

- 3, Land Tax and Income Tax.  
Without amendment.
- 4, Municipal Corporations Act Amend-  
ment (No. 2).  
With amendments.

### **BILL—FACTORIES AND SHOPS ACT AMENDMENT.**

Received from the Council and read a first time.

*House adjourned at 11.37 p.m.*

## **Legislative Council,**

*Wednesday, 8th December, 1937.*

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

### **ASSENT TO BILLS.**

Message from the Lieut.-Governor received and read notifying assent to the undermentioned Bills—

- 1, Air Navigation.
- 2, Supply (No. 2) £1,400,000.
- 3, Judges' Retirement.
- 4, Jury Act Amendment (No. 2).
- 5, Forests Act Amendment Continuance.

### **MOTION—URGENCY.**

*Public Service Classification and  
Mr. Munt's Pension.*

The PRESIDENT: I have received a letter from Mr. Baxter stating that he desires

to move the adjournment of the House on a matter of urgency. The letter reads—

Sir,—I desire to inform you that it is my intention at the sitting of the House on Wednesday, the 8th December, to move the following motion:—"That the House at its rising adjourns until Tuesday the 14th December" for the purpose of debating the following matters of urgency:—

1, The erroneous classification by the Public Service Commissioner, allegedly under the Public Service Act, of positions held by certain public servants.

2, The granting of a pension on the basis of such erroneous classification to a certain one of such public servants.

That letter was sent to me in accordance with Standing Order No. 59, and so that Mr. Baxter may have leave to move the motion, it will be necessary for four members, by rising in their places, to indicate their approval.

Four members having risen,

**HON. C. F. BAXTER** (East) [4.37]: In order to verify certain financial returns, I asked a series of questions in this House last week, and the replies I received to those questions started me off on a thorough investigation of the position, which I found to be very unsatisfactory. At the outset, as I shall be referring to three public servants in very high positions, I want it understood definitely that there is nothing of a personal nature behind any matter that I shall deal with to-day. The gentlemen I refer to are occupying very high positions, and have done so for a long period of years. I have been associated with all three. With two of them I have been associated in my capacity as a Minister of the Crown, and I was in close touch with the other public servant in relation to Cabinet and Executive Council proceedings. I hold the very highest opinion of all three gentlemen, who are public officers of the utmost integrity, fully qualified to carry out their duties, which they have done exceedingly well. That, however, is quite apart from the position to which I desire to draw attention. On Thursday last I asked a number of questions to which the Chief Secretary replied, and I desire to quote both questions and answers for the information of the House. The first question was—

What salary was Mr. C. A. Munt receiving at the time of his retirement from the position of Under Secretary of the Department of Public Works?

The answer I received to that was —

£1,000 per annum.

I asked hon. members to keep well in mind that particular amount. The remaining questions and answers were as follows:—

Did Mr. Munt hold any other salaried position or positions, and if so, what was the salary thereof?

The answer to that was—

Chairman, State Transport Board. Up to date of commencing long service leave, remuneration was £500 per annum.

My next question was—

What is the amount of Mr. Munt's pension?

To that, I received the reply—

£909 5s. 11d. per annum.

The fourth question I asked was—

On what basis is such pension calculated?

The reply to that was—

40/60ths of average amount of salary and emoluments for three years next preceding the 11th September, 1937. As Under Secretary, the classification was £1,500 per annum. The salary included position of chairman, Transport Board. Prior to retirement, the Under Secretary was on long service leave at a salary of £1,000 per annum. From 11/9/34 to 31/12/35 his salary was £960. Remuneration Transport Board, £450.

The answer to the first question was that the salary was £1,000 per annum. In a later part of the answer the salary was stated at £1,500 per annum. In 1935 Mr. Munt's salary as Under-Secretary was £960, in addition to which he received an allowance of £450 as chairman of the Transport Board. I want to impress upon members the year mentioned, namely, 1935, because that is when what I may term the "juggling" took place with regard to the three positions to which I intend to refer. In 1936 the classification of Mr. Munt's office was increased to £1,500, and in addition to that, whereas in 1935 his salary as Under-Secretary was £960, there was an increase of £40 for that particular position, and whereas he received £450 as Chairman of the Transport Board, there was an additional £50 for that office, bringing the total amount of his salary to £1,500. I say it was merely a subterfuge adopted in order to increase the allowance of that gentleman on the eve of his retirement from office. Mr. Munt's salary was classified at £960, with a maximum of £1,000. At the present time the position is classified at £830 with a maximum of £1,000. The present occupant of the position of Under-

Secretary, Mr. Andrew, is now in receipt of £830 annually. Mr. Munt has retired, and as members will observe from the answers to my questions, he is in receipt of a pension of £909 per annum. That pension is only £51 less than the salary he received prior to the reclassification of his office, and is £91 less than the maximum of his classification. Thus Mr. Munt is being paid nearly as much to-day when he is merely walking about as he received when he occupied the position of Under-Secretary and carried out all the duties attached to that office. The salary of Mr. Andrew as the present Under-Secretary is £79 less than is paid to Mr. Munt by way of pension. Mr. Andrew is doing all the work associated with the Under-Secretaryship, and as members must know, is filling the position quite as well as Mr. Munt ever did. We all know that in the Government service as elsewhere one man may drop out, but it is almost invariably found that another man is able to fill the position just as well as the former occupant, no matter what duties have to be carried out. That is the position with regard to Mr. Andrew. As members, including myself, know perfectly well, Mr. Andrew is a very able officer, one who is most conscientious with regard to his duties, and yet he is doing the work for £79 less than Mr. Munt is receiving by way of pension. Mr. Munt's salary as Chairman of the Transport Board was £500 per annum. His successor is Mr. Millen, and he is in receipt of a salary of £214, as Chairman of the Transport Board, a position for which Mr. Munt received £500. Any member who knows the two gentlemen must appreciate the fact that Mr. Millen is able to fill the position just as well as Mr. Munt. Mr. Millen has been a very energetic worker and the Transport Board to-day is administered in a manner more in keeping with what Parliament intended than it was when Mr. Munt occupied the position of chairman. The latter acted throughout on behalf of the Railways, and did not really carry out the intentions of Parliament in that respect. When the judiciary deals with the administration of Acts of Parliament, not only is the legislation literally followed, but the intention of Parliament is ascertained. That is a most important duty devolving upon any administrator in a high position. Here is an amazing thing: Later on we shall see how the position is improved by the

appointment to the Transport Board. The amazing thing is that the Transport Board did not pay the chairman's salary out of the Transport Board's fees. The board paid the other two members of the board, but did not pay the chairman, and the £500 allowed for the chairman was paid into the Public Works Fund, and then the Public Works paid Mr. Munt's salary. That £500 was paid into the Public Works so as to build up Mr. Munt's salary and by that means increase his pension. These things cannot be done without the Ministry knowing of them, so I say the Ministry is to blame for building up Mr. Munt's salary to £1500 in order that he might retire on a larger pension. Here is another point: Whilst the Transport Board provided this salary for Mr. Munt, and the £500 increased Mr. Munt's salary and therefore his pension pro rata, the Transport Board does not have to find any part of that pension. No, that comes out of Consolidated Revenue. Consolidated Revenue has to meet the increase in Mr. Munt's pension due to the £500 per annum he was receiving from the Transport Board. Who could say that the position of the Under Secretary of the Public Works Department is not a full-time job? Is it not indeed more than a full-time job, for the officer holding down that job requires to be a bit of a superman?

Hon. J. Cornell: What about the Secretary of the Premier's Department?

Hon. C. F. BAXTER: I will come along to him in a moment. Let us deal with one at a time. How could Mr. Munt earn his salary of £1,000 a year as Under Secretary of the Public Works Department and carry out his duties on the Transport Board as well? We know it is not possible. As a matter of fact, the Public Service Commissioner deals with this in his annual report for 1935. That was when all this juggling of the salaries was going on. On page 1 of his annual report for 1935 the Public Service Commissioner has this to say—

The Under Secretary for Works, a senior administrative position requiring a full-time service, has had added to his duties those of Chairman of the Transport Board. This latter appointment was made by the Governor-in-Council at a salary of £450 per annum free of any deduction under the Financial Emergency Act, 1934, and dated from the 12th February, 1934. His classified salary is £960 plus £450 (allowance as chairman, Transport Board) equalling £1,410 per annum.

That was in 1935. Then the salary was increased by £50. For what purpose? Merely to bring the salary up to £1500 per annum free of any deductions under the Financial Emergency Act of 1934. His classified salary was £960 plus £450 as Chairman of the Transport Board, making a total of £1410. Then this amount was added to, with the result that the Under Secretary's salary together with his allowance from the Transport Board was brought up to £1,500. And this is done by a Government that is always talking about the one-man-one-job principle! Here they were giving increased salaries to officers already highly paid.

Hon. J. J. Holmes: Had this man to pay 25s. per annum to the union?

Hon. C. F. BAXTER: No, certainly not. Could not the Government have found some other qualified man for the position on the Transport Board instead of appointing Mr. Munt to it, a gentleman who was already filling a full-time job? Another man could have been found, an equally good man, for the position. Then Mr. Munt could have had his proper salary of £1,000 a year while the other man could have had the job with the Transport Board at £500 per year.

Hon. G. W. Miles: The taxpayers will have to pay Mr. Munt's pension.

Hon. C. F. BAXTER: Certainly. There are many other officers in the service who cannot get justice, but these officers in high positions can always get it.

Hon. J. Cornell: You do not call that justice?

Hon. C. F. BAXTER: No. Here is something very interesting: Mr. Munt was Chairman of the Transport Board for three years, for which service he received approximately £1,400. At the end of 10 years—not that I hope that will be the full duration of his pension; indeed, I hope he will live for another 30 years—but at the end of 10 years the pension based on his average salary for three years preceding retirement will total £3,300. That means that the taxpayers of the State will be called upon to provide the sum of £4,700 for three years' service. That is for the position he occupied on the Transport Board, and is apart altogether from the Under Secretary's position. He received £1,400 for his three years' service with the Transport Board, and so in the course of ten years his pension, based on the three years preceding retirement, will amount to £3,300. This means that the taxpayers will be called

upon to provide the immense sum of £4,700 for his three years' work as Chairman of the Transport Board. It was very expensive work for the State. An extraordinary feature about it was this: whereas the Transport Board found the salary, the pension will have to come out of Consolidated Revenue, not out of the funds of the Transport Board. So an officer in the Government service with his salary built up to £1,500 is now to receive in the course of ten years a special pension of £3,300, and that in relation to his services to the Transport Board.

Hon. J. Cornell: What is the salary of the officer now filling that post?

Hon. C. F. BAXTER: It is only £214 per annum. There has been a lot of juggling over these salaries. Has the Government lost all control over expenditure, or has it lost respect for the public funds of the State to allow this sort of thing to be brought about? Here is where the irregularity comes in: These pensions are provided for under the Superannuation Act. There are in that Act many allowances which the Government might have extended. Section 1 of that Act of 1871 reads as follows:—

Subject to the exceptions and provisions hereinafter contained, the superannuation allowance to be granted after the commencement of this Act to persons who shall have served in an established capacity in the permanent Civil Service of the Colonial Government, whether their remuneration be computed by day pay, weekly wages, or annual salary, and for whom provision is not otherwise made by legislative enactment in force at the time of the commencement of this Act or hereafter to be passed, shall be as follows, that is to say:

That is very definite, and I say without fear of contradiction that Mr. Munt had an established position in the Civil Service of this State, the salary of which was £1,000 per annum, not £1,500. That was the only amount on which his pension could properly be computed. Let us analyse how he stands under the Transport Act. Section 5 of the Transport Co-ordination Act reads in part as follows:—

The Board shall be a body corporate with perpetual succession and a common seal and shall be capable of contracting, of suing and of being sued, and of holding and of disposing of real and personal property.

And Subsection 5 of that section reads as follows:—

The members of the board shall not be subject to the Public Service Act, 1904.

Then why was this £500 added to Mr. Munt's statutory salary? It was absolutely irregular and cannot be justified. So I say the matter should be adjusted and Mr. Munt put back on his pension based on the £1,000 salary. Section 55 of the same Act reads as follows:—

There shall be kept in the Treasury a fund, to be called the "Transport Co-ordination Fund." There shall be placed to the credit of the said fund—

(a) Subject to the express provisions of Subsection 5 of Section 11 all moneys received by the Board in respect of premiums and/or licenses granted under this Act and for fees payable under this Act;

(b) Any moneys appropriated by Parliament for the purpose of the administration of this Act.

(2) Out of the said fund there shall be paid the cost of administration of this Act, and at the end of the financial year any balance remaining in the fund shall be divided into two portions in the same proportion as the total license fees derived from licenses issued for omnibuses bears to the total license fees derived from licenses issued for commercial goods vehicles.

Could anything be clearer than that?

Hon. J. J. Holmes: It seems that the Act has not been complied with.

Hon. C. F. BAXTER: Of course it has not been complied with. A wedge has been driven in to take advantage of it, and the State Transport Co-ordination Act has been ignored altogether. Instead of that amount being paid as provided in the Act, it has been paid into the Public Service. Why? To make up the £1,500 so as to swell Mr. Munt's pension.

Hon. G. W. Miles: Cannot we do anything about it?

Hon. J. Cornell: You will have to sue them.

Hon. C. F. BAXTER: The Under Treasurer occupies the most important position in Western Australia. The present occupant of the position, Mr. Berkeley, is receiving a salary of £1,000 as Under Treasurer, and another salary of £500 as a member of the Agricultural Bank Commission. I do not know whether the Minister will be able to explain it, but it is a very peculiar position. Estimates for the current year make provision for expenditure in respect of the Agricultural Bank Commission under the heading of "Miscellaneous Services." I am referring to the Agricultural Bank. The amount provided under this heading is £4,000, which I take it, is made up as fol-

lows:—The Chairman (Mr. Donovan) £2,000; one member (Mr. Clarke) £1,500.

The Chief Secretary: The Chairman is not getting £2,000.

Hon. C. F. BAXTER: I am glad to hear that. And then there is the Treasury representative, Mr. Berkeley, £500. All this comes under the heading of "Miscellaneous." When we turn to page 37, we find that separate provision is made for the Under Treasurer's salary at £1,500, which includes his allowance as a member of the Agricultural Bank Commission.

Hon. J. Cornell: Is that going to be the amount assessed for pension?

Hon. C. F. BAXTER: Of course it is.

Hon. J. Cornell: The Agricultural Bank does not now come under the Public Service provisions.

Hon. C. F. BAXTER: I should like the Chief Secretary to explain all this. It is difficult to see how these figures can be reconciled. The position of Under Treasurer is to a certain extent similar to that of Under Secretary for Public Works as to the full-time nature of the job. If there is one State officer who should be in his office the whole time, it is the Under Treasurer. It is the most important position in the State, and yet he has been delegated to perform duties as an Agricultural Bank Commissioner. There must be some other officer who could be put on the Commission without it being necessary to take the head of the Treasury. Of course it turns out very nicely for him.

Hon. J. J. Holmes: His pension will be about £1,000 a year.

Hon. C. F. BAXTER: Yes. The Public Service Commissioner said that under the Agricultural Bank Act, 1934, provision was made for the Under Treasurer to fill one of the three positions of Commissioner. The position of Under Treasurer is one of the most important, according to the Public Service Commissioner, of the various administrative positions. There was a warning from the Public Service Commissioner, but no notice was taken of it. He went on to say that as Executive Council had decided to pay the chairman of the Commissioners a salary of £2,000, and the second Commissioner £1,500, he was asked to recommend the amount of additional remuneration which should be paid to the Under Treasurer. Naturally, said the Public Service Commissioner, the amount could not be less than that of the Under Treasurer's fellow Com-

missioners, and he accordingly recommended a salary of £960 plus £540 allowance as Commissioner, making a total of £1,500. That was approved. The Public Service Commissioner was forced, by reason of the increased salaries given in the Agricultural Bank by the Government, when suiting its own purpose in appointing Mr. McCallum as chairman of Commissioners, and giving him a princely salary that no man could earn in that particular job, to make up the salaries in the case of other officers. When will the taxpayers receive some consideration, instead of having their money thrown about like this?

