# Legislative Council.

*Thursday, 9th December, 1926.*



The PRESIDENT took the Chair at 3.0 p.m., and read prayers.

## BILL—TIMBER INDUSTRY REGULATION.

*Further Report.*

The HONORARY MINISTER: I move—

That the further report of the Committee be adopted.

Hon. J. NICHOLSON: There is one point that has occurred to me regarding the Bill. I am not sure whether the Honorary Minister has given consideration to the suggestion made to him in Committee to the effect that the controlling officer should be named in the Bill. The Minister will admit that the Bill is rather imperfect and indefinite at present. The person to be in charge of the operations under the measure is vaguely mentioned, and no duties are allotted to him. It would be better if the Minister arranged for a reprint of the Bill with the amendments so that the Bill, as amended, could be placed before members again, thereby enabling the clauses having a bearing on the duties of the officer who will be in control, to be recast. If the Bill were reprinted, the clauses could be made clearer and then the Bill, as amended, could be presented to the Legislative Assembly in a more perfect form than it is in at present.

The HONORARY MINISTER: I have given consideration to the suggestion that was made, but I consider the Bill is satisfactory. I am endeavouring to facilitate matters. In discussing the question with Mr. Nicholson I thought we had overcome the greatest difficulty he suggested, in the way I indicated to him. It will be better to adopt the further report of the Committee and deal with the third reading of the Bill to-morrow.

Question put and passed; the further report of the Committee adopted.

## BILL—LAND ACT AMENDMENT.

*Second Reading.*

THE HONORARY MINISTER (Hon. J. W. Hickey—Central) [3.9] in moving the second reading said: This is a small Bill of two clauses. It will have a beneficial effect and fill a long-felt want in the interests of one deserving section of the community. It will be remembered that in 1917 an amendment was made to the Land Act providing for the appointment of appraisers to fix the maximum rentals of all pastoral leases. The minimum rental was fixed by the Land Act itself and, in consequence, the appraisers in some instances were not able to appraise the land at what they considered to be its true value. We have been led to believe that certain injustice has been done under the existing legislation, and the Bill, it is hoped, will obviate that unsatisfactory state of affairs. In the Kimberley Division 248 appraisements were made. In 224 instances the appraisements were at the minimum of 10s. per thousand acres; in 13 instances the appraisements were fixed at 11s.; in six at 12s.; in two at 13s.; in one at 14s.; and in two at 15s. It will be seen, therefore, that the appraisements ranged from 10s. to 15s., even the latter not being a very high figure. The fact that 224 appraisements were made at the minimum of 10s. per thousand acres would seem to suggest that all the holdings were on the same basis, or else that something was wrong with the appraisements. Even with a layman's knowledge it would occur to one that there was likely to be a difference between the many holdings appraised on that basis, despite which all were appraised at the same figure. It has been considered by many leaseholders that the minimum fixed in the Act is unfair, and that the appraisers should have the same freedom in fixing the minimum as they have in fixing the maximum. The Bill will give the appraisers that power. Section 30 of the Land Act provides "that such rents shall not be less than the rents prescribed

by the principal Act for pastoral leases in the several divisions of the State." The Bill proposes to strike out that proviso. The Bill also sets out that the appraisers can re-appraise land and fix the rentals necessary, and place their recommendations before the Minister; and if a reduction is made in the rent, such reduction shall take place as from the 1st January next. Thus the re-appraisement of the pastoral leases will be left in the hands of the appraisers, and that is not the position to-day. They will be able to appraise the holdings without the restrictions imposed by the 1917 Act. I believe injustices have been done in the past, and the Bill will provide the opportunity to rectify the position. The Surveyor-General, Mr. Camm, is the Chairman of the Board of Appraisers, the other members being Mr. McLean and Mr. Lefroy. In a report regarding this matter they state—

> The claim for a smaller minimum rental is one that can be justified, for the board often, in working out the rentals, find, on making the proper allowances for various disabilities, that the rent might be less than the minimum of 10s. per thousand acres.

That being so, it is only right that the appraisers should have the power to fix the minimum or reduce the rentals already fixed. I move—

> That the Bill be now read a second time.

**HON. J. J. HOLMES** (North) [3.15]: I desire to support the second reading. In order to make the position clear, it is necessary to go back beyond the amending Act of 1917. Prior to the passing of the Act and its provisions for the outlying country, particularly the back blocks, the rent was 10s. per 1,000 acres, with a proviso that if the country was stocked the rent would be reduced to 5s. per 1,000 acres. That was a fair proposal in those days. With the passing of the amending Act that provision was struck out, and in place thereof a minimum of 10s. per 1,000 acres was fixed for all the back country, in fact for the Kimberleys, the goldfields, and along the trans-Australian railway. The Act provided that the appraisers could not appraise at less than 10s. per 1,000 acres. At the time the amending Act of 1917 was passed, in view of the then price of cattle, the outlook for beef, and the promise of what was going to happen when the meat works were erected at Wyndham, nobody objected to the 10s. rental, for it was thought that, all things considered, it was a fair minimum. But the position to-day is reversed. All the small men more or less are moving off the country, and the bigger men would go, too, but that they have other assets to keep their stations going pending developments and the possibility of private enterprise getting hold of the Wyndham Meat Works. Again, in the Northern Territory we have keen competitors in the Commonwealth Government. They are anxious to get people on to their country, which is divided from Kimberley by only an imaginary line, the survey never having been made. I am mentioning this because, it seems to me if one is interested in any enterprise in this State it may be brought up against him in this House, as happened to Mr. Nicholson the other night; so I think it better to get in first and explain my position. The station in which I am interested is on the border line portion being in Western Australia and portion in the Northern Territory. We pay 14/15ths of our taxation to the Northern Territory, it being estimated that 14/15ths of the station is in the Northern Territory and the balance in Western Australia. On the one hand it has been argued that our homestead is in the Northern Territory whilst, on the other hand, it has been contended it is in Western Australia. When the Northern Territory authorities made a concession to bona fide residents, I put up a plea that our homestead was in the Northern Territory; however, they would not hear of it, because of this imaginary line. On the one side of that imaginary line, on the Western Australian side, we pay 17s. 6d. per 1,000 acres. I think we must be the only people who pay more than 15s. The Honorary Minister declared that the highest appraisement was 15s., but I know that our appraisement is 17s. 6d. Either we must have particularly good country, or somebody has a grudge against us. The Bill will not affect us, because it is to affect only such country as is worth less than 10s. However, I raise the point because, on the other side of the imaginary line, we pay the Northern Territory authorities only 3s. 2½d. per 1,000 acres. People cannot be expected to remain in Western Australian country, irrespective of its value, at a rental of 10s. per 1,000 acres, when they can cross over the imaginary line into the Northern Territory and get similar country for 3s. 2½d. per 1,000 acres. The Western Australian leases will expire in 1948, subject

to an appraisement of anything up to 50 per cent. increase in 1930. The Northern Territory leases expire in 1939, 1942, and 1944 without any increases at all. An ordinance has been issued by the Northern Territory providing that the leaseholder can get an extension to 1965. They make a proviso that in 1935 they can reduce the area by one-fourth, and in 1945 by another fourth. However, in doing that they cannot take the homestead or any leased area within five miles of the homestead, nor any riparian waters or leased area within five miles of such waters. If they take anything at all they must take it in a square block, and not interfere with the head station or with permanent improvements. If there are any improvements on the portion resumed, the Northern Territory authorities have to pay the lessee for them.

Hon. H. Stewart: All boiled down, they cannot take anything.

Hon. J. J. HOLMES: Yes, they can take one-fourth to begin with, and another fourth later. Of course they have millions of acres of that country, and are anxious to get rid of it. I do not think the question of resumption will ever arise. I mention this to show what a keen competitor we have in the Northern Territory against the pastoral leases in this State. They also give the leaseholder the right to sell. This is with the object of giving pioneers and big holders opportunity to cut up the leases and get a lot of small leaseholders into the area. These are some of the provisions of the Northern Territory ordinance; and presumably if the Federal Goverment take over our area north of the 26th parallel they will make proposals to the pastoralists of this State on somewhat similar lines. They realise that we have to get people into the North and give them inducements to stay there. On the question of concession to the capitalists at the other end of the world, I understand they are looking towards the North for vast areas. I think it well worth considering whether those people should not be granted the freehold on extended terms, provided they bring others there and settle them.

Hon. E. H. Harris: Did you say the land up there is not worth 10s.?

Hon. J. J. HOLMES: No, I did not say anything of the kind.

Hon. E. H. Harris: But you implied it.

Hon. J. J. HOLMES: I did not. I said that at the time the amending Act was passed the 10s. minimum was not objected to because all the conditions were favourable. The war was just ended and meat was at a high price. But in that amending Act we fixed a maximum that should not have been fixed, and we fixed also a minimum that should not have been fixed. No matter how good the country might be, the appraisement could not go above a certain figure, and no matter how bad the country, the appraisement could not be less than 10s. per 1,000 acres. I am not going back on anything I have said about the amending Act of 1917. Hon. members who were here then will remember how I fought that Act, although unsuccessfully. I can take a beating as well as the next man, but I still remember it. One of the blots on that Land Act was that people near the port and near the railway, having large areas and low rentals, with their leases expiring in 1928, had those leases extended until 1948, and that under conditions that the House never intended. The whole thing is wrapped up in one of the sections of that Act. The Chief Secretary will remember the provision that the area to be held by one person should not exceed a million acres, and that if any leaseholder was beneficially interested in an area exceeding one million acres, that area was liable to forfeiture. That has been evaded by the formation of limited companies. A shareholder of any company is not a leaseholder, and is not beneficially interested in the lease. That is one of the blots on the Act of 1917 that we cannot deal with. One other mistake was to fix the maximum. A mistake that can be rectified here was to fix by Act of Parliament the minimum rate, irrespective of locality. That has been found unworkable, and the Bill seeks to remove that defect at all events. Therefore, I shall have pleasure in supporting the second reading.

**HON. A. BURVILL** (South-East) [3.27]: I desire to say a few words for a particular purpose. I am not opposing the Bill, but I want to draw attention to the fact that this is another amendment of the Land Act of 1898. We have 17 amendments of that Act already and this will make the 18th.

Hon. J. Cornell: Another little drink won't do us any harm.

Hon. A. BURVILL: It is very confusing for the man on the land to have so many Acts to wade through. Also it is very confusing for country members of Parliament. I will not say anything about town mem-

bers, such as Mr. Nicholson. Sir William Lathlain, the other evening, complained that there were no fewer than seven Acts dealing with the regulation of the timber industry. I think something should be done to consolidate all our Land Acts. The Real Property Act, as adopted from the English Act of 1911, has 15 amendments. The Stock Act also——

The PRESIDENT: Whilst the hon. member might incidentally refer to a consolidation of the Acts dealing with the land, the Bill before the House seeks to amend Section 30 of the Land Act. The hon. member should confine himself to the Bill before the House.

Hon. A. BURVILL: I will do so. I was prepared to quote quite a number of amendments of the Act. It is confusing to anyone who wishes to refer to them. I will conclude by pointing to the Companies Act. A certain student wanted that Act in the course of his studies. However, he found there was not a copy in existence, and so he could not get one. Yet there were six amendments to the Act. However, he had to get a copy of the statutes. The amending Act passed in 1923 appears to be a dead letter. I trust that a consolidation of the various Acts will be brought about.

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.

Read a third time and passed.

## BILL—DENTISTS ACT AMENDMENT.

*Second Reading.*

Order of the day read for the resumption from the previous day of the debate on the second reading.

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.

Read a third time and passed.

## BILL—LOAN, £4,370,000.

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central) [3.37] in moving the second reading said: It is necessary to provide authority to borrow for expenditure on works and services detailed in the main schedule, including the cost of raising the money, and this Bill is to give the necesary authorisation. The unexpended balances of previous loan authorities—£2,865,229—will be increased by this Bill to £7,066,229. The proposed expenditure as detailed in the Loan Estimates is £4,832,347, leaving an unexpended balance of authority of £2,233,882. In the schedules on pages 8 to 34 of the Loan Estimates the position of each authority is indicated. If information is needed as to the manner of expenditure, it will be found in the Loan Estimates. This Bill confers no power other than the power to borrow. No power to expend is contained in the measure, It will be seen on examination that there is no unnecessary or excessive provision in the Bill. All the items in the Bill have been responded to in the Loan Estimates. The second and third schedules authorise reappropriation of balances of items not required for the purposes originally authorised. The amount provided under the heading "discounts and flotation expenses" is based on the cost of raising our last London loan and also on the cost of the Commonwealth London and New York issues. The net proceeds per £100 of those loans were—

Western Australian London loan—£95 13s. 9d.
Commonwealth London loan—£96 10s. 10d.
Commonwealth New York loan—£96 10s. 6d.

This works out at a little less than four per cent. on the nominal sum raised, and provision is made accordingly. Authority to carry on until this time next year is provided. I move—

That the Bill be now read a second time.

On motion by Hon. J. J. Holmes, debate adjourned.

## BILL—GOVERNMENT RAILWAYS ACT AMENDMENT.

*Second Reading.*

Debate resumed from the previous day.

**HON. J. J. HOLMES** (North) [3.41]: I rise to offer a few remarks on some of the extraordinary provisions contained in the

amending Bill now before us. Clause 2 provides for the repeal of Section 52 of the Government Railways Act, 1904. Section 52 of the Act reads—

> Every person employed on or about a railway shall be responsible for any damage caused by his wrongdoing or neglect; and the loss occasioned thereby may be deducted from any salary, wages, or emolument due to such person, or may be recovered in a summary way.

Hon. H. Stewart: It is proposed to repeal that?

Hon. J. J. HOLMES: Yes. The reason given by the Minister in another place, if not by the Minister here, for desiring to repeal the section is that it has caused dissatisfaction. We have been told that it is not necessary because it has not been enforced, but I venture to suggest that without that section in the Act, things in the department would be a lot different from what they are. The fact of the section being in the Act of itself is sufficient to maintain law and order in the Railway Department, and ensure that any damage wilfully done shall be paid for by the employee concerned.

Hon. A. Lovekin: It acts as a deterrent.

Hon. J. J. HOLMES: I do not think I need labour that question. Members doubtless will realise that the section should be retained in the Act. Clause 3 of the Bill proposes to amend Section 69 of the Act by substituting the words "six months" for the word "year." Under Section 69 a man has to be in the employ of the Railway Department for 12 months before he becomes a permanent employee. Once he becomes a permanent employee, all the advantages of office in the way of holidays, etc., accrue to him. The important point is that he must be in the department for 12 months before he becomes a permanent employee. The Bill proposes to alter that from twelve to six. If my contention is correct this will mean that if a man is put on during the wheat season for six months, and remains in the employment of the service for that length of time he automatically becomes a permanent employee. An amendment of that nature should not be allowed to stand. Clause 6 proposes to set up new conditions with respect to the appeal board. Hitherto these boards were confined to dealing with the salaried, the locomotive, or the wages staff. This clause now says in effect, that if one of these representatives is not in a position to act on the board, someone else shall act, and the person who shall act is someone from the industrial organisation substantially representing the section to which the appellant belongs.

Hon. E. H. Harris: It does not provide for an accredited representative, does it?

