

NOES.

Mr. Angelo	Mr. Money
Mrs. Cowan	Mr. Pickering
Mr. Davies	Mr. Plesse
Mr. Durack	Mr. Richardson
Mr. George	Mr. Sampson
Mr. Gibson	Mr. Scaddan
Mr. Hickmott	Mr. J. H. Smith
Mr. Johnston	Mr. Stubbs
Mr. Latham	Mr. Teesdale
Mr. C. C. Maley	Mr. A. Thomson
Mr. H. K. Maley	Mr. Underwood
Sir James Mitchell	Mr. Mullany

(Teller.)

PAIRS.

AYES.	NOES.
Mr. Cunningham	Mr. Carter
Mr. Lutey	Mr. Mann

Question thus negatived.

BILL—ELECTRIC LIGHT AND POWER AGREEMENT AMENDMENT.

Returned from the Council without amendment.

House adjourned at 10.19 p.m.

Legislative Council,

Tuesday, 9th October, 1923.

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

QUESTION—SINKING FUND PAYMENTS.

Hon. J. W. KIRWAN asked the Minister for Education: 1, In view of the fact that the payments into the sinking fund for 1920-21 amounted to £792,738, and for 1921-22 to £728,596, will he give details of the items responsible for the reduction of the payments for 1922-23 to £410,891? 2, Can he give an estimate of the probable total payments into the sinking fund for the current financial year?

The MINISTER FOR EDUCATION replied: 1, The figures stated represent the net increase in the Sinking Fund, and not the payments into the fund. (See Budget Return No. 13). The difference between the amount of £728,596 for 1921-22 and £410,891 for 1922-23 is due to the following:—Redemption of local Inscribed Stock, 1st January, 1923, £175,707; reduced contributions from Revenue, £79,811; decrease in discount on purchases of stocks for investment, less increase in interest, £64,187; total, £317,705. 2, The payment of contributions from Revenue into Sinking Fund for the current financial year is estimated to be £227,057, but the earnings of the fund cannot be stated.

MINISTERIAL STATEMENT—DEFICIT AND SINKING FUND PAYMENTS.

The MINISTER FOR EDUCATION (Hon. J. Ewing—South-West) [4.36]: With your permission, Mr. President, I desire to make an explanation bearing on the answers just given to Mr. Kirwan's questions. There seems to be some misunderstanding with regard to the very important subject raised by the hon. member in his speech on the second reading of the Supply Bill, and also by the questions which he has asked to-day and which I have just answered. The matter is perfectly clear to me, and I hope it will be clear to hon. members after I have made this explanation as to the position of the sinking fund. I think I was under some misapprehension when the hon. member spoke on the Supply Bill. I thought he was under the impression that the position of the deficit was in some measure due to the sinking fund. Such is not the case. His remarks led me to believe that he inferred that we had not paid the statutory amount of annual contributions into the sinking fund for 1922-23, and that the deficit had been reduced accordingly.

Hon. J. W. Kirwan: I never meant anything of the kind.

The MINISTER FOR EDUCATION: That was the impression on my mind at the time. If the Government pay the statutory amount into the sinking fund each year, that is all they are required to pay in cash. The other portion of the sinking fund is made up in various ways, which perhaps are better known to hon. members than to me.

Hon. J. W. Kirwan: The Minister cannot be under any such impression if he reads my speech.

The MINISTER FOR EDUCATION: This is what the hon. member said—

The amount paid into sinking fund in 1921-22 was £728,000, and the amount in 1922-23 was £410,000. The difference in the two years was £318,000, whereas the decrease in the deficit was £327,000.

That statement conveyed to my mind that to the extent of £327,000 the Government had not made the full payments to the sinking fund, and that therefore the deficit should be increased by that amount.

Hon. J. W. Kirwan: My speech certainly does not convey that meaning at all.

The MINISTER FOR EDUCATION: It conveyed that impression to me. The hon. member continued—

Thus we are able to realise how the wonderful decrease in the deficit has been brought about. That reduction looks very nice on paper, but when we examine the details, it does not seem so rosy.

No decrease whatever in the deficit has been brought about by such means. Although I accept Mr. Kirwan's statement, his speech at the time certainly conveyed to my mind that he was under the impression that the deficit had been unduly reduced by reason of non-payments to the sinking fund. I want to point out to the hon. member that the position is, in fact, different from that which he laid before the House. He evidently has based his contention upon return No. 13 of the returns accompanying the Budget Statement.

Hon. J. W. Kirwan: I was under no misapprehension with regard to the matter.

The MINISTER FOR EDUCATION: The hon. member conveyed to my mind that he was under the impression that the deficit had been unduly reduced because the Government had not paid into the sinking fund the amount of cash which should have been paid into it last year.

Hon. A. Lovekin: You paid in a diminished amount.

The MINISTER FOR EDUCATION: The matter is quite easily explained. Mr. Kirwan talked about the reduction in the deficit of £327,000 for which I took credit, so far as the Government are concerned, as being an improvement on the figures for the previous year. Now, while the hon. member would infer that the deficit was reduced because of payments not being made into the sinking fund, the only possible way in which the deficit could thus be affected would be in connection with cash payments by the Treasury into the sinking fund. I want hon. members to be clear on that point. So far as I see, there is no relation of any value at all between the deficit and the sinking fund.

Hon. A. Lovekin: But you paid into the sinking fund less than the year before by substantially the amount of this reduction.

The MINISTER FOR EDUCATION: Not at all. When I have gone into the figures hon. members will see what was the cash paid by the Treasury into the sinking fund, and I say that that amount is the only possible relation between the sinking fund and the deficit. Anything else that affects the sinking fund is a totally different thing.

Hon. J. W. Kirwan: Surely the decrease in the sinking fund affects the State's financial position.

The MINISTER FOR EDUCATION: The hon. member is side-tracking the question.

Hon. J. W. Kirwan: Can the Minister deny that?