Hon. J. J. Holmes: Trades Hall might take a hand.

Hon. T. Moore: Are they members of Trades Hall?

Hon. G. W. Miles: Trades Hall dictates to the Government.

Hon. C. F. BAXTER: The Under Treasurer is in exactly the same position as regards his pension as is Mr. Munt. His stated salary as a public servant is £1,000 a year and not £1,500.

Hon. J. Cornell: Neither position is a Public Service position.

Hon. C. F. BAXTER: No. The Agricultural Bank Commission is a statutory body and not a Civil Service body. Section 5 of the Agricultural Bank Act, 1934, says—

(a) A body corporate is hereby constituted under the name of the Commissioners of the Agricultural Bank of Western Australia.

(b) The Commissioners shall have perpetual succession and a common seal, and shall be capable of holding and acquiring real and personal property; of suing and being sued; and of doing and suffering all things which bodies corporate may by law do or suffer.

Part IV. of the Act, Section 31, says—

All officers of the Commissioners shall, as regards engagement and dismissal, and the terms and conditions of their service, be under the immediate control of the Commissioners and the provisions of the Public Service Act, 1904, and its amendments except as hereinafter mentioned, shall not apply.

Section 32 of the Act says—

The Commissioners may engage those officers in the employ of the Bank at the commencement of this Act whose services the Commissioners desire to retain, and the remaining officers of the Bank who were formerly under the Public Service Act, 1904, and its amendments shall continue to be subject thereto and remain under the control of the Public Service Commissioner.

Certain officers of the Bank are outside the jurisdiction of the Bank.

Hon. J. Cornell: Most of them had no job when they got the sack.

Hon. C. F. BAXTER: They were left out in the cold. The Act brought into existence a body corporate but it has no connection with the Public Service. How would the Agricultural Bank Commissioners come into it? That being so, how can the Government justify the other £500 being added to the pension of the Under Treasurer? One member asked about the Secretary to the Premier, who has such far-reaching activities.

Hon. J. Cornell: I asked if he was a super man to do his job.

Hon. C. F. BAXTER: He has many activities. I should say he had a super brain compared with others who are trying to control him.

Hon. G. W. Miles: Very shrewd.

Hon. C. F. BAXTER: At one time there was a connection between Parliament and Executive Council, the Usher of the Black Rod being the connecting link. The Usher of the Black Rod was Clerk of Executive Council for many years. He was paid £350 a year. He was not paid as Usher of the Black Rod but was paid by the Government as Clerk of Executive Council. He received no other remuneration. In 1924 the super man, as one member calls him, took over the position of Clerk of Executive Council and the Usher of the Black Rod had to be paid by the Legislative Council. In that year no allowance was made to the Clerk of Executive Council. Mr. Shapcott did the work without any remuneration. The Usher of the Black Rod at the time was Mr. Parker. In the following year Mr. Shapcott received an additional £100 a year. This is all leading up to the present position. The Usher of the Black Rod was paid £300 a year. In 1934-35, as in the other two cases, juggling with salaries occurred. We find from the returns that the Clerk of Executive Council then received £297 a year, and in 1935-36 he received £315.

Hon. J. Cornell: The salary went up in stages.

Hon. C. F. BAXTER: The increase came from the Government. There is an impression abroad that it is possible to separate Executive Council from Cabinet. Executive Council is Cabinet, whether the whole Cabinet or part of it. Everything done in Executive Council must be approved by Cabi-

net. In 1936-37 Mr. Shapcott received £350 per annum for his Executive Council work. Instead of the old system being continued, when the Clerk of this House did the Executive Council work and over £300 a year was saved, two salaries are now being paid.

Hon. J. Cornell: One was paid before.

Hon. C. F. BAXTER: Strange to say, one of these salaries is correctly paid under the Constitution and may be added to the pension of Mr. Shapcott, who is quite safe in that respect. In 1936 the salary of the Secretary to the Premier was £960 per annum, and his salary as Clerk of Executive Council was £350, making a total of £1,310. But this did not work in with the scheme. Mr. Munt was receiving £1,500 and Mr. Berkeley £1,500. Mr. Shapcott was, therefore, short in his salary. It had to be made up to £1,500. It was brought up to that figure in 1937. According to the financial returns, Mr. Shapcott's salary was increased then from £1,310 to £1,500. Is that fair to the State, or is it sound business?

Hon. J. J. Holmes: It is £1,310 plus £350.

Hon. C. F. BAXTER: It was brought up to £1,500 to put the three officers on a par with each other.

Hon. G. W. Miles: Does he get anything as chairman of the State Gardens Board, or is that an honorary position?

Hon. C. F. BAXTER: I do not know. I have searched through the Government returns to find some record of the activities of the State Gardens Board, but have failed to do so. I understand the accounts are audited by the Government Auditor, but no one ever hears anything of the matter. I can find out nothing myself.

Hon. J. J. Holmes: Is he not also chairman of the Boat Licensing Board?

Hon. C. F. BAXTER: I do not know. The Public Service Commissioner, in his report, makes this comment:—

The Secretary, Premier's Department, also holds the office of Clerk to the Executive Council, and draws £350 per annum, the statutory salary for this office. His salary therefore is £960, plus £350, equalling £1,310 per annum. Those comments fit in very nicely with this case. What is happening, and what is likely to happen, with these increases? The Public Service Commissioner, in his report for the year ended the 1st July, 1935, says:—

The competition in fixation of salaries, wages, etc., is becoming a very serious matter. The

time was when any intention by any semi-Governmental board, etc., to recast wages conditions was submitted to the Commissioner for advice regarding its effect on the service generally. That precaution is not now being taken, and agreements under the Arbitration Act, etc., are being entered into by the various authorities, which must have a most serious effect in its relationship to the coming reclassification.

When it is realised that the following authorities have conferred upon them powers for the fixation of salary and wages or other conditions, it will be appreciated how easy it is for this spirit of competition to operate until it reaches an impossible position.

Are we to go merrily on our way and increase taxes year after year to meet increases in salaries that are not warranted? We shall have to do so. We seem to have no check at all on the finances of the State, and no control over the executive officers.

Hon. G. W. Miles: Do you think we should hold up the Appropriation Bill so as to make an example of them?

Hon. C. F. BAXTER: The Public Service Commissioner goes on to quote the various authorities, and in his report sets out that they embrace the following:—

The Public Service, the Commissioner; Education Department, the Minister; Forests, the Minister.

The Public Service Commissioner explains that those three have the right of appeal to the Public Service Appeal Board. Then he goes on:—

Police, the Minister; Railways, Classification Board; Gaols, the Minister; Fremantle Harbour Trust, the Commissioners; Milk Board, the board; Market Trust, the Trust; Transport Board, the board; Field Wages Staff, the Minister; Hospitals Board, the boards; Main Roads Board, the board; Lunacy, the Minister; Medical Department (nurses, etc.), the Minister; Trading Concerns, the Minister; Public Library, Museum and Art Gallery, the Trustees; W.A. Fire Brigades Board, the board; Lotteries Commission, the Commissioner.

The Public Service Commissioner adds that these have the right to make arrangements and register under the Arbitration Court or approach the court for an award. The final one is the Agricultural Bank (no appeal), and the authority is the Commissioners. How far are we going to permit this to go? It will be interesting to learn what the House has to say about bringing three important officers of the State to the level of £1,500 in order, I suppose, to avoid any jealousy arising between them.

Hon. G. W. Miles: We should dismiss Mr. Shapcott from the service and appoint him dictator.

Hon. C. F. BAXTER: The men to whom I have referred can do just as they like, and juggle with salaries. This House has agreed to increase taxation, and it looks as if the time has arrived when we should shut up shop altogether and allow the public servants to carry on just as they like. I submit the motion.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [5.20]: I find it very difficult indeed to reconcile the remarks of the hon. member who has moved the motion with his continuing remarks, and particularly his final remarks. In the first place, he desired to assure the House that there was nothing of a personal character in anything he intended to say, and he added that he appreciated the value of the services rendered by the men to whom he was going to refer, that they were men of ability and character who had served the State well. He concluded his remarks on this note, that he wanted to know how long the administrative officers to whom he was referring were going to be allowed to juggle with their salaries to whatever amount they liked so that their retiring allowances might be increased.

Hon. J. M. Macfarlane: With the consent of the Minister, he meant.

The CHIEF SECRETARY: We will deal with that. I wish to make the position clear, as I see it, with regard to the hon. member's remarks. He made the definite statement that the very highly paid administrative officers to whom he referred had juggled their salaries so that they might have an increase in their retiring allowances or pensions to which they would be entitled when they completed their period of service with the Government.

Hon. G. W. Miles: And he said that the Ministry allowed them to do it.

The CHIEF SECRETARY: I will deal with that too in a moment. Then, while discussing the question of amount, he seemed to throw some doubt on the value of the services rendered by Mr. Munt, as Chairman of the Transport Board.

Hon. C. F. Baxter: No, I did not.

The CHIEF SECRETARY: I can very well leave that to the judgment of members. If I understand the meaning of the words, I cannot put any other construction on the

hon. member's remarks with regard to the service rendered by Mr. Munt as chairman of the Transport Board. I have a very vivid recollection of what the hon. member said not so very long ago about Mr. Munt. What he stated then was of a highly eulogistic character, both in respect to Mr. Munt's association with the Transport Board and as Under Secretary for Works. But apparently something has happened since then, and that something is the fact that Mr. Munt is now drawing a pension in accordance with his rights under the Superannuation Act of this State. Apparently he feels that Mr. Munt's salary is drawing a pension higher than it should have been, and for that reason he has moved the motion. He went on to point out that the £500 Mr. Munt was supposed to receive as chairman of the Transport Board was not paid to him direct, but paid in to the Public Works Department, and through that department to Mr. Munt in order that his salary might be made up to £1,500, and that therefore Mr. Munt would be entitled to a higher pension than, in Mr. Baxter's view, he should be entitled to receive. Members, of course, are entitled to put their own construction upon such matters. I think they are also entitled to hear the other side of the question before they make definite statements. I suggest also that Mr. Miles wait until an explanation has been made before he endeavours to put into operation his suggestion that the Appropriation Bill should be held up. Dealing with the question as to whether the money is paid by the Transport Board to meet the salary of the chairman, may I ask whether it matters where that money comes from? It does not matter whether it comes from Consolidated Revenue or from the funds of the Transport Board, because, after all is said and done, it is in the same pool. The hon. member suggested that this kind of thing was being done while other people were unable to get justice. Then he went on to estimate what amount would be drawn by Mr. Munt after his retirement if he lived for ten years. He calculated that a substantial sum would be paid to Mr. Munt as the result of his three years' service as chairman of the Transport Board. We know that those are the facts of the case, but those facts are strictly in accordance with the law dealing with matters of this kind and, I might add, as far as I can see nothing has been done that is contrary to the Acts under which

these particular members of the civil service work.

Hon. G. W. Miles: It is wrong in principle.

The CHIEF SECRETARY: That might be so; I am not going to express any opinion on that, but I think by the time I have finished I shall have been able to show conclusively that nothing has been done in respect to the administration of those Acts except what has been strictly in accordance with them, and under the advice of the Crown Law Department. I should have thought that the hon. member who has been a member of various Governments and has held different portfolios would at least have had some knowledge of the position with regard to matters of this kind. I do not wish to dwell too long on any particular individual case; I have a feeling that it would meet the position if I were to accept the statement of Mr. Baxter that it is the principle to which he is objecting rather than the fact that Mr. Munt, Mr. Berkeley or Mr. Shapcott should have been placed in the position they occupy of obtaining a higher pension than Mr. Baxter considers they are entitled to receive. Another point Mr. Baxter endeavoured to make was that money was being thrown about indiscriminately by the Government at the expense, shall I say, of members of the community, throwing large sums of money amongst public servants occupying high positions in the State, while other people could not get all to which they were entitled, and he wanted to know how long this was going to continue. Mr. Baxter worked himself into what I might describe as a fury; he seemed to get hot under the collar, and while he did quote two Acts which seemed to justify the hon. member saying what he did, when I have stated the actual position he will probably be prepared to admit that what I have said, namely, that nothing has been done that has not been strictly in accordance with the Acts, is the correct position. Whether we agree or not, at the present time the position of secretary to the Premier is classified at £1,500 per annum. That has been the classification for some time, and I have not heard any complaint from the hon. member in regard to it, although the very fact that he quoted from the Public Service Commissioner's report shows conclusively that he had this knowledge. The fact itself appears in the Public Service Commis-



sioner's report. The hon. member went so far as to refer to a report of 1935, over two years ago, and yet this is the first time he has raised the question in connection with the classification appearing therein, or to the remarks of the Public Service Commissioner that he quoted to-night.

Resolved: That motions be continued.

The same applies to the present Under Treasurer who will be retiring shortly and who is on leave at the present time. The Public Service Commissioner has drawn attention to what has been done in his particular position, and the hon. member has known it ever since he was appointed to the position, but has raised no objection until now. If it is wrong now that this kind of thing should be done it was wrong two years ago, when it was first done; it was wrong when the Public Service Commissioner altered the classification, but the hon. member raised no objection whatever. With regard to the other gentleman to whom he referred, Mr. Munt, my remarks apply in the same way to him. Mr. Baxter has known ever since Mr. Munt was appointed to that position that the conditions he has related here to-day would apply and did apply and would continue to apply so long as he occupied that position. Attention has been drawn to it by the Public Service Commissioner. If there is anything wrong at the present time it was wrong two years ago, and that was the time the hon. member might have drawn attention to it. I received through the courtesy of Mr. Baxter a copy of the letter he handed to the President in accordance with Standing Order 59. From his remarks it would seem that he expected I would be able to reply to anything he might say. That of course is impossible, because I did not know what he was going to say. I could only take the motion he has moved as a guide to what he might say. I have therefore supplied myself with whatever information was available in order to deal with the motion he has moved. I propose first of all to refer to the first portion of his motion in which he refers to an erroneous classification. I have not yet heard the hon. member say anything to justify his description of this classification as an erroneous classification. Are not these matters left in the hands of the Public Service Commissioner? Is he not expected under the Act to make classifications and reclassifications from time to time? If we are going to say that his classification is erroneous in any one par-

ticular, are we not entitled to say that the person concerned in the first place has a right to appeal against that classification? If that person is satisfied with the classification, but if Mr. Baxter or any other member of Parliament is dissatisfied with it, then Mr. Baxter and every other member knows how he can raise the question. But he has no power to alter the classification. It is left entirely in the hands of the Public Service Commissioner and the Public Service Appeal Board. I would like members to appreciate what the position of the Government is in matters of this kind. Speaking of this "erroneous classification," Mr. Baxter uses the words "allegedly under the Public Service Act." I will be able to deal with that in a moment. Then he says he wants to deal with the granting of a pension based on such erroneous classification to "a certain one of such public servants." If it applies to one such public servant it must also apply to the other two he has mentioned, because when the time comes for those public servants to retire, they will naturally claim their rights, and their rights are definitely set out. Their rights include a certain percentage of the salary that has been paid to them in the Public Service during the three years immediately preceding their retirement. So what applies to one applies to the other two. In order to make the position particularly clear to hon. members, and to try to clear up some of the statements of the hon. member which I think I would be correct in describing as mis-statements, I propose to read the reply of the Public Service Commissioner as supplied to me as a result of this motion which the hon. member has moved, and a copy of which he gave to me yesterday. Hon. members will realise I have no personal knowledge of matters of this kind. I have no knowledge other than what is supplied to me by the Public Service Commissioner. This is what the Public Service Commissioner says:—

In reference to the motion of the hon. Mr. Baxter to adjourn the House from to-day's sitting in regard to a said erroneous classification, by the Public Service Commissioner, and the granting of a pension to a certain one of such public servants, I have to report for your information as follows:—I am not aware of any erroneous classification by myself. Section 15 of the Public Service Act, 1904, directs that the Commissioner shall make a reclassification of the service once at least in every five years, and Section 12 of the Public Service Appeal Board Act, 1920, directs as follows:—

"Notwithstanding any provision of the Public Service Act, 1904, to the contrary, the classification of offices and officers under the Public Service Act, 1904, and the fixing of the salaries of officers, inclusive of officers in the Administrative Division, shall be vested, and as on the 30th day of June, 1920, shall be deemed to have been vested, in the Public Service Commissioner, acting alone or in conjunction with Assistant Commissioners, subject to an appeal to the board under this Act."