Hon. J. J. HOLMES: No. What is meant by the words "substantially representing the section to which the appellant belongs"? Clause 7 is the only other one to which I desire to draw attention. Section 72 of the principal Act is amended by the addition of the following paragraph:—

> If the hearing of the appeal is not commenced within 30 days, the punishment appealed against shall be revoked, and the appellant shall be reimbursed any loss of salary or expenses incurred: Provided that if the hearing of the appeal is commenced within such 30 days the board may allow any adjournment.

If this person or his representative, or the representative of the industrial organisation finds it convenient to be absent for 30 days I presume the board cannot sit without him and that automatically the punishment shall be revoked. The person concerned will then not only be reimbursed, but will have refunded to him any salary that has been deducted or any expense that has been incurred by him.

Hon. E. H. Harris: Do you suggest he will be whitewashed?

Hon. J. J. HOLMES: No. I suggest that the appeal board cannot be constituted unless the representative is present. If the representative cannot sit on the board within 30 days from the time of the punishment, the punishment is automatically revoked. These are my objections to the Bill. I hope I have not put any wrong interpretation on it. If I have it is due to the limited time at my disposal.

**HON. J. CORNELL** (South) [3.50]: I support the Bill. There are features in it that should commend it to the House. Practically the only debateable question is that contained in Clause 3 which substitutes the words "six months" for the word "year." Section 69 of the Government Railways Act provides that—

> Any person who, being permanently employed on a Government railway, is fined or reduced to a lower class or grade, or dismissed by the Commissioner or any person acting with his authority may, in the prescribed manner, appeal to an appeal board constituted as hereinafter provided. No person shall be deemed "permanently employed" within the meaning of this section unless he has been continuously employed for one year.

The clause in question undoubtedly reduces from 12 months to six months the period of continuous employment before the employee becomes permanent. There need be no debate on the question of the right of appeal, for that is governed by the term "permanently employed."

Hon. J. J. Holmes: My interpretation is correct.

Hon. J. CORNELL: Yes. The right of appeal is so old that we can dismiss it from our minds. The point we have to debate is whether or not the term should be reduced from 12 months to six months. Every employer knows that the provision for the payment for any damage that is caused through wilful misconduct or otherwise on the part of an employee is a relic of the days of feudalism, and has never been enforced. If any employee wilfully causes damage to property the only place for him is on the road. He should at once be dismissed.

Hon. J. J. Holmes: What about the damages?

Hon. E. H. Harris: Does he go on the road?

Hon. J. CORNELL: If the damage has been done wilfully it should be assessed, and machinery should be provided for the delinquent to be brought before the court. To make the Railway Commissioner the judge and jury in a case of wilful damage done by an employee, and to give him power to deduct money from the employee's pay, is not in keeping with the times. Our experience of the past should cause us to grasp all that is good and to put aside all that is bad. I am heartily in accord with the intention to delete that portion of the Act. If a man does anything that warrants his dismissal from the service, he should be dismissed accordingly and steps should be taken to recover the damages caused by him.

Hon. J. J. Holmes: What about the damage to the property?

Hon. J. CORNELL: If I were suddenly called upon to earn my living as a workman, and wilfully damaged the property of my employer, I should expect to be sent upon the road.

Hon. E. H. Harris: But you would not have the right of appeal.

Hon. J. CORNELL: No appeal board would reinstate me if I was guilty.

Hon. E. H. Harris: The railway employees have the right of appeal.

Hon. J. CORNELL: They should have the right of appeal. They have that right today, but the Commissioner has the right to deduct money from their pay. If a man appeals and is reinstated, automatically the deduction is returned to him.

The Chief Secretary: He has no right of appeal against that.

Hon. J. CORNELL: Then the appeal is one-sided. In the case of a private employer, there is the right to recover in the court for any damage that may be wilfully done by the employees.

Hon. J. J. Holmes: Suppose a man cuts one of the railway carriage cushions with a knife. Is he to suffer no penalty beyond being sent on the road?

Hon. J. CORNELL: According to the railway by-laws, any person who damages railway property can be charged and brought before the court. I have yet to learn that these by-laws exempt railway employees, who can also be charged for breaches of those by-laws.

Hon. J. J. Holmes: Are you clear on that point?

Hon. J. CORNELL: There is nothing in the regulations exempting any person who wilfully damages railway property.

Hon. E. H. Harris: Have they ever been acted upon?

Hon. J. CORNELL: They have been acted upon outside the service.

Hon. E. H. Harris: I am speaking of within the service.

Hon. J. CORNELL: The principle is antiquated, and we should not stand for it. It will not bear investigation. It is no good arguing about the appeal board. I am familiar with the system of appeals that is granted to railway workers. There are appeal boards for officers, for the running staff and the loco. staff. On these boards these three staffs have their representatives, who are elected by the unions.

Hon. J. J. Holmes: The Bill goes further than that.

Hon. J. CORNELL: The Bill only puts on paper the actual practice.

Hon. J. J. Holmes: What about the industrial organisations?

Hon. J. CORNELL: It wisely goes further. It puts other branches of the service on the same basis as those I have mentioned. This is granted only in order that there may be no camouflaged way of doing things, and that everything may be open and above board. The other branches of

the service will have their representation on appeal boards in the same way as the branches I have mentioned have their representation. The 30-day limit, according to my reading is inserted because when an employee is dismissed and desires to appeal, it is only a fair proposition that the appeal board should function within that period.

Hon. J. Nicholson: But suppose something happens to prevent the board from meeting?

Hon. J. CORNELL: A hundred and one things could happen over which the unfortunate man dismissed would have no control. Is he to be penalised for a circumstance beyond his control? If we do not face the position as it exists to-day, we shall be creating discord where harmony ought to exist. The 30 days represent a fair proposition. I reiterate what I said on the Lunacy Act Amendment Bill with regard to an appeal board. Every day I become more and more convinced that our methods are behind those of other countries in this respect, countries where such harmony exists between employer and employee as is not to be found here. Instead of having an appeal board inquiring after a man has been dismissed, there should be a grievance committee to decide beforehand whether he should go or not. Such a committee or board functions before and not after dismissal. The innovation is one that might well be introduced into our Government service. It would be productive of good. Five minutes in front of a grievance committee with a thorough understanding of the subject would decide the whole thing, and in nine cases out of ten the employee would not be dismissed. Under our present conditions the man is dismissed, and then an appeal board with elaborate machinery is called into existence. The great trouble is the bad feeling that is created. I hope a start will shortly be made towards the creation of an appeal board to function before a dismissal takes place. I have much pleasure in supporting the second reading of the Bill.

**HON. H. SEDDON** (North-East) [4.4]: Perhaps the position may be made a little clearer if I instance the improvements which will be created by the introduction of the paragraph contained in Subclause 1 of Clause 4. Under the old system only three representatives were elected to the appeal board —one from the salaried staff, another from the locomotive branch, and a third from the wages staff. In a service like the Railway Department, comprising more than 8,000 employees, it is hardly possible to find a man capable of adequately representing any one of those branches. For instance, the salaried staff comprises not only clerical men, but station masters, who to an extent are technical railway men, and also the professional staff. Thus the representative of the salaried staff would have to be a very capable man indeed to be able to understand all the problems arising in connection with the alleged delinquency of an officer engaged in technical work or of a man engaged in clerical work. The same thing applies to the locomotive branch which consists of two sections—the running staff, being the locomotive men, and the workshops staff, who come under the locomotive branch. There, again, an improvement is proposed by allowing the workshops to elect one representative and the locomotive branch to elect another. Thus there will be obtained the services of a representative conversant with the running conditions, and also the services of a representative conversant with shop conditions, which are entirely different. As regards the traffic branch, this comprises shunters, signal men, guards, and porters. These four sections are all fairly large, and each of them has its own particular work. By extending the scope of election as proposed, there will be secured for the board the services of a man more or less acquainted with his own section. Under the old system a man from the wages staff, who might be a permanent way man, would have to deal with questions affecting guards or signalmen or porters. Mr. Cornell referred to Clause 7, which provides for a suspension period. The object of the clause seems to me to be to cut out unnecessary delays, so that a man may not remain under suspension for an indefinite period. If a case is being fought out before the appeal board—and most of these cases turn on a conflict of evidence upon some technical point—to let the matter stand over for some time tends to increase the confusion. The sooner the case is dealt with, the more likely one is to get clear and adequate evidence and a determination on the merits. There is, however, one point on which I do not agree with what the Bill proposes. While the method of election of members of the appeal board is by the whole of the employees in the section referred to, the appointment of the substitute is left in the hands of the union controlling the section. I do not think that is wise. While a ballot is being taken of the whole of the employees

in, say, the works and ways branch for a representative and deputy, it would be easy to elect the substitute at the same time. The better course is that the whole of the employees should control the whole of their representatives. I just instance that point in passing because I consider that the principle of the whole of the employees in the branch electing their representatives should be carried out as the Bill proposes. In the circumstances I support the Bill, and I hope my remarks will clarify the position for other members.

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central—in reply) [4.8]: I do not think there is any opposition to the second reading of the Bill, and the various clauses can be discussed more profitably in Committee, although, I am pleased indeed to have heard the expression of hon. members' views.

*In Committee.*

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Repeal of Section 52:

Hon. J. J. HOLMES: I shall vote against this clause. The very fact of Section 52 being in the principal Act has had the effect of preventing any prosecutions for wilful damage to railway property. So long as that section remains, the Railway Department will, I think, run without too much damage. In that department we have a body of men we may well be proud of, but we know that there is in every flock a black sheep. If a black sheep gets into the railway service he may think he can damage railway property without any penalty other than that of being shown the door. He will not be placed in that position with my consent. Section 52 reads—

> Every person employed on or about a railway shall be responsible for any damage caused by his wrongdoing or neglect; and the loss occasioned thereby may be deducted from any salary, wages, or emoluments due to such person, or may be recovered in a summary way.

The CHIEF SECRETARY: The Government wish to repeal this section because it is considered contrary to the principles of British justice. Under the section the Commissioner may decide that some employee has been guilty of wrong-doing, and that through his wrong-doing damage has been done to Government property. The Commissioner sits in judgment on the employee, and deducts the amount of the damage from his pay. In such circumstances an ordinary person would be summoned before an impartial tribunal.

Hon. A. Burvill: Has the employee the right of appeal?

The CHIEF SECRETARY: No. By this section he is deprived of the right of appeal. That is the ruling of the Crown Law Department.

Hon. J. J. Holmes: But this Bill provides for an appeal.

The CHIEF SECRETARY: Practice proves that the employee has no right of appeal. For several years the section has not been administered. In earlier times it caused considerable industrial unrest. Now it is being repealed by the wish of the Commissioner and the staff. If a railway employee is guilty of such an act, he can be dismissed and then sued in a court of law for the amount of the damage he has done. The section does not obtain in connection with any other department. It is a relic of the old days.

Hon. A. LOVEKIN: It does not seem quite fair that the Commissioner should be the sole judge and have the right to deduct from the employee's salary the amount of damage. I move an amendment—

> That the word "repealed" be struck out, and the following inserted in lieu:—"amended by omitting the words 'deducted from any salary, wages, or emoluments due to such person.'"

The section will then read, "Every person employed in or about a railway shall be responsible for any damage caused by his wrong-doing or neglect; and the loss occasioned thereby may be recovered in a summary way." That will obviate the Commissioner being the dominant factor. Under the amendment the employee charged will be able to appeal to an independent person in the magistrate, who will preside at the court.

The CHIEF SECRETARY: I do not think we will get anywhere by means of the amendment. The Committee must be either in favour of the Commissioner having these powers, or else they must take away those powers and allow cases to be dealt with in a summary way. It is not necessary to include the amendment, because the Commissioner can recover summarily now. I do not know why the provision was inserted in the Act originally.

Perhaps it was by way of an amendment moved when the Act was being dealt with in Committee. The original intention was to give the Commissioner power to decide what the amount of damage was to be, and then to deduct the amount from a man's wages. That power has not been exercised for some years past. While I cannot see anything objectionable in the amendment, I do not consider it necessary.

Hon. J. J. HOLMES: The amendment meets the objection that has been raised to the section. It ill-becomes the Leader of the House, after all the amendments that have been included in the Timber Industry Regulation Bill, which amendments we were told were already in existing Acts, to raise his objection to the amendment. If the provision referred to appears in the Railway Act, the amendment should be included in the Bill.

Hon. A. LOVEKIN: As the section stands, there are two ways by which damages can be recovered. I propose to strike out one, and it is doubtful what the extent of the Commissioner's rights may be under the other to recover at common law on account of the wrong-doing or neglect of an employee. The amendment will safeguard the position and enable damages to be recovered before an independent tribunal.

Hon. W. H. KITSON: I oppose the amendment. The section of the Act which it is sought to repeal has been the cause of dissatisfaction in the past.

Hon. G. W. Miles: Why? We are told it has not operated!

Hon. W. H. KITSON: To such an extent has it caused dissatisfaction that four or five years ago the department decided to abolish punishment of this description. All parties are satisfied that the clause should be deleted.

Hon. J. J. Holmes: Are not the public concerned, too?

Hon. W. H. KITSON: Of course they are. Whether the clause be agreed to or not, the Commissioner will not be prevented from taking action against any man who wilfully damages the property of the Government. No section of any Act could prevent a man wilfully damaging railway property if he desired to do so. The Commissioner will still have the right to sue any man for damages.

Hon. A. Lovekin: But how far can h recover damages, without the inclusion o the amendment?

Hon. W. H. KITSON: I cannot say; am not a lawyer. I know that the Commis sioner has the right of dismissal, if th offence is serious enough. The Commis sioner can even take action in court. Ther is no necessity for the retention of the sec tion, seeing that the Commissioner and th unions are agreed as to the advisability o its deletion.

Hon. Sir William Lathlain: All wrong doers think there is no reason for provision in Acts.

Hon. W. H. KITSON: Does the hon member suggest that all railway employee are wrongdoers?

Hon. Sir William Lathlain: No, but thos who wilfully damage railway property ar wrongdoers?

Hon. W. H. KITSON: Why should th Committee stand in the way of the Commis sioner and the unions if they are in agree ment?

Hon. A. Lovekin: We desire to protec the interests of the State.

Hon. J. NICHOLSON: I understand th railway employees object to the clause be cause the Commissioner may impose a pen alty upon any employee who has damage railway property on account of negligence and may deduct from the man's wages sum to be decided by him. If that is th cause of the grievance, the amendment wil remove it, because it means that the Com missioner will not be able to deduct an such amount. It is proposed to strike ou that power of the Commissioner. The Com missioner could have relieved himself of th cause of dissatisfaction and insist upon suc cases being dealt with by the court. I might be suggested that a railway employe should have the right to place his case be fore the appeal board, should any sum b deducted from his wages on account o damages. The section dealing with the ap peal board, however, applies only to me on the permanent staff, and the damag might be done by a temporary employee We have a fine body of men in the railwa service, but, nevertheless, we must conside what would be the result if we deleted th section entirely. I admit at once there i the usual legal remedy, but when an Act o Parliament has clearly defined certai powers with which the Commissioner i vested, and we strike out those powers, i

provides a strong argument against the common law remedy. It would be wise, therefore, in the interests of the service generally, not to strike out the section altogether but to remove that part of the section that has caused the grievance in the past. I would be dissatisfied if the Commissioner deducted a sum from my wages, if I had no chance of appealing to an independent tribunal. I am not surprised that the railway employees have been dissatisfied with the operations of the section.

