

Legislative Assembly,

Wednesday, 14th September, 1932.

	PAGE
Questions: Licenses Reduction Board	602
Farmers' relief	602
Water supply, Leederville	602
Police Appeal Board, to establish	602
Motions: Legal practitioners, to inquire by Select committee	602
Douglas credit proposals, to inquire by Royal Commission	610
Herdsmen's Lake	622
Migrants' repatriation	625
Bills: Public Service Appeal Board Act Amendment, 2R.	629
Criminal Code (Section 27 and Chapter LXV.) Amendment (No. 1), 2R.	630
Criminal Code (Chapter XXXVII.) Amendment, 2R.	636

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

QUESTION—LICENSES REDUCTION BOARD.

Compensation Fund and Expenditure.

Mr. MARSHALL asked the Attorney General: 1, What is the total amount of money now in the compensation fund created under the Licensing Act and operated upon by the Licenses Reduction Board for a period of years? 2, What is the total amount of money expended for all purposes whatsoever from Consolidated Revenue to enable the present board to carry on their operations?

The ATTORNEY GENERAL replied: 1, £875 12s. 11d. (at 1st September). 2, Nil.

QUESTION—FARMERS' RELIEF.

Mr. GRIFFITHS asked the Premier: 1, Has any intimation reached him regarding the Premiers' Conference Committee's report, suggesting reduction in interest and debts of farmers? 2, Was it not intended to introduce uniform legislation for farmers' relief for the whole Commonwealth? 3, If so, may the reported introduction of a Farmers' Relief Bill in New South Wales be taken as an indication that similar legislation will be introduced in Western Australia?

The PREMIER replied: 1, Interest—Yes. Debts—No. 2, No. 3, We must get a copy of the Act before the matter can be considered.

QUESTION—WATER SUPPLY, LEEDERVILLE.

Mr. PANTON asked the Minister for Railways: 1, Are the Government aware that the water in Leederville during the last three weeks has been badly discoloured? 3, Will the department inquire into the cause, with a view to giving the people clean water?

The MINISTER FOR RAILWAYS replied: 1, There have been several complaints. 2, The cause, as is usual, is due to disturbance of rust in pipes, and is being remedied by cement-lined pipes.

QUESTION—POLICE APPEAL BOARD, TO ESTABLISH.

Mr. H. W. MANN asked the Minister for Police: Is it his intention to introduce during this session a Bill to establish a Police appeal board?

The MINISTER FOR POLICE replied: No.

MOTION—LEGAL PRACTITIONERS.

To inquire by Select Committee.

MR. SLEEMAN (Fremantle) [4.37]: I move—

That a select committee be appointed—(1) to inquire into the Legal Practitioners Act, 1893-1926; (2) to inquire into the Supreme Court rates covering the scale of legal practitioners' fees, and into the methods of submitting and taxing costs, and all matters incidental thereto.

Actuated by the fact of having received a number of complaints concerning the excessive expenses incurred in and around the law courts and in connection with the legal profession of Western Australia, I consider it my duty to move for a select committee to ascertain whether something cannot be done to afford relief to people who are forced into the law courts of this country. Undoubtedly numerous people have put up with things that are next door to blackmail, because of the fear and dread they have of being forced into what are called our courts of justice. They are terrified of the heavy expenses which may be inflicted upon them, by reason of the circumstance that law costs here are so excessive. Some of the items which I consider it is necessary for the select committee to inquire into are the unbalanced constitu-

tion of the Barristers' Board, laxity of professional conduct, and the danger involved in certain solicitors acting for two parties with conflicting interests. Specialisation, I believe, tends to efficiency; and instead of having legal amalgams as in this State, I consider it would be much better—though I am open to be convinced of the contrary—for both the public and the legal profession to have barristers and solicitors separately.

The Premier: Where is that the practice?

Mr. SLEEMAN: In quite a number of States. I do not profess to know a great deal about the legal profession, but surely the Premier should be aware of the fact I have just stated. If he is not, that is another reason why the proposed inquiry should take place. After it has been held, we shall be able to tell him a good deal that we cannot tell him at present. In my opinion law costs here are utterly excessive, and something should be done to lighten the burden now cast on people who happen to be forced into the courts. Next, take the case of the Barristers' Board, which has responsible duties. At present there are 12, or I believe I can safely say 12½, King's Counsel in Western Australia. Actually, 12 have been appointed; but in this morning's newspaper the member for North-East Fremantle (Mr. Parker) is credited with being a K.C. If he is not yet a K.C., then perhaps it is a case of coming events casting their shadows before.

The Attorney General: Some of those 12 are not in the country.

Mr. SLEEMAN: Twelve King's Counsel have been appointed in this country.

The Attorney General: Mr. Moss, K.C., for instance, is not in Western Australia.

Mr. SLEEMAN: Mr. Moss's name is not on the list with which I have been supplied. That list includes the Attorney General, the Crown Solicitor, Mr. Sayer, Sir Walter James, Mr. Keenan, Mr. Villeneuve Smith, Mr. H. P. Downing, Mr. Stawell, Mr. Jackson, Mr. Lavan, Mr. Davy—

The Attorney General: Please do not put me in twice. Have the Crown Solicitor in twice.

Mr. SLEEMAN: Very well. We appear to have 10½ King's Counsel at present. The list from which I am quoting is the official list with which the Attorney General supplied me two days ago. It is not of my compiling; it is the work of the Crown Law Department.

Mr. Kennally: You would not put the Attorney General in twice.

Mr. SLEEMAN: I do not know that I would. There are five other members of the Barristers' Board, besides the King's Counsel. Out of the total number, 4½ form a quorum. The Barristers' Board is constituted for the purpose of regulating the investigation of charges of alleged misconduct of practitioners in connection with the practice of their profession, and of ensuring that proper conditions are observed by applicants for admission, and of regulating such applications. I claim that on the Barristers' Board there should be a representative of the general public. In this House I have frequently heard it mentioned that the man who pays the piper calls the tune. Seeing that the public provide the wherewithal for the practice of the legal profession here, there certainly ought to be a layman, as representative of the public, on the board.

Member: Would you have a layman on the Medical Board too?

Mr. SLEEMAN: If it can be proved against a medical man that he has made a serious mistake, or has done an injury through a fault of his, the patient can recover damages from him. I have not yet heard, however, that a client can in similar circumstances recover damages from a solicitor.

The Attorney General: Well, you learn it now.

Mr. SLEEMAN: Amongst solicitors there may, I suppose, be what are called duds.

Hon. P. Collier: Oh, no!

Mr. SLEEMAN: If a solicitor gives a client wrong advice, the client may find himself let in for quite a considerable amount of money. The only satisfaction he can then get is that people ask him, "Why didn't you go to a better lawyer?" As regards the medical profession, the position is different.

Hon. J. C. Willecock: You can go to two of the most eminent legal practitioners and get two different opinions, and the same thing applies in the case of the highest courts.

Mr. SLEEMAN: A growing and an illegal practice among solicitors is to demand, when applying for payment of a debt, an additional amount for costs, the additional amount varying according to the size of the debt. The additional amount is often paid by the person to whom the letter applying for payment of the debt is sent. The demand for any additional amount should be

a serious breach of legal etiquette. People occasionally receive a letter of this nature—

I have been consulted by Mr. Jones in reference to the sum of £6 15s. owing by you to the above. Unless I receive this amount, together with 6s. 8d. on account of costs, making a total of £7 1s. 8d., on or before the 12th, my instructions are to proceed against you for recovery without further notice. Yours faithfully.

Hon. P. Collier: What were the services performed?

Mr. SLEEMAN: This is a copy of a solicitor's letter and, as I am not disclosing names, I should not like to disclose the nature of the services rendered. But I say it is an illegal charge. One lady, who received a letter such as this, went off and pawned a bit of jewellery in order to get the necessary cash, because she was bluffed into believing that she would have to pay the solicitor's fee. Another serious breach done to clients is when a solicitor acts for both parties. Recently a man who was injured in the country went to a solicitor in Perth and explained the circumstances. The solicitor said, "Very well, I will get hold of the employer." He did so, and as a result, an agreement was drawn up by which the victim of the accident was to accept 17s. 6d. per week for six months in full settlement of his claim. But we all know that there must be no such thing as contracting outside the law. This man was entitled to 30s. per week, but the solicitor, acting for both parties, got the victim of the accident, who was totally destitute and did not know the law, to agree to accept 17s. 6d. per week for six months in full settlement of his claim. However, this unfortunate man met another chap who, knowing something about the law, took him along to another solicitor, and the case went into court. And as the result of the case being taken into the next court, the plaintiff was awarded 30s. per week from the date of the accident to the time when his arm comes out of plaster, when a final adjustment is to be made. It was fortunate for the plaintiff that he found another lawyer and, in the end, got much better terms. But the most remarkable thing is that the very lawyer who appeared for both parties and fixed up the agreement for 17s. 6d. per week, which was outside the Act and was a very serious breach of etiquette, went along to the court and gave evidence against his former client.

The Attorney General: Which one?

Mr. SLEEMAN: The injured employee. If the Barristers' Board allow a breach of etiquette such as that, it is time the House took some notice. I believe members will agree that some inquiry is necessary.

The Attorney General: Was any complaint made to the Barristers' Board.

Mr. SLEEMAN: I do not know. But surely the Barristers' Board know what is going on. It is said to be a common thing for this 6s. 8d. to be charged in cases of small debts, and the Barristers' Board should know that this sort of thing is going on. Yet so far as I can discover, nothing is being done to safeguard the dignity, I might say, of the profession and see that this practice is not allowed to go on.

Mr. Marshall: They are in the joke, a lot of them.

Mr. SLEEMAN: I do not wish to go as far as that. There are two distinct classes of lawyers, and barristers should be barristers while solicitors are solicitors, the same as in other parts of the world. I will await with interest the Attorney General's version of this. In Western Australia all barristers and solicitors are practically in the one class, without distinction. I do not wish to mention real names, so I will say frankly that those I am about to use are fictitious. I propose to speak of Solicitor Brown, who is represented by Barrister Smith, with whom is Smith Junior. Brown is the man who is paid if his client wins the case, and he has to pay the firm of Smith, Smith & Smith. Smith the uncle is the solicitor, and he then brings in Smith the father as leading counsel, who with him takes Smith the son as junior counsel. Really they are three members of the one family and all in the one case. Smith the father, having pleaded the case, gets 60 guineas as leading counsel, and Smith the junior counsel is entitled to two-thirds of that paid to the senior counsel, so he receives 40 guineas. Then they have with them a clerk, for whom a fee is also prescribed, notwithstanding that he may be merely a clerk on a very small salary. There was a case involving only £300 damages, in which there were no fewer than six solicitors.

Mr. Parker: Well, that is finding employment.

Mr. SLEEMAN: I do not know whether they found much in the case to employ them.

One senior counsel, whom we will again call Smith, has with him Henry Brown as junior counsel, and Henry Brown is instructed by H. Brown. Actually Henry Brown and H. Brown are one and the same person. I do not know whether the Attorney General, or any other member of the legal profession we have here, considers it is fair in a case involving only £300 damages to have six lawyers at work. It is only piling up unnecessary costs. I think that should be inquired into so that it shall not be allowed to continue.

Mr. H. W. Mann: Surely the persons engaged in a lawsuit must engage solicitors.

Mr. SLEEMAN: Certainly they did not engage so many. The hon. member should know that all these lesser lights in a case are not engaged by the client, that the senior counsel can bring along with him a junior counsel without any notification to the client.

The Attorney General: I did not know that.

Mr. SLEEMAN: Does the Attorney General not know that in some cases there can be a senior counsel and a junior counsel, and that the junior counsel will present himself on the first day, and on the second day the senior counsel can say, "So-and-so is appearing with me," notwithstanding that So-and-so has never come near the court, but is in the case only to secure a place in the bill of costs? Then we have a case regarding a motor collision where there was a King's Counsel, with a junior instructed by the K.C.'s firm. The damages were only £229. There were no points of law involved, yet we there have a senior counsel and a junior counsel on behalf of the plaintiff, while the defendants relied on a junior member of the bar to appear for them.

Hon. P. Collier: These are lean times for lawyers. Clients are very shy.

Mr. SLEEMAN: A litigant can go to a solicitor and explain his case. To begin with, a junior member of the Bar may appear for him, and the case then goes to the Supreme Court. Here a senior counsel walks in and takes his seat, and another gentleman, whom I will call Dummy, also walks in and takes his seat. Then comes a clerk who takes another seat, and the case proceeds. Dummy does nothing and says nothing throughout the case, notwithstanding which he is there as junior counsel.

The Attorney General: Then why not call him junior counsel?

Mr. SLEEMAN: Because, in my opinion, he is not a counsel at all but only a dummy in the case, simply there to get his place in the bill of costs, as one of the members of the firm of the senior counsel. I do not think any harm can be done in classing him as a dummy since I am not mentioning real names.

The Premier interjected.

Mr. SLEEMAN: I do not know whether the Premier is going to support the motion, but in view of the way he is interjecting I should say he is not on the side of the legal fraternity. Fancy, in a small case of a motor accident six lawyers appearing! There is first the senior counsel, who I suppose would take the engine as his part of the business. Then the junior counsel perhaps would take the differential and the wheel, and all that would be left for the solicitor would be the hood. But the litigants would be pretty near the bankruptcy court by the time the case was finished. Surely in a small case like that we should not sit by and see people pushed into the bankruptcy court.

Mr. Parker: Would you have solicitors paid the same fees as are paid in the Arbitration Court?

Mr. SLEEMAN: Since the newly fledged K.C. suggests that they should go to the Arbitration Court, I think a little arbitration would not be bad for lawyers.

The Attorney General: Take my tip, and if you have a case do not submit it to arbitration.

Mr. SLEEMAN: If it is good for the worker and everybody else to have arbitration, surely it is good also for the legal fraternity.

Mr. Parker: It would indeed be very good for them.

Mr. SLEEMAN: I am prepared to say we should have a little arbitration for the legal fraternity. They could even be admitted as a union under the Arbitration Act. Seriously, I believe something should be done in the matter of junior counsel, who should not be allowed to come into tiddly-winking cases, except with the permission of a Supreme Court judge and the sanction of the client. No doubt the client and the judge would be able to say whether junior counsel was necessary in a small case. Apparently one of the most important duties of the profession is that of making up the bill of costs. I have looked into some of those bills and to me they are a mystery.

One needs to be a legal man to understand them. Here are a few extracts from one—

Attending you, advising you. We will make appointment with Mr.—16s. 8d.

The Attorney General: I think it should read, "and advising you."

Mr. SLEEMAN: The bill continues—

	£	s.	d.
Discussing matter	0	6	8
Instructions to prepare	0	6	8
Attending at Supreme Court	0	6	8
Attending you later	0	6	8
Drawing petition	0	6	8
Attending Counsel therewith to settle	0	6	8
Paid his fee and clerk	2	4	6
Preparing request for payment	0	1	0
Attending and lodging petition	0	6	8

There are many bills like the following:—

	£	s.	d.
Brief to Counsel to hear judgment	25	0	
Attending him herewith	0	6	8
Paid his fee and clerk	2	4	6
Counsel fees	35	4	6
Plus 25 per cent.	15	11	11

Mr. Parker: Less 15 per cent.

Mr. Kenneally: It should be less 22½ per cent.

Mr. SLEEMAN: The total of the bill is £77 19s. 7d. The plaintiff in that case had all the interviews with the senior counsel. No junior counsel came into the case. No question of law was involved; the senior counsel was told what he was required to do; the case occupied two hours, and the bill of costs totalled £77 19s. 7d. According to another bill of costs a liability of £7 17s. 10d. was incurred to fix the date of the trial. The defendant's solicitors would have to agree with the plaintiff's solicitors to the date of trial and I suppose the defendant, as well as the plaintiff, was charged £7 17s. 10d. for fixing the date.

The Attorney General: What are the entries covering the £7 17s. 10d.?