The MINISTER FOR EDUCATION: Of course I do not deny it. But there are

reasons for the decrease which have not been explained by the hon. member to the House.

Hon. J. W. Kirwan: But does not that matter affect the financial position seriously?

The MINISTER FOR EDUCATION: The hon. member said there was an improvement of £327,000 last year over the preceding year, and I said that was a splendid achievement on the part of the Government. The hon. member takes exception to that statement of mine, because he says that the contributions to the sinking fund were such as would enable the deficit to be reduced. I maintain that that is not the position at all.

Hon. J. J. Holmes: If you reduced the deficit by about £328,00 and paid about £318,000 less into the sinking fund, the difference is only £10,000.

The MINISTER FOR EDUCATION: The hon. member is quite wrong. He does not follow me at all. Perhaps the matter is somewhat difficult.

The PRESIDENT: I wish to point out that in connection with an extended answer to a question which has been put, it will be far better to allow the Minister to give his figures without interruption.

The MINISTER FOR EDUCATION: I want to let hon. members know what is clear to my mind. I want to show that so far as the deficit is concerned, the reduction in the sinking fund has little bearing on the question at all. I am aware that the reduction in the sinking fund has a great bearing on the finances of the State; but, in this particular instance, it has been asserted that the position was not so rosy as I said.

Hon. A. Lovekin: Surely if last year you had paid into the sinking fund the same amount as in the preceding year, the deficit would have been so much more.

The MINISTER FOR EDUCATION: The statutory contributions by the Treasury to the sinking fund are handed over to the Sinking Fund Trustees for investment. Mr. Kirwan's idea was to show that the Government had not done so well as I suggested, and that they should not be too jubilant over their success. He inferred that during 1922-23 only £410,000 was paid by the Treasury into the sinking fund. Such was not the case. I will tell hon. members what was contributed, and also the cause which led to the sinking fund not being so largely augmented during last financial year as in the previous financial year. The figures in the first column of return No. 13, to which I have already alluded, show the amount which came from the Treasury. The balance represents interest, etc., from contributions already invested by the trustees. During 1921-22 the contributions to the sinking fund, as shown in the Treasurer's Financial Statement, were £322,130. But, in addition to the amount paid in by the Treasury, the sinking fund makes money by way of interest on investments, discounts on purchases, and so forth. In 1921-1922 these were £416,066. In the same year the fund was reduced by redemptions, £9,600. Thus the net increase in the sinking fund for that

year was £728,596. For 1922-23 the contributions to the sinking fund, as shown in the Treasurer's Financial Statement, were £242,319. In that year the fund made money by way of interest on investments, discount on purchases, etc., amounting to £351,879. In 1922-23 the fund was reduced by redemptions to the extent of £183,307. That amount of £183,307 was taken from the sinking fund to pay off loans. Therefore, the earning capacity of the sinking fund was also less than it would have been if that amount had not been withdrawn. It must be clearly understood that the only way in which the sinking fund affects the deficit is by the actual amount of cash contributed to the fund by the Treasury; that is, the statutory contributions to the fund which are due in each financial year.

Hon. A. Lovekin: That is begging the whole question.

The MINISTER FOR EDUCATION: No. We are not dealing with the position as it appears to Mr. Kirwan and Mr. Lovekin.

The PRESIDENT: I suggest that you simply make your statement.

The MINISTER FOR EDUCATION: I will do that, Sir; but I have been interrupted, as you must admit. The statutory contributions to sinking fund were £281,060 in 1921-22, and £223,917 in 1922-23, or a difference of £57,143. That is the difference in the actual contributions in cash by the Treasury to the sinking fund during the respective years quoted. I hope that is clear.

The PRESIDENT: You are now asking for interruptions.

The MINISTER FOR EDUCATION: This decrease was due principally to reduced contributions on account of the Goldfields Water Scheme, £37,500, and the Great Southern Railway £16,500, making a total of £54,000, which it was not necessary to pay into the sinking fund, as there was sufficient in the respective sinking funds to meet obligations at maturity.

Hon. A. Lovekin: Surely the revenue benefited by that, and the deficit was accordingly less.

The MINISTER FOR EDUCATION: In the Budget the position was shown thus: In 1921-22 the contributions to the fund were £322,130, and in 1922-23 they were £242,319, or a decrease of £79,811. These figures are as on the 31st March in each year, whereas the Budget figures are for the financial year ending 30th June, which makes a difference. I think that ought to be quite clear. As already explained, in addition to the amounts paid by the Treasury, the fund earns money by way of interest on investment, discount on purchases, etc. In 1921-22 these were £416,066, and in 1922-23 they were £351,879, or a decrease of £64,187. That is explained by a return I have here showing that the discounts in 1922 were much greater than in 1923. In 1922 Western Australian 3½ per cent. stocks, payable in 1935, were quoted at £77, and purchased by the money available for sinking

fund operations. In 1923, the same stock cost £84. This explains the position. The fund was further reduced by redemptions amounting in 1921-22 to £9,600, and in 1922-23 to £183,307, or an increase of £173,707. This shows that the Government took from the sinking fund £173,707 more in 1923 than in 1922. I think that is what the hon. member really wants to know. He wants to know why that was done, and why the sinking fund appeared so much less this year than last year. I think the explanation I have given is quite clear. The whole difference is accounted for by decreased contribution on account of the Coolgardie water scheme and the Great Southern railway, by the redemptions, and the lesser earning by the fund, these giving a total of £317,705, as I have already explained. I do not know whether I have cleared up the position. Still I have made a clear statement showing why the sinking fund has been reduced, and showing also the position the Government have taken up.

Personal Explanation.

Hon. J. W. Kirwan: May I say a few words by way of personal explanation?

The President: Any discussion would be out of order. The Minister has put the matter as clearly as possible, and that should be the end of it. If the hon. member wishes to make a brief personal explanation, I am prepared to hear it.