Hon. V. Hamersley: They have no right of appeal.

Hon. J. NICHOLSON: No, the right of appeal is given under Section 69, and is confined to permanent employees who have been fined, or reduced in grade, or dismissed. Such persons may appeal to the Appeal Board. But an offence such as this might be committed by one not permanently employed, who would not be entitled to appeal. There are other ways by which the difficulty could be got over, but the amendment represents a simple remedy. We have in the railways a service representing a very large capital cost, a service in which all of us are materially interested as shareholders, and it is our duty to see that the property of the State is protected to the utmost. The amendment would meet those persons who are affected by removing this question entirely from the jurisdiction of the Commissioner and providing an independent court to determine it. I will support the amendment.

Hon. W. T. GLASHEEN: I cannot see the necessity for putting divisional lines between the punishment a railway employee might suffer, and that which an ordinary citizen might suffer. We have in the railway carriages regulations setting out that if an ordinary citizen commits an offence he may be fined. With that power, I fail to see that this additional power is necessary. As an employer of labour, I know that if one of my employees damages my machinery, I can dismiss him; and having dismissed him, I can proceed against him at common law for damaging my property. The Commissioner of Railways has the same power.

Hon. J. Nicholson: No, the matter would go to the appeal board.

Hon. J. J. Holmes: His men are under the Railway Act.

Hon. W. T. GLASHEEN: I can see no necessity for distinguishing between the punishment for a railway employee and that for an ordinary citizen, nor can I see any reason for the Commissioner having the power of Caesar to assess the damage done and deduct the amount from the employee's salary. I think that is opposed to the spirit of the times.

Hon. G. POTTER: The amendment should go a long way towards satisfying those who were responsible for having Clause 2 inserted in the Bill. At the same time I hardly think Mr. Lovekin's amendment is necessary. If an employee of the Railway Department does anything wrong, whether wilfully or negligently, he can easily be prosecuted in the constituted courts.

Hon. V. Hamersley: By whom?

Hon. G. POTTER: When the Commissioner finds that an employee has wilfully or negligently done something against the interests of the department, he can decide to deduct so much from that employee's wages. It may never have been done, but it is possible to do it at present. As soon as the Commissioner deducts something from a man's wages, he renders that man dissatisfied with his employer. It would be better to get rid of such an employee.

Hon. J. J. Holmes: It cannot be done.

Hon. G. POTTER: It is idle to say that none of the permanent staff of the railways can be dismissed.

Hon. C. F. Baxter: It is very difficult.

Hon. G. POTTER: Still it has been done.

Hon. V. Hamersley: And you know that the dismissed employees are always reinstated.

Hon. G. POTTER: I know they can be dismissed. It is better to dismiss a disgruntled employee than to retain him.

Hon. C. F. BAXTER: I cannot see the necessity, either for Mr. Lovekin's amendment or for striking out Section 52. I was surprised when the Chief Secretary said the Commissioner could take action and that there would be no appeal. The appeal is provided for in Section 69. The Minister also said the employees would not receive fair and just treatment. But they would receive just as fair treatment as in a court of law.

Hon. A. Lovekin: Section 69 deals with permanent employees, whereas Section 52 deals with any person.

Hon. C. F. BAXTER: There are many minor offences, such as the destroying of cushions, or acts of negligence, for which the Commissioner would not take action in a

court of law. For the sake of discipline he would take the responsibility on his own shoulders and himself deal with such offences. If Section 52 be struck out he will not be able to do that. The only fault I see in the section is that the temporary employees do not come under it. All the staff should be brought under it. To repeal it would be to lessen the powers of the Commissioner and reduce discipline. I think Section 52 should remain.

Hon. V. HAMERSLEY: I agree that to remove Section 52 would be to render the railway system worse than it is at present. To a great extent the running of the railways has been resolved into a go-as-you-please control by the men at the bottom of the ladder. Those of us living in the back-blocks know that very well, and if Section 52 be removed the existing conditions of affairs will grow still worse.

Member: The Commissioner himself says it is not necessary.

Hon. V. HAMERSLEY: I have known men to be sent into country districts because the railway authorities regarded them as a menace to the system. Still, they find it very difficult to get rid of those men.

Hon. C. F. Baxter: They dare not do it.

Hon. V. HAMERSLEY: No, they dare not do it. There is so much circumlocution, and the appeal board reinstate so freely, that it would sometimes pay the Railway Department to pension an offender for the rest of his life. We know that there have been cases of perishable freight, such as cream, for instance, being left in the broiling sun on railway stations. I acknowledge that there are many fine men in the railway service. They would not approve of this provision, but would say that the Commissioner should have power to deal with loafers and with men who represent a blight.

Hon. A. LOVEKIN: Surely Mr. Hamersley and Mr. Baxter will not support the principle that one person is to be both prosecutor and judge, and to have the right to deal with men in a high-handed manner, saying, "I have your salary or wages in hand, and I will make a deduction." Wages men cannot afford to take legal action against the Commissioner, and therefore have to submit. The present system seems to me quite unfair.

Hon. Sir WILLIAM LATHLAIN: I support Mr. Lovekin's amendment. This section deals with the railway employee who is guilty of wrong-doing or neglect, and such a man should be penalised. Fortunately, most people perform their duty honestly; and such people will not be affected by the section. The amendment takes the unjust sting out of the section, and relieves the Commissioner of being both accuser and judge, a dual position which must be distasteful to him.

Hon. W. T. GLASHEEN: Mr. Hamersley said that negligent railway employees might leave cream or other perishable freightage out in the broiling sun, where it would deteriorate quickly. I thought the clause referred only to the property of the Railway Department, and not to goods. Perhaps the Chief Secretary will explain the matter.

Hon. Sir EDWARD WITTENOOM: Some years ago, when I was travelling on a railway line in this State, the train was three or four hours late. When the guard came along I said to him, "How is it you are late to-day?" He replied, "Well, you know, the engine-driver and I were fined the other day; so we are going to make the gentleman take it in overtime." When the guard asked me for my ticket, I showed him my pass and said, "I am going to report you to the station-master at such-and-such a station." I did so, and I believe the man was dismissed.

Hon. H. SEDDON: Unfortunately the regulations of the Railway Department are so arranged that if anything whatever goes wrong, a man has broken some regulation. In the multiplicity of jobs a man cannot look after everything at once, and thus railway employees are made to suffer unjustly. Hence the resentment frequently caused by fines. Section 52 deals more particularly with temporary employees. The permanent employee is dealt with by Sections 68 and 69, and he has the right of appeal. The temporary employee has no right of appeal. I regard Mr. Lovekin's proposal as fairer than the clause.

The CHIEF SECRETARY: In reply to Mr. Glasheen, Section 52 refers to all property within the control of the Railway Department, including not only Government property but also the property of private persons in the custody of the department. Mr. Hamersley and Mr. Baxter seem to be under the impression that railway employees who have been called upon to make good damage done, have the right of appeal. They would not have that right because of two reasons, one being that such employees

might not be permanently appointed, and the other that the deduction is not a fine. There could be an appeal if the employee were also reduced in grade, or were also dismissed. As Mr. Lovekin says, the Commissioner is at present in the dual position of prosecutor and judge.

Hon. J. J. HOLMES: I am convinced that Mr. Lovekin's admendment is a fair and equitable solution of the difficulty. I recognise the injustice of the Commissioner being both prosecutor and judge. If the amendment is carried, the Commisssioner will have to prosecute in the ordinary way before a legal tribunal. Railway employees are under the Government Railways Act. The other men to whom reference has been made are not under that Act, and redress against them would be at common law. Unless we provide a penalty under the Government Railways Act, it is questionable whether railway employees can be brought before any legal tribunal. If the section is deleted, probably there will be no penalty.

Hon. W. T. GLASHEEN: I thank the Chief Secretary for his explanation, but I cannot subscribe to the view expressed by Mr. Holmes. He said that if we despatch goods by rail we have our redress if they are not delivered in good order. We have a possibility of getting redress because there are two rates, one being at the Commissioner's risk and the other at owner's risk. In the event of loss, or damage as a result of negligence on the part of the employees, the owner can recover if the goods were carried at Commissioner's risk. Then the Commissioner has his remedy against the employee.

Hon. V. HAMERSLEY: I know of a number of instances where goods have been put on trains at a certain point, and 20 or 30 miles further along have disappeared. I should say that that was due to negligence on the part of those who are supposed to look after these things. Claims are being sent in to the Commissioner frequently and I know that the Commissioner has a staff doing nothing else than attending to demands resulting from loss or damage. Meanwhile, the community, being disgusted with the treatment meted out to them by the railways, are sending small packages by motor vehicles.

Hon. H. STEWART: What is wanted is not to make the position easier for the Commissioner to deal with shortages or losses, but to tighten up the Act and also provide some protection for the people who use the railways, the opposite to what is proposed in the Bill.

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

Clause 3—Amendment of Section 69:

Hon. J. J. HOLMES: If this amendment is carried, an employee will be put on the permanent staff in six months, instead of 12 months as is the case at the present time. We have heard enough in this House about the difficulty of getting rid of men in the Railway Department once they become members of the staff, and it would be wrong indeed if we made provision that any man with six months' service behind him should automatically become a permanent member of the staff.

The CHIEF SECRETARY: When the original Act was passed 22 years ago, it was necessary before an employee was regarded as permanent, that he should be 12 months in the service. Now, under various awards, for all practical purposes, he is regarded as a permanent officer because the privileges granted to permanent employees are also extended to him if he has been six months in the service. In view of that it is considered that he should be given the right of appeal. That is the reason for the amendment.

Hon. J. J. HOLMES: The amendment goes further. It gives him the right to all the privileges of the permanent staff, and if he has these privileges as suggested by the Leader of the House, what is to become of the wages men? It is amongst the temporary hands that trouble arises. The permanent staff are all right; they are aware that they have good jobs. If the Commissioner wishes to get rid of temporary men he should be in a position to do so and not be up against a provision like this. If the temporary employees can get all the privileges as suggested by the Chief Secretary, it is not too much to ask that they should be in the service for 12 months before they can become permanent servants.

Hon. G. POTTER: If Mr. Holmes, in his widespread sphere of industrialism, cannot find out the value of a man in six months, then the hon. member is not the man I thought he was. If a man is under that close supervision that is exercised in the Railway Department, and it is proved within

six months that he is not capable, he gets short shrift.

Hon. J. J. HOLMES: The hon. member says that if the Commissioner cannot size up a man in six months, that man has no right to the job. That is not the point. The Commissioner may size him up as one of the best men, but at the end of six months there may be no more work for that man, and if he is then put on the permanent staff he must be kept on. In that way up go the costs of administration.

Hon. H. STEWART: For years during the pre-war period the staff was overloaded and the Commissioner could not reduce it. Improvement came only with the increased work resulting from increased production after peace was declared. To handle seasonal work such as the harvest, it is necessary to employ extra men. The Government should not crowd departmental works, as they may do in the near future, but should postpone much of the work until after March or the middle of the year——

Hon. J. J. Holmes: Until the elections are over?

Hon. H. STEWART: Until work in general becomes slack. We can make provision for the right of appeal if necessary. One section of the community—the producers—have to bear the cost if permanent men are employed unnecessarily.

Hon. J. E. DODD: Why should not an employee of six-months' standing have the same right as an employee of 12-months' standing? If we can put casual workers on a better footing it will be a good thing for the community. The more casual hands that can be made permanent without increasing costs, the better. I know of nothing in the Act to prevent the Commissioner from dismissing a man if he has no work for him to do. Men have been kept on for 11 months, discharged, and then taken on again, in order that they might not become permanent hands. That is not right. The reduction of the period will not be detrimental to railway working or to the community.

Hon. A. BURVILL: It matters little whether we reduce the period to six months. If we do so, it will not take from the Commissioner the power he has to dismiss men on the ground of retrenchment. I know an employee who was a permanent hand for 20 years, and yet was dismissed without the right of appeal. The Commissioner simply retrenched him.

Hon. A. LOVEKIN: Mr. Dodd asked why, if a man could become a permanent hand in 12 months, he should not become a permanent hand in six months. That is one of the complaints I have against present-day industrialism. No man learns his trade properly; the period of apprenticeship is reduced to a minimum. A compositor serves three years, whereas the period used to be five, six or seven years. A young man entering journalism is considered to be full-fledged three years after leaving school, whereas it used to take a man many years to become qualified. The same applies to the carpenter and to other employees, and consequently we are not getting a competent industrial class. Twelve months is surely little enough for a man to familiarise himself with railway working. It has been said that temporary hands have been dismissed after 11 months. If the period be six months, and those tactics are adopted, the temporary hand will be liable to be dismissed at the end of five months. Thus the position will be worse for the worker and worse for the railways, because we shall not have men of experience. As soon as a man is made permanent he gets privileges such as tickets for his wife and family, holidays, etc., all of which have to be paid for. Who pays for them? The producer.

Hon. E. H. Gray: Who are the real producers?

Hon. A. LOVEKIN: The men who extract wealth from the soil. If their costs are increased, the increase has to be passed on to the consumer and the worker in turn is penalised. We must aim at securing efficiency all round, and six months is not enough for any man to make himself an efficient railway worker. It might as well be contended that 12 months would be sufficient to turn out a competent doctor or lawyer. I shall vote against the clause.

The CHIEF SECRETARY: The discussion is drifting seriously. Some members are under the impression that the Government propose to make employees in the service permanent after six months. Nothing of the kind is contemplated. All that is proposed is that if an employee is fined, reduced to a lower grade, or dismissed, after six months' service he shall have the right of appeal.

Hon. A. Burvill. What if he is retrenced?

The CHIEF SECRETARY: Then he has not the right of appeal. Only where a stigma is cast upon him has he that right.

Hon. A. Lovekin: What privileges have the permanent employees?

The CHIEF SECRETARY: Under an award of the court a permanent employee is entitled to all rights and privileges after being in the service for six months. He gets a station to station pass every 12 months for himself, wife and family, two destination passes every 12 months for his wife and family, which employees usually avail themselves of to go to Albany, Bunbury, etc., and 14 days' leave each year. Wages men receive second class passes.

Hon. H. Stewart: What about long leave?

The CHIEF SECRETARY: Those are the details that have been supplied to me and I take it they include the whole of the privileges.

Hon. H. Stewart: Perhaps they include the whole of the privileges awarded by the Arbitration Court.

The CHIEF SECRETARY: If an employee after six months becomes entitled to those privileges, why not give him the right of appeal? It is not a question of permanency or non-permanency of employment in the wider sense, but whether an employee should be qualified to approach the court. I trust the Committee will pass the clause as printed.

Hon. A. J. H. SAW: Mr. Stewart said he had no objection to the right of appeal. That is all the clause is concerned about. If an employee has been in the railway service for 12 months, he has the right of appeal, and it is merely proposed to reduce that term to six months.

Hon. Sir Edward Wittenoom: How are you to maintain discipline?