Mr. SLEEMAN: The entries read—

	£	s.	d.
Brief to Counsel to fix date of trial and attending him (July)	0	6	8
Paid Counsel	2	15	7
Attending Court when application referred to Chambers in view of trial judge having settled pleadings	0	10	0
Attending judge's associate who advised it was impossible to arrange hearing at July sittings	0	6	8
Brief to Counsel to fix date of trial (August), and attending him	0	6	8
Paid Counsel	2	15	7
Attending court when date fixed for 26th inst.	0	10	0

Attending defendant's solicitors, agreeing to change of date to 27th inst., to meet convenience of his Counsel 0 6 8

Mr. Raphael: Most of that work would be done over the telephone.

Mr. SLEEMAN: That was merely the preliminary stage of fixing the date of trial. In this case junior counsel was also the solicitor, but apparently he attended himself with his own brief. The solicitor obtained a copy of the brief for the junior counsel, they being one and the same person, and charged £1 16s. for it. Other items read:

	£	s.	d.
Attending senior Counsel with brief	0	13	4
Paid his fee and clerk	33	15	0
Attending junior Counsel with brief	0	6	8
Paid his fee and clerk	21	12	6
Attending senior Counsel to appoint conference	0	6	8
Paid his fee and clerk	2	18	9
Attending junior Counsel to appoint conference	0	3	4
Paid his fee and clerk	1	12	6
Attending Conference	0	13	4

Thus extra costs were entailed in this case, notwithstanding that the junior counsel was the solicitor. He briefed himself and the client was charged accordingly.

Mr. Kenneally: Evidently he got in just in time to meet himself coming out.

Mr. SLEEMAN: Some years ago fees for the legal profession were increased by 25 per cent. Some little time back they were reduced by 15 per cent. Thus the profession still have the benefit of 10 per cent.

Mr. Raphael: Something like the banks.

Mr. SLEEMAN: I am not advocating reduced pay for anybody, but when we hear so much talk about equality of sacrifice, the legal profession should come down, as other people have had to do. We have the spectacle of old-age pensions being reduced by 25 per cent. Yet the fees of the legal profession have been reduced by only 15 per cent. In addition, the legal profession enjoyed their full fees for a good many months after other sections of the community had suffered a reduction. A solicitor with a bill for £300 adds 25 per cent., bringing the total to £375. Deducting 15 per cent., or £56 5s., the solicitor receives £328 15s. Compare that with the experience of a salaried man receiving £375. He has been reduced under emergency legislation by 22½ per cent., equal to £84 7s. 6d., so that he is left with a salary of £290 12s. 6d. for the whole year, whereas the solicitor

gets £328 15s. for one case. Probably the solicitor would have three or four cases of that kind in the course of a year.

The Attorney General: That does not represent net profit to the solicitor.

Mr. SLEEMAN: The point I wish to make is that the solicitors' fees have been reduced 15 per cent. while the salaried man has been subjected to a reduction of 22½ per cent., and the old-age pensioners are being reduced 25 per cent. There has been much talk about equality of sacrifice. Where is the equality of sacrifice on the part of the legal profession? Some time ago the Attorney General said he hoped to be able to make an announcement shortly regarding a reduction of legal fees. I believe the legal fraternity enjoyed their normal fees for 5½ months after the rest of the community had suffered a reduction of 22½ per cent.

The Attorney General: The income of the average lawyer has fallen by at least 50 per cent.

Mr. Raphael: Do you mean that people have wakened up to the lawyers?

The Attorney General: Dozens of lawyers are not making a living.

Mr. SLEEMAN: The Attorney General means that their business has slackened. On the other hand their costs have not been reduced.

The Attorney General: I said income.

Mr. Kenneally: That applies to all.

Mr. SLEEMAN: Yes, it applies to Bill Jones, who has had only one week's work in many months. Some workers have not had a week's work in two years.

The Attorney General: You were comparing the position of a lawyer with that of a salaried man.

Mr. SLEEMAN: Then I will compare it with that of a wages man, a casual worker who at one time enjoyed a full year's work. If the solicitor's business has fallen off, so has the worker's business. While a solicitor may have a few cases in a year, thousands of men and women workers have not had a week's work in the last two years.

Mr. Kenneally: Even when the worker is on part-time, he is subject to the emergency cut.

Mr. SLEEMAN: Yes, if he works only one day in the year, he is subject to the cut. Now I wish to deal with the question of K's. C. I do not know the reason why such appointments are made. The only

reason I can suggest is to enable them to charge extra fees. If anyone consults a K.C. he expects to pay a larger amount than if he goes to a lawyer who is not a K.C. I cannot understand the reason for creating K's.C. The State hardly ever avails itself of their services. I have followed many cases during the last five or six years and in very few has the State availed itself of the services of a K.C. Its briefs generally go to some other member of the Bar. It seems to me that work is being given outside the Crown Law Department that could and should be done by the Department.

The Attorney General: What do you know about that?

Mr. SLEEMAN: I am trying to find out about it.

The Attorney General: So far you have been on good ground, but if you express your opinion on that it must be based on ignorance.

Mr. SLEEMAN: I will express my opinion as I choose. When the Attorney General replies, he can tell me whether I am right or wrong, but it is useless for him to try to put the rough stuff over me. I do not claim to know everything about the legal profession I am not posing as an expert. I am seeking information. I do know that the fees charged by the legal profession are excessive. No one will convince me otherwise, and I believe every member is of the same opinion. I believe that the Attorney General, in his heart, considers the fees excessive.

The Attorney General: I have already endeavoured to get them reduced and succeeded.

Mr. SLEEMAN: But because I ventured to express an opinion, the Attorney General says I should not speak of something about which I know nothing.

The Attorney General: No one knows whether it is legitimate or proper to send a brief outside the Crown Law Department, except those concerned.

Mr. SLEEMAN: I repeat that I believe work has been given outside the department that could and should have been done in the department. Outsiders have been briefed to appear for the Crown when the work should have been done by officers of the Crown. That is my opinion. I hope the Minister will tell me why so many cases

have been given outside when we have so many legal officers in the department to do the work. The Crown Prosecutor was recently sent to Wyndham, a trip that must have cost a lot of money. There should be some way of minimising the expense in a case of that kind.

The Attorney General: Send a brief outside the department?

Mr. SLEEMAN: It would save money to do so. The Crown Prosecutor, however, was sent to Wyndham, and in his absence outside counsel were briefed for cases in Perth. For fairly important cases, outside counsel are briefed. I believe quite a lot of money is expended on work that should be done by the department. Some people think there is a tinge of political preference about the making of King's Counsel. For many years it has been thought there has been a flavour of spoils to the victors about these appointments, and that the men selected for the privilege have been good supporters of the Government in power. Something should be done to amend Section 13 of the Legal Practitioners Act.

The Premier: Have you had a junior to prepare your case?

Mr. SLEEMAN: I am only a junior as yet myself. Section 13 says—

No article clerk shall, without the written consent of the board, during his term of service under articles, hold any office or engage in any employment other than as bona fide article clerk to the practitioner to whom he is for the time being articulated, or his partner; and every article clerk shall, before being admitted as a practitioner, prove to the satisfaction of the board, by affidavit or otherwise, that this section has been duly complied with.

I know the Attorney General will say that this section is intended to safeguard the article clerk. He cannot put that over me. It does not safeguard the article clerk. All it does is to keep the son of the poor man or poor woman out of the profession, and allow the rich man's son to get in. There is nothing to prevent the son of a rich man being articulated to one of the least competent firms of solicitors, and living a life of idleness so long as his father can afford to keep him. The son of a poor man or a widow cannot enter the profession because of this particular section. He is not to be allowed to earn anything during his articles, for at the end of his articles he must prove to the satisfaction of the Barristers Board, unless permission has previously been obtained,

that he has not meanwhile earned anything. I hope that wrong will be put right.

Mr. Hegney: Does that apply even if he has passed his examination?

Mr. SLEEMAN: Yes. I have no objection to safeguarding the interests of the article clerk himself.

The Attorney General: It is rather a question of safeguarding the public, and seeing that candidates for the profession are properly trained.

Mr. SLEEMAN: Neither have I any objection to the article clerk being properly trained. In other walks of life a board is appointed, such as under the Apprentices Act, to see that the young fellows are properly educated in their callings. Some such board or committee should be appointed to see that article clerks receive the correct amount of tuition and education in the legal profession. The present system is a relic of barbarous ages, when only rich men were wanted in the law. The section in question should be deleted. I understand it is not found in any other legal practitioners Act.

The Attorney General: I should be very surprised if what you say were correct. I am sure there must be something similar to this.

Mr. SLEEMAN: Why is it that a man who has been properly trained and who has served his articles must prove, to the satisfaction of the Barristers Board, that he has never earned a penny during the term of his articles?

The Attorney General: He does not have to prove anything of the sort.

Mr. SLEEMAN: I shall be able to prove that he does. The son of a wealthy man may go to a University in the Old Country and be called to the Bar as a barrister there. He can then return to Western Australia, put in his term of residence, and after that begin practising. He need never have done this class of work before. In England, if a young fellow can earn anything while he is attending the University or while being called to the Bar, there is nothing to prevent his doing so.

The Attorney General: Do not forget the distinction between barrister and solicitor. The man who wants to become a solicitor must serve his articles for five years.

Mr. SLEEMAN: I thought the Minister would say that. In England a man has merely to be called to the Bar as a barrister. He need never have been

articled for a single day and need not know anything about the work of a solicitor.

The Attorney General: I told the House that five years ago.

Mr. SLEEMAN: He need never have drawn up any Articles of Association or mortgages or anything of the kind. He may have had to learn everything.

The Attorney General: I told the House that I myself did that.

Mr. SLEEMAN: The young barrister in England has only to put in a certain time of residence in this State to enable him to practice.

The Attorney General: How long?

Mr. SLEEMAN: It is two years now. He is then admitted straight into the profession. The young man may elect to go to Monte Carlo for 23 months after leaving the University, and live a life of idleness and gambling there.

Hon. P. Collier: He has to eat so many dinners.

Mr. SLEEMAN: He does that. At the end of 23 months he may decide to come to Western Australia and put up his shingle as a barrister and solicitor. The young man who is educated locally cannot enter the profession unless he is able to show that he has earned nothing while serving his articles. Can the Attorney General show there is any reasonableness or fairness about that? The young man may be the son of a washerwoman, who is working hard to support herself and family. He may be a brilliant youngster and have every prospect of getting into the profession, but if he cannot comply with the provisions of this section he is not allowed in.

Hon. P. Collier: Can he not qualify at the University?

Mr. SLEEMAN: No. He has to serve two years in articles.

Hon. P. Collier: Although he qualifies at the University?

Mr. SLEEMAN: In the Old Country a young man can pass his examinations at the University and then be called to the Bar as a barrister.

The Attorney General: No. A man does not help himself by taking a University degree at law in the Old Country. If he is going to be a barrister he must go through the course at the Inner Court and pass a separate examination.

Mr. SLEEMAN: He is then called to the Bar as a barrister.

The Attorney General: The point you want to make is that he becomes a barrister without serving his articles, and can then be admitted there as a legal practitioner. That is so.

Mr. SLEEMAN: Yes. In the Old Country a K.C. would never go into a lower court, but here they do go into a police court.

The Attorney General: You are wrong there; they may appear in any court in England.

Mr. SLEEMAN: But they will not appear.

The Attorney General: I know they will.

Mr. SLEEMAN: No K.C. in Great Britain would condescend to go into a lower court. He would look upon it as a loss of dignity.

The Attorney General: It is a loss of dignity which can easily be assuaged by the payment of a higher fee.

Mr. SLEEMAN: I do not think K.C.'s in Great Britain or here would thus lower themselves.

The Attorney General: You are wrong.

Mr. SLEEMAN: They would not lower themselves in the profession by appearing in a lower court.

The Attorney General: It would not be lowering them.

Mr. SLEEMAN: I know an eminent K.C. in this State who would not go into a lower court; he would consider it degrading.

The Attorney General: I think any of them would do so if they received the higher fee.

Mr. SLEEMAN: I should be surprised if they did.

The Attorney General: A K.C. does not go into a lower court except at a special fee.

Mr. SLEEMAN: If articles are not necessary in the Old Country, they should not be necessary here. Why is this distinction made?

The Premier: Why not allow anyone to practise?

Mr. SLEEMAN: I do not know about that. I thought the Premier was a stickler for local production.

The Premier: You do not believe in that?

Mr. SLEEMAN: The Premier believes in local production, that a Western Australian is as good as any other man, that our University is as good as any other, and that a Western Australian solicitor is as good as another.

Hon. P. Collier: Or as bad as another.

Mr. SLEEMAN: I venture to say that the greater number of leading counsel in this State have never served a day in articles.

The Attorney General: You are wrong there.

Mr. SLEEMAN: At any rate a great many have not done so. A Bachelor of Laws from our own University could not appear in a police court before two justices and take a case there, but any young fellow who has become a barrister in the Old Country can do so. I notice that new regulations have been laid on the Table. Had it not been for this motion, I should have endeavoured to get them disallowed. This profession is being made a close preserve. Every day it is being made more difficult for other people to get into it. It will be interesting to hear the Attorney General's explanation of these regulations. They seem to be a further infliction on the man who passes through our University. Unless such a man finishes his articles within a certain period he has to go through the whole business again and pass his examinations once more. I shall be glad to hear the Attorney General's explanation.

The Premier: The regulations speak for themselves.

Mr. SLEEMAN: The conduct of some solicitors in this State should be inquired into by the Barristers Board. The general public should be represented on that board. I have quoted one or two cases of grave lack of professional etiquette. I am sure members will agree that it is necessary to carry this motion so that we may inquire into the whole business. I believe there are hundreds of people in Western Australia who are prepared to put up with anything rather than be forced into the law courts because of their horror of what their experience may cost them. Our courts should be free and open for anyone to approach without any such fear.

The Attorney General: You could not expect to do that for nothing.

Mr. SLEEMAN: I admit that, but surely the Attorney General would not support the case of the solicitor that I have already cited. I do not think there has ever before been an instance of a solicitor appearing first for one client and then against him. I always thought that information given to one's solicitor was sacred. Now it appears that in

Western Australia people are never safe seeing that one lawyer has acted for both parties and later appeared against the claimant, and then was able to inform the magistrate that one of the parties had told him a different tale altogether when he was acting for him. Apart from the man to whom I have referred, I do not think any other legal practitioner in this State would be guilty of such conduct. If the inquiry is agreed to, I shall be able to substantiate all I have said, and, by witnesses, will show that nothing I have stated has been exaggerated.

On motion by the Attorney General, debate adjourned.

MOTION—DOUGLAS CREDIT PROPOSALS.

To inquire by Royal Commission.

MR. NORTH (Claremont) [5.35]: I move—

That in the opinion of this House the President of the Arbitration Court should be appointed an honorary Royal Commissioner to investigate whether the Douglas Credit proposals are practicable, and whether their introduction would stimulate industry in the State.

A few years ago the Premier asked me to look into financial matters. He referred, of course, to budgets and phases of that description. Because of the information thus gleaned from time to time, I made a few remarks in this House two years ago to the effect that the financial system had broken down and that, in my opinion, there was nothing much wrong with our farmers and their methods, although they were in such great difficulties. That led to a letter from the local branch of the Douglas credit movement, as a result of which I became interested in a subject particulars of which are almost unknown to many people in this State. After looking into it for two years, it seems well worth while bringing the subject before the House as a matter of public interest. I do not do so as an attack upon existing institutions, nor yet with the object of doing something revolutionary. I merely desire to introduce a line of thought and bring our ideas into line with those obtaining in other parts of the world on a subject that is known as "New Economics." Since the war, two great movements have

taken place. In England, there is the New Health movement which seeks to transform C3 persons into A1 persons. The other is the attempt to bring our old-fashioned economics and system of finance into conformity with the principles already referred to as "New Economics." The mention of money will raise a laugh among people to-day because they know little about it, except how hard it is to get hold of. It is necessary, in view of the troubled circumstances of the world to-day, that someone should bring before the public particulars of the work that is going on in other parts of the world in conformity with advanced thought. There is a tremendous body of feeling throughout the world that the existing monetary system should be looked into and overhauled. The reason for there being so much hostility against the new line of thought is that, in the first place, it means breaking new ground and demolishing old-established ideas. Near a school that I attended in England was a tablet erected to the memory of a man named Ellis. The writing on the tablet set out that it was erected to his memory because he was the first, with a fine disregard of the rules of the game, to pick up a football and run with it, thus giving us Rugby football as we know it to-day. That is the attitude taken up by Major Douglas with regard to world conditions to-day. He is out to break the rules of the game with respect to our financial system, which he finds is not working well and is inflicting much hardship. With "a fine disregard of the rules" of existing principles, he points out where they are wrong; hence the hostility to his movement.