Hon. J. W. Kirwan: I thank the Minister for his reply to my question. Furthermore, I am quite in accord with his statement of the financial position. He said very little with which I was not thoroughly acquainted, but evidently he misunderstood my contention from beginning to end. I was looking at the financial position, not from the point of view of the Government, but from the point of view of the country. The Minister has discussed it from the Government viewpoint. I want to know was the country any better off financially by reason of the reduction of the deficit.

The President: I do not want you to argue this question now.

Hon. J. W. Kirwan: It is purely an explanation. The deficit was reduced by £327,000 last year, as compared with the previous year; but, since the sinking fund was not increased by £317,705, as compared with the previous year, I ask where is the advantage to the country? There is that £10,000 advantage; but, apart from that, if the deficit is reduced and the sinking fund accumulations are not increased there is no advantage to the financial stability of the country as a whole. That was my contention throughout.

LEAVE OF ABSENCE.

On motion by Hon. E. H. Gray, leave of absence for six consecutive sittings granted to the Hon. J. W. Hickey (Central) on the ground of urgent private business.

BILL—FRIENDLY SOCIETIES ACT AMENDMENT.

Second Reading.

The MINISTER FOR EDUCATION (Hon. J. Ewing—South-West) [4.55] in moving the second reading said: This Bill, largely an amending measure, has for long been required by the friendly societies of Western Australia in order to fill the position set out in the Act of 1894 and its amendments. Since that original Act became law, several amending Acts have been passed. In addition to the original Act itself there is but one section of one of those amending Acts which it is now intended to amend. If the Bill becomes law, the Act and its amendments will be consolidated, so that the whole of the laws relating to friendly societies shall be under one cover. In order to facilitate the passage of the Bill, give the greatest possible explanation, and allow members to follow the amendments required in the original Act, I am having the original Act and its amendments laid on the Table. It was proposed to print them all, but that appeared to be rather premature; it might be costly and, moreover, I do not think it would give the same information to hon. members. Consequently I have asked that all the Acts be distributed amongst members so that they may follow the proposed amendments. Let me review the history of friendly societies in Western Australia. The first society was registered in 1837, and was known as the Sons of Australia. It has since been dissolved. The earliest legislation was an enactment by the Legislative Council in 1863, just 60 years ago. The preamble to that Bill stated that it was desirable to encourage friendly societies and to afford protection to the members of such societies against fraud and the misapplication of their funds. Some of these societies took exception to that on the ground that nothing of the kind could occur. At all events, the Bill was passed. It is the duty of the Government to protect all sections of the community, and in passing the Bill of 1894 the Government of the day appointed a registrar. A registrar has been in office ever since. The duties of the registrar have been considerable. He has had to make actuarial valuations concerning the societies every year. This has entailed a vast amount of work. These valuations have enabled societies to see at a glance exactly where they were, and have been of great advantage to them. Statistics have to be kept by the Registrar of the societies' mortality and sickness. Investigations are made into the financial position of the societies. They are safeguarded in every way by the Government. It must be conceded that the Government are doing a considerable amount of work for them, work that is of a valuable and laudable nature. I understand this work is much appreciated by the friendly societies. They realise that the Government, in incurring this expense in connection with their organisations, are

assisting them, and probably putting them on the right track when they might get on the wrong one. In 1895, the year after the 1894 Act was passed, there were 37 branches of friendly societies in this State, a membership of 2,587, and funds to the value of £24,097. Since then considerable advances have been made. In 1922 there were 272 branches, 20,000 members, and funds to the value of £331,154. The growth of these societies has been very great. I am sure the benefits to the community have also been great by reason of these increased funds and this increased membership. Probably the membership affects very many more people than those who are designated as members. If we take a family to consist of from three to five persons we can multiply the 20,000 members by from three to five. There was an amendment to the Act by which contributions from those on active service were for the time being held in abeyance. That is not included in this Bill. It was done away with by proclamation a considerable time ago. The main provisions of the Bill are important. It will be permissible for societies to include in their objects the guaranteeing of the performance of duties by officers or servants. The continued existence of a specially authorised society for that purpose will be no longer necessary. The special society has been done away with, this having made things easier and cheaper for the societies. One of the most important provisions in the Bill is the increase in sick pay from 40s. to 60s., and the increase in the limit of insurance from a gross sum of £100 to £300. The latter amendment is considered necessary on account of the increased cost of living, and the fact that the sovereign is not worth what it was in 1894. The extra £1 a week and the extra £200 insurance are fully justified. The trustees of societies have, under the Act, to sign all documents. All the trustees have to sign the documents. This is considered a difficulty. In some cases there are five trustees, and it is necessary to get the signature of all before, for instance, a document can be lodged in the Lands Titles office. It is proposed to make it possible for three trustees to effectively sign any document. This will constitute a great improvement. Societies will have general power to borrow for society purposes, and will be empowered to raise money by the hypothecation of their securities. This Bill will give them power to work in any direction of this sort that will be for the benefit of the societies. For the purpose of administration the year will be changed from the calendar year to the financial year ended 30th June. The reason assigned for this is that in December the weather is hot, and it is thought better that the annual meetings should be held in the cooler months. A society with consolidated benefit funds for all its branches will, under the Bill, be required to furnish only one annual return of income expenditure funds and effects of the society and its branches.

Heretofore a separate return for the society and each of its branches has been required. The Bill provides for the admission of members under 21 years of age or from birth. At present a child cannot be admitted unless it is three years old. It is right that a child on the day of its birth should, through its parents, have the advantage of the operations of one of these societies. The Bill permits any person over the age of 18 to be eligible for the office of chairman or vice chairman. No minor will be able to hold any other office than these.

Hon. J. Nicholson: What about the position of secretary?

The MINISTER FOR EDUCATION: Members may consider this age too young for such an office. The societies want to be able to train these young men to hold more important positions and to carry on the business in a proper manner. It is considered that when they are 18 years old they have reached the age of discretion. This amounts to an educational test, and probably only a few of the young men will be called upon to fulfil these duties.