Hon. J. J. HOLMES: If we allow this clause to pass, those who will be sorry will be the temporary railway employees. When some members of the Federal service, who are on the temporary staff became efficient, they are put off just prior to the expiration of the period when they would become permanent employees. In the railway service, at the end of five months and 31 days, the Commissioner will be able to dispense with the services of all these temporary employees. He could then put them on for another five months and 31 days, and they would not come under the provisions of the Act. If the 12 months period is retained they will be entitled to be classed as permanent employees. If the Act is altered the man who has been in the service for six months and one day will have the right of appeal if he is dismissed or retrenched. There will be nothing but appeals. In the interests of the men themselves the Act should not be amended.

Hon. H. SEDDON: In the railway service there are salaried and wages men. The former are entitled to different conditions from those accorded to the latter. There are also railway men, and men who work on the railways. Most of the temporary men are engaged purely in labourers' work. Before they can be classed as railway men they have to pass certain examinations.

Hon. J. J. Holmes: Not for lumping wheat.

Hon. H. SEDDON: A man may be engaged as a porter or a lumper. If he passes he can get on to the staff, and be promoted. During the locomotive strike of 1921 every man in the service was put off, except those who were retained for special duty. Permanency of employment is not affected by the Bill. Railway men already receive certain privileges under the awards of the court.

Hon. W. H. KITSON: The department will still have the right to dismiss a man after six months' service. Some members do not seem prepared to accept the word of the Chief Secretary, who says that the clause affects only the right of appeal.

Hon. A. BURVILL: The Commissioner has the right to retrench men, but they would have no right of appeal. I know one man who was dismissed after many years of service, and he is now trying to appeal against that action. Some men have not the money with which to fight these cases.

The CHIEF SECRETARY: A man is dismissed for misconduct, or retired because there is no work for him to do. I do not know any part of Australia where appeals are provided for persons who are retrenched, or whose services are no longer required. This clause provides an appeal for penalties imposed in cases of disciplinary offences.

Hon. H. STEWART: I am prepared to accept the assurance of the Chief Secretary, but I do not know that he has been advised by the Solicitor General in the matter. If he has been so advised, our experience of the 1917 Land Act reminds us of the faith that we put in the assurances that were

given on that occasion. Subsequent events did not bear out those assurances. It is not a question of accepting an opinion. I do not even accept the view of Dr. Saw in this matter.

Hon. W. H. Kitson: Do you wish to deny these people the right of appeal?

Hon. H. STEWART: Dr. Saw suggested that I should support the proposal because I said I did not wish to deny the men the right of appeal. Had he followed me more closely he would have understood that I said that if there were no reason for denying them the right of appeal, then the Government should introduce a further amendment making the position clearer. In my opinion lawyers will place a construction upon the reference to "permanently employed" that will give it a wider application than to the mere right of appeal on the three grounds outlined in the Act.

Hon. J. J. HOLMES: There is no misunderstanding regarding my interpretation. Mr. Kitson made some reference to the Leader of the House and said we should accept his assurances. There is no man that I respect more, or whose word I would trust more than that of the Chief Secretary. In view of the meaning of "dismiss" in Pears' Dictionary, I believe this simply means that if a man is put off, he will say he has been dismissed under Section 69 because that will give him the right of appeal. If we agree to the proposal, it means that at the end of five months and 30 days the Commissioner will pay these men off, for if they are kept on for another two days they will be automatically dismissed and will have the right of appeal.

Hon. W. H. Kitson: That is ridiculous!

Clause put, and a divison taken with the following result:—

| | |
|---|---|
| Ayes .. .. .. | 11 |
| Noes .. .. .. | 16 |
| Majority against .. | 5 |

AYES.

| | |
|---|---|
| Hon. J. R. Brown | Hon. J. W. Hickey |
| Hon. A. Burvill | Hon. W. H. Kitson |
| Hon. J. E. Dodd | Hon. G. Potter |
| Hon. J. M. Drew | Hon. A. J. H. Saw |
| Hon. E. H. Gray | Hon. H. Seddon |
| Hon. E. H. Harris | *(Teller.)* |

NOES.

| | |
|---|---|
| Hon. C. F. Baxter | Hon. W. J. Mann |
| Hon. J. Ewing | Hon. G. W. Miles |
| Hon. W. T Glasheen | Hon. J. Nicholson |
| Hon. V. Hamersley | Hon. E. Rose |
| Hon. J. J. Holmes | Hon. H. A. Stephenson |
| Hon. G. A. Kempton | Hon. H. Stewart |
| Hon. A. Lovekin | Hon. H. J. Yelland |
| Hon. J. M. Macfarlane | Hon. Sir W. Lathlain |
| | *(Teller.)* |

Clause thus negatived.

Clause 4—Amendment of Section 70:

Hon. J. J. HOLMES: What will constitute a quorum of the appeal board?

The CHIEF SECRETARY: Sections 70 and 73 set out how the board is constituted.

Hon. J. J. HOLMES: The point I wish to make is that under the provisions of the Bill read in conjunction with the Act, the appeal cannot be proceeded with unless the direct representative of the man concerned is present. If by design or accident the direct representative is absent and does not appear to take part in the proceedings within 30 days, then the punishment of the employee is revoked, and he will not only get back his position and pay, but expenses as well!

Hon. E. H. Gray: Are you serious?

Hon. J. J. HOLMES: That will be the position merely because the direct representative does not act on the board within 30 days.

Hon. W. H. Kitson: Why not get someone else's opinion on that point?

Hon. A. LOVEKIN: Section 73 of the principal Act sets out that two members of the board shall form a quorum. The Bill provides for seven members as against three under the Act. I find no provision in the Bill setting out who shall be the chairman of the board.

Hon. A. J. H. Saw: Section 70 sets out that a police or resident magistrate shall be the chairman.

Hon. A. LOVEKIN: But Section 70 of the principal Act is repealed by the Bill.

Hon. A. J. H. Saw: No, it is not.

Clause put and passed.

Clause 5—agreed to.

Clause 6—Amendment of Section 11 of Act No. 29 of 1907:

Hon. H. SEDDON: I should like to know from the Chief Secretary whether there is any reason why the substitute provided for should not be elected at the same time as the other two.

The CHIEF SECRETARY: Section 11 of the Act of 1907 merely permits the deputy to act, whereas the Bill makes it mandatory. If the deputy fails to function, a substitute may be appointed by the Governor on the nomination of the employees concerned.

Hon. E. H. Harris: But why not elect him?

The CHIEF SECRETARY: It would take some time to do that. The Bill provides tha

the nomination shall be made through the industrial union concerned.

Hon. J. J. HOLMES: Preferential voting is provided for here, and I fail to see why, when having the one election we should not elect the substitute at the same time. The objection I have to this clause is the introduction of the phrase "industrial organisation substantially representing the section to which the appellant belongs." It reminds me of the "accredited representative" about whom we heard so much the other night. However, if we allow these men by the preferential voting system to appoint their representative and deputy, and substitute at the same time, it will simplify matters a good deal.

Hon. H. SEDDON: I raised that point because whilst they are having an election for the representative and his deputy, they might just as well elect a substitute at the same time. To make provision for that here would involve amending clause 4 as well.

Hon. A. Lovekin: Put up an amendment on recommittal.

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

| | |
|---|---|
| Ayes .. .. .. | 7 |
| Noes .. .. .. | 19 |
| Majority against .. | 12 |

AYES.

| | |
|---|---|
| Hon. J. R. Brown | Hon. W. H. Kitson |
| Hon. J. E. Dodd | Hon. A. J. H. Saw |
| Hon. J. M. Drew | Hon. E. H. Gray |
| Hon. J. W. Hickey | *(Teller.)* |

NOES.

| | |
|---|---|
| Hon. C. F. Baxter | Hon. W. J. Mann |
| Hon. A. Burvill | Hon. J. Nicholson |
| Hon. J. Ewing | Hon. G. Potter |
| Hon. W. T. Glasheen | Hon. E. Rose |
| Hon. V. Hamersley | Hon. H. Seddon |
| Hon. E. H. Harris | Hon. H. A. Stephenson |
| Hon. J. J. Holmes | Hon. H. Stewart |
| Hon. G. A. Kempton | Hon. H. J. Yelland |
| Hon. Sir W. Lathlain | Hon. J. M. Macfarlane |
| Hon. A. Lovekin | *(Teller.)* |

Clause thus negatived.

Clauses 7 and 8, Title—agreed to.

Bill reported with amendments.

*Recommittal.*

On motion by Hon. H. Seddon, Bill recommitted for the further consideration of Clause 4. Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 4—Amendment of Section 70:

Hon. H. SEDDON: Owing to the loss of Clause 6, it will be necessary to provide for the election of a substitute. I move an amendment—

That in line one of paragraph (c) of Subclause (1), "and" be struck out; and after "deputy" the words "and his substitute" be inserted.

Amendment put and passed.

Hon. H. SEDDON: The remaining paragraphs providing for the election will have to be amended in order to be brought into conformity.

The CHAIRMAN: They will be treated as consequential, including the amendment of the Title.

Clause, as amended, agreed to.

Bill further reported with a further amendment, and the report adopted.

*Third Reading.*

Read a third time and returned to the Assembly with amendments.

*Sitting suspended from 6.15 to 7.30 p.m.*

## BILL—DRIED FRUITS.

*First Reading.*

Received from the Assembly and read a first time.

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central) [7.32] in moving the second reading said: For some time past the necessity for this Bill has been urged upon the Minister for Agriculture by the people engaged in the dried fruits industry, but he was averse to introducing sectional legislation of this character. The people engaged in the industry impressed upon him the parlous condition in which it found itself, and stressed the need for this legislation to enable them to co-operate with the dried fruit producers in South Australia and Victoria. In the two States mentioned legislation of this character was introduced in 1924, and continued in 1925 and 1926. A measure is now before both Parliaments to extend its operation for a further term of three years. The legislation enacted in those States provides for the control by boards constituted under the Dried Fruits Act, in which provision is made for the quantity of fruit to be exported, and the quantity to be retained for home consumption.

Hon. J. M. Macfarlane: Is there any opposition to it from growers in South Australia?

The CHIEF SECRETARY: I have not gone into that question. The two States referred to complain that unless Western Australia and New South Wales pass similar legislation, their efforts to secure a livelihood for the dried fruit growers will be nullified. A Bill such as this has been introduced by the Minister for Agriculture in New South Wales, and unless something is done here the State will be in grave danger of being swamped by dried fruit imported from the other States. The production of dried fruit in Australia is far in excess of Australian requirements, and endeavours have been made to find a market overseas. The production was accelerated in the years after the war owing to a great number of returned soldiers having been settled on areas which were considered suitable for the growing of grapes. This happened particularly in the Murray River settlements of South Australia and Victoria. There is only a limited market for the production within Australia, and therefore the greater quantity has to be exported, coming into competition with dried fruits produced in countries where the labour conditions are such as to warrant fruit being produced at lower prices than in Australia. Since the termination of the war the annual production of sultanas and lexias rose from 14,000 tons to 35,000 tons. This is due principally to the fact that between 2,000 and 3,000 returned soldiers have been placed by the Governments of New South Wales, Victoria and South Australia on areas suitable for the production of fruit. In Western Australia there are 120 holdings on which returned soldiers have been settled. The average indebtedness to the Agricultural Bank is £1,100 each and the total is approximately £132,000. The average acreage under cultivation is 12 acres, and the total acreage is 1,500 acres. I have some figures which show the production of dried fruits in the years 1923 to 1926. The following table shows the quantity of various dried fruits produced in Australia and exported during the seasons 1923 to 1926. The dried fruits referred to are currants, sultanas and lexias. Currants, production in 1923, 8,500 tons, exported 5,520 tons; 1924, production 13,266 tons, exported 9,500 tons; 1925, production 11,693 tons, exported 7,471 tons; 1926, estimated, production 12,250 tons, exported 9,000 tons. Sultanas, production in 1923, 13,000 tons, exported 8,100 tons; 1924, production 23,500 tons, exported 18,800 tons; 1925, production 20,418 tons, exported 14,673 tons; 1926, estimated production 19,000 tons, exported 13,000 tons. Lexias, production in 1923, 5,000 tons, exported 3,750 tons; 1924, production 4,978 tons, exported 3,045 tons; 1925, production 5,106 tons, exported 3,174 tons; 1926, estimated production 2,750 tons, exported 1,000 tons. The Australian consumption is about 25 per cent. of this production, and in consequence the greater proportion of the crop must find a market overseas. In Victoria and South Australia the proportion fixed by the respective State boards for the 1925 season's crop for consumption in Australia was: Currants, 35 per cent., sultanas 25 per cent., and lexias 35 per cent. The balance of the crop was exported beyond Australia, chiefly to the United Kingdom and in a small degree to Canada and New Zealand. The production in Western Australia was 1,000 tons of dried fruits, of which 100 tons was consumed in Western Australia. Last year we exported a considerable quantity to the Eastern States, principally Victoria, and the fruit was commandeered by the Victorian board, acting with the authority of the Minister for Agriculture in that State. It was disposed of according to the wishes of that Minister. Both South Australia and Victoria hold that it is unfair that the Western Australian growers should take advantage of a market which is created by the sacrifice of their own growers, and have threatened retaliation unless the growers in this State co-operate with the growers in the States I have mentioned.

Hon. A. Burvill: They do not say much about it when they send jam over here.

The CHIEF SECRETARY: The threat is a serious one, because under their control legislation they can hold their own market, and at the same time flood the Western Australia market with dried fruit, the product of the Eastern States, because of the absence of control legislation here. It is that possibility which has strongly influenced the Minister for Agriculture to introduce this type of legislation. If the industry is to be carried on and extended it must be organised, and there must be co-ordination in regard to marketing between the different States that have passed this legislation. Unhappily the overseas market, to which the greater quantity of the fruit

has to be exported, is a non-paying market. The quantities of the various fruits sold and the approximate average prices realised on the London market during the last three seasons are as follows:—In 1923, currants sold 4,300 tons, average price £53; 1924, 8,500 tons sold, average price £42; 1925, 6,630 tons sold, average price £31 less £17 15s.

Hon. J. Nicholson: Was that from Australia as a whole?