Hon. J. Cunningham: He must be a revolutionary.

Mr. NORTH: Yes, in thought, not physically. The experience regarding the game of Rugby football virtually applies to world conditions to-day. In earlier days the game resolved itself into one of hacking shins. There would be 80 on one side and perhaps 90 on the other, and the game was to hack at an opponent's shins. Ellis broke away from that system when he saw that, by picking up the ball and running with it, he could improve the game and make it more satisfactory for the participants. That is the position with the world to-day. During the course of the Address-in-reply debate, we listened to speech after speech in which mem-

bers referred to the sacrifices that were being, and had to be, made. Members talked as if the people were going through a time of distressing famine and almost of warfare. That is what they made it appear that the country was suffering from. Each member referred to the necessity for more and yet more sacrifices being made before we could reach financial stability. This, then, is the result of a hundred years of the most marvellous industrial advances the world has ever seen. Wherever sacrifices are necessary, there is usually an element of superstition somewhere. Right down through history superstition has been the underlying cause of sacrifices. Take the experience of the Aztecs of Central America. In bygone days the Aztecs slew 60,000 people annually in order to assure good crops. Hearts were slashed out of the bodies of hundreds of people as a sacrifice to the god of wars. In the Middle Ages, extraordinary ideas were held regarding witchcraft and heresy practised by women. History records that 3,000 women were burnt at the stake on the charge of not believing in the official Christian faith. The practice of torture in such instances was regarded as quite normal. There was that superstition generally held by the people. Then at length a courageous man named Reginald Scott, in the days of James I., decided to write a book, because he felt that something was wrong when women were burnt on charges of witchcraft and refusal to believe in the Christian faith. In those days it was thought quite proper to torture people to secure confession, and having obtained one, to burn the unfortunate victim. Pluckily, Scott wrote his book and expressed his doubts as to the advisability of such practices, and his book was burnt by order of James I. The last witch burnt was an old woman in Scotland. She went to the stake on a very cold morning and it is on record that she first of all warmed her hands at the fire that was to consume her. It was about that time that the Bank of England was established. It was before the steam age and practically at the beginning of the 17th century. Our troubles have been traced by the new economists down the centuries and they have followed up the increasing times of trouble in conformity with the formation and growth of the modern banking system, which, they declare, has failed to keep pace with the advance of machinery and factory processes. That is the basis of their charge. They date the commencement of our troubles

from the establishment of the Bank of England. They claim that the existing superstition to-day, which takes the place of witchcraft and heresy of olden times, is what we so fondly call "sane finance." That is rather a drastic charge to make. In times such as the present, one must have a certain diffidence in advancing such a claim, more especially as everyone seems to be agreed that what is regarded as sane finance is quite the right thing. The struggle of mankind to solve present-day problems is world-wide, and the explanation is that they are victims of that sane finance, of which so much is said to-day. The first appreciable effect was seen in the Great War, which was a result of sane finance. The next great effect was seen in the 1929 depression, which is now a matter of common knowledge. The public think that the depression was due to extravagant Australians, to lazy workers, to borrowing overseas, and so on. The actual fact is that the cause of the depression commenced in October, 1929, when 2,500,000,000 dollars were withdrawn in one week from circulation in America. That was done by the Federal Reserve Bank to reduce stock and share speculation. That money was called up from brokers and was withdrawn from circulation, and the results were terrible throughout the United States of America. Quickly 8,000,000 persons were thrown out of work, and before March, 1930, had arrived, 8,000,000,000 dollars had been withdrawn from circulation. Not only did that have an awful effect upon America itself, but it precipitated the world depression. No one can blame the men who sit on the Federal Reserve Bank Board for doing such a terrible thing, because they were acting in accordance with the traditions of the system. That is the view held by Major Douglas. As he declared, it was a bad game and he wanted to play a new game, which would break the rules of the old, bad game. In the financial game, the time comes when the boom reaches a certain point and there is no alternative for the bank but to call in advances. If that course were not adopted, naturally the point would be reached when cash could not be provided to meet the increasing cheques handed across the counter. When that time comes, then the system crashes. Therefore, every few years, under our existing system, there is a period of terrible depression, followed by boom periods. At times there are variations in the course of events, such as a war. However, it is made clear in

the minds of those who favour Major Douglas's ideas, that ever since 1844, when Parliament passed the Bank of England Act, the world has been moving along with a series of booms and depressions, and the whole economic fabric has been operating badly. I will not weary members with a mass of details, but they will find that only when there have been great gold discoveries has the machinery of trade revived. Each time during the 19th century, by an extraordinary chance, when things were going slow and trade was beginning to fall off, there was a new gold find. Unfortunately that has not happened recently, and the banks put the screw on. The Federal Reserve Bank of the United States called in 8,000,000,000 dollars of money and broke down the whole structure in America. No less than 150,000,000,000 dollars worth of property crashed by the action of the bank. There we have one side—the American side—of banking since the war. Soon after the war ended we had gradual booming conditions; the boom became stronger and stronger until the crash came. In England, since the war, the policy of deflation was tried. We had nine years of solid deflation. That was done by reducing the note issue every year, and it had an effect entirely opposite to that experienced in America. A credit structure in England built upon notes was reduced. Many firms had to be broken up and there were also many suicides and bankruptcies. Further, many people became unemployed, but while England had nearly three millions of unemployed people, America had three times that number. We know that the credit system in the early stages did create a mass of industries all over the world. Then the world produced more than the people could consume. The credit structure, operated on notes, had two weaknesses. One was where there was deflation and the other where there was inflation, which was what America did. In America the boom broke because the banking system was unable to extend safely any further against the cash. Too much credit had been built up to meet the demands made upon it. Everyone must see that this is a hopeless business; it is impossible for any country on a given basis of gold or notes to say that so and so is the limit of the machine, the limit of the demand of trade. Yet international financiers are still advocating a return to the gold standard, knowing full well that it has acted as a

dampener on international trade. We cannot limit the number of human desires to the amount of gold. There is in the world £2,000,000,000 worth of gold and roughly speaking the same number of people. In other words, there is £1 in gold for each inhabitant of the globe. But that is a very poor basis to work upon. Work your credit structure on that and we get a purely arbitrary world limit. The question we must ask ourselves is, what is the gain by trying to work commerce and industry upon a number of notes, themselves based on a given amount of gold. The London Chamber of Commerce and the British Chamber of Commerce have definitely put up a new suggestion whereby the Bank of England and British credit shall work no longer on gold but on bills of exchange, that is, trade itself. As trade increases, so will the notes increase, and if trade decreases so will the notes decrease. Meanwhile, we have been told that Sweden has already gone on such a new standard of currency. That country now works upon her production. This new method in Sweden is to work on the trade of the country. That is the first point of view of economists; it is hopeless any longer to work upon a structure of notes and gold. I know that hundreds of thousands of people have said that gold is done, but this "new economic" criticism has not to do with gold. It is, that the currency structure should not be the limit of credit. That is a most important point. The whole trouble is that every country in the world except Sweden—which, during the last six months has gone ahead by leaps and bounds—has issued credits against a number of notes. We know at this moment in this country our total expansion of credit could not be more than 400 odd millions. It never has reached that figure; I understand that we never reached more than 200 or 300 millions by way of advances from the banks. But such figures have no relation to the possibilities of our factories, our wheat, and our wool production. The figures are simply arbitrary. The new theory with regard to the troubles of this nature is that we should get away from notes and say that the credit of the country must be advanced on its productive capacity. Ever since the banks started, when they had to meet new conditions, namely, the factory era, they adopted the cheque currency and built up a superstructure eight, nine or ten

times in excess of the gold deposit. We have now had 100 years of that and have got into a terrible mess. The public must look ahead and try to get over the present difficulties. As has been shown all over the world, there is only one question that is preventing the consumption of goods in every country, and that is the question of barriers between the producers and the consumers, through the banking system, which system operates its credit against notes. The banks have to look to their figures, and in nine cases out of ten applications made to them are turned down. The outcome has been the terrible depression which began in 1929 in America. It had a terribly strangling effect, and in England it led to hostile remarks from Winston Churchill and Sir Robert Horne, who said that we were on the brink of disaster because of our banking policy. I wish to impress the House these are not revolutionary intentions. This is a question of a system. If there is blame it is due to Governments who failed to create sufficient national currency. The banks are not to blame. Every bank has to act up to the law under which it exists, and which law allows each bank to lend money on various securities. Everyone knows that banks issue money all over the world on securities, but that naturally they have a limit of safety related not to industry but to notes. There is no doubt that the banks have been of wonderful service to the community up to date, but when they reach their limit they have been responsible for terrible stringencies in many countries. The remedy will come from the Parliaments acting in such a way that first of all currency will be more flexible, and, secondly, that the banks will not be forced into a position that they must cause violent stringencies which, as we know, have brought the world to a state of destitution. It is said that these things are almost like cycles, that they occur at periods. That, however, is absurd. Banks are forced to start stringencies, and that is done for their own protection. I should like to quote a few homely remarks from America, to show what the people are going through there on account of the unfortunate depression. These remarks were taken from an inquiry conducted in the United States with a view to trying to raise prices which, as we all know, the world is endeavouring to do at the present time without success. The American

farmers—poor unfortunate devils—will, I suppose, get some sympathy from our farmers. To-day the American farmers are curious about money. They say that money is rubber and that their debts are iron. Another remark of theirs is, "We have been told prosperity is around the corner, till we are cross-eyed looking for it." Again, "We have to milk $3\frac{1}{2}$ cows to-day to meet the interest that formerly was obtained by milking one cow." Yet another remark of the American farmers is, "The nation and the Government itself, under the present money system, are absolutely at the mercy of the International bankers of Wall-street." That is pretty straight, and it comes from the farmers themselves. Ex-Senator Owen, who was for 12 years chairman of the Banking and Currency Committee of the United States, has said—

The panic of 1907 was caused by a deliberate contraction of credit. The panics of 1920-1921 and 1929-1931 were due to the same identical cause. The farmers were bankrupted in 1920, and had not recovered till 1929 came; and the repetition of disaster has completed their ruin. In one week of October, 1929, 2,300,000,000 dollars of loans—

say £500,000,000 or £600,000,000—

—were withdrawn by the Federal Reserve system, and over 8,000,000,000 dollars before March. The people lost 50,000,000,000 dollars.

These are the statements of a man who is not a crank, who for 12 years held a responsible position. He also said that everything in America before the financial disaster was still there—farms, houses, factories—but that they had lost a few thousand millions of their assets through the action of certain men in the Federal reserve banks. In America banking has national representation, but a few private individuals control the system. The trouble is not due to those men being unscrupulous and deserving of punishment. They are simply acting on an absurd system. As Douglas shows in one of his works, if those men had not acted thus, worse things might have happened. On one day of that year in America, I believe, 60,000 establishments went under the hammer. These men may have gloried in their act, which they had done according to the rules of the game, as Douglas shows. Professor King, who holds the chair of economics in New York University, says—

Let us not worry about what foreigners want to do with their money systems; let us go ahead and fix our own.

We have been told for two years that Western Australia must not do anything to raise prices, but must keep prices down until other people have attended to their affairs. Professor King continues—

It would be much wiser to get people back to work in their normal lines by putting the currency right, than to try and give them relief work.

That is the opposite of what we are told here. The thing to do now, we are told, is to make the unemployed do things they cannot do—for example, we are to set a clerk to shift sand. Here are two vital suggestions which have been made in the United States and of which we have not heard here. Professor Fisher, who is professor of economics in Yale University, has been trying for 30 years to get down to stable money. What Professor Fisher says will interest our farmers too—

The rate of interest during a depression is nominally low, but that is one of the tricks due to the money illusion. Take a farmer who thinks in terms of wheat. If he pays five per cent. and prices are falling four per cent. per annum, he is really paying nine per cent. During a depression the real rate of interest is sometimes over 50 per cent., but people do not know it. . . . What is the use of being so careful about the units (namely, weights and measures) that go across the counter in one direction, and so careless of those going in the other direction?

That the real rate of interest during a depression sometimes amounts to as much as 50 per cent. will be news to our wool-growers, farmers, and others. Owing to the money illusion we are all the time thinking of money, but do not realise it. We have the Parliaments of the world so very particular about weights and measures, so scrupulous that there must not be even a hairsbreadth of change. The master measure, money, as the member for Swan (Mr. Sampson) called it, can jump from 100 to 1, as it were; or, as the Americans say, can become rubber money, associated with iron debts. I believe that nearly two-thirds of the banking institutions of the world would be relieved if Parliaments made a change in their functions. Bankers have an important function in the selection of clients. Their very necessary service of selecting those who shall be borrowers is quite sufficient to justify their existence. The viewpoint of the new economists is that the only possible basis of credit

must be, not notes or some magic figures, but the total productive capacity of the country. I shall conclude this phase of the subject by a quotation from bank officials. It is easy for the man in the street to make fun of money and say that money is causing the present trouble. Here, however, are remarks made in London a month or two ago by members of the Bank Officers' Guild—

The following resolution was passed at the fourteenth annual general meeting of the Bank Officers' Guild recently held in London: "That this annual general meeting of the Bank Officers' Guild desires to direct the attention of the directors of British banks to the increasing body of opinion that the present system of currency and credit control is unsuited to modern requirements. It considers that unless drastic scientific reorganisation of that system is undertaken voluntarily by the banks, such a course is likely to be forced upon them by a public opinion and/or economic pressure. It is generally accepted as a fact that modern production with the existing abundance of natural products, if properly organised, is capable of giving to our people a high standard of comfort, and the opinion is widespread that the present system of money and credit control is an obstacle in the way of a better distribution of commodities."

If, after that, the banking system tries to place obstacles in the way of inquiry in its own interests, that system is heaving itself against a brick wall. The time for suppression has gone by, because Douglas and all the new economists propose to make more business for bankers. Under the Douglas system bankers will have three or four times their former turnover when things become normal again. So far they have been cutting off their noses to spite their faces. The banks themselves are missing business, losing profits. Every man one speaks to, whether worker, artist, doctor, lawyer or land agent, comes to you in secret and tells you that he is fed up with the present system of money and wants a change.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. NORTH: Summing up the remarks so far made, the great point is that credit should not be based upon notes, but upon the productive capacity of the community. The second point of the analysis is in regard to what is called the costing flaw. That is well known now, because everybody is telling everybody else that there is not sufficient purchasing power to buy sufficient goods. When that was discovered by Major Douglas 12 years ago, it was considered a novel matter,

but events have occurred to support that conclusion very effectively. At present we have not only coffee and wheat being burnt, but oil prevented from being collected, rubber being sold in London to light fires with, too much meat and sugar and rice, every third row of cotton being ploughed into the soil, and many other signs that people cannot buy what is being produced. The basis of this costing flaw which Major Douglas discovered 12 years ago is that in each particular industry there is not sufficient money circulated to purchase that which it produces. Take our own State: We find that in 1930 salaries and wages paid in industrial establishments amounted, roughly, to £3,000,000, and the output of those establishments to £12,000,000. We also find that £1,000,000 was consumed for fuel, and £6,000,000 for the material used. Then we see that for margin of profits and other expenses £2,000,000 is allowed. It is in those figures—for the principles apply all over the world—that Major Douglas discovered the flaw that has led gradually to the failure of the public to buy that which industry produces. That is a point which can be examined at one's leisure in various works on the subject. That is part of the cause, though not the whole of the cause, of lack of purchasing power which is involved in the terrible slump, and of warehouses being full of goods. The other two points are on two counts, the first savings, and the second machinery. The question of machinery was dealt with in this House on several occasions during the Address-in-reply. It has been said that in every case where you put into operation a new machine to replace ten men you are employing one man, but you leave nine others idle. In the past the economists argued that those nine men, if thrown out of work, might be employed on other machines. But figures show that as the machines increase it becomes more and more impossible to absorb all those men, even in normal times. And figures can be obtained to show that all over the world, year after year, fewer and fewer men are employed to produce more and more goods. The general effect of it is that each individual as a purchaser has only a very limited consumption. That appears to be the point to which the old school of economists failed to adapt themselves, namely, that the individual cannot consume more than a certain amount of

anything. If any member will peruse the advertisements in any American magazine, or indeed any magazine or journal, and try to imagine himself as a consumer of all that is offered, goods or services, for sale, he will quickly realise that it is utterly impossible. And as time goes on that consumption per head is clearly seen to be limited, while production tremendously increases. So we get the obvious fact that it is utterly impossible for the individuals in the world to consume what is being produced.

