if the Railway Department is to have an extended date granted, taking it to the 24th December, the co-operation desired by the Minister will not be achieved, as at that time many farmers will wish to go away for their annual holiday. In those circumstances there will be difficulty in notifying them of intention to burn railway land or reserves in time for them to co-operate or be of assistance. I do not know whether the Minister has given that aspect consideration, but I think that, to attain useful results, farmers and landholders should be notified of the intention of the Railway Department or railway companies in sufficient time for them to make their arrangements.

At present, when railway property is to be burned off, the Governor or the Minister is notified that an announcement will be made in the "Gazette," which may or may not be read by farmers, and yet the farmer has to give two days' notice to his local authority before he can burn a firebreak adjoining the land that the Railway Department intends to burn off. The farmer is required by law to give 48 hours' notice and unless the Railway Department co-operates to the extent of giving the farmer or local authority considerably longer notice, co-operation cannot be achieved. The intention should be publicised in local newspapers or by leaflet, if necessary, delivered to adjoining land holders. Unless that is done, we will fin repeated instances of railway property b ing burned without the farmers knowin much about it, and in that case they wi not be able to co-operate with the Railwa Department or railway companies in th way desired.

The Minister desires that all tracto should have spark-arresters fitted to the and made compulsory from the 1st Octobe or in the prohibitive burning off period t the 31st May of the following year. This als is a good suggestion. We know from ex perience what damage sparks from railwa engines have done in past years. One ha only to look up the records of the Forestr Department to see that the number of fir caused by sparks from locomotives is fa higher during the period under reviev Mechanisation of farming is proceeding s rapidly that it can easily be seen that th fire hazard will be increased to a greate extent when more tractors become availabl It is an excellent idea that tractors shoul be compelled, particularly in the dangerou periods, to have spark-arresters adapted t the machinery. I put an amendment on th notice paper to the clause dealing wit spark-arresters, not because I felt it wa necessary for this to be done in the Soutl West. I did, however, feel at the time tha some sections of the Northern wheatbe might be affected and it would be wise t have spark-arresters fitted for the whole o the year because of the fire risk that ca occur outside the prescribed dates. Afte giving the matter consideration and talkin it over with farmers in those areas I d not think there is much value in the amend ment and I propose not to proceed with i

Another suggestion in the Bill is that loc authorities should furnish in their return their estimates of fire losses. I want t know whether those returns should inclu the fires started in forest lands. A grea deal of the forest in the South-West com within the Manjimup Road Board distri and other districts are affected also. seems that if the local authorities are to b made responsible for furnishing the depar ment with details regarding fires, not onl with respect to losses but as to their origi then a good deal of work and expense wi be thrown on those bodies that they can i afford to meet.

I do not know how far the Minister intends to press this particular clause. I certainly approve of the idea and I know it is supported to a considerable extent by local authorities but nowhere near 100% which the Minister would like. I therefore consider that the local authorities should give some thought to the implementing of this work. It is all very well to include in the Bill something mandatory on the local authorities, but I do not approve of it to any great extent unless there is some recompense for the cost which these bodies will incur by their efforts on behalf of the department. Generally speaking, I am in favour of the Bill and support the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1 to 6—agreed to.

Clause 7—Amendment of Section 11:

The MINISTER FOR LANDS: I move an amendment—

That in line 2 of paragraph (b) after the word "any" the words "second time occurring" be inserted.

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

Clauses 8 to 16, Title—agreed to.

Bill reported with an amendment and the report adopted.

BILL—CATTLE INDUSTRY COMPENSATION.

In Committee.

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

Clauses 1 to 3—agreed to.

Clause 4—Interpretation:

Mr. NALDER: I move an amendment—

That in line 2 of the interpretation of "cattle" after the word "calf" the words "over the age of six months" be struck out.

The MINISTER FOR LANDS: What does the hon. member propose to insert in place of those words?

Mr. Nalder: Nothing.

The MINISTER FOR LANDS: I am prepared to accept that amendment.

Mr. Rodoreda: Why?

The MINISTER FOR LANDS: It brings all calves under the Act.

Mr. Rodoreda: Why did you not do that when framing the Bill?

The MINISTER FOR LANDS: I did not frame it.

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

Clauses 5 to 7—agreed to.

Clause 8—Amount of compensation:

Mr. NALDER: For beef cattle the market value is to be deemed not to exceed £10. Is the Minister prepared to increase the amount?

The MINISTER FOR LANDS: A dairyman contributes to the fund in respect of cattle sold and also on production and thus makes a larger contribution to the fund than the man engaged in beef production. The amount of £10 is reasonable.

Mr. NALDER: I disagree with the Minister. By the time a beast has been brought to the marketable stage, a sum of £15 would be little enough. I move an amendment—

That in line 2 of paragraph (b) of the proviso the word "ten" be struck out and the word "fifteen" inserted in lieu.

The MINISTER FOR LANDS: The amendment should not be accepted. When a beast has to be destroyed, it is a sick animal, and surely its market value would not be £15. The effect of the amendment would be to put the dairyman in the position of assisting to compensate the breeder of beef cattle.

Mr. Graham: The member for Wagin desires that the amount should not exceed £15.

The MINISTER FOR LANDS: I consider that £10 is a fair maximum.

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

Ayes	20
Noes	15
Majority for	5

AYES.