The CHIEF SECRETARY: Yes. Sultanas, sold in 1923, 6,800 tons, average price £46; 1924, 17,000 tons, average price £39 less £20 9s.; 1925, 13,506 tons, average price £68 less £20 9s. Lexias sold in 1923, 3,500 tons, average price £31; 1924, 3,000 tons sold, average price £23; 1925, 3,122 tons sold, average price £32 less £17 15s. The following table shows the quantities of the various dried fruits marketed in Australia and the approximate average price realised during the seasons 1923 to 1925:—Currants sold in 1923, 2,980 tons, average price £47; 1924, 3,766 tons sold, average price £47; 1925, 4,222 tons sold, average price £53 11s. Sultanas sold in 1923, 4,900 tons, average price £69; 1924, 4,700 tons, average price £65; 1925, 5,745 tons, average price £69 6s. Lexias: 1923, 1,250 tons, £43 per ton; 1924, 1,933 tons, £38 per ton; 1925, 1,932 tons, £49 11s. 6d. per ton. The position of the industry has been viewed very seriously by the Commonwealth Government. For nearly two years ago the Commonwealth Dried Fruits Control Board was appointed for the purpose of controlling the export and distribution of Australian dried fruits. The board consists of three representatives elected by the growers of Victoria, New South Wales, and South Australia; one elected by the growers of Western Australia and two representatives with commercial experience appointed by the Commonwealth Government, and one Commonwealth Government representative. Licenses to export are granted and issued by the Department of Markets and Migration on conditions recommended by the board. The greatly increased production of dried fruit in Australia since the war, and the serious fall in prices, brought about a crisis in the industry, and the Commonwealth Government introduced legislation in 1924 to provide for advances to growers under "The Dried Fruit Advances Act, 1924." The Act provides for the payment to growers through various packing organisations approved by the Minister of advances on the export proportion of the 1924 crop at the rate of 30s. per ton on dried currants and £9 per ton on dried sultanas and lexias. The total advances under this Act amounted to £199,241, of which only £1,253 came to Western Australia. These amounts have, of course, to be repaid to the Commonwealth Government. As is well known to hon. members, a considerable agitation has been maintained in order to secure British preference for Australian dried fruits in the Home markets. The present British preference on Australian dried fruit over foreign dried fruit, viz., Californian and Levantian, is £2 in respect of currants, and £7 in respect of sultanas and lexias. It is strongly urged that the British preference on Australian currants should be increased to the rate of preference for sultanas and lexias. Under the Tariff Reciprocity Agreement between the Government of the Dominion of Canada and the Commonwealth the benefits are extended to Australian dried fruits, under which Australian fruits receive a preference of £14 per ton over foreign fruits, and it is understood that the New Zealand Government will be prepared to negotiate with the Commonwealth Government with a view to assisting the granting of preference to Australian fruits at the rate of £18 13s. 4d. per ton, provided the latter Government extend certain privileges to New Zealand. Under these treaties it is probable that a greater quantity of dried fruit will find a sale in the Canadian and New Zealand markets, but, in order to get the fullest advantage the need for organisation and control is imperative. The preference will be of no value if the fruit produced is inferior in quality or badly graded. The grading of dried fruits and proper supervision is essential if Australian dried fruits are to create a demand on the world's market, and without a world's market the further extension of the industry is impossible. This Bill substantially adopts the South Australian Act of 1924 as amended last session, and which it is intended to continue until March 1930. The Victorian Act is on similar lines. The desire is that there should be substantially uniform legislation in the different States. In this Bill, however, the members of the board—five in number—will be all representatives of the growers, whereas in South Australia and Victoria there are three growers and two official members on the board.

The board is to be appointed by the Governor, but the growers are to be consulted. After the first year, the representatives are elected by the registered growers, each grower exercising one vote; and the board shall not hold office longer than two years. Under the South Australian and Victorian Acts the power compulsorily to acquire dried fruits is exercised by the Minister on behalf of the Government, or by the board with the authority of the Minister. By this Bill the power is conferred on and will be exercised by the board. Clause 31, however, provides that the board is subject to the control of the Minister, and any action or proceeding, or intended action or proceeding by the board, if not approved by the Minister may be vetoed. That point will arise only when something occurs or is threatened which would interfere with the rights of the public. It will not be a general power of veto; it will be exercised only in extreme instances. The board may impose a levy on all growers—that is, any person producing dried fruit for sale or barter—of one-sixteenth of a penny per lb. on the quantity of dried fruit produced by them in any year. Until extended by proclamation "dried fruit" means dried grapes only. The board may make contracts for the purchase or sale of dried fruits produced in Australia; enter into arrangements with boards in other States for concerted action in marketing dried fruits; open shops for the sale of dried fruits, wholesale or retail; establish private depots for storage or distribution of dried fruits; in its absolute discretion determine where and in what quantities the output of dried fruit is to be marketed, and take whatever steps it thinks fit to enforce such determination. Any grower, dealer or owner or occupier of a packing shed who sells or disposes of dried fruit contrary to any determination of the board is liable to a penalty of £500.

Hon. A. Burvill: That is pretty stiff.

The CHIEF SECRETARY: It is not too stiff if it is to be effective. All growers must register with the board, and furnish particulars of dried fruits produced or likely to be produced by them. Dealers—except shopkeepers who sell only dried fruits bought from registered dealers—must register with the board and supply particulars of the quantity of dried fruit sold and of estimated sales. Dealers are to furnish returns and obey the directions of the board. The registration fee is £1; and the transfer of registration 5s. Fruit packing sheds are to be registered with the board, with power to the board to cancel registration if the requirements of the board are not complied with, or in case of refusal to collaborate with the board. The board may purchase by agreement or compulsorily acquire dried fruits. If compulsorily acquired, the owner receives payment at export parity price, that is selling price in London less freight and all charges. Existing contracts for the sale of dried fruit produced in the year next following the commencement of the Act are annulled; subject to a proviso enabling dealers who have agreed to sell fruit of that season already purchased by them from growers to acquire such fruit to fulfil their contracts. Standards of dried fruits may be prescribed by regulation; and such regulations must be observed in packing and marketing. Power is conferred to make regulations generally for all purposes of Act. I move—

That the Bill be now read a second time.

**HON. SIR WILLIAM LATHLAIN** (Metropolitan-Suburban) [7.57]: I have not many remarks to make on the Bill, because like other hon. members, I have not had the opportunity of studying the position and getting an idea of the requirements of the dried-fruit growers, principally because a Bill on somewhat similar lines was introduced last session. My desire is to confirm the statement made by the Chief Secretary regarding the position in this State and in Victoria. When in Victoria recently, I was approached by a merchant who had bought £1,000 worth of Western Australian dried fruits. The Chief Secretary has told us that that was commandered by the Government of Victoria and the reasons he gave were quite correct. The State has entered into an arrangement similar to the one it is intended to enter upon here, and therefore it would be unfair on the part of Western Australia to endeavouur to place her fruits on the Victorian market when in that State efforts were being made to stabilise the product. In Victoria the position is similar to that with which we find ourselves faced; they are producing more than they require. The agreement is that they shall retain about 25 per cent. of the product for local consumption and the remainder, 75 per cent., must be exported The Chief Secretary was correct when he said that, unless we enter into some agree-

ment of this kind, we shall find ourselves in a worse position still. If we have free access to the markets of Victoria and New South Wales, the growers in those States will not sit down and let us do as we like without offering keen opposition and probably swamping the Western Australian market. I hold pretty strong views on the question of protection and this in a measure is a protective policy, but I admit that the policy of the growers entering into a combination to defend themselves has been forced upon them by the secondary producers, who have artificially created an immense burden by reason of the high tariff and thus imposed a tremendous penalty on the primary producers. As a result of the splendid efforts of the Prime Minister, Mr. Bruce, at the previous Imperial Conference, preference was given by Britain to Australian dried fruits and we have been able to launch our fruits on the London market. The Minister expressed a hope that the preference obtained from Britain would be increased. I think that we should have a tremendous front if we asked for any greater preference considering the slightness of the preference we give to British goods in comparison with goods received from other parts of the world. I hope the day will come when we shall have free trade within the Empire and let other countries look after themselves. Be that as it may, we should be grateful for the preference we have received in Britain because it has enabled us to establish a market there. There now devolves upon our producers the serious duty of seeing that their produce is marketed in such a condition as will ensure its commanding a ready sale in London and giving satisfaction to the consumers. There is a tendency in Australia to think that anything will do for other people, but if we are going to set ourselves to produce the fruit that is required in the Old Land, we have not only to produce fruit of the best quality, which I believe we do, but to market it in such a condition that it will be sufficiently attractive to command preference not alone because it is of Australian origin but on account of its quality and get-up. The present position is very serious. The man who had bought £1,000 worth of Western Australian sultanas was in a serious position because the Victorian Government seized the whole consignment. I inquired into the matter with the Minister for Agriculture (Hon. M. F. Troy) and found the position exactly as has been stated by the Chief Secretary. We cannot expect to create a monopoly when other States are in a precisely similar position. I shall await with interest the remarks of other members who are more closely in touch with the industry, but I wish to emphasise my opinion that the British preference already granted is very satisfactory and really more than we deserve.

**HON. J. M. MACFARLANE** (Metropolitan) [8.5]: The Bill was not distributed until to-night and consequently members have not had an opportunity properly to digest its contents. As the session is drawing to a close, however, it is necessary to expedite the business. Let me give the House the benefit of some information that has reached me in the last few days and may cast fresh light on the question. I refer to the position of the growers of the Upper Swan. They tell me they have been able to sell all their produce at satisfactory prices in the Eastern States. At the present time they could sell the whole of this season's crop. They have offers for it, but they are afraid to close the deal because of this projected legislation. They ask that a referendum be taken to ascertain whether a majority of the growers are not opposed to the measure.

Hon. H. Stewart: Could they get rid of the whole crop or are you referring to only a certain clique in the industry?

Hon. J. M. MACFARLANE: I am informed that the whole of the crop, amounting to something like 1,400 tons, could be sold in the Eastern States at the present time.

Hon. A. Burvill: What about the risk of its being commandeered?

Hon. J. M. MACFARLANE: New South Wales has agreed to a referendum being taken there, and I am informed that that State is producing only one-twelfth of its own requirements. No doubt larger quantities will be produced there, but it will be some time before the requirements of that State are overtaken by local production. Meanwhile the market is open to Western Australia. I feel that we should not be so considerate of the feelings of Eastern States' growers when we have so much evidence that the people of those States are not greatly concerned about us, but on the contrary dump their goods here

and prevent the development of our secondary industries.

Hon. J. Cornell: The returned soldiers almost without exception want this Bill.

Hon. J. M. MACFARLANE: There were some returned soldiers at Parliament House yesterday interviewing the member for the district, Lt.-Col. Denton. They were opposed to the measure.

Hon. J. Cornell: They are the exceptions.

Hon. J. M. MACFARLANE: As I indicated by interjections when the Minister was moving the second reading, there is arising in the Eastern States a fairly strong opposition to the pooling system, which is projected, say opponents of the measure, by interested people and large merchants in combination. Let me quote from the "Murrumbidgee Irrigator," Leeton, of the 5th November, 1926. A meeting was called to consider the position there. Forty to 50 growers attended, and to their surprise quite a number of visitors from South Australia put in an appearance. One of them expressed gratification at the good attendance and pleasure at the keen interest taken in the industry by the growers. The report continues—

He was astounded at the size and beauty of this settlement, which has been quite an eye-opener to him during his two days' stay. He understood that 5,000 acres were being irrigated at Yanco by a pumping scheme. The area seemed only a drop in the ocean, so to speak, to the rest of the area. Yet that 5,000 acres was bigger than the scheme at Renmark, a good deal larger than Waikerie, and even the large irrigation area at Berri covered only 1,500 acres. Their visit to this area had given them quite a new idea of the value of the fruit industry. They had sampled the canned peaches and canned peas at the Leeton Cannery, and he was satisfied that the quality and colour were equal to the best in the world. In Berri their dried fruit was equal to the world's best. They therefore had the fruits in Australia, and it seemed a pity and unjust that any fruits at all should enter the Commonwealth from the outside world. What they needed was some system of organised marketing and more advertising. It was up to them to see that their fellow Australians knew the quality of their fruits.

Touching the proposed saving by reducing the number of packing sheds in Mildura from 22 to six the same gentleman said—

The reducing of the number of packing sheds would mean that growers would have to cart their fruit further. This would mean extra cost for carting, loss of time in the vineyard, and probable loss due to bad weather while the owner was away carting his produce and unable to protect the fruit on his racks.

On the question of reducing selling costs he drew attention to a statement "that they knew in Victoria that it cost twice as much to send fruit from the packing shed to the consumer as it did to grow the fruit, treat, pack and box it. The boards were out to reduce those charges." The boards had been in power for two years and had not done it. He went on to ask, "What are the growers going to gain by control?" Then he added—

It cost the Victorian and South Australian growers 30s. for every ton of fruit. This was paid to the board. If they sell for a loss on the London market, that 30s. still has to be paid. It is paid before the fruit leaves. The New South Wales growers only produced one-twelfth of their home consumption. It would be six or seven years before they would overtake that present consumption, and even after that the proportion of export to local consumption would not assume serious proportions.

Hon. E. H. Gray: Who made those statements?

Hon. J. M. MACFARLANE: Mr. Burnell, of South Australia.

Hon. C. F. Baxter: He was referring to New South Wales also.

Hon. J. M. MACFARLANE: Mr. Sims was reported as follows:—

Mr. Sims agreed that the fixation of prices was a good thing if not abused. It was abused when they fixed the price of lexias at 9¾d. lb. when dates were being retailed at 6½d. per lb. That did a great deal to spoil the sale of levias.

He went on to advocate the disposal of the crop by means of increased home consumption resultant upon advertising rather than by means of export.

Hon. E. H. Gray: They are merely individuals.

Hon. J. M. MACFARLANE: Call them what you like, I deem it my duty to lay this information before members so that they may deal with the Bill, having a full knowledge of what is occurring in opposition to legislative control. I do not say that I shall oppose the second reading, but I think members should have this information.

Hon. W. H. Kitson: Who is Mr. Sims?

Hon. J. M. MACFARLANE: He also is a South Australian grower. The growers of Upper Swan claim that for years they, without assistance, have made their own market in Victoria and New South Wales and received satisfactory prices. Even though the fruit sent last year to Victoria

was commandeered by the board under instructions from the Victorian Government, the growers say they have telegrams asking them to obtain all the crop on which they can lay their hands. One of the sheds, Mr. Boxall's, does 600 tons out of the 1,400 tons, and he informed me that he is treating it for 3 per cent. and the marketing is done by a firm for 2½ per cent. The growers are undoubtedly satisfied with this economical method of marketing. They say it cannot be improved upon and they regard with dismay the introduction of a board to handle their products. The question has a bearing on our secondary industries, and this surely must elicit some sympathy for the view I am putting to the House. How will control affect secondary industries in the shape of cake and biscuit manufactories, cake manufactories particularly? Those industries are able to buy their currants and raisins from the Upper Swan growers at a price which satisfies those growers. Under the conditions here proposed those industries will be mulcted to the extent of 3d. per lb., and this without any advantage to the growers—in fact, with disadvantage to them. There will be an advantage, however, to the cake industries of the Eastern States, so it is contended. The cake industries of the Eastern States buy their flour at about 50s. per ton cheaper than the price paid by Western Australian cake makers during the past two years. The sale of our dried fruits in the Eastern States is largely due to the fact that the people there recognise the better flavour of our fruits. Where fruit is grown largely by irrigation, a loss of flavour follows. Our growers do not use irrigation at all, and the beautiful clear sunlight of Western Australia creates a very fine flavour.

Hon. J. Nicholson: How do you make out that difference of 3d. per lb.?

Hon. J. M. MACFARLANE: The difference between the price at which our dried fruit sells to-day and the price which would be fixed by the pool is 3d. per lb.

Hon. E. H. Gray: That is only supposition.

Hon. J. M. MACFARLANE: No; it is fact. The point made by Mr. Sims is that the Act has been in force for over two years, and that the many benefits promised from it have not materialised.

Hon. C. F. Baxter: He is quite wrong in that statement.

Hon. H. Stewart: The advantages could not materialise in so short a time.

Hon. J. M. MACFARLANE: I should mention that this information has reached me only during the last 24 hours. I do not wish to oppose any legislation that is in the interests of any industry. However, due regard should be paid to our growers when they put up a strong case, as they seem to do for a referendum. The Minister said yesterday that time is too short to allow of a referendum being taken. However, the growers asked for it some little while back. They did not know the Bill was coming down this session. Their claim for a referendum of growers producing 1,400 tons is sound. If the majority are in favour of what the Bill proposes, there will be no further opposition. Mr. Boxall's shed puts through 600 tons per annum, and two other sheds are proving equally satisfactory. That is apart from the A.D.F.A. It is because they do not want to come under the A.D.F.A. conditions that these people have asked for a referendum. I think the House would do well to grant it to them.