Hon. J. Duffell: They will have been well trained by that time.

The MINISTER FOR EDUCATION: When a youth reaches that age he should be encouraged to take an interest in all things that appertain to his welfare and the welfare of his fellow beings. I do not think the age is too young, and I regard this as a step in the right direction. Provision has also been made for the formation of societies or branches consisting wholly of persons under 16 years. Such societies will be governed by regulation.

Hon. J. Duffell: They are preparatory societies.

The MINISTER FOR EDUCATION: Yes. These regulations will be such as to guide them in the right direction, and will see that they are conducted on right lines. If the young members get into the work at this age they will perhaps be more capable of holding office later on in other societies.

Hon. H. Boan: Is there any limit to old age?

The MINISTER FOR EDUCATION: These are important amendments which commend themselves to me. The Bill makes Section 10 of the Trustees Act of 1900 applicable to the trustees of friendly societies. This section will be incorporated in the Bill. The section means that before any actual sales of properties take place valuations must be made by independent competent valuers, with a view to seeing that the loan does not exceed two-thirds of the value of the property. This is a good innovation, and the safety margin of one-third will be a useful one. I commend this section of the Trustees Act to the notice of members. The provision will enable societies to lend money under more advantageous and safer conditions. The powers of trustees in respect of securities on which they can

invest money is to be considerably enlarged. We have the greatest confidence in these societies. They are well governed and well managed. This is their own wish and no doubt will meet with the approbation of members. There has been a difficulty about the registration of trustees in the Titles Office. Every deed has had to be signed by the trustees, and taken hither and thither before all the signatures could be obtained. This has involved a great amount of circumlocution each time a registration has had to be effected. It is proposed to register the names of the trustees in the office of the registrar, and things will then go right through without any further trouble. With regard to payments to be made on the death of children under 10 years of age, the Bill alters the law in such a way as to bring it into harmony with the Commonwealth Life Assurance Act of 1905. This has regard to payments to be made to children from the age of one to ten. For the first year the payment is £5; for the second £6; for the third £7; for the fourth £8; for the fifth £9; for the sixth £10; for the seventh £28; for the eighth £35; for the ninth £40; and for ten years £45. This is likely to be advantageous to the societies in this State. There is a compulsory clause compelling societies to register. There are three or four unregistered societies at present. It seems to be the wish of the association and those in charge of friendly societies that all should be registered, and the Bill will make this compulsory. Care has been taken in the preparation of the Bill. Every clause has been closely inquired into and earnestly thought out, and compared with the Act of 1894 and its amendments.

Hon. J. Nicholson: Has it been considered by the friendly societies and approved?

The MINISTER FOR EDUCATION: The Bill is brought down at their instigation.

Hon. J. Duffell: They are considering it now.

The MINISTER FOR EDUCATION: I propose to give members every opportunity to refer this Bill to the different societies in which they are interested.

Hon. J. Duffell: That has already been done.

The MINISTER FOR EDUCATION: I am very glad to hear it. Perhaps a week or ten days will be sufficient to enable those interested in the matter to consider the Bill, and bring forward any amendments that may be desired. When the Bill has passed the second reading I propose to adjourn the Committee stage to enable members to place their amendments on the Notice Paper. I hope when we do come to consider it in Committee we shall do so more expeditiously, in such circumstances, than would otherwise be the case. I move—

That the Bill be now read a second time.

On motion by Hon. J. Duffell, debate adjourned until 23rd October.

MOTION—WATER SUPPLY DEPARTMENT BY-LAW.

To disallow.

Debate resumed from 4th October on the following motion by Hon. A. Lovekin:—

That by-law 132 (4a), made under the Metropolitan Water Supply, Sewerage, and Drainage Act, 1909, be and is hereby disallowed.

Hon. A. LOVEKIN (Metropolitan—in reply) [5.15]: I had arranged with the Minister that as there would probably be a small House to-day, I should not go on with the motion. In those circumstances I left my notes at home.

The Minister for Education: That is a good thing!

Hon. A. LOVEKIN: The Minister made a very full reply to me, and I took the statements made by him and placed them side by side with items relating to the same matters from the departmental report. I intended to put the two statements before hon. members and ask them to consider whether the reports we receive are of any value. I do not think the explanation that the Minister gave to the question submitted to him by Mr. Kirwan was required in face of the figures put before the House. There was no necessity for any such explanation. If there was any necessity for it, we should remember that the statements which have appeared in the reports cannot be of much value. Members evidently cannot depend upon those reports, because the Minister puts before us quite different statements.

The Minister for Education: That is not correct.

Hon. A. LOVEKIN: At any rate, the Minister puts up statements that camouflage the position as dealt with in the report. Exactly what has been done regarding the reply to Mr. Kirwan's question has happened in regard to this motion. Mr. Kirwan's question was perfectly plain. I do not think it was necessary to deal with the matter as the Minister did. In effect he said the position last year was that £1,000 was paid into the sinking fund, and that there was a deficit of £1,000. This year the deficit is still £1,000, but £500 only has been paid into the sinking fund, and thus the deficit is reduced by £500.

The Minister for Education: That is not the position.

Hon. J. W. Kirwan: The financial position in such circumstances would not be improved.

The Minister for Education: That is not the position.

Hon. A. LOVEKIN: I do not see the necessity for the Minister mentioning many of these things that have nothing to do with the question at all.

The Minister for Education: They have everything to do with it.

Hon. A. LOVEKIN: The same thing applies in connection with the motion. The Minister says we cannot afford to disallow

the regulations, because there would be a loss. He proceeds to show, according to figures, that there has been a loss in connection with water supply of £6,743. While that would appear to be the position from the statistics, it is very curious that during the period the Labour Government were in power the Water Supply Department showed profits of £12,700, £12,400, £14,400, £18,900, £14,900.

Hon. T. Moore: The water supply was well looked after and administered in those days.