Mr. Kenneally: It is a powerful argument for reduction of the hours of labour.

Mr. NORTH: That is so. In addition to that, these machines do not either collect or pay wages. For a long time it was thought that other machines would arise in other industries. But the fact remains that we cannot individually consume more than a limited amount. So that makes the second point in the costing flaw, namely, that everywhere we get the condition that there is more stuff on the market than can be absorbed by the existing wages and salaries. The third point is where the orthodox economists get busy, that is to say on the question of savings. In that regard Major Douglas is definite that savings constitute one of the causes of lack of employment and of purchasing power. If of the £16,000,000 spent in Western Australia in a year £1,000,000 is to be put by for savings, Major Douglas argues that that million prevents so many goods being purchased and consumed. The orthodox economists say nothing of the kind, that a million pounds of savings, by being invested in other production, creates purchasing power. Here we come to an interesting point. I will show how Major Douglas has been attacked for preaching these doctrines which world events are showing to be utterly true. Not long ago there appeared an article in which the consumer credit doctrines were criticised. A critic, Hayett, was brought in to trip up Major Douglas and show that he was quite wrong in his analysis to the effect that savings reduced purchasing power because they took away from the purchase of goods money invested in the purchase of other goods. Hayett said that investment lowers prices. He argued that by saving money and investing it again we lower the prices of goods and therefore the unfortunate consumers with that much less to spend are able to buy other

goods. Now we come to Copland, who is the author of our Premiers' Plan. Copland argues against Major Douglas but says that lack of investment keeps prices low. So we get two orthodox economists, the sort of persons we can speak of without being classed as heretics, one saying that investment keeps prices low and the other—

Mr. Kenneally: Would you consider that money invested in machinery is invested in that sense you mentioned?

Mr. NORTH: Yes, I should say that it is. As I say, here we have two orthodox economists contradicting each other and contradicting Major Douglas. Douglas says that if you save the money for investment from existing wages and salaries, in that event you are bound to have goods left on the market to the extent of the money that you take for new production.

Mr. Kenneally: It is purchasing money going out of the common pool.

Mr. NORTH: That is so. Those who criticise these arguments say that if purchasing power does not buy goods on the market it goes to set up the production of other goods. But the whole answer, of course, makes Major Douglas's case. What does happen is this: Each set cycle of production leaves goods unsold from a previous cycle, which are mostly bought by new bank credit to finance the next cycle. So we get wool sold in 1929 going into suits and bought in 1931. And I understand that the man who sold his wool in 1929 and got, say £30 for it as against the £6 that he would get to-day for the same quantity of wool, is not too well placed to-day to buy a suit of clothes containing wool priced at the higher figure.

Resolved: That motions be continued.

Mr. NORTH: If the contention is correct that there is a shortage of purchasing power, a remedy must be discovered, or civilisation will not last. A remedy was suggested by Douglas 12 years ago. He went to two big newspapers in the Old Country and tried to show what he had discovered. He went to Canada and other parts of the world. There has grown up a big school of thought who believe in his doctrines. There are 35 branches in New South Wales and 12 in Western Australia. There are two papers issued in Australia espousing his views. His proposals are not socialistic; nor are they associated with any political party. They

are merely designed to overcome the troubles I have tried to analyse, namely, that we have production hampered by inability to secure purchasers. We have booms and slumps confronting humanity, and the matter is of sufficient importance for us to endeavour to discover a solution. Existing economists have made great contributions, but none of them has got right down to the core. They seem to view the problem from a banking aspect. Professor Copland, who appears to be a genial, breezy and fair minded man—many of his remarks show that he must be inclined towards the Douglas credit system—claims that Australia has got through the crisis extraordinarily well. From our point of view, after 100 years of invention and progress, to have 700,000 persons not knowing where to turn for food, and to have our own Premier with a magnificent policy capable of absorbing every one of them in industry—

Mr. Marshall: Absorb everyone in the Commonwealth!

Mr. NORTH: Yes. Two years ago he indicated that he could see work for 20 years if the money could only be provided.

Mr. Kenneally: He said he was going to get the money.

The Premier: You said you had the money.

Mr. NORTH: It is peculiar that after 100 years of progress, this country should be hamstrung. There is plenty of work to do. Yet the Commonwealth have given us instructions to raise our taxation because our people are not taxed sufficiently high. This sort of thing, to Douglas, who has analysed the world position, is unintelligible. Douglas's contention is that if we have the labour, material and soil in the country, the question of money is merely one of arithmetic. This, it will be said, is heresy. The orthodox economist is still thinking in terms of the intrinsic value of money. That disappeared when the banks decided to create credits to enable factories to be built—built on money that did not exist. It was a very good policy and enabled the factory era to be started, but we are still talking in terms of intrinsic value, that is to say, in terms of the sovereign. When a person buys something with a sovereign he really barters a sovereign's value of metal for other goods, and the new economist tries to point out that for years we have been working on money that was purely a token. All the notes, credits and cheques should be

tokens of what Douglas terms time-energy units. Money is essentially a time-energy unit. Thus we have a completely new outlook. At first it sounds heretical, but the idea is fast gaining converts. Thousands of persons desire this change. They want to feel that money is merely a matter of arithmetic, and, in effect, it is. If the Premier were able to ring up the Commonwealth Bank, instead of going to Melbourne or Canberra, we could expect something like the following conversation to ensue:—

The Premier: For how many months will you provide me with currency?

The Bank: How many men have you out of work?

The Premier: Thirteen thousand (or whatever the number may be).

The Bank: What pay would they be entitled to receive?

The Premier: 15s. per day.

The bank authorities would then calculate the number of men and the number of shillings required for 12 months' work, and give a credit for that work. There would be no question of charging interest or of repaying the loan. The only question would be whether the men would work well or not. The work they did, in relation to industry in the community, would be the value of the goods sold and the prices obtained. One proof of the Douglas theory, which was advanced long before we experienced the present crisis, is found in our own position as a nation. Throughout the history of this country we have either been borrowing or finding gold. That is a definite fact. We have borrowed money for public works.

Hon. A. McCallum: Often we have had both at the same time.

Mr. NORTH: Yes. England, ever since the industrial era, has had to send credits abroad to enable other people to buy her goods. Although a creditor nation, she had to export a vast quantity of goods and send the money in advance to people so that they could buy the goods she was exporting. The United States is in exactly the same position. It is a creditor nation, and while not dependent on markets abroad for primary products, is unable to export abroad without first sending abroad loan credits. She cannot now do that, and she is still suffering depression. I am trying to show that no country is able to purchase its own goods in its own market. It has either to send money abroad in advance to permit of the purchase of the goods, as England and America, creditor nations, do, or do as Australia, a

debtor nation, does, borrow all the time as well as send away exports. The figures for the year 1929, the year before the crash, are very interesting. Australia's production was £420,000,000, consumption £419,000,000, exports £144,000,000, imports £143,000,000. The figures almost tally. On that trade we were borrowing £30,000,000 to £40,000,000 abroad, and were paying £30,000,000 interest abroad. Thus the people of this country cannot be comfortable unless purchasing power is augmented by loans. If the country is a creditor nation, it has to send money abroad to enable other people to buy its products. That sort of thing, of course, had to come to an end. Whereas Douglas spoke of it years ago, or advanced arguments that proved those facts, the Sydney "Bulletin," which is hostile to the Douglas proposals, now says the same thing. Here are a few lines from the "Bulletin"—

The position to-day is that a faulty adjustment between purchasing power and production in every country automatically causes a surplus of goods which cannot be absorbed internally. The alternative is to sell the surplus abroad. But all other countries are in the same predicament, so we get the spectacle of every country trying to sell more to other countries than other countries sell to it. All are trying to perform this miracle, and if all succeeded there would be a world surplus concentrated somewhere that could only be disposed of to another planet. What is actually happening is that the powerful countries with surpluses are trying to force the weaker countries to accept the unequal trade relation. The anti-war societies won't frighten powerful nations into peace while it is a case of sell abroad or starve at home.

That is commonplace; we all admit it. But when Douglas first stated those opinions, quite a different condition of affairs existed. Surely his proposals for a remedy are entitled to earnest consideration. The first point has regard to central banking. This State, I assume, will either secede from the Federation, or something else must happen. Certainly we cannot continue as we are doing at present. There must be a drastic change, a definite alteration of the present situation. If we have a Western Australian central bank, it will have to be based on a system whereby loans will be advanced upon the industrial capacity of the community and not upon the existing notes. Now what has Douglas really proposed to cause such a stir? To-day there are 700,000 people in Australia without means of subsistence, excepting Gov-

ernment charity. Douglas, under his system, would arrange for a roster of orders. Particulars would be ascertained from the 700,000 persons of their orders. It would not be very hard to ascertain how many thousand pairs of boots and shoes, suits of clothes, vegetables, etc., would be required, as well as the rentals. The next thing would be to go to retail stores with those orders and ascertain if they could be supplied. The stores would refer to the manufacturers and growers, and the manufacturers would be asked how long would be necessary to make the goods and provide the services. Then would arise the question, "How will the money be found?" This is where the Douglas system comes in. He would say that if the factories produced all the boots and shoes required, and if the food and shelter needed were provided, the rest would become a question purely of money, and that, Douglas would say, was arithmetic. That, to orthodox economists, is heresy. We say it is a question of finding gold, or borrowing the title to gold. That is the old economics. The new economics says it is arithmetic. If for the sake of argument the exact cost of those goods and services was £50,000,000, the overdraft necessitated by the provision of those goods and services would be a debit entry upon the balance sheet of Australia. In the balance sheet each year both Federal and State Governments show the deficits on revenue operations and on loan account. We never see a statement of the assets. Such a statement, however, is always shown in the case of private companies and firms. No firm could prosper or gain in trade if it were not that it was adding to its deficit. It would not worry about a growing deficit provided its assets were also increasing. Major Douglas suggests that the national budget of Australia, according to the Commonwealth Statistician, represents £13,500,000,000. That is the asset which Major Douglas takes as his basis of credit. The actual existing basis of credit to-day in Australia is 50,000,000 notes printed in Canberra. Our idea is that these notes represent the power of Australia's production multiplied by seven, eight or nine. But upon mature consideration, people will say that the power of Australia to produce goods is a question of fact and not of notes in the bank. An illustration of the new theories of credit and currency, that is, the national dividend and the discount in prices, is easily

obtained by taking the idea of orders. These represent the demand of the people who want things if they can get them. People may ask whether these things could be obtained. If the factories had these orders and could not supply them without taking on other employees, the necessary number of additional hands would be put on. The unemployed would only obtain their purchasing power provided that, if called to work, they would work. No scheme could operate if the unemployed did not respond to the job. The great difference between the new and the old economies is that the new economies are worked on figures and not on intrinsic coins which represent barter. According to the figures, as I worked them out on the American policy system, Western Australia's assets would be worth about £1,100,000,000. What would happen under the Douglas analysis would be that one would take £300,000,000 off the total assets to cover the existing debts of £150,000,000, £75,000,000 representing the State's debts, £25,000,000 representing the Commonwealth debts, and £50,000,000 representing bank advances and municipal and other debts. If we take £300,000,000, which is a 50 per cent. cover for the existing debts, from the total assets of Western Australia we obtain a balance of £800,000,000. This is merely a capital calculation of what Western Australia could achieve if people were allowed to work. On this £800,000,000 we would strike our dividend. Instead of merely getting orders from the people Major Douglas would send through the post every month to every person in the State a dividend on £800,000,000, which is the Statistician's figure representing our assets. This dividend, if 5 per cent., would work out roughly at £2 per week per person. If it were decided to make the dividend 1 per cent., it would be equal to 8s. a week. Whatever the figure was, this amount would go through the post to each individual, would take the place of existing doles, and create a demand for goods. It may be said that this would represent inflation. That is what the world is asking for, cheap money and higher prices. Major Douglas provides that inflation shall be checked effectually by a discount system of prices. If this payment is made each month through the post office to every person in the State, we can see at once what will happen. We shall

have a purchasing power representing some percentage, say 5 per cent., of the total assets, and if it be assumed that every person who is called to work under that scheme carries out his work, the scheme will have been well started. Now, as to the price level. It is argued by banks that if we have an increase in the purchasing power there is a tendency to raise prices, which is a dangerous thing. Nowadays all are crying out for higher prices. The price discount system advocated by Professor Douglas is a very simple one. It is worked on the existing production. There is no politician's largesse about it; it is worked out on figures. In 1930, Western Australia produced £32,000,000 worth of goods, and consumed in that year £16,000,000 worth. It is hard to say where the balance went. I believe the Premier knows, but he would not tell me.

Hon. J. C. Willcock: He has not got it.