A reclassification of the service was made as from the 1st July, 1931. The five-year period would have been up on the 30th June, 1936. However, instead of waiting for this period and for reasons stated in the reclassification, this duty was undertaken as from the 1st January, 1936, and operated from that date. In such reclassification, on the last page dealing with the Administrative Section, will be found the classification as given by myself.

In the 1935 report, which was duly tabled in the House, and on page 11, will be found the reasons why I considered the three positions of Under Treasurer, Under Secretary for Works and Secretary of the Premier's Department, were under-classified, and the basis on which the 1936 classifications would be made.

Since the issue of the 1936 classification one officer, namely Mr. Munt, Under Secretary for Works, has retired, and his pension amounted to £909 5s. 11d. per annum, based on the average salary over the last three years of this officer's service. That is to say, for the period up to the 10th February, 1937, when Mr. Munt ceased to be Chairman and Member of the Transport Board, the salary was taken on the basis of £1,500, but from the 11th February until the 10th September, 1937, when Mr. Munt ceased his accumulated leave, the salary was taken on the basis of £1,000, excluding that portion of his salary that he was drawing as Chairman of the Transport Board. Before the calculation of Mr. Munt's pension was undertaken the position was submitted to the Solicitor-General for a legal opinion in regard to the basis.

On Mr. Munt's retirement, the position of Under Secretary for Works was reclassified on the basis of £830 minimum, £1,000 maximum, and Mr. Andrew was appointed to the vacant position on this classification. Another of the permanent heads, viz., the Under Treasurer, retires on the 17th March, 1938. In the Gazette of the 3rd December there will be found a reclassification of the Under Treasurer's position, reducing the classification from £1,500 to a classification of £1,000 minimum, £1,180 maximum.

I have already said that nothing has been done except under authority of the Acts which govern this position. The Public Service Commissioner has shown in his minute to me that he reclassified these positions apparently in accordance with the Act. So far as the pension of Mr. Munt is concerned nothing was done except under the advice of the Crown Law Department, and Mr.

Walker, the Solicitor-General, in giving his opinion has set out the position clearly, a position of which we have to take notice, and of which the Public Service Commissioner and the Treasury have to take notice. It is a lengthy minute, but in view of what has been said by Mr. Baxter, I think I am justified in reading it in full. It would not be fair to quote one paragraph and leave it. The Solicitor-General in his advice to the Public Service Commissioner says—

Mr. Munt for some time past has been serving as a public servant in two different capacities, namely, as a public service officer under the Public Service Act, 1904, in his capacity of Under Secretary for Works, and as a public servant under the State Transport Co-ordination Act, 1932, in his capacity of chairman of the Transport Board.

2. His service in both the capacities aforesaid makes him eligible for superannuation allowance under the Superannuation Act, 1871, and therefore for the purpose of assessing the amount of such superannuation allowance the respective amounts of the salary which he has been entitled to from both the said sources during the three years next preceding his final retirement as a public servant in every capacity must be taken into account.

3. As Under Secretary for Works under the Public Service Act, 1904, Mr. Munt holds his appointment indefinitely, subject to a liability to be retired when he attains the age of 60 years. He is also entitled to annual leave, and may be granted long service leave as provided for in the said Act.

As chairman of the Transport Board under the State Transport Co-ordination Act, 1933, Mr. Munt is appointed only for three years and, unless he is re-appointed, automatically retires from such office at the end of such three years. Moreover, he is not entitled either to annual leave or to long service leave.

4. I understand that Mr. Munt's present tenure of office as chairman of the Transport Board will automatically expire on the 10th February, 1937, and that thereafter he will not be appointed again to that position.

I understand also that Mr. Munt will retire from his office as Under Secretary for Works in September, 1937, but that, as from the 10th February, 1937, he has been granted and will take annual leave and long service leave which will terminate in September next on the date which has been fixed for his said retirement from the office of Under Secretary for Works.

5. His final retirement from the Public Service in every capacity will therefore be that date fixed in September, 1937; and for the purpose of ascertaining his average annual salary during his last three years of service as the basis for computing the amount of superannuation allowance, such last three years will be those next preceding the date in September, 1937 when he finally retires from the office of Under Secretary for Works.

6. Because he will have ceased to be a member of the Transport Board after the 10th February, 1937, obviously Mr. Munt will not after that date be paid the remuneration attached to that office, and will be entitled to and receive only that salary attached to the office of Under Secretary for Works between the said 10th February, 1937, and the date in September, 1937, when he finally retires from the office of Under Secretary for Works.

7. Therefore, assuming that such final retiring date is the 10th September, 1937, then for the purpose of ascertaining the amount of superannuation allowance to which he is entitled the three years' service to be taken into account will be those years ending on the 10th September, 1935, 10th September, 1936, and 10th September, 1937.

The amounts of salary which he was entitled to (exclusive of financial emergency deduction) in respect of both the said different capacities in which he was serving as a public servant during each of those years must be taken into account in order to ascertain his average annual salary over such three years.

Thus for the year ending 10th September, 1935, his classified salary as then obtaining as Under Secretary for Works and also his salary or allowance as Chairman of the Transport Board must be taken into account as salary received in the whole of the year, and for this purpose his classified salary means the salary under the classification in force on the 30th June, 1931, disregarding the classification issued by you on the 1st July, 1931.

For the year ending 10th September, 1936, Mr. Munt's said classified salary under the classification in force on 30th June, 1931, must be taken into account up to the 31st December, 1935, as well as his special salary or allowance as Chairman of the Transport Board up to the same date, and as from 31st December, 1935, and until 10th September, 1936, his classified salary as contained in the new classification which came into operation on the 1st January, 1936, must be taken into account.

Under the last-mentioned classification, one salary only was fixed which covered both offices, namely, Under Secretary for Works and Chairman of the Transport Board.

For the year ending 10th September, 1937, Mr. Munt's said classified salary under the classification which came into operation on the 1st January, 1936, must be taken into account until the 10th February, 1937, when Mr. Munt will cease to be a member of the Transport Board, and thereafter only that portion of the classified salary aforesaid which attaches to the office of Under Secretary for Works will be taken into account, because, as from the 10th February, 1937, Mr. Munt will not be entitled to and will not receive that portion of his said classified salary which at present attaches to his office of Chairman of the Transport Board.

8. Where in the above I have mentioned the 10th September as the date terminating a year of the service, it must be understood that I have presumed that Mr. Munt will be finally retiring from the Public Service on the 10th

September, 1937. If the date of such final retirement will be some other day in September, 1937, then in the above observations such last-mentioned date should be substituted for the 10th September where the same appears in the above observations. J. L. Walker, Solicitor General.

That is a very lengthy opinion, but I have read the whole of it because I realised that if I selected one paragraph only, some members might have laboured under a misapprehension. It shows clearly that from a legal point of view Mr. Munt was entitled to that which he received, and the same thing applies to the other two officers referred to by Mr. Baxter. When their time comes to retire, they will be entitled to have their pensions based upon the salary they received during the three years immediately preceding their retirement, and of course, the classification of the Public Service Commissioner will be the basis upon which the pension in either case will be computed. There is no need for me to say more on that aspect, but I think I should at least make some comment on the remarks of Mr. Baxter in asking how long this kind of thing was to be allowed to go on, when he threw out a suggestion that because those particular public servants were in high places they had been allowed to do as they liked, that they had been able to arrange matters to their own satisfaction so that their retiring allowances might be increased beyond what they otherwise would be. As I said before, the hon. member is entitled to his opinion. He is also entitled to the opinion he expressed that the office of Under Secretary for Works is a full-time position. The same thing applies to the office of Under Treasurer and also to that of Secretary to the Premier's Department. I am not going to quarrel with that point of view. I agree with it. What is more, it has been shown conclusively that the Government agrees with it, and I am wondering whether it is the action of the Government in regard to the office of Under Secretary for Works and the office of Under Treasurer that is responsible for the hon. member having moved the motion.

Hon. J. J. Holmes: The Government has awakened to what is going on.

The CHIEF SECRETARY: It is not a question of the Government having awakened to what is going on; it is a question of the Government having determined that the occupants of those particular positions shall

not, at the same time, be entitled to hold other positions.

Hon. L. Craig: But the damage has been done.

The CHIEF SECRETARY: If the hon. member chooses to speak of it as damage, he is entitled to his opinion. The Public Service Commissioner shows conclusively by his report of 1935 and by his reclassification of a later date that he concurred in everything that had been done. As a matter of fact, it is his reclassification.

Hon. J. Cornell: He does what he is told.

The CHIEF SECRETARY: I do not think he does.

Hon. J. Cornell: I think he does.

Hon. G. W. Miles: He was right in classifying the two positions at £1,500, but the Government was responsible for the appointments.

The CHIEF SECRETARY: I cannot see any point in that remark, because Parliament determined that the Under Treasurer should be one of the Agricultural Bank Commissioners.

Hon. G. W. Miles: What about the other positions?

The CHIEF SECRETARY: I do not know that the Act provided for the Under Secretary for Works being chairman of the Transport Board, but Mr. Munt was considered, by virtue of his experience, to be the most suitable man for that position. I have a vivid recollection that quite a number of members agreed with that point of view at the time. In 1936 the classification of the Under Treasurer, Mr. Berkeley, was £1,500, and these are the remarks of the Public Service Commissioner:—

Administrative Head of the Treasury Department. Salary includes position as Commissioner of Agricultural Bank.

The classification of Mr. Munt on the same occasion was £1,500 and the remarks of the Public Service Commissioner were:—

Administrative Head of the Public Works Department. Salary includes position of chairman Transport Board. Should latter duty be reallocated, classification £830-£1,000 to operate.

That recalls a remark by Mr. Baxter in drawing a comparison between the salary received by Mr. Munt, as Under Secretary for Works, and the salary now being paid to his successor, Mr. Andrew. Surely Mr. Baxter knows that the maximum salary for the position was £1,000.

Hon. C. F. Baxter: I said that.

The CHIEF SECRETARY: And the hon. member must know that very seldom is the maximum salary paid to a new appointee to the position. He knows there is a range of salary for such positions and in ninety-nine cases out of a hundred some other figure than the maximum is fixed as the commencing salary for the new occupant of the position. That is all that has happened in this instance, except that it has been laid down that the position of Under Secretary for Works does not automatically carry with it the position of chairman of the Transport Board. The same applies regarding the position of Under Treasurer. Certain amendments in classification have been made by the Public Service Commissioner, one dating from the 28th January, 1937, and another dating from the 18th March, 1938. The latter date has been fixed because it is the date upon which the present Under Treasurer will finally retire from the Public Service. This is what appears in the Public Service Commissioner's amendments to classification:—

Treasury Department. Under Treasurer and Commissioner of Stamps, salary £1,500. Amended classification, minimum £1,000, maximum £1,180. Inclusive of any special duties required.

Whoever is permanently appointed to the position will have that salary range, which will include any other duties he is called upon to perform.

Hon. L. Craig: What was the date of that amended classification?

The CHIEF SECRETARY: It was issued quite recently and is to apply from the 18th March, 1938.

Hon. T. Moore: Is Mr. Shapcott also in that category?

The CHIEF SECRETARY: No.

Hon. J. Cornell: He is indispensable.

The CHIEF SECRETARY: I am pleased to know that the hon. member entertains such a high opinion of that officer. Mr. Shapcott's classification is that of Under Secretary and the remarks of the Public Service Commissioner are:—

Administrative head of the Premier's Department. Salary includes Executive Council and special duties.

I do not think there is any need for me to quote from the Public Service Commissioner's report, reference having been made to it by Mr. Baxter. I think the Public Ser-

vice Commissioner has shown in his minute just how those classifications have come about. The Solicitor General has shown conclusively just how it is necessary that Mr. Munt should receive the pension he is receiving if he is to have the rights to which he is entitled. All said and done, we must admit that each one of those three public servants has served the State very well.

Hon. C. F. Baxter: I am not doubting that.

The CHIEF SECRETARY: They are occupying the highest positions in the Public Service, but if Mr. Baxter or any other member is of opinion that a salary of £1,500 is too high for the services they render, he should take up the matter with the Public Service Commissioner, in whose power it is to make any alteration he thinks fit. For my part I do not care to express any opinion as to the actual value in pounds, shillings and pence of the services rendered by those gentlemen or by any other of the administrative heads of the service, but we cannot escape the fact that the Public Service Commissioner is the man appointed to deal with matters of this kind, and that if members are going to take exception to any action of his, the time to do so is when the classification is made, not let a couple of years elapse and then raise the question on a motion of this kind.

Hon. J. J. Holmes: The Government makes the appointments and then the Public Service Commissioner has to classify them.

The CHIEF SECRETARY: That does not necessarily follow, either.

Hon. J. J. Holmes: In connection with the Agricultural Bank it did.

The CHIEF SECRETARY: As regards the Agricultural Bank, hon. members know that the Act lays down that the Under Treasurer or his deputy should be a member of the board. Hon. members will realise that when the Agricultural Bank was reorganised by means of the Act, it was highly essential that the members of the board should be men of wide experience in State finance. For that reason the House agreed that either the Under Treasurer, or his deputy, both of whom would have full knowledge of the financial position of the State and the ramifications of the Agricultural Bank, should occupy a position on the board. I think I can speak similarly regarding the Transport Board. There was the

administration of a highly important Act to be initiated. I do not know of any other man in the Public Service of Western Australia who was better qualified than Mr. Munt was at that time to initiate the administration of the statute. Whatever may be our opinion of his administration as chairman of the State Transport Board, we must admit that while the present chairman's administration seems to meet with the approval of almost all the people in the State, Mr. Munt also is entitled to much credit for the arduous work he did in ensuring that the Act at its initiation was put on a basis which could be followed by future boards, as well as being one which would meet the intentions of Parliament; and I say this notwithstanding the remarks of Mr. Baxter, who seemed to infer that the original Transport Board did not give consideration to what was intended by the Legislature. I have pointed out that as regards two of the three positions in question the present Government is of opinion that there is sufficient for those officials to do in their classified positions as Under Treasurer and Under Secretary for Works, without being called upon to occupy other positions in respect of which it would be necessary, apparently, to pay them additional salaries. That decision is in accordance with the policy of the present Government. However, I do not say that at no time in the future would it be expedient for this Government, or some other Government, to appoint a high administrative officer to a particular position which may be created and to give him an additional amount of salary for filling that position, inasmuch as nobody can foretell what the future has in store. Moreover, there are occasions when from the Government's point of view it is highly desirable that a particular person should carry out certain duties, especially at the inception of novel legislation.

Hon. J. J. Holmes: Is not the position of Secretary to the Premier a full-time job?

The CHIEF SECRETARY: I think it is.

Hon. W. J. Mann: You did not include him with the other two.

Hon. J. Cornell: He is on the maximum, £1,150.

The CHIEF SECRETARY: No; he is on £1,500.

Hon. J. Cornell: That includes the other £450.

The CHIEF SECRETARY: The classification of the Public Service Commissioner is quite clear.

Hon. L. Craig: Were those classifications made after the appointments had been made?