Hon. A. LOVEKIN: I do not know what was the cause of it, but water was much cheaper then than it is now and far better. Then came the change of Government, and for some reason or other the profit for the next year was only £6,800. In the next year it was £3,200. From that year onwards the figures changed to the other side of the ledger, and the next year showed a loss of £1,000, then a loss of £6,600, followed by a loss of £3,700, and finally last year a loss of £6,700. I do not know how those losses could have resulted, but there are the figures; they speak for themselves. It seems rather peculiar that big profits should be turned into big losses, more particularly as there is more revenue coming in now from increased rates and there is more water sold.

Hon. F. E. S. Willmott: It shows the danger of touching water too much.

Hon. A. LOVEKIN: That is the present position of the scheme.

Hon. A. J. H. Saw: Has no other commodity gone up besides water?

Hon. A. LOVEKIN: What has that to do with the question? There may be good or bad reasons for other increases.

Hon. J. E. Dodd: In what year did the big drop take place?

Hon. A. LOVEKIN: In 1916-17 after the new Government came into power. The Minister says we cannot afford that loss, and that Perth and the metropolitan area generally must pay for the water supplied. I agree with that contention. Mr. Kirwan says that charge must not become a burden on the general taxpayer. We who reside in the metropolitan area also agree with that contention, but unfortunately it does not apply all round. It is a matter for regret that half the people of this State live in the metropolitan area, but they pay two-thirds of the taxation. When there is a loss upon some of these concerns, including the goldfields water supply, the general taxpayer has to shoulder the burden.

Hon. F. E. S. Willmott: The metropolitan people send in their income tax papers, but we in the country have to provide the money to pay their taxes.

Hon. A. LOVEKIN: The people in the metropolitan area are paying a fair share of their own taxation, in addition to the taxes they contribute towards other schemes. I do not mind mentioning the goldfields water supply scheme, because I know I cannot get any support from Mr. Kirwan on that point. For the last 12 years, however, the metropolitan

area has been footing the bill to the extent of £90,000 odd, representing the loss on that goldfields water supply scheme, which has to be borne by the general taxpayers. Mr. Moore spoke about the Geraldton water supply. I notice there is a loss of £3,000 per year under that head.

Hon. T. Moore: We have never had a water supply scheme there.

Hon. A. LOVEKIN: I do not know what scheme you have had, but the figures show there has been a loss.

Hon. T. Moore: The Government always failed to provide us with a proper scheme.

Hon. A. LOVEKIN: I know the Government supplied Geraldton with salt water, and Perth has been supplied with dirty water. The fact remains that a loss has been incurred, whether the water was salt or dirty, and the general taxpayer has had to bear that burden. This is only camouflage, and enables the Government to make use of the department as a taxation machine. They are doing that, just as the Minister endeavoured to camouflage the position regarding the deficit this afternoon.

The Minister for Education: The Government are not good at camouflaging.

Hon. A. LOVEKIN: I stand solely upon the statement made by the Minister.

Hon. A. J. H. Saw: Which statement?

Hon. A. LOVEKIN: Not the one he made to-day, because I do not think that statement will hold water. I refer to the speech he made the other day when discussing this motion. The Minister said there were £676,000 worth of debentures on which 1 per cent. sinking fund had to be paid, and by this means the scheme would pay itself off in 41 years. In addition, there were the interest charges to be paid. He also said that the Bill for the metropolitan scheme would have to be footed by the metropolitan area. I am at one with the Minister in that contention. If we take 1 per cent. on the amount of debentures issued, we find that it represents an annual payment of £6,766. Interest, too, has to be paid on what is owed. We must remember, however, that some debentures, by reason of the payments into the sinking fund, have been paid off, and obviously no interest should be paid on those amounts.

The Minister for Education: Yes; in this case. The payments are made under the original scheme.

Hon. A. LOVEKIN: Does the Minister suggest that any scheme is reasonable which asks interest to be paid on capital which does not exist? If the Minister says that—which is exactly what the Minister does say—then it is camouflage to attempt to make apparent a loss that really does not exist. It is a fact that £288,000 worth of debentures have been paid off by reason of the sinking fund and other payments. There was once a surplus of £21,000. That money should have been used to redeem debentures. I have no objection to that, but when those debentures are redeemed, surely interest payments must stop on the amounts involved. No one can

afford to pay interest on money from which no benefit is derived. We had £17,671 charged up against the scheme for sinking fund payments, whereas only £6,760 was all that was properly chargeable, leaving £10,000 which the Minister now says is additional interest on the debentures, although at the same time we have to pay, according to the Minister, on the total amount.

The Minister for Education: That is the arrangement that was made in London.

Hon. A. LOVEKIN: These are not London debentures. Is it right and fair to charge £10,905 interest on capital which does not exist, and then say that the scheme makes a loss? It would not be tolerated in any person's private business concerns.

The Minister for Education: If that were not done, the scheme could not pay for itself within 41 years.

Hon. A. LOVEKIN: Of course it could. The Government have no right, after redeeming £288,000 worth of debentures, to continue charging interest on the total amount.

The Minister for Education: That is the actuarial payment which has to be made in connection with the scheme.

Hon. A. LOVEKIN: I cannot understand the Minister's statement. The payment of 3 per cent. into the sinking fund eliminated the Coolgardie water scheme in 15 years, and at that rate it would eliminate the one under discussion in ten years.

The Minister for Education: Not at all.

Hon. A. LOVEKIN: You would practically have 4 per cent. payments.

Hon. J. J. Holmes: In any case, as liabilities decrease, so the interest should decrease.

Hon. A. LOVEKIN: That is so. Hon. members can see how the position has been camouflaged. The department, if they have an accumulated profit of £21,000, take it into their balance sheet as an asset, instead of placing it on the other side of the ledger as a reduction of capital, so that the interest payments shall be reduced. On the Minister's own showing, £10,000 is being paid by this scheme as interest on capital that does not exist, and the loss is £6,000. I am asking that £1,500 be wiped off water for industrial purposes.