Mr. NORTH: He says that £4,000,000 goes out in interest abroad. We naturally lose that. Apart from the £2,000,000 or £3,000,000 we lose through Federation there is a big difference between what we produce and what we consume. Under the discount price system all retail firms would register under the Government discount scheme. This would mean that for the 12 months previous the production over consumption would represent an automatic fraction, which would be calculated by the Statistician. That fraction, one-half, would be marked off the price of all retail goods. In making our purchases in the shops we would find that our money was going twice as far as usual. It would also mean that the production from our boot and shoe factories, and other factories, would go back again to normal. The question may be asked how the stores would get back from the community the 50 per cent. discount. The answer is that they would get it from the same source as the source which would find the dividend. The discount would be merely the same credit that is drawn under the banking system against assets, and upon which assets credits and overdrafts are given. If we produced £32,000,000 worth of goods in 1931-2 and consumed only £16,000,000, there is still £16,000,000 worth to account for. If the same position arises in the following year, another discount is struck, and so it goes on. The scheme is like raising super-heated steam. It is a marvelous thought; the more people think it over,

the more do they see in it. It has the effect of converting the community from an industrial machine, which runs according to the finances, into an industrial machine which uses finance purely as a form of arithmetic or as an instrument. When we get down to cold, hard facts, right away from the black magic of the past and the old-fashioned banking system, we realise that money is merely figures. In the course of one of his lectures in the Old Country Major Douglas said that when a person asked him where the money was to come from, he replied, "If you have got the men and the materials, my answer to your question as to where the money is to come from is, 'That is the same as saying, where are the tons to come from?'" Perhaps I should apologise for these heresies, but sometimes heresies become orthodoxies. Our money troubles have arisen from the failure of people to realise that credit is a wonderful institution which the banks have used with advantage for many years. The times have overtaken that system and we now need a new one. It has been overtaken by a new form of money which is really arithmetic. The Premier will be able to go to Canberra and tell Mr. Lyons frankly, as well as the Loan Council, that Sweden is already using this new form of currency, that it has been doing so for six months, and is going ahead in leaps and bounds. That country has got away from notes and has got down to productive capacity. People in Australia are now demanding this new system of currency, which enables their goods to be sold and their factories to resume operations. Already there are 85 branches of this society in Sydney alone. No institutions will have a greater measure of relief than the banks themselves, because this system will give them more finance than any other. It may be said that this is not a question for the State Parliament to deal with. I think at a time like this we should deal with it. The Loan Council has been for two years waiting for something to turn up. All countries have looked around for some way out of their difficulties, all kinds of resolutions have been carried, but nothing has happened. Industries are in a state of ruin everywhere. Even the great investors are in financial difficulties. Men I know in Perth have lost thousands in the last few years. Their faces are longer every time I see them. Doctors, lawyers and business men and men in other callings have crashed for a silly thing like this, the idea

of credit tied to a lot of printed notes. Even State Governments should give consideration to this matter. If we do not have secession, some kind of alteration will have to take place. I should like to see the Douglas system instituted. Let us have home rule and honest finance. In the New Zealand Parliament Mr. Rushworth said he was prepared to be shot if within three months of the starting of the proposal in New Zealand it did not meet with success. Some ten days ago 1,000 persons met in Sydney at the annual meeting of the movement and talked about giving their lives to the cause. It is extraordinary that a major in England should have so many hundreds of thousands of adherents to his scheme. When people first hear these doctrines propounded they look upon them as fairy tales, but after a few months of earnest consideration, they realise that finance is indeed no more than arithmetic. I say definitely that if the Douglas credit proposals had been in force in this State during the last two years, we would have experienced no depression whatever. The effect in this State would have been this: Wheat and wool would have been bought by the State authority, which would be the Western Australian National Bank, if secession were in force, or the Commonwealth Bank, if the existing system had continued. The products would have been bought not upon the basis of £1 notes, which mean nothing, but on the basis of the productive capacity of Australia. The whole of the supplies available would have been bought in that way. All the trades in Australia that hitherto have failed during the period of the depression would have operated normally. All Governments would have functioned normally, and all industries would have operated normally. All it would have meant would have been that we would all have had to work a little harder, instead of many working much less. Imports would have dropped heavily. That would involve a greater call upon the industries of Australia—I have been speaking in a Western Australian sense, but I now speak in an Australian sense as well—to meet the deficiency caused by the falling off of imported goods. The fact that world prices had fallen would also have had an effect. More wool and more wheat would have to pay interest abroad on debts incurred in the bad

old days. What are the odds? Only one question arises. Would prices have risen? That is the only possible question that would have an effect on the position. If prices did not rise, we would have achieved that which the new economists say we would accomplish. During the last three years, as has been stated several times in this House, we had to raise £85,000,000 of money that does not exist in Australia, to meet losses due to our failure to borrow overseas. What has been the effect of that addition of £85,000,000 to the previously existing Australian national debt of £2,000,000,000? It has not raised, but has lowered prices. That is a complete knock-out blow to economists who declared to the contrary. They told us that we must not borrow, but must live on revenue. The overseas market was closed and £85,000,000 was found within Australia. The money did not even go into production. Unfortunately we have men in every State walking about the streets looking for employment. Some are now, after two years have elapsed, employed on road work, but that was due to pressure on the part of State Premiers. Under the Douglas system, that would have been avoided. Those men would have been employed upon their own work, making the shoes, boots or clothes that they required. On the other hand, we are, by way of palliatives, doing work now on behalf of generations that do not exist. The crux of the discussion between Major Douglas and the orthodox economists is that by our system, which does not enable us to maintain and foster goods in our own markets, we have been forced abroad and have increased our capital for factory production, and have failed to deliver what was required—consumers' goods. The moment trouble comes, our first thought seems to be that we must first of all start capital works. The whole world is full of capital works. In Australia we can produce all the boots and shoes required for the whole Continent within a period of three months. We have not been allowed to do so, because the whole credit function seems in sympathy with London or New York. If we consider the position regarding cement, we find that New South Wales is producing 700,000 tons a year, whereas the consumption is about 100,000 tons only. The same position is to be found in connection with our other secondary industries, and the fact is clear that we can meet consumption as

the result of six months' operations alone. Need I stress the position regarding the primary industries? In Western Australia, for instance, we find two per cent. of the population growing wheat to feed over 400,000 people. Thus in Australia, our production is double the consumption, and how is it that our people are so harassed? The reply is that our arithmetic has failed. We have failed to add up our money equations and failed to put our banking system in a position to operate on a proper basis. I believe the whole subject should be inquired into by the President of the State Arbitration Court. Let him hear the advice of the bankers and that tendered by those who favour the Douglas system. Let the two sections thrash the matters out, and let the President of the court or someone else ask the bankers these questions: Are you aware of the public discontent with the standard of living? Are you aware of the capacity of the country to produce a far higher standard, with the hours of work reduced by at least one-half? Then let him ask them why we have not achieved that objective. Let him hear their answers. Then let him discuss the proposals advanced by the advocates of the Douglas system. Let the bankers discuss them too. Soon they will see that the two points of view can be made to coincide. I am sure that they could reach common ground, which would mean four times the present business for the banks, four times the business for the community generally and fewer hours of work. We must localise our industries and localise our methods of finance, so as to get away from international finance, which has the whole world in its grip. Major Douglas is a man who has an abhorrence of Utopias. He is a crank on that score. He is opposed to Bolshevism or High Finance, both of which endeavour to organise the whole world under their respective regimes. He is out to create a situation under which every consumer in every country can create a Utopia for himself or herself—home rule and honest money. There are behind this movement many persons of standing. In the columns of "The New Era," a Sydney publication which supports the Douglas credit system, a list of names, includes those of the Pope, the Archbishop of York, the Archbishop of Perth, the Prince of Wales—the Sydney people sent him a cablegram and the Prince of Wales replied

to them recently—the Marquis of Tavistock, a wealthy Britisher and a Senior Wrangler of Cambridge University, who has given his life to this movement, and of many others, all of whom have spoken in support of the movement. Hundreds of thousands of people are advocating the Douglas scheme. There are about 100,000 people in Australia who favour it, and there are a hundred branches actively expounding Major Douglas's views. The movement is without political significance. Its principles can be applied to private or State banking, according to whichever political party may be in office. The advocates of the Douglas system claim they are attempting to enable something to happen that has not happened before. They are attempting to put Christianity into practice, and they say that that has never yet been done. They are also endeavouring to put true democracy into practice, and they say that democracy has never yet been practised. They say that what is known as democracy is a farce. No State Government is able to wield the power of its own policy. A Government may advocate work for all, but High Finance, acting through Canberra, steps in and says, "You shall not have work for all. You shall have what I say"—and that goes. The other day we were told that our people in Western Australia were not heavily enough taxed.

Hon. J. C. Willcock: And you support that party!

Mr. NORTH: The other day the Commonwealth Bank informed Western Australia that we were not taxing our people enough.

The Premier: That was not the bank.

Mr. NORTH: Was it Mr. Lyons?

Mr. Marshall: At any rate the fact is the Premier is going to do what he was told to do.

Hon. J. C. Willcock: It was Mr. Hill, the Premier of South Australia, who made the statement.

Mr. NORTH: At any rate, the Commonwealth Bank authorities have told us how we should operate and many things that we should not have been told by them.

Hon. J. C. Willcock: And there was the Commonwealth economist, too.

Mr. NORTH: The consumers, who are the public, should have the financial policy that they desire, but the question of administering that policy should, by all means, be left in the hands of the private or national banks,

according to the political desires of the Government in power. No attempt is made by this movement to attack existing banking institutions, but their object is to enable the policy that the public desire to operate, and they are content to allow the administration of that policy to remain in the hands of the banks. They do not desire the present banking system to continue under the old-fashioned dogma based on pound notes, which represent nothing at all.

The Minister for Railways: Did you say that the movement was founded on Christian ideals?

Mr. NORTH: It is argued that it will give effect to Christian ideals.

The Minister for Railways: Then what will happen to the Jews?

Mr. NORTH: There are different countries.

The Minister for Railways: What will the Scotsman do?

Mr. Marshall: Cousin Jack will have a bad time under this scheme.

Mr. NORTH: I will not particularise what matters the Royal Commission should inquire into, but will content myself with having given a general indication of what is aimed at. Perhaps I will be told that Western Australia itself could not function under this scheme unless secession became an accomplished fact. If secession were to be obtained, it would meet with the approval of many people. Then again, it may be argued that if we secure secession, this scheme may not be so necessary. I am sure, however, that the new economic scheme must prove of benefit to Western Australia, and I trust members will see the reasonableness of my motion.

Mr. Marshall: This is the first evidence of logic we have had from the Government side of the House.

The Premier: I should imagine you are a great judge of that!

On motion by the Premier, debate adjourned.

PAPERS—HERDSMAN'S LAKE.

MR. MILLINGTON (Mt. Hawthorn)
[8.30]: I move—

That the file dealing with the Herdsman's Lake settlement be laid upon the Table of the House.

I am submitting the motion for the purpose of getting the file dealing with the Herdsman's Lake new settlement. The file will contain a record or a history of the settlement. The original cost of the purchase will appear on the file as well as the cost of the drainage work done, which we know was enormous, and we shall learn also something about the total cost of the proposition, those who are associated with the settlement, and particularly recently the attempts made to settle the lake. I am not submitting the motion with the object of showing that any of the officers of the department have not performed their duty, but with the object of putting up a case for those who are at present settled there. When the lake was subdivided, I think into 5-acre holdings, houses were erected at a cost of about £260. Then from what I can gather the amount was capitalised and payment spread over a period of 30 years. I have no complaints to make about the cost of erecting the homes. They were built reasonably cheaply. My complaint is in regard to the price charged for the land. Usually where land is valued there must be an economic value attached to it; and there must be some reason for fixing the price. For some time the land lay in fallow and became overgrown with reeds and rushes. Then an attempt was made to settle it. That was done in all good faith. During the regime of the previous Government portion of that lake was thrown open, but there were very few applicants for it. Those who knew the value of lake settlements were not anxious to take up any portion that was thrown open. Subsequently settlers were attracted by the houses and the fact that they had the opportunity of making a home there. They took possession on the assumption that the lake having been thrown open the soil had been sweetened and that it would be possible to grow anything as is the case with most of our best swamp land. Unfortunately they soon found that that was not the case. Officers of the Agricultural Department had examined the soil, but the settlers who attempted to grow vegetables and other produce, found out that there was something wrong with the soil. Dr. Simpson declared that there was a big percentage of acid in a portion of the lake. The Director of Agriculture was shown a crop that had grown and died, and he declared that the remarkable thing was not that the crop had

died, but that it had ever grown at all. Where lake country has to be sweetened it is necessary first that it be properly drained. Herdsman's Lake has not been properly drained. The canals that have been cut are not sufficient to keep the water away during the rainy season, and therefore the process of sweetening the soil would take a considerable time. In winter the country is waterlogged. People assume that all lake properties contain soil capable of giving prolific results. There are varieties of soils in our lake country and certainly Herdsman's Lake cannot to-day be described as anything but a failure. The settlers have interviewed Ministers, including the Premier, who on one occasion visited the settlement. The Minister for Lands also visited the lake.

Hon. M. F. Troy: And also the department's experts.

Mr. MILLINGTON: Whatever might have been the impression that existed when the settlers were put there, what we have to do now is to view the actual conditions in the light of what has transpired. We have gained experience, and so have the settlers, at a very high cost. As I said earlier, I have no complaint to make with respect to the cost of the dwelling houses. My complaint is about the price placed on the land. A sum of £260 would be the value placed on a house, and on it interest and sinking fund would have to be paid. There is £70 an acre for the land. When I spoke to the Minister for Lands he said settlers were not put there to get their living off the holdings. The answer is: Why are they given five acres of land and charged £70 an acre for it? If it were the intention of the Government to put them on a place where they could make their home, they would not require even five acres, half an acre would be sufficient. In any case, the department quite unwittingly placed the value of £70 an acre on the land, and that represents somewhere near the cost of the purchase and the drainage of the property. I know, too, that the reply of the Minister will be that already the price has been written down. If it has, there is room for a further writing down. What I have to do is to show that the time has arrived when this question has to be faced. It is no use saying that these men are not meeting their obligations. We want to place them in a position to make it possible for them to do so. You will never get men whole-

heartedly to enter on the work of development when they know that the land is so considerably over-valued. We are aware that it is possible to pay up to £100 an acre for land in the Osborne Park district, that is, the best swamp land, and even at that price it would be a business proposition. That land, properly drained in winter, is irrigated in summer time. To get results from swamp land, it must be drained in winter by means of a canal and it has to be irrigated in summer. Unfortunately the land is not uniform and that at Herdsman's Lake has not been sweetened up. I am told, and I have every reason to believe that it is true, that it will take some years before the land will sweeten, and therefore there can be very little production before then; also that the land has to be cleared of either paperbark or bulrushes, and it will take some time to do that also. During that period the price of the land would be added to the costs and, taking the original unimproved value at £70, by the time it is cleared and ready for cultivation the cost will be over £100 per acre. Even then perhaps it will not be first-class swamp land. Therefore the farmers say, "Before we get too involved let us have an understanding and let there be a re-assessment. We are not particular who does it; any independent valuer will do." So that a proper case may be made out, it will be necessary to have the records to show what was the purchase cost, the cost of draining, the interest that has accrued, and also to ascertain what transpired when an attempt was first made to settle the land. There are those who say that the men engaged in developing and cultivating the blocks are not practical men and that the land has not had a fair trial. To an extent, that may be true, but I know that some of the holders of the blocks are capable men. I can give one instance. One man was a champion wheatgrower in this State. In one year his average was 40 bushels of wheat to the acre. I will not state the reasons for his leaving that farm. At any rate, he was one of the settlers at Herdsman's Lake. He put in a lot of time there and left. No one can say that he was a man without experience. He holds a record: in fact, he has a medal to prove it. He spent a considerable amount of money on his holding, and planted it after having thoroughly cleared it, at heavy cost. I remember that in one spot he planted

strawberries, which seemed to be coming on all right for a while, but then died back.

The Premier: The church grew good vegetables there in the past.

Mr. MILLINGTON: In odd places—where the land has been made up with stable manure and other fertilisers, and where it can be drained and irrigated—yes, that is possible. That is how the land has come under cultivation. But that system requires a great deal of money. No one who understands anything about the lake land, its value and its difficulties, will take on that country at £70 per acre with the idea of knocking it into shape. That is not a business proposition. No one to-day would take up that land with such an object. A man who has resided in the district for 30 or 40 years, and has prospered there, was asked by me what was the value of these holdings. I do not care to repeat the figure he gave, but I will say that it was considerably under £70 per acre. Of the experienced men in that district who get a living there, not one would look at any block near the lake with the idea of making his living off it. We need not wait until the settlers on those blocks have had their hearts completely broken. Let us, early in the piece, put the matter on a proper basis, so that the purchasers will know they are getting value for the time payments which are being made. I assume that eventually those who get the land at a reasonable price will go ahead and cultivate it. If the department can solve the problem of drainage—so far they have not solved it—possibly, as time goes on, that strip of land carrying about 40 settlers will be brought into a state of reasonable productiveness. Just now it is problematical whether that will be done. The only certainty is that, if it is to be done, it will take large amounts of time and money. At present some of the settlers there work at other avocations.

The Premier: On the tramways.

Mr. MILLINGTON: It is a case of the holding not keeping the holder, but of the holder having to keep the holding. To some of the settlers it has been necessary to give sustenance. For others I have tried to get work, but they are at a disadvantage unless registered as unemployed. There is plenty of work on their holdings, but they cannot obtain remuneration from such work. There is no need to over-state the case. Anyone can go to the locality and see for himself. It is true that there are now productive spots along the edge of the lake. The complaint

which these settlers wish me to bring before the House is that the land is greatly overvalued. They ask that the price should be reduced. I wish to see the files in order to ascertain what has occurred. I should say that the Premier would be willing to make the files available. I shall then go through the records. In my opinion there will be no difficulty in establishing a case for the appointment of a re-appraisal board. For that matter, one departmental officer could take evidence from the settlers, obtain expert opinion on the value of the land and its disabilities, and also on the cost which must be incurred before the land becomes cultivable, and further take evidence from those who understand this class of country, having lived in the district all their lives. I am convinced that there will be no difficulty in obtaining such evidence. I repeat, there is no need to overstate the case; all we want is that the facts shall be elicited, when I am sure the Government will not withstand the claim. We are aware that a similar course has been adopted in other parts of the State. I do not think it helps the position to defer dealing with such a matter as this. It has gone far enough. I bring the matter before the House because we have been unable to obtain any redress as the result of deputations or requests to the Minister. I agree that the Government have been willing to deal with individual cases of distress, and cases of men considered to be working their holdings genuinely. But this is an entirely different question—a question of values and of reappraisal and re-assessment.