**HON. J. CORNELL** (South) [8.20]: The Bill is practically on all fours with the measure introduced by Mr. Baxter last session. I am speaking from an intimate knowledge of what returned soldier growers have expressed regarding the pooling of their dried fruits. It has been my privilege within the last three years to attend three general conferences of returned soldiers and two conferences of soldier settlers. Without exception, the returned soldier growers have emphatically declared in favour of a Bill of this kind, and in favour of the pooling of dried fruits. They are honest enough to say that they endeavoured to form a voluntary local pool for the conservation of their interests, but that the pool proved a lamentable failure owing to the buccaneering tendencies of some growers who desired to exploit the market in their own interests and to the detriment of the growers generally.

Hon. J. M. Macfarlane: That is unfair to say of a body of growers doing 600 tons from one shed.

Hon. J. CORNELL: I am uttering the views expressed by a returned soldier who is a fairly substantial factor in the industry. Only the other day I met a returned soldier who said "Pass the Bill or we shall

be annihilated." I am convinced that the returned soldier growers are in favour of the Bill. As the Minister has said, the pooling and control of the dried fruit output of this State is a matter of importance to the Government and also to the people, because of the over-valuation, or sentimental valuation, of certain lands in the Swan Valley during the early stages. Returned soldiers were then encouraged to embark on the growing of dried fruits with a capital cost which utterly prevented them from meeting their obligations. Thanks to the present Government that position has been largely remedied. The capital values have been written down.

Hon. J. M. Macfarlane: The Federal Government found the money.

Hon. J. CORNELL: The State found a good deal of the money. As regards the sale of our dried fruits in the Eastern States, and particularly in Victoria, I am given to understand by the men best qualified to offer an authoritative opinion—I shall not mention his name—that beyond a shadow of doubt the dried-fruit grower of this State has been buccaneering on the dried-fruit grower of the Eastern States and taking advantage of the lack of a pool and control here as against the existence of a pool and control in the East. Thus the Western Australian grower has been selling in the East at a lower price than the Victorian grower is allowed to sell at in his home State.

Hon. J. M. Macfarlane: The position is not similar.

Hon. J. CORNELL: That is a state of affairs which no reasonable man will tolerate, and the dried-fruit growers of this State do not desire that it should be tolerated. The position in Victoria is that when evidence of buccaneering is discovered, the Government commandeer the fruit and prevent its sale. This Bill will rectify that phase of the matter. Assuming that the exploitation will go on in the future both in Victoria, and, to a lesser degree, in South Australia, how does the exploitation occur? It comes about as the result of a group of individuals arriving at a sort of honourable undertanding here and then dumping fruit in the Eastern States. No hon. member needs any explanation to realise that the individual grower cannot indulge in such a practice. It can only be done through a combination of growers here.

Hon. A. Burvill: That is the only way.

Hon. J. CORNELL: I understand that in the combination of local growers to exploit our market and the Eastern States markets, the individual grower is largely under the hand of those who get up the pool. That, to a considerable extent, is the reason why the returned soldier grower of Western Australia wants another pool, under which all growers will be on a common basis and will participate equally in the benefits. I have much pleasure in supporting the second reading of the Bill.

**HON. C. F. BAXTER** (East) [8.27]: I feel sure hon. members still have in their minds the Bill placed before this Chamber by me some 12 months ago. I congratulate the Government on having brought forward this measure, and I congratulate the dried-fruit growers of this State on the very fortunate escape they had last year, when there was no provision for the safeguarding of their interests. Mr. Cornell said our growers had been encroaching on the Eastern States market. That is quite true. During the past two years our growers have had the advantage of the markets established by the Dried Fruits Acts of Victoria and South Australia. Working in conjunction with the Federal board, they have exported certain quotas and have supplied the local markets at fair prices. Mr. Macfarlane referred to some published matter originating, I think, from New South Wales.

Hon. J. M. Macfarlane: Yes.

Hon. C. F. BAXTER: I do not think we can take much notice of New South Wales with regard to the local consumption.

Hon. J. M. Macfarlane: New South Wales has given the growers a referendum.

Hon. C. F. BAXTER: How much is New South Wales growing? A paltry 391 tons out of a total production of 33,600 tons. The New South Wales market was established by the growers of Victoria and South Australia. Were it not for the pool so established, very few of our growers would be on their holdings at the present time, but a lot of Government money would be lost by reason of many growers having been forced off their holdings. The talk that comes from people who run packing sheds is all very well. A pack of 600 tons would, no doubt, prove highly remunerative. A person in the position of Mr. Boxall, and taking such a stand as he takes, gives evidence of a very limited range of vision. While he is opposing a pool, he should realise that if a pool

is not established this year, there will be a crash, and there will be no dried fruits industry either in Western Australia or in any other State apart from a few favoured orchards. Mr. Macfarlane said that we should expand the local consumption of dried fruits. Australia's total consumption of dried fruits is about 10,000 tons, or 20 per cent. of the crop. We should, therefore, have to educate our people into eating another 23,000 tons of dried fruits if our output is to be consumed locally. There is only one way to establish the dried fruits industry of the Commonwealth, and that is to follow the road marked out by the Commonwealth and Victoria and South Australia two years ago. I am surprised to find that New South Wales, which had everything in readiness for the introduction of a Bill of this nature, has gone back on the proposal.

Hon. Sir William Lathlain: That is not the only instance in which they have gone back.

Hon. C. F. BAXTER: That is quite right. It will be many years yet before New South Wales reaches the stage of producing supplies sufficient to fulfil local requirements. Therefore New South Wales depends upon other States, particularly Western Australia, for supplying her requirements. The Bill is lacking in one detail only, and that relates to the export trade. There is no provision in the Bill to indicate that the board will have full power to compel any grower to export his quota of fruit. That is the only fair and reasonable way of working a scheme of this description. Every grower should export a certain percentage of his crop. It would be wrong to compel some growers to export and to allow others to enjoy the benefits of the local market. Of course there is always the chance of the overseas market being the better of the two, but the way I suggest is the fairer way of dealing with the problem. I intend to move an amendment to deal with that point, but that will be the only alteration I will seek to make in the Bill. With that exception, the Bill is along the same lines as that of the measure introduced last session. I trust hon. members will give every consideration to the Bill and that there will be no failure this year. If it is not placed on the statute-book we will be up against such trouble as will force growers off their holdings. Some of them are holding out now merely because of the promise of assistance. Our Western Australian board will work in conjunction with those controlling the position in the other States and with the Commonwealth as well. The Commonwealth Government are prepared to find money to assist in the operations of such schemes as the one under consideration. This movement will operate for the common good. The consumer has nothing to fear because the fruit will be put on the market at a reasonable price that will leave a margin of profit that will mean the difference between success and failure for the grower.

**HON. A. J. H. SAW** (Metropolitan-Suburban [8.33]: Some of the growers concerned are in my province and, although I have not had more than one representation made to me from them this year, I received several communications from them in former years urging me to support a Bill of this description. Last year I supported a Bill that was more comprehensive and dealt with other primary industries as well. I supported that measure largely in the interests of the dried fruit growers. I also supported the Bill introduced by Mr. Baxter last year, and in the interests of the growers in the Swan district, I intend to give the Bill before us my hearty support.

**HON. H. A. STEPHENSON** (Metropolitan-Suburban) [8.34]: The Bill has my sympathy and support. The position of the dried fruit growers of Australia is critical and parlous, because the production is about 75 per cent. in excess of local requirements. It does not require much thought to arrive at the conclusion that something must be done in the interests of the producers if they are to be kept on their holdings under conditions that will enable them to carry on satisfactorily. For some considerable time past the Federal Government have been much concerned regarding this problem. The Federal Director of Markets and Migration and the Commonwealth Board of Trade as well have been dealing with the matter in an endeavour to solve the difficulty. So far as I can see, the only way of solving it is to work along the lines suggested in the Bill, and to operate in conjunction with the boards in South Australia and Victoria. I can understand New South Wales not seeing eye to eye with the other three States I have named, because they produce only a small proportion of their own requirements, and naturally consider that, in the event

of a compulsory pool being established, they may have to pay a little more per pound for their supplies. That should not weigh with us here. We should do all we can in the interests of those who are vitally concerned. The local price will be fixed on London parity. I do not think anyone can complain on that score. From day to day cables will be received from the Old Country and thus we will know continuously what the prices of our local fruits will be. It will be on the basis of London results, plus certain charges, that the price our local consumers will have to pay for their supplies here will be fixed. That is fair and reasonable. I have had it on good authority that our Western Australian dried fruits are superior to those grown in the Eastern States. A little while ago I travelled through portions of the orchard and vineyard country in South Australia and I came to the conclusion that our fruits here, particularly the grapes, are superior to the products of the Eastern States. Our dried fruits have commanded the highest prices in the London market and that has been reflected during the last two or three years in the Eastern States markets, particularly in New South Wales, where they are very anxious to secure dried fruit supplies from Western Australia. However, the position we are faced with is that we must find a market outside Australia for at least 75 per cent. of our dried fruits. The best way of achieving that object is to follow the lines suggested in the Bill.

**HON. A. BURVILL** (South-East) [8.40]: Seeing that the export of our dried fruits is the key to the whole position, there is no way of overcoming the marketing difficulty except by passing legislation to compel the growers to work together and thus prevent speculation by dealers in the manipulation of fruit supplies to their advantage and to the disadvantage of the grower and consumer alike. Mr. Macfarlane contended there should be a referendum. No more liberal Bill than that before us has been introduced by the Government. The board will be representative of the growers only. Further than that, the first board is to be appointed by the Minister after consultation with the representatives of the association or associations of growers concerned. Subsequently the election of the board will be in the hands of the growers themselves. The Bill places the control in the hands of the growers, and I cannot understand why a referendum should be sought.

Hon. J. M. Macfarlane: They want the referendum before the Bill operates.

Hon. C. F. Baxter: It would be impossible to hold a referendum this year; it is too late.

Hon. A. BURVILL: Requests have been made for the Bill for years past. Now we have the Bill before us and at the last minute we are asked to hold a referendum. I have a suspicion that that request is merely with the object of side-tracking the Bill for another session. In the interests of the growers that should not be done.

Hon. H. J. YELLAND: I move—

That the debate be adjourned.

Motion put and negatived.

**HON. H. STEWART** (South-East) [8.43]: I support the Bill because it provides for an orderly system of marketing. It has been demonstrated in Australia, largely because of various circumstances that have crowded difficulties upon the growers, that every endeavour must be made to adopt an orderly system of marketing as far as possible. That has been proved in connection with the wheat pool. If it were not so late in the session, I would elaborate that point and show the advantage that move has been, not only to the growers through the stabilisation of the market, but to the community as a whole. Enhanced prices have been obtained in the markets of the world by supplying those markets in such a way that periods of gluts are not followed by shortages. Under that system the supplies are regulated. Whether it be mining or wheat or wool or dried fruit, if you have large supplies going on the market, you have those large financial resources that take the opportunity to still beat down the price. Conditions in Australia have been such that imposts that have arisen through the Federal tariff are many, and the grower has to produce to sell in the markets of the world, and so he has to do what he can to provide a satisfactory system of marketing. The Bill is a step in that direction. In my province we have a large extent of country eminently suited, and in some instances being utilised, to produce dried fruits of a quality not exceeded anywhere in the State. There are between Pingelly and Katanning thousands and thousands of acres available for producing currants. There are established at Katanning a good many producers of dried fruits who are earning sub-

stantial incomes, and there is almost unlimited land available in the Pingelly, the Wagin, the Katanning, and the Woodanilling districts. At present conditions are not favourable to that industry, but the land is there against the time when the position will be such that the dried fruit production can be immensely increased. When Parliamentary representatives from our province have put before the Government the desirability of establishing growers on the Great Southern areas, the Government, in spite of the fact that our lands are very much cheaper than those of the Swan district, have demurred against establishing to too great an extent settlement for the production of dried fruit.

Hon. C. F. Baxter interjected.

Hon. H. STEWART: Exactly. Mr. Baxter was Honorary Minister at the time and Mr. Willmott was acting Minister for Lands, and the position was fully investigated. There are some returned soldiers producing currants in the Katanning district. They have been settled largely through the instrumentality of the Repatriation Committee. I notice that in Clause 25, Subclause 3, it is provided that the board may for the purpose of obtaining money to carry out this Act, and any acquisition authorised by this section, enter into any agreement with any person or any bank carrying on business in Western Australia. Presently I will cite an instance showing that it is not altogether desirable to retain that limitation "in Western Australia." Mr. Burvill seemed agreeably surprised that the board was to consist exclusively of growers. It would be astonishing if it were to be composed of anybody else, for the Bill is simply an enabling Bill giving certain provisions to enable the growers to establish themselves. Under war-time conditions, when the pools, especially the wheat pool, were established and there was a controlling board, the growers had the greatest difficulty in securing even one representative, and in securing the right to elect that representative. And whenever the Government gave financial assistance to a pool they, of course, insisted that they should have the major portion of the representation. Then came the post-war conditions, when the pools were still carried on. Then the Government pools came to an end and it was a question of establishing voluntary pools. There was difficulty in getting financial assistance to pay the growers in advance—an essential in any orderly system of pooling. That is my reason for indulging in what may appear to be an irrelevancy: I want to instance what has been done in the pooling of other products. When the voluntary wheat pool was started and the need for financial assistance became apparent, the associated banks were approached to provide that assistance, but they were unwilling to accept even wheat as sufficient security for the making of advances. Then the Commonwealth Government said they would not have anything more to do with the pools. Certain State Governments were willing to grant such assistance, but the price for financial backing was that there should be a Government representative. During the war the Governments made a lot of money in exchanges and interest in connection with the wheat pool. When in Western Australia the wheat pool could not get financial aid from the Commonwealth Government under any terms, and the banks sought to prevent financial assistance being forthcoming even in the Old Country. The wholesale Co-operative Federation of Great Britain, with headquarters in Manchester were approached by delegates from this State's wheat pool trustees and shown the conditions under which the wheat pool desired to operate, and secured an advance of something like five million pounds with relative ease. Since then there has been no further difficulty in finding finance for the Western Australian wheat pool.

Hon. E. H. Gray: That was due to the alliance between English Labour and the Western Australian farmers.

Hon. H. STEWART: The hon. member is quite right. The organised consumers of Great Britain who have proved their ability to handle that business in combination—that was an instance where they came to the assistance of the organised producers in Western Australia. I am citing this as an instance showing that it may not be desirable to retain the restriction imposed by the words "in Western Australia" in Clause 25. I will support the second reading.

Question put and passed.

Bill read a second time.

*In Committee.*

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1 to 3—agreed to.

The CHIEF SECRETARY: I told one hon. member that the Bill would not be taken into Committee to-night.

Progress reported.

## BILL—UNIVERSITY COLLEGES.

Received from the Assembly and read a first time.

## BILL—HEALTH ACT AMENDMENT.

*First Reading.*

Received form the Assembly, and read a first time.