The Minister for Education: You are moving to strike out the whole by-law.

Hon. A. LOVEKIN: Simply because we have no other means of dealing with it. If we disallow the whole by-law, the department can put up a new by-law. I do not wish to interfere with anything else. The Minister said that even industrial water would involve a loss of £4,500. The departmental return shows that the total value of industrial water is £4,400, and reducing it 6d. per 1,000 gallons will mean £1,500. That is not very much, but it represents one of the little aids to industry required in this State. Reference has been made to Victoria's income tax of 6½d. as against ours, and their charge for water for industrial purposes, 6d. as against our 1s. 6d. The proposed reduction is only £1,500 and I have shown that we have £10,000

honestly in hand out of which we can make this reduction without causing any loss to the scheme. The Minister, probably in order to dissuade members from voting for the motion, said the loss next year would be £18,000. How does he arrive at that?

Hon. J. J. Holmes: There has been an increase of about £80,000 in the assessment values.

Hon. A. LOVEKIN: Yes. How can the Minister contemplate such a loss unless the department are going to manoeuvre accounts?

Hon. J. M. Macfarlane: The assessments went up £97,000 last year and are going strong this year.

Hon. A. LOVEKIN: Quite so. The Government will supply no more water, but they will get 1s. in the pound from the increased assessments, 1s. extra from sewerage, and 6d. extra from storm water, due simply to the increased assessments and not to any increased work. How can the Government show a loss? If there is any management at all, it would be impossible to show a loss. I shall allow the case to rest on the points submitted by the Minister. He contends we should pay interest on capital that does not exist, and then claims that the scheme shows a loss, and because of that loss he is going to penalise and hamper the little industries we are trying to cultivate. I hope the House will agree to my motion. As far back as I can remember, the scheme has been shockingly managed. I believe Mr. Rose proposes to take a trip to England next year. No doubt he will find his way to St. Paul's Cathedral and there he will read an inscription—"Si monumentum requiris, circumspice"—which translated runs, "If you seek his monument, look around." That was erected in honour of the architect, Sir Christopher Wren, and the same inscription might well be written over the waterworks department. These waterworks were offered to the city for half the money at which they were purchased by the Government two years later. The Government paid £400,000 odd. If we take the reports year by year, it will be seen that thousands of pounds have been spent on surveys in the hills, water gaugings and such like things. Similar surveys were made in the days of Mr. C. Y. O'Connor and Mr. Oldham, but we still continue to make them.

Hon. J. J. Holmes: And instructions are sent to the surveyors to stay out as there is nothing for them to do here.

Hon. A. LOVEKIN: Every year the estimates of this unfortunate scheme show contingencies, £6,000, made up of tea money, newspapers and periodicals, typewriters and adding machines. The department must be full of adding machines by this time. I do not know why tea money should be required. There are quite a number of clerks to do very little work. However, they manage, by hook or by crook, to spend the money each year. Mr. Macfarlane mentioned about a Minister going into his office at 11 a.m. and finding officials, with their legs on the tables,

reading the newspapers. If we provide newspapers and periodicals, it is obvious that we should provide time for the staff to read and study them.

The Minister for Education: You do not believe that.

Hon. J. J. Holmes: The City Council would collect the water rates for a nominal sum.

Hon. A. LOVEKIN: We have 50 odd clerks making out rate notices, whereas an extra line printed on the municipal and road boards rate notice would enable the rates to be collected with small cost. Apart from the cost of administration, the losses to the scheme are enormous. I notice that the department laid a pipe from the hills; it was laid in the wrong place, and they now recommend it be taken up and placed further inland at a cost of £15,000.

Hon. J. Nicholson: That is the method by which the profit of £12,000 was converted into a loss of £6,000.

Hon. A. LOVEKIN: That £15,000 will be added to the capital. If you wish to see the monument, look around. You see scrapped bores staring you in the face at the Causeway and in Wellington-street. A bore is put down at a cost of a few thousand pounds and buildings are provided, and then there is no further use for either. At Osborne Park a couple of bores were put down, and there is no use for them. Pumping plants and big pipes have been put in, and all are of no use at all. In the park can be seen a house erected at a cost of some thousands of pounds for the engineer, but the engineer no longer requires it and it is occupied by a caretaker. The cost, of course, is added to the price of the water. The Premier's latest scheme provides for a 30in. pipe from Mt. Eliza to Fremantle through country only sparsely occupied. What for? To supply Fremantle with six million gallons of water per day. The total consumption at Fremantle is only 1,200,000 gallons at present and most of that is obtained through the gaol pumps. It will be many years before Fremantle requires six million gallons a day from Perth, and long before that time the 30in. pipes will be decayed and gone. All this adds to the capital. Last year we had 13½ million gallons of storage in the metropolitan area. The Government seem to have lost their heads over the shortage at North Perth last summer. Instead of providing a reasonable increase of storage, they propose thirty million gallons, or more than double what exists to-day.

Hon. J. M. Macfarlane: Only three days' supply in summer time.

Hon. A. LOVEKIN: The enormous expense involved may be warranted in 30 or 40 years' time, but there is no reason for incurring such a big outlay at present and burdening consumers with interest charges. The trouble last summer was due not to lack of storage but to inability to pump sufficient water on a hot day. The department do not go the right way to get water. When I first

came to this State, everyone in the metropolitan area drew his own water from his own well. There is plenty of water beneath Perth. There is any quantity of first-class water running to waste under Mt. Eliza into the river. Go to any point on the river, scratch away the sand for 12 inches or 18 inches and fresh water may be obtained.

Hon. A. J. H. Saw: Is it good water?

Hon. A. LOVEKIN: Yes.

Hon. A. J. H. Saw: Have you ever heard of bacillus coli in it?