The CHIEF SECRETARY: The classification is published in the "Government Gazette" of the 19th December, 1935. The classification to the 31st December was—Under Secretary of the Premier's Department, minimum £755, maximum £960; salary £960, plus £350, plus £190. That was at the 31st December, 1935. Then there is the classification on the 1st January, 1936—salary £1,500. And the Public Service Commissioner gives his reasons. That is only slightly less than two years ago, and there has been no question raised since that date. It is only raised to-night because Mr. Baxter seems to have some difficulty in arriving at how or why Mr. Munt received the pension now being paid to him. I think I have covered all the ground that I should be called upon to cover, except that I want to say, in conclusion, that Mr. Baxter, when quoting my reply of the 2nd December, did not quote the whole of it.

Hon. C. F. Baxter: It was not necessary for my purpose to do so.

The CHIEF SECRETARY: Not for the purpose for which the hon. member used the reply. For that purpose what he quoted might be all right. I think, however, that the hon. member tried to create an impression that the pension should have been based on a salary of £1,000, and that the amount received by Mr. Munt as chairman of the Transport Board should not have been taken into consideration. Then Mr. Baxter drew attention to the fact that my reply pointed out that Mr. Munt's salary in his capacity of Under Secretary for Works was £1,000—which is perfectly correct. Just immediately prior to Mr. Munt's receiving his pension, he was no longer chairman of the Transport Board, and was not then drawing the emoluments of that office. He was then in the position of Under Secretary for Works, the position which he naturally held until his retirement in September last. I now desire to quote my reply to Mr. Baxter's question—

4, On what basis is such pension calculated?—Forty-sixtieths of average amount of salary and emoluments for three years next preceding the 11th September, 1937. As Under Secretary, the classification was £1,500 per annum. The salary included position of chairman,

Transport Board. Prior to retirement, the Under Secretary was on long service leave at a salary of £1,000 per annum. From 11/9/34 to 31/12/35 his salary was £960. Remuneration Transport Board, £450.

In fact, I went out of my way to give the hon. member all the information it was possible to give him in reply to the questions he asked. If I spoke for an hour on the subject, I could not do more than I have already done. I have given all the actual facts of the position, and I think I have shown that nothing has been done except what is strictly in accordance with the Superannuation Act, which governs the position discussed by Mr. Baxter.

HON. J. CORNELL (South) [6.11]: Although Mr. Baxter may be charged with being somewhat belated in bringing this matter forward, I think that, taking the broader issue, it must be generally conceded that his action has served a useful purpose. I think it must also be generally conceded that in two specific instances Acts of Parliament have been interpreted in a manner entirely foreign to the consensus of opinion in this Chamber when it agreed to two statutes—the State Transport Co-ordination Act and the Agricultural Bank Act. I do not think any hon. member, even in his wildest flight of imagination, thought for even a moment that the Under Treasurer or his deputy, on becoming a Commissioner of the Agricultural Bank, would receive an added increment to his rights under the Pensions and Superannuation Act of 1904. If the House had thought so at the time, I am as sure as that I stand here the House would have been informed that the last-mentioned Act could not apply in the circumstances. Exactly the same thing would have been said regarding the State Transport Co-ordination Act. Had hon. members thought that a public servant receiving £1,000 a year would receive an additional £500 per annum as chairman of the State Transport Board, and that the additional £500 would be taken into consideration when his pension was being calculated, steps would have been taken to prevent such a thing. This should be an object lesson to be borne in mind when other legislation of the kind comes before hon. members.

Hon. G. W. Miles: I do not think the Crown Law Department's opinion is correct.

Hon. J. CORNELL: The Minister has stated that the opinion was accepted without

demur. I know of a Crown Law opinion with regard to an ex-civil servant which was quite as drastic as the opinion in this instance, and yet the Minister concerned declined for four months to act on it and had to be threatened with prosecution before he would pay up. So much for Crown Law opinions, and so much for Ministers giving effect to them! However, that is by the way. The point I want to make is that one of the most debatable questions of the day is the question of superannuation. We have here, on the decision of the Crown Law Department, two retiring officials who are to receive pensions of £20 per week, whereas a wages man who had been in the railway service prior to 1904 has no more chance of getting a pension than I have of selling ice in hell. It will be interesting to the poorer section of the Government employees in Western Australia to learn what this debate has brought forth. I take into consideration the fact that a man like Dr. Sutton, after being in the employ of this State since 1911 and after rendering splendid services, walked out with nothing. I carry back my memory to what Mr. McLarty, of the Agricultural Bank, did in return for a salary of £1,000 a year to put the group settlements on a workable basis. He received no consideration for that. Later on, he did get consideration through a special Act of Parliament, which raised his salary to £1,500 per annum. But that Act was not retrospective, and did not extend to him any monetary consideration whatever for his added work in the past.

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

Hon. J. CORNELL: In resuming my remarks, I wish to touch on a phase that comes within the category of the old lady's statement: "Comparisons are odious." With regard to Mr. Munt's position, it appears that as a result of his three years' chairmanship of the Transport Board at £500 a year, the Crown Law Department has construed that to entitle him to an extra £5 or £6 a week, to be added to the pension he was entitled to receive as Under Secretary for Public Works. That decision was arrived at by virtue of the position Mr. Munt held in a body corporate, quite apart from his position as a public servant of this State. Then we come to the unfortunate situation of the present occupant of the chairmanship of the board. I understand he is not entitled to

participate in the superannuation scheme. That officer is in receipt of a salary of £700 a year, £486 being on account of his Public Service position and £214 as Chairman of the Transport Board. That is less than half of the amount formerly received by Mr. Munt. The latter received £500, with a salary of £1,000, whereas Mr. Millen receives £214 with a salary of £486, and the latter cannot participate in the superannuation scheme. The real work in respect of which the State Transport Co-ordination Act was passed has come to fruition under the present chairman of the board; yet parsimony is extended to him and liberality to his predecessor. While I certainly wish Mr. Munt long life and happiness, that result has meant an increased pension charge that the State will have to bear for many years to come. I do not think the explanation of these matters will hold water. The same thing applies to a lesser degree to Mr. Berkeley, who is about to retire. He is a most excellent gentleman. In fact I find no fault with Mr. Munt or Mr. Berkeley because of what they are receiving. If they were able to manoeuvre themselves into a position enabling them to get what they are receiving, good luck to them! The fault is with the system that allows anything of the sort to be done. Both Mr. Berkeley and Mr. Munt were in receipt of £500 a year on account of their association with bodies corporate, and no one is arguing regarding their right to participate as civil servants. One enjoyed that salary under that heading for three years, and the other will run to about the same period. Though they had to be employed as civil servants prior to 1904 in order to get a pension of £12 or £13 a week, the fact of their being employed by a body corporate for three years has enabled them to secure an extra £5 a week added on to their pensions. That is what calls for adverse comment. If they can get that extra consideration, and if employment for three years in connection with the Agricultural Bank or the Transport Board entitles them to that accretion in pension rights, anyone else employed by a body corporate in similar circumstances should be entitled to the same consideration. To my mind, it is a mere quibble. If these two gentlemen are entitled to pensions, others should be entitled to participate in that right if they render similar services. There is another aspect. To my knowledge, several men who have retired

from the Government service and have become participants under the Superannuation Act have, down the years, rendered valuable services to successive Governments in many capacities without any extra remuneration. I know of some who are due for retirement shortly who have acted similarly and have saved the State many thousands of pounds. No consideration is given them in that respect, and those officers will get what they are entitled to under their respective classifications, irrespective of any other services they may have rendered. Unlike the two officers I have referred to so far, the Secretary of the Premier's Department, Mr. Shapcott, who is such an accomplished tactician, appears to me to be the only one on safe ground.

Hon. C. F. Baxter: Yes, he is all right.

Hon. J. CORNELL: There is this to be said in mitigation on his behalf, that evidently, according to the Minister, it has been decreed that the successors to Mr. Munt and Mr. Berkeley will be classified with a salary range from £850 to £1,150, and irrespective of what other work they may do, they will get no more than is provided for within that range. It may be supposition, but it seems to me that the Secretary of the Premier's Department is in that category too, and that he is getting £1,150 as his salary for that particular office. The debate has not brought to light, nor have numerous inquiries that I and other members have made, any tangible result to indicate what Mr. Shapcott receives on account of the multifarious positions he holds. He is chairman of the State Gardens Board.

The Chief Secretary: That is an honorary position.

Hon. J. CORNELL: In that position he is a regular Rajah of Bhong. As Mr. Holmes interjected at one stage, Mr. Shapcott is chairman of the Boat Licensing Board.

Hon. J. J. Holmes: I understand that he is.

Hon. J. CORNELL: I understand that he also has an hotel license. His work as chairman of the State Gardens Board is honorary, but his salary is shown in the Public Service List as £1,500. While I have quite a good deal of admiration for the State Gardens Board, I realise that Mr. Shapcott is both ends and the middle of that board. In fact, he is "It." Nevertheless, I think he goes too far at times, and I understand that the Gardens Board's latest ukase

is that every vacant block of Crown land in the City of Perth comes within the purview of the board, whether let on lease or not. I know one block was leased during Mr. Shapcott's absence from the State, but since his return he has said, "No, that block belongs to the Gardens Board, and the lease is no good." I think it is just about time his activities were curbed in that regard. I understand that on the corner opposite to that block another "White City" is to be started. I wonder if the Gardens Board has given consent to that, or if the Government of the day, through the Minister for Lands, has consented to that undertaking being started. Reverting to the point that Mr. Shapcott has something to be said in his favour, it is that though he has added by the positions he holds some £350 to the expenses to be met by the State, since he has taken over the position of Clerk of the Executive Council, that increase has been not. That position was formerly held by the Usher of the Black Rod who received no salary, whereas Mr. Shapcott gets £350. The remuneration has increased gradually until it has worked up to £350, and the Treasurer has to find that extra money for the Clerk Assistant and Usher of the Black Rod. That is laid down by the Constitution, and there can be no argument on the point. So we find that £1,150, plus £350, together with the honorary positions held by Mr. Shapcott, bring his salary up to £1,500.

Hon. V. Hamersley: How did he get the Executive Council position?

Hon. J. CORNELL: Well, he got it. Under the Crown Law ruling, he will be entitled to pension rights involving something in the vicinity of £1,000 a year. The point is that he has not committed anyone else, because the Clerk of the Executive Council constitutes one man only, and the Secretary of the Premier's Department involves one man only. On the other hand, with regard to Mr. Munt and Mr. Berkeley, their three years' service with other bodies has entitled them to an extra pension return of £500 a year each. Whatever the Secretary to the Premier's Department may do, it involves nobody else. In that regard I repeat that the Chairman of the Gardens Board is "It." I have very little further to say other than I will always accept decisions from the Crown Law Department with a grain of salt. I



can quote an illustration. I remember Mr. Holmes when he was going to hang up the debate on a certain part of a Bill. Mr. Colebatch was then leading the House. The Minister said, "Very well, we will adjourn the debate and see what the Crown Law Department has to say about the Bill." So Mr. Holmes, being a very experienced tactician, got down to the Crown Law Department early next day and secured the Solicitor-General's opinion. That evening Mr. Colebatch rose in the Chamber and stated he could now satisfy the House, that he had the opinion of the Crown Law Department on this question. Mr. Holmes asked him, "At what hour did you get it?" Mr. Colebatch replied, "About two o'clock this afternoon." Then Mr. Holmes said, "Well, I also have an opinion from the Crown Law Department, and I got it at 10 o'clock this morning." In my view the opinion of the Crown Law Department is frequently like the opinion of a public servant, which is exactly what the powers of the day decree. Mr. Baxter is more to be commended than blamed for having taken the action he has. Of course we can sift what he said and discard what we think fit, but we cannot discard the lesson taught by him, which is that this House should see to it that when such positions are created as that occupied by Mr. Berkeley and that previously occupied by Mr. Munt, in future Acts of Parliament it shall not be left to the whim of the Crown Law Department to say whether or not those positions shall be filled by officers entitled to pensions.

**HON. J. M. DREW** (Central) [7.48]: In the first place I want to compliment the Leader of the House on his effective reply to Mr. Baxter, an effective reply delivered under very unfair circumstances. One would have thought that the Chief Secretary as leader of the House could not possibly have sufficient knowledge to enable him to reply to Mr. Baxter: yet he did reply, and replied effectively. The method adopted by Mr. Baxter should not commend itself to this House. Mr. Baxter sprang this motion on the Chief Secretary, giving him no opportunity to collect information in order to answer the criticism indulged in by the hon. member. I know of no instance on record in this House where a similar position has been

brought about. The hon. member could have moved a substantive motion and the Chief Secretary could have secured the adjournment of the debate, which of course would have given him full opportunity to gather the information he required on which to frame his reply. As I say, Mr. Baxter could have accomplished his purpose by other means. He could have tabled a motion, and the leader of the House could have secured the adjournment of the debate. But the hon. member took up an altogether different attitude. It is true that he supplied the leader of the House with some information, covering merely one sheet of letter paper and containing but a broken outline of what he proposed to say. This is not fair, and I do not think it should be endorsed by this Chamber. The debate has developed from criticism of the Government to criticism of the Public Service Commissioner, and finally we learn that Mr. Cornell differs from the opinion given by the Solicitor-General.

**HON. J. CORNELL**: On a point of order. I did not say that I differed from the Crown Solicitor's opinion.

**THE PRESIDENT**: What is the point of order?

**HON. J. CORNELL**: Mr. Drew said I differed from the Crown Solicitor's opinion.

**MR. DREW**: I am pleased to know that I made a mistake, but I am sorry that I should have misrepresented the hon. member.

**HON. C. F. BAXTER**: You are not the only member who has made a mistake this evening.

**HON. J. M. DREW**: Probably that is so. Yet my opinion, I am sure, is shared by other members. A proper course to have pursued was to have moved a motion and then the Chief Secretary could have secured the adjournment of the debate. It is a tribute to the Minister's energy, to his keenness in debate and to his memory, that he was able to confute the statement made by Mr. Baxter. The Public Service Commissioner is a servant of Parliament. Do members propose to censure him for his action in this connection? In my view the course he adopted was the proper course to adopt. He sought the opinion of the Solicitor General. A motion for the adjournment of the House should never be moved unless on a matter of urgency requiring instant action. But this is not a matter of urgency at all. When

first I heard of the proposal I came to the conclusion that it had to do with some recent happening that we were to discuss, but it proves to be a three-year-old happening. Also the speeches made so far have traversed a considerable area of ground, whereas opportunity should have been given to the Chief Secretary for a close investigation. The reason for my rising was simply to protest against the course taken by Mr. Baxter.

**HON. G. W. MILES** (North) [7.54]: The debate will do an immense amount of good, and in my opinion the reply put up by the Chief Secretary was not altogether convincing. In view of the opinion of the Crown Law Department, it was the duty of the Government to obtain another opinion; indeed, I feel it is still the duty of the Government to get another opinion. When the Government found itself in the position in which it was put after receiving that opinion from the Crown Law Department it should have brought down legislation to remedy the position. I have nothing against Mr. Munt, who is a personal friend of mine, as is also Mr. Shapecott. When Mr. Munt was appointed to the position of Chairman of the Transport Board he should have been told that the £500 a year he was to receive would not have any effect on his pension. The Government is not looking after the interests of the taxpayers by sitting down on a doubtful opinion by the Crown Law Department. Notwithstanding what Mr. Drew has said, I think Mr. Baxter is to be congratulated. Of course he might have adopted the procedure suggested by Mr. Drew, but in bringing forward this matter he has done the taxpayers a service and is to be congratulated. As for Mr. Berkeley, the Under-Treasurer, he too should have been told when he received his appointment as a commissioner of the Agricultural Bank that the salary he was to receive from that office would have no bearing on his pension. There has been no criticism of the Public Service Commissioner. He stated that he was practically forced to bring the Under Treasurer's salary up to the other salaries. It is a ridiculous position in which the Government has placed the Public Service Commissioner. I repeat that it is the duty of the Government even now to get further legal advice, and that if it be found that the opinion of the Crown Law Department is upheld by that

later advice, legislation should be brought forward to prevent this sort of thing from going on. As pointed out by Mr. Cornell, Mr. Munt and Mr. Berkeley were not receiving those salaries as public servants, but were receiving them under special Acts of Parliament. I think the Chief Secretary was right in saying that Parliament understood that the Under Treasurer was to be appointed, but I am sure that Parliament never assumed that the salaries accompanying that and the other position were to be included in the computation of pensions. I will support the motion.

