

that Parliament will be giving its blessing to a charge of 60 per cent. Ordinarily no one would be expected to have to pay so great an amount of interest. At the same time, however, we cannot act altogether on those lines in the face of the evidence put before us by the member for Canning and the member for Nelson. We hear that the rates of interest have at times amounted to hundreds per cent. All the committee has to do is to make up its mind whether the position to-day is worse than it is likely to be should this schedule come into force. If the schedule will provide better conditions it will represent a step in the right direction. The member for West Perth suggested that no money lender would lend £10 for a return of 3s. 4d., and that it would not pay him to do so. The member for Canning departed from his original intention, which was a maximum charge of 20 per cent, and has brought down a schedule providing for a charge of 60 per cent. We, who are unused to this frenzied type of interest, may feel that we are overstepping the mark and that Parliament may be giving its blessing to a rate that is altogether too high. I think I am satisfied that the present position is considerably worse than it will be if this Bill becomes law. I hope, therefore, the member for Beverley will come to the conclusion that this is a step in the right direction, and that we should not seriously oppose the figures set out in the present schedule. In many cases the new provision will bring down the interest rates from 200 or 300 per cent. to a maximum of 60 per cent., which in shillings and pence does not become an excessive amount. No one is a money lender now unless he charges 12½ per cent. interest or more. We cannot contemplate a rate of interest which provides for a lesser rate than that fixed. The security that would be obtained on a loan of £10 would be something of a moveable nature that could be destroyed and would probably rapidly deteriorate. As I am satisfied that a rate of 60 per cent. is a substantial move in the right direction—that of bringing down interest rates—I will support the schedule.

New clause put and passed.

Title—agreed to.

Bill reported with amendments.

House adjourned at 10.2 p.m.

Legislative Assembly.

Thursday, 21th October, 1940.

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

QUESTION—SEPARATIONS AND DIVORCES.

Mr. MARSHALL asked the Minister for Justice: 1, What was the total number of applications—successful or otherwise—for separation with, or without, maintenance in all courts in Western Australia for the year ended the 30th June, 1940? 2, What was the total number of divorce petitions—successful or otherwise—heard in all courts in Western Australia for the year ended the 30th June, 1940?

The MINISTER FOR JUSTICE replied: 1, 365. 2, 287.

QUESTION—PETROLEUM, PERMITS TO EXPLORE.

Hon. C. G. LATHAM asked the Minister for Mines: 1, On what dates were the three applications lodged for areas under the Petroleum Act Amendment Act? 2, What were the names of the applicants? 3, Which applicant is the holder of the 134,000 square miles granted by him? 4, Why were the applications for the permits to explore the areas of 11,000 and 4,612 square miles respectively not approved?

The MINISTER FOR MINES replied: 1, (1) 8/10/1940; (2) 8/10/1940; (3) 10/10/1940. 2, (1) Caltex (Australia) Oil Development Proprietary, Ltd.; (2) Oil Search, Limited; (3) Freney Kimberley Oil Company (1932), No Liability. 3, Caltex (Australia) Oil Development Proprietary, Ltd. 4, These two applications were for areas included within that granted to the Caltex.

QUESTIONS (2)—RAILWAYS.*As to Special Service to Albany.*

Mr. HILL asked the Minister for Railways: 1, Was the refusal to provide a special service to Albany to carry cargo which would have been carried on the M.V. "Kybra" had that vessel not been taken over by the Commonwealth, the decision of the Railway Department or of Cabinet? 2, Is he aware that the secretary of the Associated Steamship Owners advised the Albany Chamber of Commerce that it was impracticable to provide a regular steamship service between Fremantle and Albany? 3, In these circumstances does he realise that the people of Albany will be compelled to purchase their requirements ex the Eastern States? 4, How does this dovetail with the policy of the Government regarding the development of local industry? 5, Is he aware that in South Australia and Queensland special rates are granted for rail freights to special districts to meet competition, to encourage industry and to secure the traffic for the railways?

The MINISTER FOR RAILWAYS replied: 1, The Railway Department could not give preferential rates to a particular locality. The Government agreed. 2, No. 3, There is an adequate rail service which can transport the whole of Albany and district requirements. 4, See reply to No. (3). 5, Yes, but the conditions are not similar.

As to Defence Department Traffic.

Mr. SEWARD asked the Minister for Railways: 1, Has he noticed a statement in the "West Australian" to the effect that the Defence Department was procuring specially constructed motor vehicles for transporting meat to country camps? 2, Are the railways unable to handle such traffic? 3, If they are able to handle such traffic, why is it that the Defence Department is permitted to do what the ordinary taxpayer is prohibited from doing? 4, If the Railway Department is able to handle such traffic, will he endeavour to obtain it for the department?

The MINISTER FOR RAILWAYS replied: 1, Yes. 2, No. 3, The Commonwealth Military Department is not prepared to transport meat by rail. The State Government has no jurisdiction. 4, The Railway Department has already endeavoured to obtain this traffic.

QUESTION—ALLOWANCE TO ALIENS.