Hon. A. LOVEKIN: If filtering is of any value, the water emerging from Mt. Eliza should be excellent, because it passes through millions of tons of sand as fine as snuff. In King's Park we sank a well 8ft. 6in. deep at the foot of the mount and erected a pump on it and conveyed the water to the top of the hill. A little further along we tried to drain a plot of land for a Chinese gardener and put down a 4in. pipe and the water has been running through that pipe full bore for over four years, winter and summer. It is good water and anyone would be glad to have it. The Swan Brewery, in the vicinity, gets an unlimited supply of excellent water from the face of the hill right under the reservoir—I do not know whether it contains the coli bacilli.

Hon. A. J. H. Saw: I have seen notices in the Park warning people against drinking it.

Hon. A. LOVEKIN: That refers to water that comes from an exposed spring. It is only right that we should advise people not to drink the water that comes from springs that run down a narrow track and to which cattle, dogs and other animals have access. But the water that comes from the hill, in days gone by, was supplied to the public through the drinking fountains in the park; the people often went there to drink it in preference to that supplied in the metropolitan area.

Hon. J. M. Macfarlane: And the park water was cool, too.

Hon. A. LOVEKIN: The Swan Brewery has been using it for years.

Hon. A. J. H. Saw: And they make beer out of it.

Hon. A. LOVEKIN: Good beer too.

Hon. R. J. Lynn: They cannot make beer with the Perth water.

Hon. A. LOVEKIN: There is an abundant supply of this beautiful water under the reservoir, and it is not necessary to employ the services of engineers to raise it. I suppose that is the reason why it is not used.

Hon. J. Duffell: And now it runs into the river.

Hon. A. LOVEKIN: Yes, millions of gallons of it. There should never be a shortage of water in Perth.

The Minister for Education: How would you put it into the reservoir?

Hon. A. LOVEKIN: There is a four-inch pipe there already from which you could pump a few million gallons of water daily. You could increase the supply by providing bigger pipes.

The PRESIDENT: I think the debate is a little wide. It should be confined to the terms of the motion.

Hon. A. LOVEKIN: I have submitted facts to show how the metropolitan scheme has been loaded. If what I have described were happening in connection with the goldfields scheme in which Mr. Kirwan is interested, there would be a riot in Kalgoorlie. The people there would not tolerate it at any price. Let me refer to another injustice. The metropolitan scheme is called upon to pay interest on its stores. There are £40,000 worth of stores. What stores are they? Certainly not meters, because the report sets out that the department cannot get sufficient supplies. There are pipes, of course, and I am told that there is a huge machine that cost £5,000. This is kept in the store and the scheme is paying interest on the purchase price. It is taken from the store whenever it is desired to do any work departmentally in the way of constructing reservoirs, and at the present time it is being used at Mt. Hawthorn. The goldfields scheme has been charged interest on stores only in the last two years. That scheme has a pipe line of considerably over 300 miles in length and extensive pumping machinery, and obviously it must require stores more than the metropolitan scheme. I suppose the metropolitan scheme's stores consist of pipes which must be eating their heads off, because they are not being used and therefore are not earning money. The report tells us that some of the work was found to be too expensive to continue and therefore was stopped. The stoppage came about when half the material was in the ground. I suppose the other half is still in the store. I hope I have made the position clear to hon. members, and that they are convinced that the scheme is not losing money, and that my asking for a reduction in the price of water for industrial purposes from 1s. 6d. to a 1s. which will involve a sum of £1,500, is not an unreasonable request. I trust members will vote for the disallowance of the regulation.

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

Ayes	..	..	..	..	14
Noes	..	..	..	..	5

Majority for .. 9

AYES.

Hon. W. Carroll	Hon. R. J. Lynn
Hon. E. H. Gray	Hon. J. M. Macfarlane
Hon. J. A. Greig	Hon. J. Nicholson
Hon. V. Hamersley	Hon. A. J. H. Saw
Hon. J. J. Holmes	Hon. H. Seddon
Hon. J. W. Kirwan	Hon. H. Stewart
Hon. A. Lovekin	Hon. J. Duffell

(Teller.)

NOES.

Hon. J. Ewing	Hon. F. E. S. Willmott
Hon. T. Moore	Hon. A. Burvill
Hon. E. Rose	(Teller.)

Question thus passed.

ASSENT TO BILL.

Message from the Governor received and read notifying assent to the Registration of Deeds Amendment Bill.

BILL—INSPECTION OF SCAFFOLDING.

Second Reading.

The MINISTER FOR EDUCATION (Hon. J. Ewing—South-West) [5.55] in moving the second reading said: This is new legislation so far as Western Australia is concerned. Perth and Fremantle, as well as other centres, are growing in importance, and as building operations have been active in recent years, it was thought necessary to introduce legislation to control the erection of scaffolding. It may be argued that buildings of a considerable height and of a substantial character have lately been erected in Perth without mishap. We need only refer to St. George's House, the A.M.P. buildings, and the lately completed magnificent structure, the new General Post Office, in the erection of which no accident took place. That is a matter for congratulation, but it does not follow that because in the past no accidents have occurred, they are not going to occur in connection with future building operations. It is thought, and rightly, too, that on account of the increase in the value of property, buildings in the future will be of a greater number of storeys than has been the case in the past. Consequently we shall require legislation of the nature now proposed. Those who are engaged in the building industry consider it necessary that their lives should be protected, and that legislation should be passed to provide for their safety, as has been done in the case of miners. Undoubtedly, building operations are at times hazardous and this kind of legislation should be welcomed. No statistics have been kept showing the number of accidents that have happened in Western Australia, but turning to Queensland, we find that out of 118 fatal accidents in 1917, no fewer than 29 were due to falls. It would be no exaggeration to attribute half of these as falls from buildings.

Hon. J. Nicholson: Do you know that the fall was the cause of death, though?