Mr. Ackland	Mr. Marshall
Mr. Bovell	Mr. May
Mr. Cornell	Mr. Murray
Mr. Coverley	Mr. Nalder
Mr. Fox	Mr. Needham
Mr. Graham	Mr. Nulsen
Mr. Hawke	Mr. Panton
Mr. Hoar	Mr. Reynolds
Mr. Kelly	Mr. Sleeman
Mr. Leslie	Mr. Brand
	(Teller.)

Noes.	
Mr. Abbott	Mr. Rodoreda
Mr. Brady	Mr. Seward
Mrs. Cardell-Oliver	Mr. Shearn
Mr. Doney	Mr. Thorn
Mr. Grayden	Mr. Watts
Mr. Hegney	Mr. Yates
Mr. McDonald	Mr. Hill
Mr. McLarty	*(Teller.)*

Amendment thus passed; the clause, as amended, agreed to.

Clauses 9 to 12—agreed to.

Clause 13—Establishment of cattle compensation fund:

The MINISTER FOR LANDS: I move an amendment—

That in line 7 of Subclause (4) the word "five" be struck out and the word "four" inserted in lieu.

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

Clause 14—Statements to be made out on sale of beef cattle and stamps affixed:

Mr. NALDER: I move an amendment—

That in line 1 of Subclause (1) (c) the word "registered" be struck out.

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

Clauses 15 and 16—agreed to.

Clause 17—Statements to be made out on sales of dairy cattle and milk or butter fat and stamps affixed:

Mr. HOAR: Subclause (2) requires a dairyman to write out a statement of the quantity of milk or butter-fat showing the amount of the purchase money and the date, affix and cancel the stamps and give or by registered letter transmit the statement to the purchaser within seven days. To comply with that would be an absolute impossibility. The logical thing to do would be to strike out the subclause and insert a provision that would enable the companies that receive the cream and know the quantity to furnish a statement on behalf of the dairymen once a month.

The MINISTER FOR LANDS: I discussed this point with the department, and the desire is that the producer shall submit a monthly statement. Perhaps we could strike out paragraph (c) of Subclause (2).

Mr. Graham: That would mean that the statement could be given in 12 months.

The MINISTER FOR LANDS: I could have the question looked into tomorrow, and an amendment moved in another place.

Mr. Graham: Make it six weeks.

The MINISTER FOR LANDS: I suggest we amend this paragraph by striking out the word "registered" in the first line, and deleting the word "seven" and inserting in lieu the word "thirty". I move an amendment—

That in line 1 of paragraph (c) of Subclause (2) the word "registered" be struck out.

Mr. NALDER: The Minister's object would be achieved by inserting the word "monthly" after the word "sold" in the third line of paragraph (a).

The Minister for Lands: That is the wrong place.

Mr. HOAR: I do not think the Minister's suggestion will solve the problem. It will still leave the responsibility in the hands of the dairy farmer to write out the statement mentioned in paragraph (a).

Mr. BOVELL: I am in agreement with the member for Nelson. This will impose another task on the already over-worked dairy farmer. The receiving depots should be responsible for furnishing these returns.

The MINISTER FOR LANDS: Is it any trouble for a producer to make out a statement once a month from his returns and affix the necessary stamps to it and send it to the correct authority?

Mr. Hoar: He has to return it to the place from where it came.

The MINISTER FOR LANDS: I am prepared to extend the 30 days.

Mr. Bovell: This imposes on the producer some clerical work he should not be called upon to do.

Mr. FOX: The Minister has inserted the amendment in the wrong place. It would be better to strike out the whole clause and have a new one drafted.

Amendment put and passed.

The MINISTER FOR LANDS: Do we want to impose work on the factories? Surely the producer has the health and strength to copy the factory returns. This is brought down in the interests of the producer.

Mr. Hoar: Wait till he sees it.

The MINISTER FOR LANDS: I discussed the matter with some of them today and they are delighted with it. The member for North-East Fremantle was in favour of the measure. We will next be ask

ing the factories to make out the tax returns for producers.

Mr. Bovell: The factories have to make out these returns; this only means an extra piece of carbon to them.

The MINISTER FOR LANDS: I want the producer to make out his own return each month or five weeks. I move an amendment—

That in line 2 of paragraph (c) of Subclause (2) the word "seven" be struck out with a view to inserting the word "forty" in lieu.

That will give the producer plenty of time to make out his return.

Mr. RODOREDA: I can understand what the Minister desires to do, but if we read the clause with the proposed amendment inserted, then I do not think it will accomplish what he desires. There is nothing about a monthly return in the clause but if the amendment is agreed to it will simply state that he will have to make a return for any and every sale made by him within 40 days of such sale.

Progress reported.

ADJOURNMENT—SPECIAL.

THE PREMIER (Hon. D. R. McLarty—Murray-Wellington) I move—

That the House at its rising adjourn till 3 p.m., Friday, the 3rd December.

Question put and passed.

House adjourned at 11. 47 p.m.

Legislative Assembly.

Friday, 3rd December, 1948.

CONTENTS.

The SPEAKER took the Chair at 3 p.m. and read prayers.

BILL—MARKETING OF APPLES AND PEARS.

Message.

Message from the Governor received and read recommending appropriation for the purposes of the Bill.

QUESTIONS.

COAL.

As to Black Diamond Leases, Production, etc.

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

(1) When did Amalgamated Collieries of W.A. Ltd. commence work this year on the Black Diamond Leases?

(2) What is the total cost of all work carried out by the company on the leases to 31st October last?

(3) How much of such cost had been recouped to the company by the Government at that date?