**HON. J. J. HOLMES** (North) [7.58]: I do not wish to pit my opinion against that of the Crown Law Department, although from experience one might easily do that. My candid opinion is that no legislation is necessary to put this matter right. It should be the duty of somebody to act in regard to Mr. Munt and Mr. Berkeley. I do not think that acting as a commissioner of the Agricultural Bank in the one instance and as Chairman of the Transport Board in the other should entitle those gentlemen each to a pension of £5 a week to the end of their natural lives. There must be something wrong about the matter because the Transport Board did not pay the chairman. The money was paid to the Public Works Department, I understand, and that department paid the chairman. As to the point raised by Mr. Drew, are we going to censure the Public Service Commissioner? This House does not intend to do that. There has been an attempt to put the responsibility for these pensions upon that officer. I am not prepared to admit we should do so. The Government makes these appointments. The Public Service Commissioner did not do so. The Government made them, and forced the Public Service Commissioner to increase the remuneration and bring the salaries into line. I compliment the Minister upon the defence he put up.

The Chief Secretary: Did you say defence?

**HON. J. J. HOLMES**: Yes. I give him every credit for his speech but evidently someone in the departments knew what points of attack would be made. They knew the weaknesses. They knew where they were going to be attacked, and naturally supplied the Minister with information to enable him to put up the excellent speech he did in their defence.

**HON. W. J. MANN** (South-West) [8.3]: I am glad for more than one reason that this matter has been brought up. Most of us have heard at different times complaints from citizens concerning civil servants in high places. It seems a delight to some people to accuse members of conniving at what they consider to be wrong. Mr. Baxter went to some length to show what he believed to be irregularities in the computation of pensions. The Chief Secretary has told us there is nothing irregular, that everything has been done within the law, and that the gentlemen concerned are entitled to the amounts which have been mentioned. This is one of the cases where posterity has some complaint against the grand old men of the past. When pension rights were legislated for this was done on an unfair basis. It is wrong that one section of Government employees should have rights in this regard, and not another.

Hon. H. S. W. Parker: There are no pension rights; it is a mere gratuity.

**Hon. W. J. MANN**: It amounts to the same thing; they claim the right. Others who have rendered equally good service go out unwept and unsung. An instance was brought before me this week of a man in the Railway Service, who for 40 years had been a valued officer. The time for his retirement arrived, and he was farewelled by his colleagues. Beyond a eulogistic letter, he received nothing. That man had been on the footplate for many years exposed to all kinds of weather in the old days of the gold-fields, had worked long hours, and was one of those who helped to build up this country. One almost humorous feature of the case is that about 35 years ago this man was given a watch.

Hon. J. J. Holmes: Supplied by the department.

**Hon. W. J. MANN**: Yes. He has kept the watch all these years, under penalty of a sum of £4 10s. if it had to be replaced. One would have thought the department after all these years of service on the part of this man would either have forgotten about the watch or would have allowed him to retain it. The watch, however, was called up. I am given to understand that so incensed were members of the Railway Locomotive Engine-drivers' Union that they offered to buy the watch from the department. I believe they did buy it, and after having it inscribed handed it over to the railway servant in question.

When we contrast that case with what we have heard this afternoon we can understand the public being very dissatisfied with respect to pension matters. I am glad to know that this Chamber thinks the time has arrived when a protest should be made against this kind of thing. The railway men have been fighting very hard, those who were in the service prior to 1904, for some recognition of their rights. If I were the adjudicator I would very quickly give them what they asked for, because I believe they are fully entitled to it. I do not wish to make any lengthy reference to the cases which have been mentioned this afternoon. I understand, however, that the Under Treasurer is on final leave at the moment, but that he is still drawing his salary as an Agricultural Bank Commissioner. If it is true, it does not seem right. The source of my information is reliable. I mention it in the hope that the Chief Secretary will make some inquiry and ascertain if the statement is correct.

The Chief Secretary: There is no need for an inquiry. The Public Service Commissioner's classification indicated that.

**Hon. W. J. MANN**: This officer is on long service leave and is holding down another job. The Under Secretary for Mines also retired recently and is alleged to have taken another job.

Hon. J. Cornell: He acted as Chairman of the Tender Board for many years without receiving any remuneration for that.

**Hon. W. J. MANN**: An inquiry is talked about in that connection. If what was done was wrong in one case it was wrong in another. They seem to be on all fours, and I hope the matter will be cleared up.

**HON. G. FRASER** (West) [8.10]: I am not going to attempt to defend a position that permits of pensions being paid to big-salaried officers whilst lower-salaried servants do not receive a pension. That matter is beyond us. It is a legacy that has been handed down to us by Parliaments of many years ago. Neither am I going to censure the Government for the present position. It is no more to blame than is this Chamber. The same thing occurred with the Government as occurred in this Chamber. When we were dealing with the Agricultural Bank Bill no member thought that this position would arise in connection with the Under Treasurer. I do not think anything was fur-

ther from our minds than that the Bill would give extra pension rights to that officer.

Hon. J. J. Holmes: You must have a short memory. We tried to control the appointments, but were told it was not our job.

Hon. G. FRASER: The House agreed to the appointment of the Under Treasurer or his deputy. I am not blaming the Chamber for that. I do not think it entered the mind of anyone that the occupation of this position would entitle the officer to a larger pension. The Government appointed the men best suited for the job, and the question of pensions did not enter into the minds of Ministers. It has now been brought vividly before us, and I am sure this Chamber will not be caught again.

Hon. J. J. Holmes: It is a justification for the existence of this Chamber.

The Chief Secretary: You are many months too late. The Government has already taken action.

Hon. G. FRASER: That is so. I do not think it would be possible for a dual appointment giving pension rights now to be made. It appears to me to have been overlooked by all concerned, but efforts have now been made to rectify the position. Whilst I am not defending the high pensions that have been granted to the officers concerned, I do not censure anyone. I believe the mistake was one that no one could foresee.

**HON. E. H. ANGELO** (North) [8.14]: Prior to this afternoon I had not heard a whisper of the subject matter of this motion. I have since listened carefully to the speeches made by members. I regret very much to say that I feel there is something wrong about this. It is hard for me to understand why three positions classified at about £1,000 a year two years ago were raised to £1,500, and now again reduced to £1,000. There must be something more in it than meets the eye. We know that in all three cases dual positions have been created, but that should not have altered the classification of the Under Secretary for Works or the Under Treasurer or the Secretary to the Premier's Department. I cannot quite understand it and therefore I shall welcome a further explanation.

The Chief Secretary: It is all in the Public Service Commissioner's report; it has been there for years.

Hon. E. H. ANGELO: I am sorry I have missed it, but the question of pensions has only just cropped up. As regards pensions, we all know what a pension is really granted for; it is reward for valuable services rendered, and I consider that the two gentlemen going out are quite entitled to a pension on their salaries as Under Secretaries; but I think it is stretching the matter too far to say that they are entitled to an additional amount for about three years' service. From what I could gather, the two Acts under which the dual positions were given to those gentlemen did not entitle them to an additional pension. However, we have the Solicitor General's opinion to show that what was done was right. Although I have the greatest respect for the Solicitor General's opinion, I should like to have that opinion confirmed. Hon. members say that they will know what to do in the future. That is all very well, but if we allow these two cases to go through, we shall create a precedent that may prove very awkward for us to overcome in the future. How will it be for Government officers in the future who want pensions for any additional paid duties, and it is not given to them? They will be bound to quote the present instances and will ask why they are not entitled to similar consideration. There is also public opinion to be considered. It is the duty of this House to delve into this matter thoroughly and see whether we cannot get another opinion. Then if that opinion supports the viewpoint of the Solicitor General, well and good; that will be the end of it. But if it is found that the additional opinion does not coincide with that of the Solicitor General, we should go into the matter further and see whether what I consider to be wrong cannot be righted.

**HON. L. B. BOLTON** (Metropolitan) [8.20]: Mr. Baxter is to be commended for having brought this matter before the House. I desire to make one point with reference to the question. It will be remembered that on each occasion the Judges' Retirement Bill was before this House, I opposed it on the ground that the State already was paying altogether too much money by way of pensions. On referring to Public Accounts, I find in the list of pensions contained in

that document, for the year ended 30th June, 1937, the State paid in that year no less a sum than £114,878 5s. 3d. No wonder we are taxed to the extent that we are to meet those amounts. I am not going to say that an officer who serves the State, as have the officers under review, should not be entitled to a pension. I appreciate the work that has been done by each of the three gentlemen to whom reference has been made, and I do not for one moment argue that they should not be recompensed to a reasonable extent; but to pay the huge sums as pensions that this State is called upon to make provision for is in my opinion wrong, and, as I said before, no wonder we have taxation on taxation to meet the position.

Hon. G. Fraser: It was a legacy from the past.

Hon. L. B. BOLTON: Then it is time the legacy was wiped out. I believe in paying a reasonable return for services rendered, and I believe in recognising those services, but to pay the huge sums we are doing, even to the officers who have rendered good service to the State, as the gentlemen under review have done, is entirely wrong. I support the remarks of other hon. members, that when the question of appointing the Under Treasurer as a member of the Agricultural Bank Commission was before us, I had not the slightest idea that it would mean the payment to that officer of an additional £500 per annum. When officers holding high positions are given additional work to do, then it is the duty of the Government to see that they are reasonably paid, but not paid under conditions that have been referred to in the motion submitted by Mr. Baxter. The motion deserves the support of the House because it will perhaps stop the payment of pensions that are too high for the services that have been rendered. I support the motion.

**HON. H. SEDDON** (North-East) [8.23]: The matter has been discussed from many aspects. After all, the Government has a responsibility towards its officers. If an officer has been faithful and has carried out his duties satisfactorily, I for one sympathise with the idea of the Government to endeavour generously to treat that officer for the faithful work he has performed. With regard to the remarks of the hon. member who has just resumed his seat, many of the officers whose names are included in the pension list to which he referred entered the service

of the State as young men, and at a time when there were many opportunities available to them, opportunities which, had they taken advantage of them, might probably have been the means of placing them in far superior positions than those they occupied in the service of the State. But it was recognised by those men that under the conditions of service at that time there was at any rate an assurance that in their old age, provided, of course, they carried out their duties faithfully and well, they would receive from the Government due recognition by way of provision, commensurate with the posts that they had filled, for their old age. From that standpoint we must recognise that was probably the idea that actuated the Government in the attitude it adopted.

Hon. L. B. Bolton: But not £1,000 a year.

Hon. H. SEDDON: Reference has been made from time to time to the high salaries that have been paid for the services of some officers. As a matter of fact, in the commercial world it is not what is paid to a man but it is what the employer gets by way of services rendered. In many instances high salaries are paid willingly and generously by employers because they feel they are getting value for what is being paid. So from that aspect I find myself somewhat in support of the attitude of the Government in the steps that have been taken in dealing with the services of their officers. But I point out also that the Government is placing itself in a most unfortunate position, when we bear in mind its attitude towards another section of the service, the members of which have been equally faithful in carrying out their duties, even though those duties were in a more humble capacity. Yet those men, by a deliberate act of the Government—a minute by Executive Council passed in December last year—have been deprived of the right of recognition, a right given to those more favourably situated.

Hon. G. W. Miles: Not only the present but other Governments.

The Chief Secretary: Political propaganda.

Hon. H. SEDDON: The hon. member refers to political propaganda. If the Minister regards it as politics, I cannot help it. However, discrimination has certainly been shown in the treatment of one section as against another, and that other comprising men in more humble positions of the service, and whose duties have been just as

faithfully carried out. From that standpoint the Government may be said to have put itself in a most unfortunate position, and one it will be found difficult to explain. I cannot compliment the Government on its consistency. I am afraid likewise that the debate will have a most unfortunate effect on public opinion.

**HON. C. F. BAXTER** (East—in reply) [8.26]: Before replying to the debate I should like to refer to what appeared in this morning's paper concerning myself. I was reported as having said that if the Chief Secretary were more sincere, he would make better progress with the business. I certainly did not use those words, and never at any time did I feel like using them. There is one thing we must all admit, that the hon. member is certainly not lacking in sincerity. The over-zealousness of Mr. Drew has apparently carried him beyond his better judgment. The hon. member said that I had taken an unfair advantage of the Chief Secretary. I am quite within my rights in submitting a motion of this nature to the House. Yesterday morning I sent a note to the President and to the Chief Secretary intimating what it was my intention to do. I intimated that it was my intention to draw attention to the erroneous classification by the Public Service Commissioner, allegedly under the Public Service Act, of positions held by public servants. The Chief Secretary therefore had an opportunity to consult the Public Service Commissioner and the Crown Law Department so as to obtain material for his reply.

The Chief Secretary: How did I know what you were going to say?

**HON. C. F. BAXTER**: The Chief Secretary spoke of my reference to the officers. I hold those officers in the highest esteem. They have held down their positions well, but they have been asked to do too much. They have held two positions, and the Government asked them to do that work. It is the fault of the Government, and not of the officers. The Chief Secretary said I cast a doubt on Mr. Munt's ability as chairman of the Transport Board. I did nothing of the sort. What I contend is that Mr. Munt's policy in connection with the Transport Act was not the policy of Parliament, and every member will agree with that.

Hon. G. W. Miles: I do not.

Hon. C. B. Williams: Do not fall out at this stage.

**HON. C. F. BAXTER**: How many hon. members will say that the Transport Act is not operating more satisfactorily to this State and more acceptably to the people than it was under Mr. Munt's regime? But that does not discredit Mr. Munt. He was over-zealous in his efforts to build up the railway system, at the expense of the people of the State. That, however, does not discredit him. The Chief Secretary said it does not matter where his salary came from; that it was all in the same pool. He is wrong. There is provision in the Transport Co-ordination Act that portion of the fees are to be used in administration charges. That is not pooled. That is where the amount should come from, and it should not come from the Public Service account. The Chief Secretary said that this was the first time I had raised the question. Although I take an interest in my work, I cannot be expected to be continually analysing the whole of the Government accounts of this State. As a matter of fact, I could have gone on with this motion eight weeks ago, but Mr. Munt was absent from the State, and I never take advantage of anybody in that way. Mr. Munt has returned, and the introduction of this motion synchronises with his return.

Hon. J. J. Holmes: A sort of welcome home!

**HON. C. F. BAXTER**: Yes, a sort of welcome home. The Chief Secretary read a lot of material from the Public Service Commissioner and the Crown Law officials. Unfortunately, he read the wrong material. After all, they have not disproved the charge I put up. They cannot disprove it. There is the classification. They have not stated whether or not it is regular to include the amounts received from the two statutory bodies in computing the pension.

Hon. J. J. Holmes: What I want to know is why was the salary of the chairman of the Transport Board paid to the Public Works Department and not to him direct?

**HON. C. F. BAXTER**: The only assumption is that it was paid in that way so as to build up the pension. A great deal has been said by the Chief Secretary and by the Public Service Commissioner's report regarding classifications. Let us see what they are. In 1935 the classification of Mr.

Shapcott ranged from £755 to £960. In 1936 the salary was £1,500 and there was no classification. Where is all this classification written about by the Public Service Commissioner? The classification section is a blank.

Hon. J. Cornell: Read the footnote. That explains some of the £1,500.