The MINISTER FOR EDUCATION: I have endeavoured to get all the information I can. I do not know whether these men fell out of trees or motor cars, but I say that in all probability a considerable proportion of the falls were from scaffolding. It would be no exaggeration to attribute half of these cases to falls from buildings. The Queensland insurance report states that out of 7,849 claims, 1,214, or about 16 per cent., were due to falls. The compensation paid on this account amounted to £21,612 out of a total of £111,081. In other words, nearly 20 per cent. of the whole of the compensation paid related to claims for injuries due to falls. Again, I say that I cannot state the number of falls which were from scaffolding or high buildings.

Hon. R. J. Lynn: And you do not know whether the men who fell were workmen.

The MINISTER FOR EDUCATION: The hon. member may rest assured that a number of these falls were due to some carelessness in connection with scaffolding, or in connection with some other hazardous occupation. The United States Department of Labour consider the causes of industrial accidents an important question. From an investigation into conditions in the State of New York, they found that in two years the accidents in building and engineering trades amounted to 23 per cent. of the accidents in all industries. Therefore, in the State of New York 28 per cent. of the accidents arose from falls from buildings, presumably.

Hon. R. J. Lynn: Presumably.

The MINISTER FOR EDUCATION: The hon. member can satisfy himself on that point. I am sure that these insurances are not paid to people who have fallen in the course of motor rides. They would be paid to people injured in the course of hazardous occupations. The great majority of them must be caused by falls from scaffolding or buildings.

Hon. H. Stewart: Perth buildings are not like New York buildings.

Hon. J. J. Holmes: Some of those men might have fallen down a well.

The MINISTER FOR EDUCATION: In the State of Wisconsin an investigation covering 21,374 cases of injuries revealed that the accidents caused by falls from scaffolding and buildings ranked fifth in a classification numbering 60 causes of accidents.

Hon. W. Carroll: Where are those figures from?

The MINISTER FOR EDUCATION: Wisconsin.

Hon. W. Carroll: Why not give us Australian figures?

The MINISTER FOR EDUCATION: The hon. member must be deaf. I have quoted Australian figures—Queensland figures, for instance. I do not intend to repeat them. I am now quoting American figures. Our new General Post Office for example, should have been guarded by a scaffolding measure. We were fortunate in having such competent overseers in connection with that building that no accident occurred. The conclusion to be drawn from experience is that accidents are numerous and that legislation is necessary. The master builders and the architects have been consulted regarding this Bill. There are people who oppose the Bill. I do not suppose they do it from any lack of desire to protect life and limb. I presume their opposition springs from a fear that by the enactment of this legislation the cost of building may rise materially in this State. I do not think any such result is likely to occur.

Hon. J. J. Holmes: I see there is to be a chief inspector under the measure.

The MINISTER FOR EDUCATION: I will come to that in a moment.

Hon. J. J. Holmes: Another department.

The MINISTER FOR EDUCATION: Without safe scaffolding, there will be danger to the lives of people walking in the streets. This Bill seeks to protect those people just the same as the men working on high buildings. The minimum height to which the Bill applies is 8ft. That point has been combated in another place, but I think the height is reasonable, as cottages are not likely to come under the Bill.

Hon. R. J. Lynn: Are cottages exempt?

The MINISTER FOR EDUCATION: I did not say that. Eight feet from the horizontal line is the minimum height to which the Bill applies. Some people wanted to make the minimum 4ft. However, the Minister who had charge of the Bill in another place was satisfied that 8ft. represented a fair and reasonable minimum. Beyond 8ft. one needs good and substantial tackle, and it is also necessary that the men who tie the knots and put up the scaffolding shall be experienced in the work. It is very easy to tie a knot that will untie and thus endanger life. Something should be done to see that the men engaged in erecting scaffolding know how to tie knots.

Hon. J. J. Holmes: That will necessitate another chief inspector.

The MINISTER FOR EDUCATION: Oh, no!

Hon. J. J. Holmes: There will be an army of inspectors under the Bill.

The MINISTER FOR EDUCATION: The Bill provides for a chief inspector and other inspectors, and for the right, under reservations, to those inspectors to enter on buildings and inspect scaffolding. It is proposed to charge a fee for the work of inspection. To some slight extent those fees will make building more costly, but certainly not to any material extent. There will be no charge on the Government or on anybody else. The building contractor will make provision for the fees in his tender price.

Hon. R. J. Lynn: Ultimately the tenant will pay the fees.

The MINISTER FOR EDUCATION: Probably. But I am sure the hon. member will not oppose the Bill, seeing that in the industry in which he is engaged, coal mining, everything possible is done to safeguard life and limb. The hon. member will appreciate the application of that principle to the building trade, and I confidently look to him to support this measure. Seeing that there will be no charge on the Treasury, but that the fees will be charged incidentally, and that the cost of building can in the result be increased but very slightly, I confidently recommend the Bill to the House. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

ADJOURNMENT—ROYAL SHOW.

The MINISTER FOR EDUCATION (Hon. J. Ewing—South-West) [6.11]: I move—

That the House at its rising adjourn to this day week.

My reasons for the motion are that Royal Show day is important in the annals of Western Australia, and that I am loth to ask hon. members to come back on Thursday for an hour, as this would break the continuity of their enjoyment.

Question put and passed.

House adjourned at 6.12 p.m.

Legislative Assembly,

Tuesday, 9th October, 1923.

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

QUESTION—MIGRANTS, UNEMPLOYMENT AT NARROGIN.

Mr. JOHNSTON asked the Colonial Secretary: 1, Has any action been taken by his department in regard to unemployed migrants at Narrogin during the past three weeks? 2, Is there a branch of the Labour Bureau at Narrogin? 3, Are the names of all persons looking for work at that branch recorded? 4, If not, will he have this done in future?

The COLONIAL SECRETARY replied: 1, Yes. The officer in charge of immigration personally interviewed immigrants who were reported out of employment, and information regarding situations was telegraphed to them by the New Settlers' League. 2, Yes; at the Government Land Agency. 3, Yes. 4, Answered by No. 3.