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. J. M Drew—Central) [9.2] in moving the second reading said: From time to time complaints have been made to the Health Department regarding the sanitary depots used by the Claremont Municipality, the Claremont Road Board, the Cottesloe Municipality and the Peppermint Grove Road Board. These complaints were occasioned by the difficulties arising from the growth of the sanitary services, and the extension of settlement in the vicinity of the sanitary depots. The depots are towards the coastline, and are close to a large area which is designed for park purposes. Deputations have waited upon the Honorary Minister for Health urging that the depots be removed. He has visited the sites, and discussed the whole question with the local authorities concerned. It has been ascertained that the cost of removing these depots would be considerable, and in addition, wherever they were placed, they would soon become the subject of complaint owing to the expansion of settlement generally. To secure another piece of land and provide roads to it would also be very expensive. At the time the Honorary Minister inspected these sites the question of dealing with the disposal of nightsoil by the installation of septic tanks at individual houses was discussed, and later on the different local authorities were communicated with and they agreed to the suggestion. The matter was then investigated by the department in order to find out what proportion of houses could be served by having tanks installed, and the officer reported that approximately 90 per cent. could be dealt with in this manner. Some of the local authorities, particularly Cottesloe, have been pressing for a Bill empowering the local authorities to compel owners of premises to instal septic tanks in order that the sanitary services might be vastly reduced. The intention is that those places which cannot be served by septic tanks must have the ordinary pan service, but these would be so few that only a small proportion of the land now utilised would be sufficient to deal with the service of the whole district. The chief features of the Bill are that it extends the powers of local authorities to raise loans for this purpose, not only the local authorities in the metropolitan-suburban area, but throughout the State. It gives them power to order the owner of any premises to instal a septic tank with all the necessary fittings, and provides for the submission to the Commissioner of Health of all plans for his approval. It is proposed that a fee be charged for the examination of these plans, and that half of the fee be paid to the local authority. The officer of the local authority will supervise the work of installing the system. What I wish to impress upon members is that it is not a Bill intended solely for the benefit of one part of the State, but can be made to apply to the whole of it. I move—

That the Bill be now read a second time.

On motion by Hon. Sir William Lathlain, debate adjourned.

## BILL—PUBLIC WORKS ACT AMENDMENT.

*Second Reading.*

Debate resumed from the 8th December.

**HON. SIR WILLIAM LATHLAIN** (Metropolitan-Suburban) [9.5]: I have only a few remarks to offer. The powers already possessed by the Government are very considerable, but it is now proposed to extend them. Neither the Government nor any other public body should be compelled to pay more than a fair and reasonable price upon the resumption of any land, but I believe that any Government or public body desiring to take land for public purposes should pay a fair and reasonable price for it. The Bill does not differ materially from the Act now in force, except that it embodies a special clause

stating that the value is to be as at the 1st January preceding. These resumptions, particularly in the metropolitan area, will bring about serious hardships, and probably serious loss to people who are engaged in business. I cannot do better than cite the instance of the proposed resumption of Forrest-place. Probably the powers possessed by the Government at that time had a good deal to do with the proposition being turned down, although it was an entirely sound one. It was proposed to resume the premises occupied by Chas. Moore & Co. That firm would not have been entitled to one penny of consideration for goodwill, neither would they have been entitled to anything for loss sustained in the removal of their stock. It is easy to resume city property, but it is difficult for the owners or occupiers to find new premises. No one knows better than I what it is to be forced out of premises, and to be kept for a long time before getting into new ones. It is a serious position for any commercial man to be placed in, and entails serious loss for him. The Chief Secretary stated that in all probability the Government may have to resume certain properties for certain purposes. If the Market Bill goes through, as I hope it will do in some form, it will probably be necessary to resume eight or ten acres of land in Perth. This will displace from business a number of people who will have to go elsewhere. Whilst the owners of the land will receive its value in accordance with the terms of the Bill, as at the 1st January preceding, the tenants will not be entitled to receive any consideration. The position is very different in a city area from what it is in a country town, or in the case of railway resumptions in rural districts. The Government would have power under the Bill to take my premises, without giving me one farthing of compensation for my being obliged to remove elsewhere. This is the oldest business in Western Australia, if not the oldest in Australia.

Hon. H. Stewart: Are you sure that is correct as regards compensation?

Hon. Sir WILLIAM LATHLAIN: I would not be entitled to a farthing in the way of compensation for loss of business. I hope when these resumptions are made the Government will not play the part of Shylock, but will act generously towards those people whose land is resumed. A great deal has been said about the hungry landlords.

Hon. E. H. Gray: I think they are hungry, too.

Hon. Sir WILLIAM LATHLAIN: Some of them may be, but many landowners in the city to-day have paid high prices for their property. The tenants also are entitled to consideration. The Bill does not in reality alter the law except as to the fixing of values. Probably the Perth City Council has done more in the way of resumption during the past ten or 15 years than the Government have done within the city area. With very few exceptions the municipal authorities, by paying a fair and reasonable rate upon resumption, have been able to obtain all they required without going to court. I cannot remember any case in which the City Council has been to court over such a matter for a number of years.

Hon. A. J. H. Saw: Did it not go to court a little while ago over the resumption of land at the corner of Victoria-avenue and Adelaide-terrace?

Hon. Sir WILLIAM LATHLAIN: There may be instances where the court has had to be resorted to when people have placed a fictitious value upon their properties. I have no sympathy for such people, but I have a great sympathy for the man whose land is resumed, whether he be the owner or tenant, and who is compelled, without any compensation, to remove his business elsewhere.

**HON. H. STEWART** (South-East) [9.13]: In addressing myself to this Bill——

The PRESIDENT: Order! On several occasions the hon. member has addressed the President by his surname. That is contrary to the Standing Orders and to Parliamentary practice.

Hon. H. STEWART: I am sorry I have inadvertently transgressed. The principal Act contains the following:—

> In determining the amount of compensation (if any) to be awarded for land taken, regard shall be had solely to the following matters:—(a) The probable and reasonable price at which such land with any improvements thereon, or the estate or interest of the claimant therein, might have been expected to sell at the date the land was taken.

In place of the section of the Act it is proposed to insert—

> On the first day of January last preceding the notice in the "Gazette" of the taking of the land or in the case of land acquired . . . .

on the 1st day of January last preceding the first day of the session of Parliament in which the Act was introduced.

It seems to me that that is going back unnecessarily. In connection with the hearing for compensation, particularly if there is an efficient system of valuation such as is now being carried out by the Commissioner of Taxation, it is almost certain that those values will be a guide in respect of the unimproved value of the land, apart from other matters that go to make up the capital cost, and the various allowances for damage and the 10 per cent. that is added. It would be more fitting if the date were altered from the 1st January to the 30th June, which is the end of the financial year. We are aware also that Parliament never assembles before July. I make this suggestion for the consideration of the House, though I know the Government will be hardly likely to accept it.

On motion by Hon. J. Nicholson, debate adjourned.

## BILL—LUNACY ACT AMENDMENT.

Returned from the Assembly without amendment.

## BILL—METROPOLITAN MARKET.

*In Committee.*

Resumed from the 3rd December; Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

The CHAIRMAN: Progress was reported on Clause 2. Mr. Nicholson had moved an amendment to strike out all the words after "Perth" in line 3.

The HONORARY MINISTER: I hope the amendment will not be carried. The Notice Paper is inundated with amendments and the sooner we get to grips the better. The principle question to be decided is whether the markets are to be municipally controlled or to be governed by a trust.

Hon. Sir WILLIAM LATHLAIN: Whether the markets are controlled by the City of Perth or by a trust, the amendment if carried will strengthen the hands of whoever has the control. There is no reason why Victoria Park should be excluded any more than North Perth, Leederville or Subiaco.

Hon. A. J. H. Saw: Why is it desired to leave out Victoria Park?

Hon. Sir WILLIAM LATHLAIN: No one seems to know.

Hon. J. NICHOLSON: Whichever authority controls the market we should define the area without excising part of the metropolitan area. If we excise the eight ward, which is Victoria Park, why not excise the South ward.

Hon. E. H. GRAY: I should say that the reason was that the City of Perth, with the exception of the eighth ward is a compact area. Victoria Park would stand in the same category as South Perth, Subiaco, and Claremont.

Hon. Sir William Lathlain: And Leederville.

Amendment put and negatived.

Clause put and passed.

Clause 3—The Metropolitan Market Trust:

Hon. C. F. BAXTER: I move an amendment—

That in line two of Subclause (2), "one" be struck out, and "two" inserted in lieu.

The idea is to give people who send in produce reasonable representation on the trust.

Hon. Sir WILLIAM LATHLAIN: For the present I shall oppose the amendment. Mr. Nicholson desires to test the question whether control shall be vested in the Perth City Council or in a trust. If a trust is to control the market, I shall do my best to hurry on the passing of the measure, but I am strongly in favour of the suggestion made by Mr. Dodd, that if the market is to be controlled by a trust, three members would be quite sufficient. I suggest that one should represent the Government, one the City Council and one the producers.

Hon. E. H. Gray: What about the consumers?

Hon. Sir WILLIAM LATHLAIN: The Government and the City Council representatives could represent the consumers. I shall still fight for control by the Perth City Council. After the market is erected the controlling body will be landlords pure and simple, and what five salaried men will find to do, I do not know.

The Honorary Minister: Who said they are to be salaried?

Hon. Sir WILLIAM LATHLAIN: Clause 8 provides for it. Under Mr. Baxter's amendment we shall have five landlords to control the market, which will make it a very expensive proposition. I desire to keep down the expenditure.

Hon. J. M. MACFARLANE: The vote on the second reading was decisive and members agreed to the main principle of the Bill. When the City Council offered the primary producers two representatives and the proposition was turned down, I assumed that they were satisfied with one representative.

The CHAIRMAN: I ask members to confine their remarks to the amendment.

Hon. A. BURVILL: I support the amendment. The growers are entitled to greater representation. If the Perth City Council were given control, Sir William Lathlain would favour two representatives of the primary producers being on the board.

Hon. Sir William Lathlain: Without pay.

Hon. A. BURVILL: I favour the proposal for a board of three.

The CHAIRMAN: The Committee have decided for the present on a trust of five.

Hon. A. BURVILL: The issue will be clouded until it is decided whether the control is to be vested in the City Council or the trust. I suggest that that question be settled first.

The CHAIRMAN: That question has been settled by the passing of the second reading.

Hon. E. H. GRAY: I oppose the amendment, which is not fair. It is necessary that the consumers should be directly represented.

Hon. J. NICHOLSON: I appeal to you, Mr. Chairman, to realise that the question of control is still outstanding. I admit that the carrying of the second reading to some extent established the principle of control by a trust.

Hon. C. F. Baxter: And you will die fighting.

Hon. J. NICHOLSON: Involved in that is the question of representation.

The CHAIRMAN: The general debate can take place on the question that the clause stand as printed or amended.

Hon. J. NICHOLSON: Very well. Meanwhile I cannot agree to the amendment to give increased representation to the primary producers. I suggest that the strength of the trust be reduced to three.

Hon. C. F. BAXTER: If the strength were reduced to three, who would be dropped out? Provision is made for a representative each of the producers, the Government, the consumers and the City Council. Shall we drop out the representative of the City Council?

Hon. Sir William Lathlain: Why not put all producers on and let them find the money for the market?

Hon. H. STEWART: Since the producers first started to urge insistently for a market, they have asked for two representatives out of five, or one out of three. We have been assured that we have the sympathy of metropolitan members and we should like a practical demonstration of it on this occasion.

The HONORARY MINISTER: This is the crux of the Bill, and I hope no interference will take place. The struggle for metropolitan markets, as Mr. Baxter knows, dates back for years. None of those interested come out very well. The Perth City Council have played a prominent part in the matter, so prominent that no markets have been established. Now they want to take possession of the markets and to have the Government behind them. The Government believe that the measure as drawn will do justice to all parties concerned. Having to find the money, the Government should have representation. The Perth City Council, controlling health and other matters, should have representation; and the producers should also have representation. That is what the subclause provides. I hope the amendment will be rejected.

Hon. H. J. YELLAND: The point of vital importance is the representation of the producers. The board is to consist of five members, only one of whom is to be a producer. The other four will represent the consumers. I favour the reduction of the trust to three members, because the producers will then have one voice in three instead of, as now proposed, one voice in five. I support Mr. Baxter's amendment.

Hon. H. A. STEPHENSON: I have received a good deal of correspondence regarding this Bill, and all the spokesmen for the producer inform me that he would like to have two representatives on the trust, but that the Minister has refused that proposal. Therefore, it is said, the producer has to accept the proposal in the Bill. It is also stated that the producer is prepared to accept a trust consisting of three members, but that he does not wish to have anything to do with the Perth City Council. I support the clause as it stands.

Amendment put and negatived.

Hon. G. W. MILES: I move an amendment—

That in Subclause 2 the words "a representative of," line three, be struck out, and "nominated by the" inserted in lieu.

The Government can prescribe how the producers' representative shall be nominated.

Hon. A. BURVILL: I support Mr. Miles's amendment. As to the election or nomination of the representative of the producers, the Government can prescribe by regulation how that matter and all other matters affecting the markets shall be controlled.

Hon. E. H. HARRIS: Under the amendment, presumably, the whole of the producers in Western Australia are to nominate the representative of the producers on this trust. I may point out that the province of which I am a representative produces gold. It can be argued that all men engaged in any industry whatsoever are producers; but perhaps it is intended that incorporated societies shall have only one vote, in the same way as companies. Then the question arises whether the consumers shall have representation. Does Mr. Miles propose that the producers' representative shall be elected by a ballot of all the producers in Western Australia?

Hon. H. STEWART: We are endeavouring to get only what we think is just regarding the representation of producers. Our experience has been that when we desire to get something in connection with marketing, there has been sudden death and confusion created, and the whole thing has ended in smoke!

Hon. E. H. Harris: Are you anticipating that now?

Hon. H. STEWART: Mr. Miles said that it appeared the producers had got their orders. We are not devoid of common sense. We endeavour to get what we want, although it is extremely hard in this Chamber. We appreciate what the Government have done, but it is reasonable that we should request some definite representation. We know where the sympathy lies and the vested interests that are endeavouring to checkmate us. Of course, Mr. Miles did not mean what he said when he referred to the producers getting orders from their organisation. People who live in glass houses do not throw stones, and people who moved amendments from pink slips of paper when another Bill was under consideration need not throw out such suggestions on this occasion. There is no question of orders. All we desire is to make the measure more fair and to secure adequate representation for the producers. We do not desire to be beaten by sharp tactics.

Hon. J. M. Macfarlane: You are not concerned about the city ratepayers.

Hon. H. STEWART: We are, and if any injustice is done we shall see that it is rectified. Sir William Lathlain spoke about the representation of the men who provide the money. Where does the money come from?

Hon. A. J. H. Saw: From John Bull.

Hon. H. STEWART: A good deal of it may come from London, but the money necessary to pay interest and carry on industry comes from the producers.

Hon. E. H. Gray: No, from the workers.

Hon. H. STEWART: In this instance I am afraid it is a case of saving ourselves from our friends. Mr. Harris asked how I proposed that the representatives of the producers should be nominated. That can be easily overcome by a further slight amendment on recommittal.