Hon. C. F. BAXTER: The same applies to Mr. Berkeley and Mr. Munt. Where is all this classification? There is nothing in this talk of classification. I have not had a reply to the matter I have brought up, namely, that the increase on the £1,000 over and above the statutory amount of salary in computing the pensions of Mr. Berkeley and Mr. Munt is irregular and cannot be sustained. The amounts of £500 each, one from the Transport Board fees and another from the Agricultural Bank, two statutory bodies, cannot be taken into account for pension purposes. Therefore the pension payable to Mr. Munt is not legal, and if Mr. Berkeley is paid on the same basis, his will not be legal. The Superannuation Act is quite definite on this matter. The Crown Law Department and the Public Service Commissioner did not cite the Superannuation Act. They did not mention the statutory bodies either. Those bodies are separate from the Public Service, and pensions should not be allowed on remuneration in excess of £1,000, which is the salary of those officers. I hope this will be a warning to the Government to investigate the position.

Hon. G. W. Miles: And to see that these pensions do not continue to be paid.

Hon. C. F. BAXTER: That is so. If the Crown Law Department gives the opinion that it is in order to pay a pension on the extra amount of remuneration allocated from the Transport Board to Mr. Munt, and from the Agricultural Bank to Mr. Berkeley, then the Government should go beyond the Crown Law Department, because the advice of the Crown Law Department is wrong. I have gone as far as is permissible in this House with this motion. I cannot do anything else beyond holding up the House for a week, which I do not propose to do on account of the pressure of business. If nothing is done in regard to this matter it is the greatest mistake that will have been made, with the resulting misuse of public funds. I wish now to withdraw the motion.

The Chief Secretary: Is the hon. member in order, Mr. President, in accusing the Gov-

ernment of misusing Government funds? I would like to know what the hon. member means.

Hon. C. F. BAXTER: I will withdraw the remark if it pleases the Chief Secretary.

Motion, by leave, withdrawn.

## QUESTION—YOUTH EMPLOYMENT, FEDERAL GRANT.

### *Royal Commissioner's Report.*

Hon. A. THOMSON asked the Chief Secretary: 1, Has the Chief Secretary read the statement appearing in the "West Australian" dated the 3rd December, under the heading of "Training of Youths," which reads as follows:—

### TRAINING OF YOUTHS.

#### Federal Grant Allocations.

Canberra, 2nd December.

The Federal Treasurer (Mr. Casey) announced in the House of Representatives today that £150,000 of the £200,000 granted by the Commonwealth for the purposes of vocational training of youths had already been paid to State Governments. The allocations made so far were as follows:—Victoria, £55,000; New South Wales, £50,000; Queensland, £25,000; and South Australia, £19,000.

Replying to Mr. Stacey (U.A.P., South Australia), Mr. Casey said that he could not commit the Government to any future grant for the same purpose.

Mr. Gregory (U.C.P., Western Australia): Has any grant been made to Western Australia?

Mr. Casey: The matter is one for application. So far as I know, none has been received from Western Australia.

Labour voices: What about Tasmania?

2, Is the statement correct that Western Australia has made no application for its portion? 3, When may Parliament expect to receive the report of Mr. Wolff, the Royal Commissioner appointed to report on Youth Employment?

The CHIEF SECRETARY replied: 1, Yes. 2, Yes; but certain proposals have been approved for early submission to the Federal Government. 3, The Royal Commissioner advises that it will be some time before the report is available.

## BILL—LOAN, £1,227,000.

### *Second Reading.*

Debate resumed from the previous day.

HON. H. SEDDON (North-East) [8.40]: The Minister in introducing the Bill fur-

nished the House with a considerable amount of valuable information with regard to loan expenditure. I wish to-night to refer to some other figures which I think should be placed before hon. members and the public. Unfortunately, we have not yet attained the objective that was laid before us at the onset of the depression when we were advised, in the interests of the country, to attain financial equilibrium. On the other hand, there are signs that the Government is in some directions trying to attain that objective. One cannot help being impressed, however, with the fact that that objective is being attained at a high cost to industry. It has been pointed out in the Press that to-day we are receiving something like £1,000,000 more by way of taxation than we received ten years ago. Although we have had a depreciation in currency amounting to 25 per cent. since the beginning of the depression. Unfortunately, we are continuing to borrow and to create deficits. One cannot help being impressed that the greatest factor affecting the balancing of the Budget is the loss being made on loan assets, and in this respect the position is disquieting. The Minister pointed out that the accumulated deficit to the end of June, 1937, was £5,599,000. To the end of the September quarter another £464,000 had been added while to the end of November a further £116,000 had been added. I am giving round figures. The position to-day is that we have an accumulated deficit of £6,180,000, accumulated practically since the onset of the depression. Although some of this amount will be made up before the end of the financial year, the fact remains that we shall finish up somewhere in the vicinity of £6,000,000. There are figures in relation to the short-term loans that I think the Minister might refer to in his reply. Those figures relate to a comparison of the Treasury Bills in 1936-37 and October, 1937. The Premier, in the course of his speech, pointed out that the figures at the end of 1936 were—

	£
London .. .. .	2,998,014
Australia .. .. .	6,305,000
<b>Total .. .. .</b>	<b>£9,303,014</b>

He stated that at the end of June last there had been practically no variation in those figures, but according to a Press report at the end of October this State owed in

London £2,998,000, but in Australia only £6,010,000.

Hon. J. J. Holmes: Only £6,000,000 odd!

Hon. H. SEDDON: The amount in Australia shows a reduction of £300,000 on the figures for June. Seeing that the accumulated deficit had increased by some £600,000 since June, I would like to know how it is that while the deficit has increased there has been a reduction apparently in the short-term loan.

The Chief Secretary: What was the Press statement?

Hon. H. SEDDON: It appeared in the "West Australian" and was a statement of the short-term loan debt of the various States. I take it such a statement would be official; it has not been contradicted. I am pointing out the difference in the hope that we shall be informed of the exact position. I referred to the fact that the returns from our loan assets were very disquieting last year, as we showed a loss of £1,977,704; in round figures, nearly £2,000,000. Reference has been made to the debt charges. The interest charges this year are—

	£
Overseas .. .. .	1,702,000
Australia .. .. .	1,556,860
<b>Total .. .. .</b>	<b>£3,258,860</b>

To that total we have to add a sum of £431,886 for exchange, and thus our debt charge last year for interest and exchange was £4,050,505. When we add to that the amount of the sinking fund, we realise what a large proportion of our expenditure is covered by those charges.

Hon. J. J. Holmes: What about the 4 per cent. sinking fund that we should pay on deficits?

Hon. H. SEDDON: Of course that would be additional. The Premier pointed out that interest and sinking fund charges comprised some 38 per cent. of last year's expenditure. As a matter of fact the sum of £4,000,000 comprises 39.76 per cent. of the total revenue. Although last year the amount of taxation received was the largest ever raised, amounting to £2,403,575, it was £1,646,930 less than the interest bill on our loan commitments including exchange. The financial emergency tax accounts for nearly £1,000,000 of revenue, but there are developments in connection with that tax that should cause members a considerable amount of concern. Taking the figures for November and com-



paring them with those for October, there appears to have been a decrease of something like £12,000, while the amount collected in November of this year shows a reduction of £1,200 on the amount collected in November of last year. That might be just a temporary drop, but on the other hand it might be more significant. It might indicate a trend, and for saying that I have a reason. There is another figure that confirms this indication of the trend of affairs. It is a figure published by the Government Statistician regarding employment. An employment index is published in the "Quarterly Statistical Abstract" showing the ratio of employment month by month as compared with the base year of 1929-30. The figures for the 11 months of this year average 104.2, compared with 100 in 1929-30. The figure for November however, was 104. The point that impresses me is that for the 11 months, or even the 12 months, the figure is more or less stationary, and it would seem that we have attained a flattening of the curve which, taken into conjunction with the return from the financial emergency tax, is a very good indicator of the national income. The curve is flattening out both with regard to national income and employment, and one wonders what the future holds in store for us. I should like to read a statement made by Mr. Colin Clark, lecturer in statistics, Cambridge University, on Government loan expenditure. This statement was printed in the Monthly Summary of Australian Conditions issued by the National Bank of Australasia Limited, under date October, 1937. After discussing the effects of Government expenditure, Mr. Clark drew the following conclusions:—

It is said that the effect of additional loan expenditure is to increase the national income. But the national income is only a money expression. It represents the money value of goods and services which are produced and the money incomes which accrue to individuals and corporations in consequence. Money national income is a very different thing from real national income, the true *quæsitum* of economics. There may be plenty of occasions when inflatory expansion of money incomes may cause an actual contraction of average real income per head. In other words, the increase in money incomes which inevitably is brought about by additional loan expenditure, may be largely or entirely neutralised by an increase in prices.

To those who can read the signals it is clear that Australia has already passed the stage where further loan expenditure would be beneficial. Commodity prices and the cost of living have been rising rapidly, industrial profits are

high, and although 9 per cent. of the industrial population is recorded as unemployed, it appears that a great proportion of these are unskilled or untrained men whose cases require special consideration. There is no surplus of labour in many of the skilled trades, and any further expansion of demand would probably lead to a forcing up of costs.

Those remarks, taken in conjunction with the statistics I have quoted, constitute a series of warnings that possibly might impress the Government. I wish to express my appreciation of the very complete statement that accompanied the Budget Speech by the Premier in another place. Not only did that speech set out the position fully and clearly, but certain figures were given that have never previously been included in a Budget statement. This, I think shows that the matter is being seriously considered, and I wish to give the Government credit for it. In the course of his speech, the Premier pointed out that our external commitments last year amounted to 5¾ million pounds. That figure includes not only our overseas interest, but an item of £1,000,000 paid on account of our debt to Eastern States investors, and there is also another figure covering payments made to people who have invested money in commercial enterprises in this State. The reason I quote those figures is to show the very heavy drain upon our production. That amount also represents to a large extent payments for goods and services that might be produced or supplied in our midst, and from that standpoint I emphasise the desirability of organising our enterprises and industries as far as possible to supply our own requirements. There is one item in the Loan Bill on which I should like to have more information. A sum of £10,000 has been set aside for capital for the Workers' Homes Board to permit of the building of houses for tenants. That is rather a new development. I have not seen such an item in the Loan Bill previously, and I would like to know whether it is the intention of the Government to enter into business as landlords. The Minister said it was the intention of the Government to build houses that would be let to workers at a low rental. I would like information as to where the houses are to be built and the class of people to whom they will be allotted. It cannot escape notice that the Workers' Homes Board has quite a number of properties on its hands that are being dealt with on practically a ten-

ancy basis, and that being so, one wonders why the Government is launching out in this apparently new direction.

The Chief Secretary: To provide cheaper houses.

Hon. H. SEDDON: If the Government intends to embark on the business of landlords, it might have an experience that will not be altogether pleasant, and I would certainly advise caution before the expenditure is incurred. At any rate, I will await with great interest the reply of the Minister as to the localities in which the houses are to be built and the class of tenant to whom they will be made available. I will support the second reading of the Bill, though it may be necessary to amend the measure in Committee on account of one or two of the items contained in it.

HON. J. CORNELL (South) [8.58]: I desire to offer a few remarks on only one point, and that is the proposed appropriation of £10,000 for the erection of workers' dwellings which, I understand, are to be let to tenants. Whether or not that provision is to be extended to the goldfields, I do not know. But if it is the intention of the Workers' Homes Board to build homes for letting, whether they be shacks or palaces, I am against the proposal. My experience of the Workers' Homes Board and of workers' dwellings, extends over many years. I myself have a worker's home, and I know quite a number of cases where men took advantage of Workers' Homes Board facilities under the leasehold system, and after a lapse of 20-odd years owed more in arrears than they had paid, though that was no fault of their own. If a set of conditions such as that which has arisen out of the present system of leaseholds recurs, the result will be the same when homes are built and let. If a man cannot so circumvent himself as to meet the obligation to pay off a home in 35 years or so, he is not going to be in a position to meet the rent of a home. It is a retrograde step to build homes for workers on a rental basis. Plenty of jerry-builders are doing that to-day. The purpose of the original workers' homes scheme was to let a worker acquire his own home. That is the sole purpose of recent legislation of this nature introduced by a Labour Government in New Zealand.

Hon. A. M. Clydesdale: When did the worker ever own his home?

Hon. J. CORNELL: Here is one who has done so.

Hon. A. M. Clydesdale: You are not a worker.

Hon. J. CORNELL: I began as one.

Hon. A. M. Clydesdale: I agree with you there.

Hon. J. CORNELL: I have known men who paid off the cost of their homes in a lesser period than that allowed by the Workers' Homes Board. That is the idea we should foster, and not the idea of landlord and tenant. With the increases in wages and taxation, it is a retrograde step to depart from the procedure laid down by the late Mr. Scaddan as far back as 1911, which has been liberalised since. For some years I was a great believer in State enterprise. Like many other good Labourites, I was soon cured of that microbe. There were State meat shops, State Implementation Works, and so forth. We were made to realise that State enterprise in many respects was a failure.

The Chief Secretary: Hitler is introducing it in Germany now.

Hon. J. CORNELL: Yes, and he has introduced a good many other things. I might be behind this scheme if Hitler were behind it, which he is not. The fundamental difference between Hitler and the present Government is that Hitler tells his followers what they have to do and they do it, whereas the rank and file tell the present Government what to do and the Government does it.

Hon. A. M. Clydesdale: The time will come when the rank and file will tell Hitler what to do.

Hon. J. CORNELL: At all events, I was cured of the microbe of State enterprise. One of the most excellent Ministers this country ever had, and one of the most excellent Labourites it ever had, decided to quit politics finally over the State enterprises, over being told what he as a Minister ought to do. That is what is called State enterprise in Western Australia. We see it to-day in our railway system. The employees say, "We own part of this concern, and we will run it our way." That will apply to any scheme of building houses to be let to tenants. The tenants will say, "We will not pay rent." I support the second reading of the Bill, but I shall not support

any proposal for the Government to become a landlord and let houses.

**HON. G. W. MILES** (North) [9.5]: I cannot let the Bill go through without making my protest against the Government's proposal to enter into a scheme of building houses to be let. If we allow the Bill to go through, it will be said that we agreed to the starting of a State trading concern worse than anything ever known before. The proper way to make our protest is to delete that amount of £10,000 from the Bill in Committee, if we are opposed to the Government becoming a landlord. I hope such an amendment will be made. Meantime I support the second reading of the Bill.

**HON. E. M. HEENAN** (North-East) [9.6]: I did not intend to make any general remarks on the Bill, but what Mr. Cornell has just stated brings me to my feet. Since I have been a member of the Council I have grown tired of the numerous complaints against State trading and the repetition of certain arguments against it. I agree with Mr. Cornell's view that it is better to build houses for people to own. The man who is acquiring his own home becomes a better citizen, and will make a better use of the property if he realises that some day it will be his. However, I do not think we should condemn the Government for proposing to build houses to let, especially when we realise what advantages some landlords have taken of the position existing during recent years. I do not wish to repeat remarks I have already made here regarding the housing position on the goldfields, but I desire to express the hope that if the Government does build houses to let, some of them will be built on the goldfields. I would prefer, nevertheless, that money should be made available for people to purchase their homes. In a mining town like Kalgoorlie—

**Hon. G. W. Miles:** What about Wiluna? You are inconsistent.

**Hon. E. M. HEENAN:** I am confining my remarks to Kalgoorlie, which for about 40 years has been the second largest city in Western Australia and which even to-day has indications of many years of life ahead of it. It is quite a sound proposition for the Workers' Homes Board to extend its activities to the goldfields, and I hope that the time will soon arrive when more houses will be built there.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—East—in reply) [9.9]: I am sure Mr. Seddon does not desire that I should endeavour this evening to reply to certain of his remarks. Many of his observations were highly interesting, especially those dealing with the position of this State as regards loan money. They were much on the lines of other speeches he has delivered here. When he asks that I should give an explanation of the difference between a statement appearing in the Press from some source or other and a statement made by the Premier in another place, I must point out that I am not likely to be able to do so without making various inquiries, and, so far as the hon. member's quotation is concerned, having some knowledge as to its origin.