On motion by the Premier debate adjourned.

MOTION—MIGRANTS, REPATRIATION.

MR. MARSHALL (Murchison) [8.54]: I move—

That in view of the world financial crisis making it impossible for the Government to fulfil their contract to provide thousands of migrants with work, or establish them upon farms in accordance with the Migration Agreement, this House, believing that this position will continue for a considerable time, is of opinion that the Government should take immediate steps to repatriate migrants now unemployed and desirous of returning to their homeland.

I shall be brief, because a motion similar in substance was moved by the member for Fremantle (Mr. Sleeman) during last ses-

sion. In the course of the discussion on the Supply Bill, and again on the Address-in-reply, the question of unemployment was treated fairly fully. Hon. members are, I think, thoroughly convinced that the problem is with us, and that, unfortunately, it is likely to be with us for years to come. We did, in fact, have unemployment long before there came what is now known as the depression. Many members, and numerous people outside, would have us believe that the depression is the sole cause of unemployment in Western Australia. But we know that that is not so. Unemployment prevailed several years before the coming of the depression. When Western Australian Governments had plenty of Loan money to spend, there was unemployment nevertheless. If we desire proof of the fact that unemployment is with us for a lengthy period, we have only to glance at the older countries of the globe and realise that the unemployment question has been a trouble there for many years. The Mother Country, in fact, as far back as 1914, had about 2,000,000 unemployed. That was at the declaration of war. With the advent of the application of scientific methods to production, which is proceeding rapidly, and which, to our sorrow, is becoming more rapid as the years go by, invention began to displace labour all over the world. If our Premier, who I submit is capable of spending money, could obtain a large loan to-morrow, he would not be able to absorb all the unemployed here. If he attempted to do it, he would presently have to find work for all the unemployed in the Eastern States, and eventually for all the unemployed in the world. The only factor which would in any degree retard the rush of unemployed from the Old World, is the Alien Immigration Restriction Act. The inhabitants of European countries would come here by thousands upon thousands if the Premier absorbed first of all the unemployed of Western Australia and then all those of the Eastern States. The fundamental trouble is that machinery is rapidly displacing man power. With a view of absorbing all the unemployed, finding work for them, we should prepare for an era when people in general will have opportunities of living more pleasurable lives by working fewer hours. That must be the responsibility of invention: invention must carry the burden. In future we shall not regard invention as a curse to mankind, but as a blessing. The more science is applied to

production and the more men are displaced from healthy occupations, the greater becomes the responsibility of those inventions to carry the displaced, give them a reasonable living wage and reasonable living conditions. My motion is not submitted in any spirit of hostility to the Government, whom I do not wish to harass in any way whatever. I move the motion because I consider that it holds something of a humanitarian character.

Mr. H. W. Mann: Do you think those migrants will better their position by going back to England?

Mr. MARSHALL: The solution of that problem does not come within my jurisdiction. What I suggest is that if the hon. member were cast adrift in a foreign country—

The Premier: This is not a foreign country.

Mr. MARSHALL: It is to those migrants.

The Premier: No fear!

Mr. MARSHALL: Nevertheless, if one found himself away from his homeland where his relatives and friends lived, and moreover found himself hungry, ill-housed, ill-clad and unemployed, I think he would prefer to be back with his own kith and kin.

The Premier: There are 130,000 British-born in Australia.

Mr. MARSHALL: I do not doubt that. Only a few generations ago all the white people in the Commonwealth were imported. But that is not the point. I say that if one were destitute and unemployed, he would rather be with his friends and relatives than be left amongst comparative strangers. So, whether or not these migrants would be better off in their own land, is not for us to consider. I am not suggesting that if the motion were carried and put into effect the prospect of being unemployed in England would be any better for the migrant, except that the environment of the Homeland would be more acceptable to him than his present surroundings. But it is costing the State £18 4s. per annum per individual for sustenance, and I submit that from the Treasurer's viewpoint it would be much cheaper to return to the Homeland those migrants who desire to return. Let me make it quite clear that I would not force any one of them to go back against his desire. Years ago the late member for Pilbara, when discussing assistance of migrants, submitted the argument that if we made the country sufficiently

attractive we need not pay anybody's fare. There is logic in that. When gold was discovered in this State, people rushed here from all the countries of the earth, merely because the gold was attractive to them. So if we make this country sufficiently attractive in other ways, if we offer concessions not offered by other countries, we can lure people to this State by thousands without any migration scheme at all. Here is a point upon which the Premier might enlighten us: I do not know whether it is the State, the Federal or the Imperial Government which is responsible for the position in which we find ourselves. We have no fewer than three migration agreements between the three Governments. A little time ago I argued that the policy of migration then being conducted was altogether too vigorous, that we were getting an influx of people whom we would never be able to keep employed. And that statement was made when things were bright and everybody was prosperous. Even then it was certain that, as soon as the work of settling the immigrants had been completed, we would have a burden of unemployment. Now I should like to know from the Premier which of the three Governments concerned in those agreements brought about a cessation of the flow of money for the employment of the migrants under the terms of the migration agreement.

The Premier: I do not think any State Government refused to accept the money.

Mr. MARSHALL: Yet the money has been cut off. It was not cut off at the request of any State Government.

The Premier: Not that I know of.

Mr. MARSHALL: Nor was it cut off at the request of the Federal Government. So it must have been cut off by some direction from overseas, presumably the Imperial Government. A few years ago we had representatives of the Imperial Government coming out here with a view to ascertaining what works were to be put in hand in order to give the State Governments the right to take advantage of a huge sum of money to be expended by the Imperial Government, which was passed by the House of Commons in a Bill entitled, I think, "Dominion Settlement." There was to be expended a sum of £34,000,000 or £35,000,000 to enable the States and the Commonwealth to absorb the surplus labour of the Old Country. Under that agreement both the present

Premier and his predecessor in office took advantage of what was regarded as cheap money. But suddenly it was cut off, and we are now left to nurse the baby. It is a pretty big baby, for there are something like 12,000 or 13,000 unemployed in this State, and I venture to say that from 30 to 50 per cent. of them are migrants, who, if given the opportunity, would gladly return to their own land. They were not born here, but they are here and are out of work. It has been said that the Federal Government would not issue passports for the return of those migrants; but since contracts are being everywhere broken, that might be set aside. Whatever may be done by the three Governments, the unfortunate migrants are not responsible for what has happened. The migrant came out here under the agreement, which says that the State shall be responsible for him and find employment for him.

Mr. H. W. Mann: For one year.

Mr. MARSHALL: Oh no, that is not so.

Mr. H. W. Mann: Do you suggest the migrants were guaranteed employment for all time?

Mr. MARSHALL: Let me read the agreement. The provision is contained in Clause 26 of the second agreement, which was an amendment of the first, the third being an amendment of both. Clause 26, para. (f), reads as follows:—

(f) Find assisted migrants other than nominated migrants suitable employment in the said State at the same rate of wages as is paid to others of similar experience.

So there is no argument about it. The migrant is not responsible for what has happened. He came out with the best intentions, and I think in the main he has done his job. Probably there was a percentage of failures, just as there would be if a large body of Australian were sent to a far land. So the migrant is not responsible, nor can the State Government be blamed. They have much work to be done, but it cannot be done for years to come.

The Minister for Railways interjected.

Mr. MARSHALL: Yes, a lot has been said in the Old Country which is not true. That reminds me that many of the migrants were lured out here under false pretences by beautiful posters displaying ideal conditions. The migrants thought that all they had to do was to come out here and find milk and

honey flowing everywhere. After all, we are under an obligation to a number of those people, because we did not do them justice. We have been most unkind to many of them—industrious, hard-working people who have attempted to establish themselves in this State and have failed.

The Minister for Railways: I am very glad to hear you talk like that.

Mr. MARSHALL: I do not know where the Minister gets his information. There is a letter in this morning's paper giving him some kudos for an enthusiastic desire to suppress communism.

The Minister for Railways: That has nothing to do with the question.

Mr. MARSHALL: If the Minister wishes to suppress communism, he should seek to remove the cause and that is hunger.

The Minister for Railways: Oh, go on!

Mr. MARSHALL: Nothing will breed it quicker.

The Minister for Railways: I am not talking about breeding it. You are talking about the cause of it.

Mr. MARSHALL: The cause of many people being converted to communism is hunger.

The Minister for Railways: No.

Mr. MARSHALL: If the Minister goes to the Esplanade on Sunday afternoon, he will find out for himself.

Mr. SPEAKER: We are not discussing communism.

Mr. MARSHALL: I am using the argument to show the need for sending migrants back to their homeland before they become contaminated with communism. If the Minister thinks that migrants are going to remain here indefinitely, hungry and ill-clad, to suit the whim of the Government, I disagree with him. They will try some "ism" to relieve themselves of an intolerable position. That has been the experience from time immemorial. Persecution has caused revolt, people have insisted upon reform and some have lost their heads in the process. The chief argument advanced by the Government against a similar motion submitted by the member for Fremantle was that of cost. The Minister for Lands said it would cost about £30 per head for the migrants who desired to return to the home land. That is an excessive estimate. I understand that to send the State ship "Kangaroo" to England and back would cost

about £17,000, and that does not take into account freights that might be available on the return trip. If the "Kangaroo" took 1,000 migrants for whom we cannot provide and will not be able to provide for a considerable time, the Premier would show a saving of at least £2 per head in 12 months time. It is costing £18 4s. per year to keep each migrant now.

The Premier: You do not propose to send out of the country everyone who came to it.

Hon. S. W. Munsie: No, those who wish to go.

Mr. MARSHALL: I do not know what number desire to return, but I assume that 2,000 or 3,000 would be anxious to go back.

Mr. H. W. Mann: If they desired to return to Western Australia, would you have them?

Mr. MARSHALL: They could return of their own volition. For my part no more migrants would be brought here. If the State were made attractive, they could come if they chose. We induced the migrants to come here—really decoyed them into coming.

The Premier: Not all of them.

Mr. MARSHALL: We are responsible for their being here. Had they come of their own volition, there would be no need for the motion. The agreement provides that work be found for them and that they be given the same standard of living as Australians enjoy.

The Premier: On what page of the agreement does that appear?

Mr. MARSHALL: I have the three agreements before me. I am not taking the Premier to task. The agreements were fixed by the present Premier and by his predecessor. The migrants were brought here at the expense of the taxpayers and we guaranteed them employment.

The Premier: Not all of them.

Mr. MARSHALL: A great number of them.

Hon. A. McCallum: We did not kidnap them and bring them here.

Mr. MARSHALL: No. I suggest that the cost of returning migrants to the Old Land would be £10 to £12 per head.

Mr. H. W. Mann: How many would the "Kangaroo" carry?

Mr. MARSHALL: That is a matter for survey.

Mr. H. W. Mann: You said 1,000.

Mr. MARSHALL: That is the lowest figure; 3,000 would not be a full complement for the vessel.

Mr. Parker: Three thousand!

Mr. MARSHALL: The hon. member knows how soldiers were packed aboard the troopships.

Mr. Parker: Why not say 500?

Mr. Wells: They would never get bunk room.

Mr. MARSHALL: I suggest that more than 1,000 could be accommodated and that more than 1,000 would be prepared to go. If the "Kangaroo" did not get back-loading, State requirements in the shape of well bred dairy stock could be brought out. I wish to refer to the action of the Federal Government in refusing to issue passports to migrants wishing to return to England. Some of them had the good fortune to receive offers of their fares from friends and the Federal Government were contemptible enough to refuse to issue passports. The Federal Government are only too ready to do what we accused Germany of doing in 1914, namely, regarding an agreement as a scrap of paper. That has become almost an annual practice with the Federal Government. Only recently we had experience of their repudiating the gold bonus and some years ago we had their repudiation of the per capita payments. We must admit that we have not done justice to the migrants. I have nothing against the foreign element, but we are feeding 749 unnaturalised subjects. We are generous enough to treat all nationalities on an equality with our own people, but when it comes to doing that which migrants desire, we decline. They are to be kept here ill-fed and ill-clad.

Mr. Sleeman: Not clothed at all.

Mr. Withers: Where do they roam about?

Mr. Kenneally: Five men offering for every job available keeps wages down. That appeals to some people.

Mr. MARSHALL: I do not know that that is the influencing factor. It would be far more economical for the Premier to send back the migrants who are out of work and who desire to return. We cannot and never will be able to absorb the whole of the unemployed with us at present. On the other hand we may hope to profit by the use of any new inventions or scientific aids that may come to us. To think otherwise would be repugnant to us. We want progress. We do not want to revert to primitive times

when people were struggling in the wilderness naked. We do not want to go back to the age of the savages, but with progress we must carry the responsibilities of progress. In justice to those whom we have deceived, or those with whom we have broken our contract to return them to their own land where they claim they would be more comfortable and a little better off, I commend this motion to the House.

On motion by the Premier, debate adjourned.

BILL—PUBLIC SERVICE APPEAL BOARD ACT AMENDMENT.

Second Reading.

MR. RICHARDSON (Subiaco) [9.33] in moving the second reading said: It is not my intention to speak at length on this subject. I rely more upon the intelligence and sense of justice of members to assist me in putting the Bill through. The measure is of great importance to many officers who are employed by the Government. Practically the whole of the public service, including the school teachers, have been brought under the Public Service Board Appeal Act. I have read most of the speeches made during the debate upon that measure. It is remarkable that in no instance were the railway men referred to. The reason was that the Act was brought into operation because of an agreement made after the strike that occurred in 1920. In making an agreement on behalf of the Government the then Attorney General, now Mr. Justice Draper, agreed that if the officers went back to work, he would bring down a Bill to give them an appeal board with representation from their own ranks, a representative of the Government, and with a judge of the Supreme Court as chairman. Because the railway workers were not a party to the dispute, they were overlooked. No reason can be given why they should not be accorded a similar privilege. The railway men have been loyal to the Government. In every way they have done their utmost to prevent any dislocation of the service, and have done their best to keep it running smoothly. They should be just as much considered as workers for the Government, as are the officers of any other department. If it was just that the Government should

grant an appeal board to the public servants, whereby their differences might be settled, it is equally just that the railway workers should have a similar privilege. The Bill does not deal with all the grievances that might be presented from time to time by the railway workers, but it deals with matters connected with superannuation. In this Bill I have made that quite clear. I understand that the railway workers have other means of settling their grievances through a board, which however has no jurisdiction over pensions or superannuation. From time to time much dissension has been created in the railway service. The railway men have applied to the Commissioner for pensions. These have been granted in some cases but refused in others. The only appeal the men can possibly make is to the Governor in Council, whose decision is final. An appeal of that description is merely one from Caesar to Caesar. In many cases no appeal is ever made. The railway officers realise that the Commissioner has acted on behalf of the Government. When he has turned them down they know they have little chance of getting their cases properly stated before the Governor in Council, and that an appeal would receive the same consideration that had been given to it by the Commissioner himself. Here we have a body of men many of whom were engaged under an old Act. For many years they believed there would be no difficulty about their getting superannuation, but they have since found that their claims have been turned down by various Governments. In the circumstances, Parliament should give them the same right of appeal, a statutory right, that is given in other branches of the service so that their claims may be finalised once and for all. It is not within my province to say whether a pension should be given or not. All I ask for is that this Bill may be passed, and that the railway men may have the same right of appeal that has been given to public servants and school teachers since 1920. The justice of this must be clear to every member. The officers of the railway service have on many occasions suffered disabilities that have been forced upon them, but they have always been loyal to the State, and I see no reason why they should not receive the same benefits as are accorded to other State workers. The Bill applies only to Subsec-

tion 4 of Section 6 of the parent Act. Subsection 4 reads as follows:—

If any question shall arise, or at the commencement of this Act is pending, in any department of the public service, as to the qualification of any person claiming a superannuation allowance under Section 1 of the Superannuation Act, all the length of service of such person, or if any question shall arise, or at the commencement of this Act is pending, under any other section of the said Act as to whether, or for what period, any person has served in an established capacity in the permanent civil service, it shall be referred to the board, whose decision shall be final.