Hon. G. W. MILES: I hope the Committee will accept the amendment. We could make some provision similar to that included in the Dried Fruits Bill, and set out that the election shall take place in the manner prescribed by way of regulations. In all probability the producers who send their commodities to the markets could be given the right to nominate their representative through their organisations.

Hon. G. Potter: They might nominate half a dozen!

Hon. G. W. MILES: Then the Government could choose from the nominations received.

Hon. W. H. KITSON: The Government should have the right to appoint the representatives of the primary producers in the first instance.

Hon. G. W. Miles: Why not the representatives of the City Council as well?

Hon. W. H. KITSON: That is quite different. The City Council represent a small body of men whereas the producers are numbered by the thousand and are scattered throughout the State. In the Legislative Assembly the Minister gave his assurance that before anyone was appointed as a representative of the producers, he would consult with the producers' organisations.

If it were found later on that the taking of a ballot to elect the producers' representatives would not present difficulties, I would agree to such a proposal, but the Government should have the right to appoint the representatives at the outset.

Hon. C. F. BAXTER: The amendment does not say that regulations shall be framed so that the election shall be by the whole of the growers. Probably the Government will approach the different organisations for nominations and then select the representatives from the names submitted.

Hon. A. BURVILL: Seeing that the City Council are to be given the right to nominate a representative, should not the growers have the same privilege? Mr. Miles' amendment should be agreed to.

Hon. G. POTTER: Were the producers bound together in one big union with the advantage of the secret ballot, it would be easy to secure the nomination of the producers' representatives. There are hundreds of producers who are not members of the Primary Producers' Association. It must be evident that it is absolutely impossible for all the primary producers to come together and nominate anyone.

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

| | |
|---|---|
| Ayes .. .. .. .. | 11 |
| Noes .. .. .. .. | 13 |
| Majority against .. | 2 |

AYES.

| | |
|---|---|
| Hon. C. F. Baxter | Hon. W. J. Mann |
| Hon. A. Burvill | Hon. G. W. Miles |
| Hon. W. T. Glasheen | Hon. H. Stewart |
| Hon. V. Hamersley | Hon. H. J. Yelland |
| Hon. J. J. Holmes | Hon. E. Rose |
| Hon. G. A. Kempton | *(Teller.)* |

NOES.

| | |
|---|---|
| Hon. J. R. Brown | Hon. A. Lovekin |
| Hon. J. M. Drew | Hon. J. M. Macfarlane |
| Hon. E. H. Gray | Hon. J. Nicholson |
| Hon. E. H. Harris | Hon. G. Potter |
| Hon. J. W. Hickey | Hon. A. J. H. Saw |
| Hon. W. H. Kitson | Hon. H. A. Stephenson |
| Hon. Sir W. Lathlain | *(Teller.)* |

Amendment thus negatived.

Hon. G. W. MILES: In view of the last division, I want the Government to nominate the representative of the City of Perth. I move an amendment—

That in lines 4 and 5 of Subclause (2) "nominated by" be struck out and "a representative of" inserted in lieu.

Hon. Sir WILLIAM LATHLAIN: The amendment is futile, because nobody in the City Council can appoint himself, and a nomination can only come as the result of a decision by the Council as a whole.

Hon. A. Lovekin: Let it go. It doesn't matter.

Hon. J. NICHOLSON: If Mr. Miles will look at the matter from a recognised position in all such questions——

Hon. G. W. Miles: The other was the same.

Hon. J. NICHOLSON: No; the hon. member is quite wrong. No hon. member should feel hurt because his amendment is not agreed to. We have to advance sound reasons to justify an amendment. For example, Mr. Potter gave such an explanation of the previous amendment made by Mr. Miles as to——

Hon. G. W. Miles: That is not under discussion.

The CHAIRMAN: I hope the discussion of the amendment will be confined to simple reasons why a representative should not be nominated by the City Council.

Hon. J. NICHOLSON: Mr. Miles has advanced this amendment simply because his previous amendment was refused.

Hon. G. W. MILES: I ask for a withdrawal of that remark. The hon. member is not entitled to impute motives of that sort.

The CHAIRMAN: I did not hear the remark, but since Mr. Miles has objected to it, Mr. Nicholson will withdraw it.

Hon. J. NICHOLSON: Certainly. I was merely pointing out the attitude that had been adopted. I wanted to justify my objection to the amendment. When we have a body corporate, such as the Perth City Council, it is the established custom to leave the selection of their representative to that body. The other body the subject of the previous amendment, the producers, are not a corporate body and so the same principle could not apply.

Hon. H. Stewart: Are you sure they are not a corporate body?

Hon. J. NICHOLSON: They are not, for the reference was to the whole of the producers in the State. Here we are dealing with a corporate body, and Mr. Miles, by his amendment, is seeking to over-ride what is an inherent right in every municipality. I hope the amendment will not be carried.

Hon. J. J. HOLMES: The amendment will not debar the City Council from having a representative. If the amendment be carried it will make the clause readable and, moreover, will give it unity. Why should

there be any discrimination in favour of the City Council?

Hon. A. LOVEKIN: The amendment is intended to allow the Governor, instead of the City Council, to appoint the representative of the City Council. Coming down to practice, what will happen under the amendment? Will the Governor appoint a representative of the City Council without the Council first nominating that representative? Of course not. We have to send this amendment to another place. Let us send amendments of some substance. There is no substance in this. If we carry the amendment, the City Council will still nominate its representative.

Hon. V. HAMERSLEY: The amendment is deserving of support. In view of what has passed in relation to the producers' representative, I do not see why all the glory should be given to the City Council. Let them be treated exactly the same as other sections to be represented. Why should so much distinction be given to the City Council as against the producers and the consumers? I will support the amendment.

Hon. H. STEWART: The amendment would put the various nominations on a par. Respecting the representative of the producers, it was contended that the producers throughout the State were not completely organised. The great body of consumers are not organised any more than are many of the workers of the State. Why should a representative of the City Council be nominated while representatives of the growers or consumers are not to be nominated? A large number of our producers are organised. I would mention the beekeepers, the fruitgrowers, the potato growers and the primary producers.

Hon. A. J. H. SAW: I do not know whether there are any bee keepers in the Chamber, but I wish there was a time keeper here. I hope Mr. Miles will not press his amendment, which cannot carry any weight in another place.

Hon. J. J. HOLMES: I hope Mr. Miles will insist upon it. What right have the City Council to any representation on the board? The producers have created the necessity for the Bill, but because the market happens to be within the city boundaries, only the City Council have the right to nominations.

Hon. G. POTTER: Members of the City Council are elected by the ratepayers.

Hon. J. J. Holmes: By the consumers.

Hon. G. W. Miles: On a limited franchise.

Hon. G. POTTER: They represent different interests. The ratepayers of Perth will have to provide considerable free services for the market, and one of their representatives on the council is entitled to a seat on the board.

Hon. A. BURVILL: The City Council should be placed on the same footing as the producers. Some 53 representatives of different primary producers' organisations brought this matter under the notice of the Minister for Agriculture.

The CHAIRMAN: There is nothing about that in the clause.

Hon. A. BURVILL: I see no reason for any distinction between the two bodies. The primary producers are certainly not disorganised, nor are they devoid of common sense.

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

| | |
|---|---|
| Ayes .. .. .. .. | 11 |
| Noes .. .. .. .. | 13 |
| Majority against .. .. | 2 |

AYES.

| | |
|---|---|
| Hon. C. F. Baxter | Hon. G. W. Miles |
| Hon. A. Burvill | Hon. E. Rose |
| Hon. W. T. Glasheen | Hon. H. Stewart |
| Hon. V. Hamersley | Hon. H. J. Yelland |
| Hon. J. J. Holmes | Hon. W. J. Mann |
| Hon. G. A. Kempton | *(Teller.)* |

NOES.

| | |
|---|---|
| Hon. J. R. Brown | Hon. J. M. Macfarlane |
| Hon. J. M. Drew | Hon. J. Nicholson |
| Hon. E. H. Gray | Hon. G. Potter |
| Hon. J. W. Hickey | Hon. A. J. H. Saw |
| Hon. W. H. Kitson | Hon. H. A. Stephenson |
| Hon. Sir W. Lathlain | Hon. E. H. Harris |
| Hon. A. Lovekin | *(Teller.)* |

Amendment thus negatived.

Hon. A. LOVEKIN: I move an amendment—

That at the end of Subclause (2) the following words be added:—"such Trust shall—(a) do all things as provided by Section 11 hereof, (b) carry on and conduct its business and hold any profits arising therefrom, for and on behalf of the State of Western Australia.

This amendment should not cause any strife. The trust is to be appointed by the Governor, and it will have certain duties to perform, as set out in Clause 11. It will have to raise money for the purchase of the land, and for the plant required, and will have to pay interest and sinking fund out of the charges made. No provision is made as to what shall be done with the balance of the money, that is, with the

receipts over the expenditure. Some profits must accrue from the venture. Sufficient money must be raised to pay into a sinking fund, which in itself represents a profit. This is not a trust carrying on an industry and therefore will not come under the exemption in the Federal Land and Income Tax Act. If members will look at Section 13 of the Federal Land Tax Act they will see that this trust will not come under any one of the exemptions mentioned. Therefore a trust which is not carried on for the benefit of the State will be liable to Federal land tax, and in this case it will represent a large sum of money that would have to be found by the producers and consumers. I see no reason why they should contribute to the Federal revenue. Again, not being a trust within the meaning of Section 114 of the Federal constitution, this trust will be liable to pay income tax if it makes any profit, even on the amount it raises for the provision of a sinking fund. To show hon. members the manner in which these taxation Acts are administered, I would like to refer to a case almost parallel with this—the case of the Muresk Agricultural College Research Fund. The Federal Commissioner of Taxation wrote to the chairman of that fund and quoted Section 25 (1) (p) of the Income Tax Assessment Act which provides for a deduction of—

> So much of this assessable income of the taxpayer as the Commissioner is satisfied has been donated by the taxpayer for research into the causes, prevention, or cure of diseases in human beings, animals or plant, to any authority which the Commissioner is satisfied is a public authority engaged in such research.

I should say that the Muresk Agricultural College was a public authority. All the merchants and others who subscribed large sums of money to carry on research work that is absolutely necessary and of benefit to the country, have had their returns sent back to them, and their donations have been taxed because the Commissioner is not satisfied that the Muresk College is a public authority. It practically puts an end to all public donations to this institution if those who make them have to pay tax on them. We do not desire to run any such risk in connection with the market, and for that reason I propose at the end of the second subclause to add the declaration I have read so that there may be no mistake when the Commissioner of Taxation deals with the accounts of the trust.

Hon. E. ROSE: I do not altogether agree with the amendment because on looking further along the Bill I find that Clause 15 gives power to the trust to borrow money and issue debentures and to form a sinking fund to liquidate any such loan and apply its revenue to the contributions to such fund. Then Clause 16 provides that the Treasurer may make advances out of moneys appropriated by Parliament to enable the trust to defray expenses prior to or after the establishment of a market, and that such advances with interest shall be a charge on the property and revenue of the trust.

Hon. A. Lovekin: Those very clauses make my amendment necessary.

Hon. V. HAMERSLEY: I would like to ask Mr. Lovekin whether the Fremantle Harbour Trust is a taxable authority. The market trust will be practically on all fours with the Fremantle Harbour Trust and if the Fremantle Harbour Trust is not taxed, I do not see why the market trust should be.

Hon. A. LOVEKIN: This trust will not pay in its revenue or its profits and it will have nothing to do with the revenue of the State. The Fremantle Harbour Trust pays its receipts into Consolidated Revenue and thus that money becomes the property of the State, and having become the property of the State, it comes within Section 114 of the Federal Constitution which says that the property of the State shall not be taxed. The market trust will hold its money as a private concern.

The HONORARY MINISTER: When Mr. Lovekin raised this question I deemed it advisable to secure the advice of the Solicitor General. This is what Mr. Sayer writes—

> Mr. Lovekin's amendment expressly makes the market trust a State agency by enacting that the markets are established and carried on by the trust for and on behalf of the State.

I went further and got the opinion of Mr. Black, the State Commissioner of Taxation. Mr. Black wrote as follows:—

> In reply to your communication relative to the Metropolitan Market Bill and the provision therein for the trust owning land, I am of the opinion that the land owned by the trust is exempt from Federal land tax under the provisions of Section 13 (a), the trust in my opinion being deemed a public authority of the State. As this is the first case of its kind that has come under my notice for an opinion, I am submitting a copy of the Bill and my letter to the Federal Commissioner for confirmation or otherwise.

Later on I received this communication from Mr. Black—

Further to my memorandum of the 2nd inst., I desire to inform you that the Federal Commissioner of Taxation has confirmed my decision with reference to the exemption of land owned by the trust established under the Metropolitan Market Bill.

Hon. G. W. Miles: He does not say anything about income.

The HONORARY MINISTER: I have merely quoted these letters for the information of the Committee.

Hon. A. LOVEKIN: Section 13 of the Federal Land Tax Assessment Act sets out—

The following land shall be exempt from taxation under this Act, namely, (a) All land owned by a State or by a municipal, local or public authority of a State.

Is the proposed trust to be a public authority? I suggest the Bill does not say so and my desire is to make it say so. The Federal Commissioner has been quoted by the Honorary Minister and he says that he considers the land acquired under the Market Bill would be land acquired by a public authority. The Muresk Agricultural College, he says, is not a public authority. What is the difference between the college and a trust of the kind it is proposed to appoint under the Bill?

Hon. A. J. H. Saw: Is the fund that you mentioned under the administration of the Muresk College?

Hon. A. LOVEKIN: Yes.

Hon. A. J. H. Saw: I think not.

Hon. A. LOVEKIN: I submit this trust cannot be called a public authority, for it is established only to collect rents and sell goods. For whom? The Bill says for nobody. What is to be done with the surplus? The Bill does not provide where it is to go. I want to know where it is to go. I want to protect the people who will sell goods and buy goods in these markets; because if there be any taxation to pay, those two sections of the community will have to pay the piper. Whatever else the amendment may do, it certainly will safeguard the position.

Hon. A. J. H. SAW: The analogy Mr. Lovekin has drawn in respect to the fund for research work at Muresk College is a wrong one; because that is a fund subscribed by prominent merchants and others interested. It is a very desirable fund, and I understand it is under their control, which they have delegated and put in charge of one of the trustee companies in Perth. So I do not think it can be said to be a direct endowment of Muresk and under their control. It may b the taxation authorities do not consid those contributions should be exempt fro taxation. But this is a trust created by th Government, and the members of the tru are to be appointed by the Government. U doubtedly it must be a public body.

Hon. H. STEWART: I should like to sub mit to Mr. Lovekin that his proposed amend ment will read peculiarly if put in the plac he suggests. I really think it would go bette at the end of Subclause (1).

Hon. A. LOVEKIN: The donations or con tributions in respect of Muresk will not b paid to any public authority, but to a fun established by certain merchants of Perth. I is not a public authority engaged in the par ticular research work mentioned. That alon is sufficient to prevent the department fro impounding any deductions in respect o those contributions. I am only reasoning b analogy when I put this trust, whose sur plus funds go nowhere, in the category o Muresk. Let us protect it.

Progress reported.

## BILL—WAR RELIEF FUNDS.

Received from the Assembly and read a first time.

*House adjourned at 11.6 p.m.*

# Legislative Assembly,

*Thursday, 9th December, 1926.*



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