**Hon. H. Seddon:** It refers to a later period than the statement quoted by the Premier.

**THE CHIEF SECRETARY:** Therefore it would be necessary for me to make various inquiries and ascertain what adjustments are necessary to make up the difference to which the hon. member has referred. As usual, Mr. Seddon has drawn the attention of this House to our financial position in a manner which must make most members appreciate the difficulties that are faced by the present Government and will be faced by every Government for many years to come. There is no question about that. However, I have not the same pessimistic outlook as the hon. member has gathered from the figures quoted by him. He suggests that we have reached a stage where the curve is flattening out; in other words, the upward trend is gradually taking a turn on the level. The hon. member's meaning is that prospects from now on will not be as bright as they were 12 months ago. It can easily be accounted for by the fact that during the last few years Western Australia has had serious setbacks in the agricultural industry.

**Hon. J. J. Holmes:** In the pastoral industry too.

**THE CHIEF SECRETARY:** Yes. With a recovery in those industries, which I think we may reasonably look for, the position as described by Mr. Seddon will in the course of the next 12 months rectify itself to some extent.

**Hon. J. Cornell:** That is, provided things do not go back in other parts of the world.

**THE CHIEF SECRETARY:** We must hope that prices will continue to be main-

tained at reasonable levels; and I think there are indications that so far as wheat is concerned, there is not likely to be any material fall in the present price. As regards wool, I understand that while there was a drop at recent sales here, but little leeway was made at the last sale in the Eastern States I do hope that is an indication of the firming of the market. The only other point was raised by Mr. Seddon, Mr. Cornell, Mr. Miles and Mr. Heenan in regard to the proposal to spend a sum of £10,000 on building homes for renting purposes. Before that can be done, it will be necessary to amend the Workers' Homes Act. A Bill for that purpose will come before the House. The amount of £10,000 provided by the Treasurer on this occasion is, I should say, an amount somewhat on the small side for its purpose. There are many districts where there is a demand for workers' dwellings at a low cost and therefore of low rental values. I was surprised to note the criticism that the scheme has received at the hands of members.

Hon. G. W. Miles: The Government is getting in the thin end of the wedge.

The CHIEF SECRETARY: It does not matter how the hon. member may describe it; there is a demand, particularly in the country areas, for homes that can be rented at from 10s. to 5s. a week and that demand has never been met.

Hon. J. Cornell: The remedy is to provide the Workers' Homes Board with more capital and to reduce costs.

The CHIEF SECRETARY: That is the hon. member's opinion.

Hon. J. J. Holmes: If you want to carry out your scheme, homes will have to be built by contract and not by day labour.

The CHIEF SECRETARY: The experience of the Workers' Homes Board is that in a great majority of instances the applicants are desirous of securing homes of a higher capital value and therefore of a higher rental value than is contemplated in the type of house it is proposed to build under this scheme. Mr. Seddon asked for information as to where these homes were to be built. Without being dogmatic or definite, I cannot say where they will be built, because that will depend on the Workers' Homes Board. At the same time I think I would be correct in saying that there will be a few in Fremantle, some in Perth, and

others in country centres where there is a demand for homes of this type.

Hon. J. Cornell: But £10,000 will not build more than 30.

The CHIEF SECRETARY: I agree that the money will not go far, and the amount provided is much less than I would advocate for this purpose. It must be remembered that all workers are not in a position to purchase a home for themselves. Some are domiciled in a particular district for a year or two, and they may have definite knowledge that they will not be there any longer. Others may be resident in a district for even shorter periods. Then there are the workers who are in receipt of very small wages, and, having family responsibilities, find it impossible, in any circumstances whatever, to attempt to purchase a home. It will be seen that there is every justification for a scheme of this description. Notwithstanding what Mr. Cornell said regarding some clients of the Workers' Homes Board, I assure the House that the Act is being administered in a way that such instances must necessarily be rare. I do not know of any case such as that indicated by Mr. Cornell, but most decidedly the vast majority of the clients of the Workers' Homes Board are not in that category.

Hon. J. Cornell: I admit that.

The CHIEF SECRETARY: The hon. member quoted a most extreme instance. In legislation that will be introduced in due course to amend the Workers' Homes Act, certain clauses are included that have been designed to safeguard the position from that standpoint. In some instances clients have had to leave their homes under circumstances over which they have had no control whatever. However, it is only right that the scheme should be tried out. Last session almost every member claimed definitely, without any qualification at all, that it was the duty of the Government to provide houses for people.

Hon. J. Nicholson: Not on a rental basis.

The CHIEF SECRETARY: There was no such qualification indicated by members. It was suggested that the Workers' Homes Board should be utilised for the purpose. In those circumstances Mr. Nicholson should be the last one to say that because an individual is in so humble a position that he is not possessed of sufficient money or future prospects to enable him to contemplate entering into a contract to purchase a home, he should be de-

nied the right to live in a decent house under decent conditions at low rentals.

Hon. J. Cornell: If he could do that, he could buy the home.

The CHIEF SECRETARY: That may be the hon. member's opinion. The scheme is framed with the object of meeting a demand that apparently cannot be met from any other source. I hope the Bill will not be amended in Committee because the scheme is experimental and the proposal to use £10,000 for such a purpose should receive the support of every member irrespective of what views he may hold regarding State trading.

Question put and passed.

Bill read a second time.

*In Committee.*

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

Clauses 1 to 6—agreed to.

First Schedule; Item 18:

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

That "Workers' Homes Board, advances for erection of homes for renting" be struck out with a view to inserting "Additional working capital."

If we pass the item it will be said that we have adopted the principle of the Government building homes for rental purposes. It is the thin end of the wedge. If we agree to this, the Government will later on ask for further Loan funds for a similar purpose. We do not know where it will end. It is not the function of the Government to build homes for rental purposes. Good work is already being done by the Workers' Homes Board, which provides homes for people who can take an interest in their own properties.

The CHIEF SECRETARY: The Government desires to erect homes on a small scale in different districts to enable people who are unable for various reasons to own their own homes, to at least occupy decent dwellings at low rentals. Mr. Miles suggests that this is the thin end of the wedge and that the time will come when the Government will request further funds for this purpose. Mr. Miles overlooks the fact that for many years past the Government has been letting homes. Those premises have reverted to the Workers' Homes Board when clients for various reasons have had to vacate their premises. There is no jus-

tification for the deletion of the item on those grounds because the Government has been letting homes for years past.

Hon. G. W. Miles: Well, it will not be done with my vote.

The CHIEF SECRETARY: The hon. member would carry his convictions so far as to direct the Workers' Homes Board not to engage in the renting of reverted homes, preferring those homes to remain idle.

Hon. G. W. Miles: That is your idea.

The CHIEF SECRETARY: The Government should take the initiative in this respect, particularly when private enterprise will not meet requirements.

Hon. G. W. Miles: If we agree to this, you will say that we agree to a principle.

The CHIEF SECRETARY: If the hon. member disagrees, I shall say that he is opposed to opportunities being given to a certain section of the community to secure homes at rentals within their means.

Hon. V. HAMERSLEY: Who will be responsible to the local authorities for the payment of rates in respect of the cheap homes? Will the local authorities have to look to the tenants? I think the Government should go a bit further.

The CHAIRMAN: Order! The position is that this is the Loan Bill and the Government is asking for £10,000 for the Workers' Homes Board to erect homes for rental. The proper time to discuss what Mr. Hamersley is discussing is when the machinery Bill is brought down to authorise the expenditure of the money appropriated. The principle before the Committee now might be stated as being, "Do you believe in the Government building these homes?"

Hon. V. HAMERSLEY: I am afraid of that principle, and I was asking certain questions the answers to which might give me a guide as to what the Government proposes if authority is given by this Committee for this expenditure of £10,000. I object to the inclusion of the amount in the Schedule.

Hon. G. W. MILES: I disagree with your suggestion, Sir, that this is not the time to discuss this question. I say it is the time.

The CHAIRMAN: This only appropriates the money and there is no existing machinery for the spending of it.

Hon. G. W. MILES: But if we agree to this line being left in we shall agree to the principle of the Government building these

homes for rental. I hope there will be no burking of discussion on this point. If the Government owns these proposed buildings, the buildings probably will be exempt from rating. If the Committee allows this item to go through, members will be committing themselves to the erection of the proposed homes. I hope the amendment will be agreed to.

Hon. G. FRASER: I hope the amendment will not be agreed to. I am in favour of the principle, and I commend the Government for launching out in this way. I am sorry the amount provided is not greater, but even £10,000 is a commencement, and I hope that as a result of the experiment this House will be satisfied that it was an experiment in the right direction. In building these homes the Government will be assisting people to better housing conditions.

Hon. C. F. BAXTER: I understand the amendment is to strike out the whole of Item 18. I would rather support the striking out of the two words "for renting." Who is to take care of these houses, and what is to be the cost of necessary repairs? It is a most ridiculous proposition that the Government should build houses and become landlords with houses to let. I hope the Committee will prevent this folly.

Hon. G. B. WOOD: The Minister said that this House had recommended something on those lines when dealing with the Fair Rents Bill. We did nothing of the sort, nor did we say anything about the renting of such houses. I do not object to the working man having a decent home, but in the past the trouble has been that so many workmen have tried to get homes they could not afford. I remember that some years ago Mr. Latham in another place suggested that working men should have cheaper homes. He was afterwards accused of having suggested that working men should be content with hovels.

Hon. L. B. BOLTON: I desire to enter my protest against what appears to be the thin end of the wedge for another State trading concern. Fools build houses, we are told, for wise men to live in, and many members of this House know how foolish they have been in building houses for other people to live in. The Government would be very foolish to attempt to carry out this proposition. I will support the amendment.

Hon. A. M. CLYDESDALE: I commend the North-West members on their consistency in refusing to support State trading; that

is, when it suits themselves. But what about State ships for the North-West?

Hon. G. W. Miles: I never supported them.

Hon. A. M. CLYDESDALE: The Government is purchasing a new boat to cost some £300,000, but because the Government wants £10,000 for the building of homes for people who cannot afford to buy homes, a storm of protest is raised. It is evident to me that this proposal has come from the Workers' Homes Board, because the board knows that there are many people desiring to rent homes. I hope the time is not far distant when the Government will have to spend, not £10,000, but £30,000 on this plan.

The HONORARY MINISTER: In Great Britain the supply of sufficient homes for rental is keeping the local authorities very busy. The rents charged for those homes cover both rates and maintenance.

Hon. J. J. Holmes: For whom are they built?

The HONORARY MINISTER: For pensioners and the like.

Hon. J. J. Holmes: And by whom are they built?

The HONORARY MINISTER: By the Workers' Homes Board and by the local authorities. So it is a perfectly reasonable proposition. We must look after the children, and children cannot properly develop in crowded houses. I hope this will prove a great success and be of valuable assistance to those who cannot afford to buy homes.

Hon. H. S. W. PARKER: I am in favour of a comprehensive housing scheme under proper regulation, but I think this £10,000 will be nothing like sufficient, and I do not think it is right to ask in a Loan Bill for £10,000 for homes to rent. The Minister said that some of these homes would be for the unemployed, for those who cannot afford to purchase a house. I think it is the duty of the Government to bring down a comprehensive scheme, and also an Act of Parliament to control it. It would be wrong to relieve the position in this loose way without any qualifications.

Hon. G. Fraser: We are going to get a Bill in connection with the matter.

The CHAIRMAN: The Bill should have come down before this was dealt with.

Hon. H. S. W. PARKER: It is no use granting money for the purpose which might not pass the Auditor-General. It would not be right to leave this item as it is when the Government could do what it liked with the

money. We have had experience of the present administration. We know that a man, in order to get work, has to pay 25s. to a union. He may have to pay more than that to rent one of these houses.

Hon. E. H. H. HALL: I commend the Government for making a start in this direction, even if it is in a small way. There are many people who could not afford a worker's home. To the ordinary relief worker it is quite beyond his means. People who own houses for letting purposes should welcome this move.

Hon. J. J. HOLMES: I used to own a lot of small houses in Fremantle, but got rid of them all except one. I appealed to the Honorary Minister, and subsequently sold the house on a rental basis. The first tenant either murdered someone or was herself murdered. Eventually the house was paid for. I have always been an advocate of workers' homes, but the present proposal is to build houses for letting purposes. It would be a good proposition if good houses were built for good rentals, but it would be absurd to build houses for sustenance workers who did not pay any rent. Most people who build cheaper houses naturally get the wrong sort of tenant. One woman I know of said her husband worked on the wharf and earned £6 a week. He took home £1 a week in his hand, and the other £5 in his tummy.

Hon. J. M. MACFARLANE: The only objection I have to this item is that it provides for the renting of houses. Landlords who build cheap dwellings usually have to deal with tenants who have very little regard for the property, and generally have difficulty in paying any rent. In this instance the Government, of course, will pay no rates and taxes.

The Chief Secretary: What ground have you for saying that?

Hon. J. M. MACFARLANE: Local authorities are constantly complaining of the fact that Government property is not rateable. A Bill should be brought down to deal with this matter. We should not be asked to give the Government a blank cheque.

Hon. H. V. PIESSE: The Workers' Homes Board is one of the best conducted departments we have. Most people who own a worker's home take a great interest in it and keep it in good order. Last Sunday I noticed how well kept some of the cheaper workers' homes were in the Katanning dis-

trict. The weekly charges only amount to about 5s.

Hon. G. Fraser: This is an extension of that scheme.

Hon. H. V. PIESSE: Who will look after the houses and collect the rent? It will mean the creation of another trading concern. There is no difficulty in disposing of the better class of workers' homes. The other day I sold a worker's home on behalf of the owner at a premium of £400. Cash was paid for it by another worker.

Hon. H. SEDDON: Is it the intention of the Government to provide these homes regardless of the financial aspect, or to fix rentals that will carry the usual charges? The honorary Minister did not say anything about getting interest on the capital outlay.

The Chief Secretary: This is not the time when that need be discussed.

Hon. H. SEDDON: Either we are going to embark upon a charitable proposition, and give this money away, or we are going to build houses that will pay interest on the capital involved. We are dealing with borrowed money. We ought, therefore, to know whether it will carry these charges, or whether it will be added to the list of other loan moneys which bear no interest. I think you, Mr. Chairman, are going to draw attention to the Standing Orders and the Constitution Act. On that account I propose to move an amendment which I think will meet the position. The report of the Workers' Homes Board sets out—

At the 30th June, 1937, there were 54 properties available for sale, 42 of which were tenanted and 12 were vacant. There were no vacant properties in the metropolitan area, the 12 vacant homes being in country centres. At the 30th June, 1936, there were 30 reverted homes in the country towns, while at the 30th June, 1937, the number had increased to 35. This indicates the necessity for very careful consideration being given to new applications for assistance in certain country centres. The board is satisfied that many country towns have been built up to their full requirements and the erection of new homes in those centres is not a sound investment.

The terms under which workers' homes can be obtained are very light and a man might just as well enter into an agreement with the Government to buy a place at the cheap rental, provided the rental covers all the charges. Why then the words "for rental"? Why not liberalise the terms and let the people buy the houses under the cheapest possible conditions?

The CHAIRMAN: Under the Constitution Act the position is that the Council may not amend a Loan Bill. We may, however, make an amendment in the usual way and send a message to another place requesting that the amendment be made.

Hon. E. H. ANGELO: The objection to the item seems to be that it is creating something new. The policy, however, is already in existence. In Carnarvon many years ago the Government built half a dozen houses for the police. Later it was found that the houses were not required and so they were rented. The Government residence at Carnarvon has also been rented for many years. The objection I have to that is that although those houses are occupied, they are not paying rates. The Honorary Minister states that now they will pay rates. It is the duty of the Government in some way to see that people are provided with homes. Homes are being provided in England and we cannot find any more conservative Government than the British Government. Homes are also being provided in New Zealand and in other parts of the world. If Mr. Miles's amendment is carried, the £10,000 will go back into the workers' homes capital. The suggestion is that a short Bill to amend the Workers' Homes Board Act should be introduced to permit the board to carry out what is proposed. We certainly require some authority to control the work.

Hon. G. Fraser: Already there is a Bill on the stocks.