Whilst the Bill deals only with this section, to make it clear and bring the railway men into line, I propose to add the following:—

For the purposes of this subsection the Railway Department shall be deemed to be a department of the public service, and the word "person" shall include any person employed in the said department, whether he be a salaried officer or paid by wages.

That will make it possible for wages men as well as salaried officers to come before the appeal board. The Bill in no way infringes the rights of the Commissioner of Railways. I trust the Bill will receive every consideration, for it is of the utmost importance to hundreds of Government employees. I move—

That the Bill be now read a second time.

On motion by the Premier, debate adjourned.

BILL—CRIMINAL CODE (SECTION 27 AND CHAPTER LXV.) AMENDMENT (No. 1).

Second Reading.

MR. H. W. MANN (Perth) [9.43] in moving the second reading said: I have good reasons for bringing down this Bill. Members will recall that three years ago when I submitted it the measure passed through this Chamber and went to the third reading in another place. An hon. member in the Council secured the passing of an amendment which was foreign to the Title. This Chamber refused to accept the amendment, and, when the Legislative Council insisted upon it, the Bill was lost. The fact that there was a unanimous vote of both Houses of Parliament in favour of the Bill has influenced me in again submitting it. Apart from that I am convinced—and

I know other members of this Chamber are convinced—that the measure is long overdue. In tracing the history of capital punishment we go back to the Dark Ages, when people were put to death for all crimes. For instance, if a person stole anything of a greater value than 1s., he forfeited his life. It is on record that just over 100 years ago a man was executed in England for chopping down a cherry tree. In passing sentence the judge said that a man who would chop down a tree would be quite capable of chopping off another's head. It was less than 150 years ago when women were burnt at the stake in England for witchcraft—an offence for which to-day the penalty would be a fine of about 40s. Looking back on those times we raise our hands in horror at such events. I venture to say that in the years to come our posterity will raise their hands in horror at the fact that to-day we execute men for an offence, bearing in mind that we approach the offence from our point of view, with no knowledge of the mental capacity of the person charged. Under the Criminal Code a person is not responsible for his actions if he is adjudged to be of unsound mind. But the English law of unsoundness of mind was fixed away back in 1840, after a man had been charged in the English court with murder and had been acquitted by the jury. The House of Lords raised objection to the acquittal, and submitted certain questions to the judges. On the answers to those questions was established the law of insanity. That law has remained unaltered from then until now. Judge Fitzjames Stephen, referring to that law, says it was established not on evidence at a trial but on questions submitted that were foreign to the trial. He suggested, many years ago, that the definition of unsoundness of mind was narrow. Although admitted to be narrow, that definition continued until Chief Justice Griffiths, of Queensland, framed a Criminal Code for that State. He rather widened the definition, but even so it is not broad enough to include persons of mental defectiveness or deficiency. The law of Great Britain is that no person under 18 years of age shall be executed; yet persons are executed in the thirtieth or fortieth year of their lives whereas it is doubtful whether their minds are not those of children of 12 or 13 years. While the law of England provides that no person under 18 years shall be executed, we find men executed who may be 40 years of age in life but who in mind are scarcely beyond the age

of 10 or 12 years. The present Bill is exactly the same as that which passed this Chamber three years ago. It proposes the appointment of a board of three, comprising two alienists and a psychologist. When a person is committed for trial for an offence of which the punishment is death, the person so committed is to be examined by the board, and the board shall make a report to the judge. Whether it be a unanimous report or a majority report, the report shall be submitted, and the board shall state the reasons for their report, and shall be expected to state the condition of the accused person's mind at the time of the commission of the offence. If the board reports to the judge that at the time the offence was committed the person was not sound mentally, but was suffering from some mental disease, deficiency, or defectiveness, the judge shall deal with that person as though suffering from unsound mind, and the judge shall record a sentence. The person is not to be executed, but shall be dealt with just as though he were a person of unsound mind, and shall be detained pending the pleasure of the Governor. The authorities dealing with this subject are unanimous. Since my first Bill was before the House, we have had the benefit of the evidence taken by a select committee of the House of Commons, which sat for a long period, and took evidence from all Continental nations and from America. The report of that committee, though not unanimous, was to the effect that capital punishment should be suspended in Great Britain for a period of five years. The committee was appointed on the 30th October, 1929. A motion by Mr. W. J. Brown, that capital punishment be abolished in Great Britain, was all but carried in the House of Commons, when Sir Herbert Samuel urged the appointment of a select committee to investigate the question. The personnel of the committee was highly efficient. I do not think I could do better than restrict my remarks chiefly to the evidence taken by the select committee, because that evidence is recent and was taken from men who had spent their lifetime in considering the position, and from men who had been associated with crime and criminology for lengthy periods. No money was spared in investigating the question. The information is the latest obtainable. One fact proved by the investigation is that the abolition of capital punishment had not caused an increase in murder in a single European country, but that in most in-

stances abolition had been followed by a decrease. I may be asked why there was a decrease. The decrease is due to a better system of education, better social conditions, and better moral control of the people. In early ages the endeavour was to control the people by fear, the idea being that execution would strike such terror into the hearts of the people witnessing it that they would never do wrong. One offence carrying the death penalty was picking pockets. When an execution took place a large crowd gathered, and it was a field day for pickpockets. It is on record that many pickpockets were apprehended picking pockets right in front of the man who was being executed for that very offence.

Hon. A. McCallum: Did they advocate the abolition of punishment? They cannot have been in favour of capital punishment.

Mr. H. W. MANN: The sight of the execution did not deter men from committing the crime which the death penalty was to repress. On the other hand, in countries where capital punishment has been abolished, there has been a gradual and general decrease in the crime of murder. The countries which abolished capital punishment had considered the question from the point of view I am now submitting to the House, that murder is committed by men who are not in their normal minds, by men who are not 100 per cent. mentally efficient, probably not 40 per cent. efficient, so that they do not think of the enormity of what they are doing, or, if they do think of it, have not the power to control their impulses. The Bill proposes to control such men, just as Sir Robert Peel resolved to control the English people when it was decided to forego the terrible manner in which they were being ruled; that is to say, men were being executed for every sort of crime, with a view to striking terror into the hearts of the people. That went on until Sir Robert Peel appointed his army of policemen. Then it was discovered that moral control was a better means of suppressing murder than was the forfeiting of people's lives. Thus in the countries that abolished capital punishment, with a better system of education, better social conditions, and better moral control of the people, it has been possible to reduce the crime of murder as compared with countries retaining capital punishment. Of countries which abolished the death

penalty, the first one was Denmark. In Denmark the last execution took place in 1892. In that year the percentage of persons convicted of murder was .25. Twenty years afterwards that was reduced to .3 per cent. It dropped almost immediately, and for some years it stood at .3 per cent.

Mr. Marshall: But do you not realise that, as compared with .25, that is an increase?

Mr. H. W. MANN: Then we will leave it as it is. In Holland the last execution took place in 1870. In 1875 the executions for murder represented .7 per cent., and in 1922, .711.

Mr. Hegney: Again the percentage increases.

Mr. W. H. MANN: In Norway the last execution was in 1875, when the convictions for murder represented 1.4 per cent. Twenty years later they had dropped to .52 per cent. In Sweden, public executions were abolished in 1877, but the last execution for murder was in 1910, when the percentage of convictions for murder was 2.28 per cent. Twenty years later the percentage of those convicted of murder dropped to .66. In England and Wales the percentage of murder convictions in 1900 was .86 and in 1920, .89. There must be some slight difference either way, but the fact remains that there has been no appreciable reduction in countries where capital punishment has not been abolished.

Mr. Hegney: The population has increased since then.

Mr. H. W. MANN: I have given the figures on a percentage basis. There has been no decrease where capital punishment has been retained. The facts I have given are taken from the evidence tendered to the Royal Commission that sat in England during 1929. To me these facts are convincing.

Mr. Marshall: Apart from that, what do you consider is sufficient punishment for the person who takes life?

Mr. H. W. MANN: The point I want to make is that if a person of normal mind takes life, that is one matter; if a man who takes a life is mentally deficient, that is quite another matter.

Mr. F. C. L. Smith: Is it not altogether a different matter now under the existing conditions?

Mr. H. W. MANN: Under the law to-day, if the murderer's life is not taken by the law, it is because it is

shown that the man is of unsound mind. There is a difference between a man of unsound mind and a man who is mentally defective. In the first instance the man of unsound mind does not know right from wrong. A mental deficient knows murder is wrong but he has not the mental strength to prevent him from committing murder.

Mr. F. C. L. Smith: Is not the distinction hard to determine?

Mr. H. W. MANN: No, because a board of alienists can say whether a man is mentally defective or of unsound mind.

Mr. Brown: What about the jury's recommendation to mercy?

The Minister for Railways: But before the member for Perth leaves that subject, does he suggest that because a man is found to be mentally deficient, he can go around and murder everyone?

Mr. H. W. MANN: The Minister generally advances sound propositions.

The Minister for Railways: That is sound enough.

Mr. H. W. MANN: I want to make the position perfectly clear. A man may be at that stage of life when he is 30 or 40 years of age and yet he may have the mind of a lad of eight or 10 years old. Such a man's mind is retarded.

The Minister for Railways: How many murders have been committed by boys eight or 10 years of age?

Mr. H. W. MANN: We do not know, but the law of England does not permit a lad of eight or 10 years old to be executed.

The Minister for Railways: No, because such a lad has never committed a murder.

Mr. H. W. MANN: The Minister does not know. I will quote a case in point in Australia. Had it not been for the present Attorney General, the lad might have been executed. I refer to the case of Wray versus the King. A young fellow was holding a position as shipping clerk in the office of a city firm and was carrying out his duties satisfactorily. He was found by the doctors to be suffering from dementia praecox. While he was working he formulated a scheme to seize a motor car, kill the driver, drive the car himself to some place where he could kill the man in charge of a bank, seize the money and be back at work next morning. The lad who could not drive a motor him-

self, went to the extent of hiring the motor and murdering the driver. He was tried in the Criminal Court a year ago on a charge of murder. It was such a cold-blooded, callous crime that notwithstanding that doctors gave evidence of his mental condition, the jury returned a verdict of wilful murder.

Mr. F. C. L. Smith: How old was he?

Mr. H. W. MANN: About 20 years of age. The jury added a recommendation to mercy on account of the lad's youth. The Crown assigned counsel for his defence and also for his representation on appeal. The appeal was taken before the Chief Justice the late Sir Robert Mac-Millan, Mr. Justice Northmore and Mr. Justice Draper. In the course of his decision, the Chief Justice said—

The appellant, George Clifford Wray, has been found guilty of wilful murder, and sentenced to death. We are asked on this appeal to say that the verdict of the jury is against the evidence and weight of evidence, that the said verdict is unreasonable, and that the said verdict cannot be supported having regard to the evidence. About the facts surrounding the killing there is no dispute. It was an unlawful killing and, apart from the defence set up, it amounted to wilful murder. The only defence was that of insanity. By Section 26 of our Code, sanity is presumed. The material section is Section 27, which deals with insanity. It does it in these words: "A person is not criminally responsible for an act of omission if at the time of doing the act or making the omission, he is in such a state of mental disease or natural mental infirmity as to deprive him of capacity to understand what he is doing, or of capacity to control his actions, or of capacity to know that he ought not to do the act or make the omission." In this case, it was alleged that the accused lad, by reason of mental disease, was deprived of the capacity to control his actions. That section is taken verbatim from the Queensland Code, and in his introduction to that Code, Sir Samuel Griffith, the author of it, said, dealing with criminal responsibility, "This most important and difficult branch of the law is dealt with in Chapter 5. No part of the drafting of the Code has occasioned me more anxiety, but I may add that I regard no part of the work with more satisfaction."

The Chief Justice went on to say—

Section 27 of that Code and in ours not only codifies the law, but alters it by enlarging the area of irresponsibility. The law in England, and it was the law here at the time of the passing of the Code, is to be found in the answers of the judge in *Maenoughton's case*, and those answers have been accepted as laying down the law as to the definition of insanity in reference to criminal responsibility.

But they have been the subject of much consideration and criticism by the legal and medical writers, and Sir James Stephen came to the conclusion that there should be a further exemption, and that a person should not be punished for any act when he is deprived by disease of the power of controlling his conduct, unless the absence of control has been caused by his own fault. Now that view was inconsistent with a great number of English cases, but in a footnote of *Archbold's criminal pleading*, in the chapter dealing with defences of insanity it states, "Colonial and American views: The tendency of judges and legislators in the United States and the British colonies is not to accept the dicta in *Maenoughton's case* as an adequate definition of insanity with reference to criminal responsibility. In the Queensland Code of 1899, drafted by the Right Hon. Sir Samuel Griffith, C.J., of that colony after consideration of the English authorities and Continental and American legislation, the view of Sir J. Stephen is in substance adopted." The only question here, therefore, was whether the accused man had the capacity to control his actions at the time of doing the act. What was the evidence on that point? We have two doctors who say that he had, what of course must be established in the first place, a diseased mind, that he was suffering from *dementia precox*, and they say that the result of that particular disease would be to deprive him of the capacity to control his actions. That evidence was uncontradicted. No medical witnesses were called on the other side. We very often find doctors on this question, as on others, taking different views, and it is not to be wondered at in a borderline case, but here apparently there was no one to come forward and say that these two experts (who happened to be Crown experts), one the doctor of the gaol and the other one of the hospital for the insane, were wrong in the conclusion they came to, and it seems to me their opinion is supported by all the facts of the case. We have here a bad family history. We have the act of killing, which could only be described as a mad act. Some attempt has been made to support the verdict by reference to the document which was found in the possession of the accused man, but that seems to me to be even madder than the act of killing itself.

That is the document in which he had laid out a plan to seize a motor car by killing the driver, drive out to the bank and kill the banker, and then go to work next morning. But he could not drive a car. It showed the weakness of his mind, that he was not able to calculate at all. The judgment continues—

The whole speaks of a diseased mind and therefore there was much here to support the conclusion arrived at by the doctors. Under these circumstances the evidence seems to me to be all one way. I am quite unable to understand how the jury arrived at their verdict, especially when they add to it the illogical recommendation which has been referred to.

Here we have the judgment of our own Full Court. I do not care if there is not another case in 20 years. Here was a case in our own courts where the jury brought in a verdict of wilful murder against a man, notwithstanding that doctors were called to give evidence as to his mental deficiency. It happened that the present Attorney General—and I take it all Attorney Generals would adopt the same view—thought there should be an appeal. There was an appeal, and the Full Court gave the judgment I have read. The point I want to make is that if no other case of the sort ever occurred, surely we have here sufficient evidence to justify the Bill for the appointment of a board that shall examine all persons committed for offences the punishment for which is death. And if that board find that a person committed for trial is suffering from mental defectiveness, they shall report to the judge, and their report shall be available both to the Crown and to the defence. Can there be anything wrong with the suggestion? Is the cost too great? Surely even if it is going to cost a few pounds, but will save the life of any one person not responsible, is it not worth while, or should the prisoner's head be chopped off? To-day in England the law of mental deficiency is such that every person committed for trial for any offence whatever is mentally examined. I have here the report of the Mental Deficiency Committee which has been sitting in England and is still sitting investigating the conditions of mental defectives. It shows that the conditions are appalling, that 220,000 odd persons have been found to be mentally deficient. And the committee did not take any adult whose mind was above the age of eight years. They considered only those mental defectives whose minds were below eight years of age, and their number was 220,000 odd. Does anyone suggest that such person should be treated the same as a normal person? But to-day in this State a person is committed for trial, found guilty and executed; and it may be that although that person is 30 or 40 years of age, his mind is deficient and he is not able to reason beyond the reasoning of a lad 10 years of age. In this we are inconsistent, for we say that no person under 18 years of age shall be executed, but we execute persons whose minds may be equivalent only to those of children eight years of age. Here is one portion of the report of that committee deal-

ing with the mental condition of persons in England—

The general description given of the morally defective adult applies in large measure to the child, with the proviso that much allowance was made for the immature state of the child's moral development. Moral sentiments are formed mostly during the period of adolescence or even later, and it is difficult to foretell whether a certain child will fail at this stage of development—the stage that is so essential to harmonious adaptation. Not infrequently a child who has a good record at school fails badly during the period of adolescence; his development seems to stop abruptly at the threshold of this last stage. It is therefore impossible in many cases to diagnose moral deficiency during childhood.

So a child develops very well until he is 10 or 12 years of age and then there is a sudden stoppage in the development of his mind. His body grows all right into the years of manhood, when suddenly he does something that no one can account for. But we reason from our point of view. The person who committed the act has only the reasoning of a child. In view of that, surely the Bill is justified. Where a person is committed for trial for a crime, the penalty for which is death, he should be examined by a board, and the board should report to the court the condition of his mind. Can there be any objection to that?

Mr. Marshall: Yes.

Mr. H. W. MANN: I hope not. We never know who will be in that position. According to the hon. member we should send an executioner to Claremont and execute the 1,300 or 1,400 people there.

Mr. Brown: They are not murderers.

Mr. H. W. MANN: A man was convicted of murder at Fremantle about 10 years ago. He was not executed, because of the doctor's evidence, but was sent to the asylum where he died a week ago.

Mr. Brown: You infer that the 1,300 or 1,400 people at Claremont are murderers.

Mr. H. W. MANN: I say potential murderers.

Mr. Brown: You might say that of the whole community.

Mr. H. W. MANN: On the 6th October of last year an inquest was held on George Gordon, aged 36, an inmate of the Knowle Mental Institution, who had committed suicide. At the post-mortem examination a piece of shrapnel was found in the middle of the brain, a relic of his war service. In November, 1925, he had attempted to

strangle a man in a train, and had been sentenced to 18 months' imprisonment. The judge then stated that the accused, if he had not been wounded in the war, would have been awarded a flogging. After three weeks of imprisonment he had attacks of minor epilepsy, showing signs of insanity, and was certified as a criminal lunatic. Is it any wonder, when the unfortunate man had a piece of shrapnel in the brain? Does the member for Pingelly think he should have been executed?

Mr. Brown: That was an exceptional case.

Mr. H. W. MANN: If we are able to save the life of one man, is it not worth while?

Mr. F. C. L. Smith: Have you an instance of a mentally deficient man having been hanged?

Mr. H. W. MANN: I know of a man who was executed when to all appearances he was mentally deficient. Within one month, his brother, a military officer in England, committed suicide, and was found to have been mentally deficient. The inference was that the man here was also mentally deficient, but he had not been examined for it. The object of the Bill is to ensure that such a man would be examined. As the hon. member has it in mind that we should know when a man is mentally deficient, he should support the Bill.

Mr. Kenneally: If a mentally deficient man is hanged, he does not come back to tell us.

Mr. H. W. MANN: No, we do not know his condition.

Mr. F. C. L. Smith: When we do know, he is not hanged. The man Rae was not hanged.

Mr. H. W. MANN: No, because there was an appeal to the Full Court. If there had been a board, the condition of the man's mind would have been reported at the first trial, and there would not have been the expense of an appeal to the Full Court. I cannot see any reasonable objection to the appointment of a board. The cost would be infinitesimal. Medical officers would make a fair examination and submit a report to the court. They would be subject to cross-examination and would have to justify the report. If they were able to show that the accused was suffering from some mental derangement or deficiency, would anyone say that he should be executed? Nowadays

people are not executed for insanity. We are a long way behind most countries, particularly England, where every person committed for trial for an indictable offence is examined to ascertain the condition of his mind. Mental deficients, instead of being sent to gaol, are sent to a colony pending the Royal pleasure, where they have to earn their upkeep. They are not a burden on the Government.

Mr. Marshall: This subject has become an obsession with you.

Mr. H. W. MANN: The hon. member may say that if he likes, but I had years of association with such people. I went to the trouble to obtain a copy of the report from England, and I should like members who have any doubt on the question to read the report. Evidence was taken from Continental countries and from many States of America, and the board reported as follows:—

That a Bill be introduced and passed into law during the present session providing for the abolition of the death penalty for an experimental period of five years in cases tried by civil courts in time of peace.

That meantime and forthwith a resolution be passed by the House of Commons declaring the Secretary of State for Home Affairs and the Secretary of State for Scotland, in tendering advice as to the exercise of the Royal Prerogative of Mercy, should recommend in each case that the death sentence should be commuted.

In regard to the penalty that should be substituted for the sentence of death in the case referred, we recommend that it be the penalty now attached to reprieved murderers, interpreted and administered in the same way as at present.

That is to say, to deal with them in the same way as though they were found not guilty on the ground of unsoundness of mind. I could go on giving many authorities and quoting lots of evidence that was given before the Royal Commission.

Mr. Marshall: You have made out a good case.

Mr. H. W. MANN: If I have not influenced members by what I have said, I could not do more if I spoke for another hour. I should like to quote the countries that have retained capital punishment as well as those that have abolished it. I am referring only to Europe. The countries that still retain capital punishment are Albania, Bulgaria, Yugo Slavia.

Mr. F. C. L. Smith: That was on a different issue from that given in your Bill.

Mr. H. W. MANN: No. I leave it to members to judge whether it is not the enlightened countries of Europe that have abolished capital punishment.

Mr. F. C. L. Smith: The abolition of capital punishment and the objects you have in view are different things.

Mr. H. W. MANN: All the evidence goes to show that it was abolished because the countries in question thought that the persons who committed murder were not normal.

Mr. F. C. L. Smith: Do they not think the same of all criminals? What do the criminologists say about that class?

Mr. H. W. MANN: The man who gives himself up to a life of crime is not normal. It is only a question of degree. Would a man take on a life of crime if he were normal? Who is to blame? He was brought into the world under conditions of which he was not master. He was probably the progeny of mentally deficient parents brought up under starved conditions such as no member is personally acquainted with. And yet we judge him from our own point of view.

Hon. A. McCallum: Some criminals have been well-bred.

Mr. H. W. MANN: Yes, they have usually inherited the trouble.

Hon. A. McCallum: There is a kink somewhere.

Mr. H. W. MANN: All the upbringing and training they may have had has not done away with this inherited mental deficiency.

Mr. F. C. L. Smith: That is right.

Mr. H. W. MANN: When they come into the world with that disadvantage, and they are brought up at a disadvantage, their position becomes hopeless. Other countries which have retained capital punishment, other than those I have mentioned, are France, Greece, Hungary, Turkey, Poland, Latvia, Spain and Switzerland, and those which have abolished it are Austria, Belgium, Denmark, Switzerland (15 cantons), Estonia, Finland, Germany, Holland, Italy, Lithuania, Norway, Portugal, Roumania, and Sweden. In Great Britain the position is still on the balance. A motion was moved by Mr. Brown, a member of the House of Commons, to abolish capital punishment. It was on the point of being put when Sir Herbert Samuel moved to refer the matter to a select committee. A highly qualified committee was appointed. Evidence was taken and the recommenda-

tions I have referred to were brought forward. The committee recommended the absolute abolition of capital punishment for a period of five years in England as a trial period. I move—

That the Bill be now read a second time.

On motion by the Minister for Works, debate adjourned.

BILL — CRIMINAL CODE (CHAPTER XXXVII.) AMENDMENT (No. 2).

Second Reading.

MR. H. W. MANN (Perth) [10.36] in moving the second reading said: For many years the only mode of locomotion was by means of horses. When the authorities had to deal with cases of stealing or the unlawful use of horses they were able to impose a penalty in keeping with the crime. Then came the period of motor cars and motor vehicles generally. No penalty was provided until a section was inserted in the Traffic Act making it possible to impose a fine of up to £10, or imprisonment for a period up to three months. That has not proved effective in preventing the stealing of motor cars, or in preventing persons from unlawfully assuming control of them. This crime has become so common that in one night, some two weeks ago, five motor cars were taken away. During the last year and six months 344 motor cars, 30 motor trucks, and 82 motor cycles have been unlawfully removed and taken possession of. The majority of the vehicles were recovered, but all were more or less damaged. Some of the recoveries were made at considerable distances from the spot where the vehicles were stolen, and in other cases the recoveries were made outside the State.

Mr. Thorn: One car was stolen at Midland Junction on 10th August, and found last week in South Australia.

Mr. H. W. MANN: I will give some of the outstanding cases that have occurred. Safe breakers, shop breakers, and burglars generally, often take a car and travel 100 miles into the country. There they commit some serious crime and are able to return the 100 miles to the city in a few hours. We remember the bank robbery at Manjimup. The car in that case was stolen from Fremantle. The men motored to Manjimup, broke into the bank and one of them was shot. Had it not been that they were caught

redhanded, they could have returned to Fremantle the following morning.

Mr. Kenneally: Do you propose to submit such men to examination at the hands of a board of practitioners?

Mr. H. W. MANN: If the case had occurred in England that is what would have happened. The English law contains provision for examination.

Mr. F. C. L. Smith: Three years imprisonment would not have stopped those men.

Mr. H. W. MANN: On the 6th March, 1929, at 9.30 a Buick single-seater motor car was stolen from outside a doctor's consulting rooms at 22 St. George's-terrace. The car was recovered at Balladonia. It had been badly treated and had been driven 2,000 miles. It cost £55 to repair it in Perth. On the 21st February, 1930, another Buick motor car was removed from the Rosemount hotel in North Perth, driven for two or three days and eventually abandoned on the Sorrento beach. The person who stole it set fire to it. The value of the car was £150. Another car, the property of Mr. Shortland Jones, was removed from William-street. It was worth £200. It seemed that the car had completely disappeared, but eventually it was recovered in the bush some 60 miles from Perth. It cost £30 to repair. On the 28th February, 1929, a Studebaker car belonging to Mr. Day was stolen from outside the Maylands Hotel. After it had been run through the suburbs it crashed into a telegraph post in Leederville, and cost £90 to repair. The person who stole the car was fined for driving it when under the influence of liquor, and was also fined for being in unlawful control of it. On the evening of the 2nd August, 1930, a Baby Austin motor car, the property of Mrs. Sadie Masel, was stolen from the corner of St. George's-terrace and King-street, Perth, where it had been parked. About a month later the car was recovered at Broomehill. It appears that the car had been driven about 7,000 or 8,000 miles in the meantime. The cost of bringing the car to Perth and repairing it amounted to the sum of £78 17s. 8d. The persons who stole this vehicle were imprisoned. On the 9th August, 1930, a Chrysler motor car, the property of Mrs. A. I. Hugo, was stolen from outside tearooms in Hay-street, Perth. The car was later recovered in Axon-street, Subiaco, where it had crashed into a fence. The cost of repairing this vehicle amounted to £16 11s. 5d. On the 20th September, 1931, an Austin motor car, the property

of Mr. L. E. Green, was stolen from 51 Jupiter-street, Carlisle, and was later recovered at Goomalling. The car had been badly handled, and it had met with various small accidents. The cost of repairing the vehicle amounted to £11 3s. 1d. On the 12th July, 1930, an Essex motor car, the property of Mr. C. J. Churchward, was removed from outside a picture show in Victoria Park. It was eventually found in the bush, abandoned near Welshpool. Practically every movable part of the vehicle had been removed. To purchase the necessary parts for replacement would have amounted to approximately £95. It was necessary in this case to spend almost a month in finding sufficient parts to place the car on the road again. I could quote a number of other cases of a like nature. Summarised, the figures are that during one year and six months 344 motor cars, 82 motor cycles, and 30 motor trucks were unlawfully removed, and taken possession of without the consent of the owners. The majority have been recovered in the condition I have just described. I remember the case of Dr. Officer, who, being about to perform an operation, went out to his car to get his bag of instruments, only to find that the car, together with the bag of instruments, had been stolen. The case of Dr. Hayward's car was similar. The men who commit such crimes have no regard for results. In some cases their object is merely to take a joy ride; in other cases it is to commit a crime and have means of quickly removing stolen property. Considering that the person who steals a horse worth £5 is liable to imprisonment for seven years, it does not seem right that the person who unlawfully assumes control of a motor car should be liable only to a nominal penalty.

Mr. Kenneally: The hon. member should have amalgamated his two Bills.

Mr. H. W. MANN: That course would have been paradoxical, and if I had adopted it I do not think I would have been successful with either.

Mr. Marshall: Do you think the increased penalty will act as a deterrent in this instance?

Mr. H. W. MANN: It should do so.

Mr. Marshall: That argument differs from the one you used a little while ago.

Mr. H. W. MANN: I am not suggesting that the lives of persons guilty of stealing

motor cars should be forfeited. The Bill is, in my opinion, well overdue. I am introducing the measure because I introduced to the Attorney General a deputation of members of the Automobile Club, and he suggested that the Bill was one which should be put up by a private member. I have accepted the responsibility.

Hon. A. McCallum: Three years without the option!

Mr. H. W. MANN: No. It is any period not exceeding three years.

Mr. Kenneally: But there must be imprisonment.

Mr. Parker: No, not under Section 19 of the Criminal Code. The court can fine up to £500, and in addition give imprisonment.

Mr. Kenneally: But the question is, can the court merely fine the accused?

Mr. Parker: Yes.

Mr. H. W. MANN: I am much obliged to the member for North-East Fremantle (Mr. Parker) for bringing that aspect of the penalty under my notice. I move—

That the Bill be now read a second time.

On motion by the Minister for Works, debate adjourned.

House adjourned at 10.45 p.m.

Legislative Council,

Thursday, 15th September, 1932.

Address-in-reply, tenth day	PAGE
	638

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

ADDRESS-IN-REPLY.

Tenth Day.

HON. W. H. KITSON (West) [4.34]: Generally speaking, the Address of His Excellency the Lieut.-Governor differed very little from those delivered to Parlia-

ment by many of his predecessors. It speaks, of course, of the continued progress made in production by the primary industries of the State. It speaks well for Western Australia that we can, in view of present-day circumstances, claim to be leading the way in many directions with our primary industries. There are two points in which the Speech differs materially from earlier utterances of a like character. The first is that therein we are reminded by His Majesty the King that we are celebrating the centenary of the inauguration of the Legislative Council of Western Australia. The second point is that we are passing through one of the most serious periods the State has ever experienced. For a moment, I want to endeavour to connect up the two phases. In my opinion, the last century proved to be the most wonderful in the history of civilisation. More particularly does that apply to the last quarter of the century. During the latter period, the world as a whole made greater progress than that recorded during any other similar period. As the result of the application of science we have placed achievements to our credit in many directions that 50 or 60 years ago would have been regarded as impossible. Notwithstanding that fact, we find ourselves faced with a period of grave financial stringency. That should give us cause for thought, because if there is to be any real progress made in the world, or in this State, surely the people themselves are entitled to expect at least to share in what should be the benefits of that progress. We must admit that their experience has been contrary to their expectations. Hardly one section of the community has failed to feel the effects of the seriousness of present-day conditions. The cause has been that although we are producing more than ever before in our history, there has been a breakdown in the economic machinery that will not permit our people to have those things that are considered necessary in accordance with our ideas of civilised life. When I hear people say we have turned the corner and can look forward to better times shortly, I ask myself what truth there is in their assertions. I looked through the Speech to see what justification there was for such statements, and I confess I have not been able to get much help. The figures quoted in the