Hon. E. H. ANGELO: Then why not agree to the amendment?

The CHAIRMAN: The hon. member may not assume that a Bill is to come before us.

Hon. E. H. ANGELO: Then we should report progress until we see the Bill, and allow the £10,000 to go into the capital account of the Workers' Homes Board. The amending Bill would give the necessary authority for the building of the homes.

Hon. C. H. WITTENOOM: I support the amendment. While I have never built houses to let, I have been foolish enough to buy a few, and I know that my agent has difficulty in collecting the rents. I can visualise the difficulty that will be experienced by whoever is running these homes in respect to the collecting of rents. I am opposed to Government enterprises because in every instance those enterprises have proved failures. This is going to be a costly ex-

periment, although I admit it would be a good thing if possible to provide the poor with suitable homes.

Hon. W. J. MANN: I have a vivid recollection of the Government embarking in mass production of homes in the South-West a few years ago. Those homes were for group settlers and cost £250. The State is entitled to know what type of house the Government proposes to build out of the £10,000. The group homes were tendered for and the average price at which they were built was about £250. The houses were unlined and had galvanised iron chimneys. Altogether they were a poor type of house. Moreover, they were built in country where the timber cost nothing. To-day we are going to build that same type of house in the metropolitan area or on the goldfields, but the cost will be nearer £500.

Hon. G. Fraser: Oh, no.

Hon. W. J. MANN: Surely the Government would not like to see the type of home built for the group settlers erected in the metropolitan area. In any case, the £10,000 would provide for only about 20 homes at £500 each, and if they do not cost £500, they will not be the type of home that the Minister would like to see built for the people. At least we are entitled to information regarding the type of house it is intended to build.

Hon. T. MOORE: This is all a storm in a teacup, and members have the position all wrong. Mr. Parker said that we required a comprehensive policy. Did he expect it in the Loan Bill? If we pass the Loan Bill, then before anything can be done the Workers' Homes Act will have to be amended or another Act passed through this House. By passing the item in the Loan Bill we pass nothing.

Hon. E. H. Angelo: Will the Minister make a promise?

Hon. T. MOORE: There is no promise needed. The hon. member must know there is no machinery by which the money can be used. There must be a policy. No harm can possibly come before a Bill is passed, and before the money can be used. I welcome the introduction of cheap homes and I repeat that while a certain number of people are down and out, I desire members to understand that the unemployed to-day are not all wasters; they are not men who do not pay their rents. Many men unemployed to-day owned their own homes when



the depression started, and they had to get rid of those homes before they could obtain sustenance. We want cheap homes built and I appeal to members to pass the item, and I assure them that nothing can take place until another measure is brought in. I ask the Committee to pass this item and when the Bill comes along, if it does not suit the House, I will have no complaint.

Hon. H. SEDDON: The point this House takes is that it is opposed to the principle of State trading. There are only two alternatives, either the Government intends to assist these people by means of charity, or it is a business proposition.

The Chief Secretary: Why assume it is charity?

Hon. G. W. Miles: Your supporter, Mr. Hall, said so.

Hon. H. SEDDON: If the Government puts up a building and expects the people to pay for it, that is business; otherwise it is charity. There is a housing trust which was formed to help this class of people, but the Government has announced it is not going any further with that. That was created to provide cheap homes for people who could not afford them otherwise. But now the Government intends to extend the principle by starting another State trading concern. If the Government wants to embark upon a charitable scheme, let it deal with the matter on those lines.

Hon. E. H. H. Hall: It is not a charitable scheme; I do not regard it as one.

Hon. W. J. Mann: You cannot build much of a house for 12s. 6d. a week.

Hon. H. SEDDON: I am satisfied we cannot, especially in the country. If we are going to allow people to buy houses by paying rent, well and good, but if we are going to provide houses and not let them pay for themselves, that is charity.

The CHIEF SECRETARY: It is surprising what a lot of interest has been evinced in this item and how many members are prepared to take up an antagonistic attitude towards the provision of cheap houses for renting. That is the object of this item in the Loan Bill; but before it is possible to do anything in the matter, it will be necessary for a Bill to be introduced. I believe the Bill has been introduced in another place to deal with an amendment of the Workers' Homes Act. I never heard such ridiculous arguments in my life as have been offered on this subject. Mr. Parker asked, "Why not have the Bill here first?"

Hon. H. S. W. Parker: Is that ridiculous?

The CHIEF SECRETARY: Yes.

Hon. H. S. W. Parker: If you do not trust a man do you not want to see something first?

The CHIEF SECRETARY: The hon. member is not willing to take the word of the representative of the Government in this matter. He does not advance the same argument with regard to other items on the Loan Schedule. What about the bulk handling facilities at Bunbury at a cost of £60,000? How many representatives of the country say we should not pass that item until we get the elevators built?

Hon. H. S. W. Parker: That is already spent.

The CHIEF SECRETARY: Members might be opposed to State trading but that does not give them a license to cast reflections upon people not in a position to purchase their own houses.

The CHAIRMAN: I never heard such reflections made.

The CHIEF SECRETARY: Then I am afraid the Chairman must have misunderstood what was said.

The CHAIRMAN: A statement was made by Mr. Seddon regarding charity.

The CHIEF SECRETARY: I am not referring to Mr. Seddon's statement. He said there were two alternatives—it was either charity or business. I have already pointed out that the idea of this scheme is to erect buildings for renting at 12s. 6d. or 15s. a week. That is on a business basis and not a charity basis. That includes rates and taxes and depreciation.

Hon. W. J. Mann: They will be very cheap houses.

The CHIEF SECRETARY: They will be.

Hon. T. Moore: That is what we want.

The CHIEF SECRETARY: This matter will be under the control of the Workers' Homes Board, the members of which know more about the subject than many members who have been speaking to-night. I have already told the House what was the intention of the Government in regard to the expenditure of this money, but of course no notice was taken and members put their own construction on the matter. Mr. Macfarlane said that he had so much experience that he knew the rates and taxes would not be paid. If the hon. member knew more about the operations of the board, he would know that the rates and taxes were paid in every case.

Hon. H. S. W. Parker: By the purchaser.

The CHIEF SECRETARY: And the Workers' Homes Board, too. I resent the implication that because a person is a sustenance worker, or is not in a position to purchase his own home, he should not have the right to possess a decent home at a low rental. There is no call for members like Mr. Holmes to go to such lengths as he does to discredit an individual who, for no fault of his own, is not in a position to do what Mr. Holmes has been able to do all his life.

Hon. G. W. MILES: It is not a question of people wanting to deprive poor folk of getting homes. The majority of members who have spoken are in favour of the Workers' Homes Board providing cheaper homes for the people, but it is the principle of building for renting purposes to which exception is taken. There should be an amendment to the Workers' Homes Act to allow the board to build a cheaper class of home on a rent-purchase basis, but the principle here is that we are giving authority to the Government to build homes for renting purposes. My object is to strike out "Advance for erection of workers' homes for rent" and insert in lieu the words "additional working capital." If the Committee agree to that it will agree to the principle of the Government building homes for rent-purchase.

Hon. H. S. W. PARKER: In the second reading speech the Chief Secretary stated that this money was to be advanced to enable the Workers' Homes Board to erect houses for renting. He never mentioned anything about a Bill to support it, nor did he say that this money could not be spent until Parliament approves of the basis upon which the Government will be permitted to undertake a proper housing scheme. I am in favour of a housing scheme, which I think is essential. At the same time I want to see what the scheme is. I am not prepared to give a blank cheque for the purpose. I see no reason why the Bill could not be brought in first.

Amendment put and a division called for.

The CHAIRMAN: Having spoken against the proposition on the second reading, I must, to be logical, vote with the ayes.

Division resulted as follows:—

Ayes .. .. .	15
Noes .. .. .	11
Majority for .. ..	4

#### AYES.

Hon. C. F. Baxter  
Hon. L. B. Belton  
Hon. J. Cornell  
Hon. V. Harnersley  
Hon. J. J. Holmes  
Hon. J. M. Macfarlane  
Hon. W. J. Mann  
Hon. G. W. Miles

Hon. J. Nicholson  
Hon. H. V. Piesse  
Hon. H. Seddon  
Hon. H. Tuckey  
Hon. C. H. Wittenoom  
Hon. G. B. Wood  
Hon. H. S. W. Parker  
(Teller.)

#### NOES.

Hon. E. H. Angelo  
Hon. A. M. Clydesdale  
Hon. J. M. Drew  
Hon. C. G. Elliott  
Hon. G. Fraser  
Hon. E. H. Gray

Hon. E. H. H. Hall  
Hon. E. M. Heenan  
Hon. W. H. Kitson  
Hon. T. Moore  
Hon. C. B. Williams  
(Teller.)

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

Second Schedule—agreed to.

Third Schedule:

The CHAIRMAN: There is a consequential amendment in Item 6 which will now read, "Workers' Homes Board, additional working capital."

Schedule, as consequentially amended, agreed to.

Bill reported with amendments, and a message accordingly returned to the Assembly requesting that the amendments be made, leave being given to sit again on receipt of a message from the Assembly.

### BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT (No. 1).

*In Committee.*

Resumed from the previous day. Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

New clause—Amendment of Section 163:

Hon. C. F. BAXTER: I move—

That the following be inserted to stand as Clause 23:—"Section one hundred and sixty-three of the principal Act is amended by adding thereto a new subsection, as follows:—(4) When the Court and the Crown Law officers have received from the Registrar a report as provided for in subsection (2) of this section, the Crown Law officers shall take such proceedings by way of a prosecution for an offence against this Act as may be warranted by the said report and the evidence available to support such prosecution."

This is a very necessary amendment. Many employees desire a provision of this nature. It would discourage the cessation of work and compel employees to go to the Arbitration Court. In the past the position has been one-sided. Consider the strikes from the 1st July, 1936, to the 30th June, 1937, which strikes amounted to breaches of the Act.

There is no need to go beyond that date to ascertain what occurs. Here are the particulars:—

Union.	Place.	Duration.
A.W.U. (goldmining branch)	Ivanhoe Shaft (Lake View and Star, Ltd.)	Three weeks.
Meat Industry Employees	W.A. Meat Export Co.	One week.
Road Transport Workers	Metropolitan Omnibus Services	One month.
Coal Miners	Collie Coal Mines	Three weeks.
A.W.U. (goldmining branch)	Kurrawang Wood-line	Partial stop-page approx. five weeks.
Fibrous Plaster Workers	Metropolitan Fibrous Plaster Manufacturers	One week.
A.W.U. (goldmining branch)	Big Bell Gold Mine	One week.
A.W.U. (goldmining branch)	Younani Gold Mine	Two weeks.
Amalgamated Engineering Union & Australasian Society of Engineers	East Perth Power House extension (International Combustion, Ltd.)	Two weeks.

In none of those cases was any action taken by the Crown Law Department against either the unions or the workers for a breach of the Act although in the omnibus strike the Industrial Registrar applied to the Court of Arbitration for the de-registration of the union, and a provisional order was made to take effect if the men did not return to work by a certain date. For the 12 months ended the 30th June, 1937, there were 315 convictions against employers in the Industrial Court for breaches of awards and industrial agreements. Fines in those cases totalled £459, with costs £224 8s. 8d. In 81 of the cases (25½ per cent. of the total) no fines were imposed. In 37 others (11½ per cent. of the total) fines of less than £1 were imposed. I believe in unions and in arbitration, but in recent years conditions have changed considerably. A stop-work meeting is quite different from the ordinary meeting of a union. The solid trade unionists do not trouble to attend meetings. The young fellows attend, and they are of pugnacious type, with little respect for law and order, and by precipitate action they involve the whole union. For that there is no punishment. In some instances the union has been fined, and perhaps even an official, but the fines have not been paid. Under the amendment, the Crown Law Department must take proceedings. That would overcome many difficulties.

The Chief Secretary: It would create many, too.

Hon. C. F. BAXTER: Why? If one side has to obey the law, why not the other? The Minister considers it fair to fine the

employers, but the employees may do as they like.

The Chief Secretary: There is a provision in the Act.

Hon. C. F. BAXTER: But when has action been taken?

The Chief Secretary: It is left to the court.

Hon. G. W. Miles: Action will be taken if we pass this amendment.

Hon. C. F. BAXTER: A report is made to the Minister, and as he does not wish to be embroiled, no action is taken. I want to see peace in industry.

Hon. E. M. Heenan: You are not going the right way to get it.

Hon. C. F. BAXTER: What would the hon. member suggest is the right way?

Hon. G. W. Miles: Abolish the court.

Hon. C. F. BAXTER: Members who are supposed to be supporters of industrial arbitration are destroying the system.

Hon. G. W. Miles: They can see only one side of the question.

Hon. C. F. BAXTER: Surely we should be just, equitable and reasonable. Employees and employers should alike be punished when they break the arbitration law.

The CHIEF SECRETARY: I oppose the new clause. There is sufficient power in the existing Act for proceedings to be taken against anyone who commits either a breach of an award or a breach of the statute. The new clause would not lead to peace in industry, as the hon. member suggests. I do not desire to pit my experience against that to which the hon. member lays claim, but I say that the experience of all authorities, not only in Western Australia but throughout the Commonwealth, is entirely against his suggestion.

New clause put, and a division called for.

The CHAIRMAN: Before tellers are appointed I give my vote with the Noes.

Result of Division:

Ayes .. ..	14
Noes .. ..	9

Majority for .. 5

AYES.	
Hon. E. H. Angelo	Hon. H. V. Piesse
Hon. C. F. Baxter	Hon. H. Seddon
Hon. E. H. H. Hall	Hon. H. Tuckey
Hon. V. Hamersley	Hon. C. H. Wittenoom
Hon. J. J. Holmes	Hon. G. B. Wood
Hon. J. M. Macfarlane	Hon. W. J. Mann
Hon. G. W. Miles	(Teller.)
Hon. H. S. W. Parker	

## NOES.

Hon. A. M. Clydesdale  
 Hon. J. M. Drew  
 Hon. C. G. Elliott  
 Hon. G. Fraser  
 Hon. E. H. Gray

Hon. W. H. Kitson  
 Hon. T. Moore  
 Hon. C. R. Williams  
 Hon. E. M. Heenan  
 (Teller.)

New clause thus passed.

Bill reported with an amendment.

*Recommittal.*

On motion by Hon. H. S. W. Parker, Bill recommitted for the purpose of further considering Clause 4.

*In Committee.*

Hon. G. Fraser in the Chair; the Chief Secretary in charge of the Bill.

Clause 4—Amendment of Section 26:

Hon. H. S. W. PARKER: Last night the clause was deleted. I voted against it in error. I move—

That Clause 4 be reinserted in the Bill.

The clause refers to the furnishing of balance sheets and so forth to the Industrial Registrar, and proposes an amendment to provide for audit of accounts.

Question put and passed; the clause reinserted.

Bill again reported with a further amendment.

Reports adopted.

*House adjourned at 10.55 p.m.*

**Legislative Assembly.**

*Wednesday, 8th December, 1937.*

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

**ASSENT TO BILLS.**

Message from the Lieutenant-Governor received and read notifying assent to the following Bills:—

- 1, Air Navigation.
- 2, Supply (No. 2), £1,400,000.
- 3, Judges' Retirement.
- 4, Jury Act Amendment.
- 5, Forests Act Amendment Continuance.

**QUESTION—ARSENIC PLANT, WILUNA.**

Mr. MARSHALL asked the Minister for Mines: Is Leggo, owner of the arsenic plant at Wiluna, complying with Section 10 of the Workers' Compensation Act or the proviso thereto?

The MINISTER FOR MINES replied: Leggo has not effected insurance with the State Office. Information is not available as to whether insurance has been effected with a private office.

**QUESTION—TRAFFIC ACCIDENTS.***New Patrol Vehicles.*

Mr. MARSHALL asked the Minister for Police: 1, In view of the ever-increasing number of accidents on the highways of the State, is it the intention of the Government to provide a greater number of vehicles for the Traffic Department to efficiently patrol