Mr. SEWARD asked the Minister for Employment: In answer to my question regarding the payment of only 7s. per unit per week to aliens who are not interned, the Minister stated that they had the opportunity to obtain any work that might be offering. I have in mind the case of an alien who is married to an Australian woman, and who is unable to secure work. Will the Minister assist that man to obtain work to obviate his being forced to remain idle?

The MINISTER FOR EMPLOYMENT replied: Yes.

ASSENT TO BILLS.

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

- 1, State Transport Co-ordination Act Amendment.
- 2, Metropolitan Markets Trust (Land Revestment).
- 3, Income Tax Assessment Act Amendment.

BILL—OPTOMETRISTS.

Read a third time and transmitted to the Council.

BILL—MONEY LENDERS ACT AMENDMENT.

Report of Committee adopted.

BILL—FISHERIES ACT AMENDMENT.

Second Reading.

THE MINISTER FOR THE NORTH-WEST (Hon. A. A. M. Coverley—Kimberley) [4.36] in moving the second reading said: The Bill is rather important. It seeks to amend an Act that has been on the statute-book since 1905, since when it has been amended to any marked degree on one occasion only. The Bill, if agreed to, should result in a considerable improvement in the administration of the Fisheries Department and will, it is hoped, bring our

legislation into conformity with that of the Commonwealth and other States where the fishing industry has been regarded more seriously in recent times. Members will appreciate the fact that as there have been few important alterations in the Act since it was originally passed, the measure is now much out of date. The fact that material changes have taken place in the fishing industry itself is the real argument in favour of amending the parent Act. The Commonwealth Government has taken a more active interest in the fishing industry during recent years. The Council of Scientific and Industrial Research has devoted much attention to it and has secured the services of Dr. Thomson, who is regarded as one of the foremost piscatorial authorities of the world, to investigate the industry throughout Australia. That step should result in great benefit to the industry in Western Australia as well as in other parts of the Commonwealth.

The Bill includes four main features. It provides for increased penalties to be imposed upon those indulging in illegal fishing, for the widening of the powers of inspectors, for the establishment of trout acclimatisation societies and, fourthly, for increased powers regarding the collection of statistical data. The reason for providing increased powers for inspectors will be readily appreciated by members. The Fisheries Department has been in trouble continually because of complaints received from local governing bodies, fish and game societies and from individual fishermen regarding the necessity of further departmental activity. The penalties provided by the present Act are so small that many fishermen take the risk of fishing in illegal waters and illegally using nets. The price they obtain for the fish is high enough to warrant their incurring the risk of an occasional fine. The inspectors of the Fisheries Department say that usually the same fishermen are caught. Their faces are familiar in the courts. The average fine inflicted is about 10s. It is within the power of the magistrate to order the return of the net or fishing gear to the fishermen, and on most occasions that is done. The penalties now provided are so light that they do not deter the fishermen from taking the risk of incurring fines. The Bill therefore seeks to

increase the penalties to such an amount as will prohibit the fishermen from taking such risks.

The second main feature of the Bill is the provision for widening the powers of the inspectors, who are faced with a hard task in trying to catch fishermen in illegal waters. Certain powers are given to inspectors with regard to approaching the fishermen and searching for illegal gear; but it is desired that wider powers should be conferred upon these officers.

The third main feature of the Bill deals with the establishment of trout acclimatisation hatcheries and the provision of regulations governing acclimatisation societies, so that they may be better able to carry out their objects. I think the proposed provision will meet with the approval of the majority of members. Most members are aware that such societies have only recently been formed in this State, but that nevertheless they have taken serious interest in the acclimatisation of trout and other fish in our fresh-water rivers and their tributaries. Much has been done by these fish and game societies, which up to the present have controlled fish hatcheries with the assistance of a small subsidy from the Government. But their powers are not wide enough, and the main body is established in Perth. It is the desire of the country societies at Collie, Pemberton, Albany and other places to control their own hatcheries, a course that will no doubt meet with the approval of members. The Bill proposes to give these societies power to control their own affairs. The argument may be advanced that the Fish and Game Society in Perth would still retain an active interest in these local societies, which would have representation in the Perth society, and that the parent body would give the same assistance to the local societies as they have given in the past.

Dealing with the fourth feature of the Bill, it is proposed to ask for slight additional powers to collect statistical information. Investigators have gradually come to realise that field investigations prove of much greater value if proper statistical data are collected, because such data are a sure foundation for sound administration.

The Bill is essentially a Committee Bill. If the House passes the second reading, I shall be able to give complete explanations of the various clauses when we reach the

Committee stage. I shall also be able to give members the reasons why the department is seeking increased powers. I move—

That the Bill be now read a second time.

On motion by Hon. C. G. LATHAM, debate adjourned.

BILL—TRAMWAYS PURCHASE ACT AMENDMENT.

Second Reading.

Debate resumed from the 22nd October.

HON. C. G. LATHAM (York) [4.47]: It is true that last year I put up a slight opposition to a measure similar to this. I then thought the Government was justified in asking to have the agreement which expired in 1939 set aside. But after listening to the speech of the Minister for Railways last night, I am convinced I was wrong on that occasion. No justification whatever exists for this Bill. I listened attentively to the arguments put forward by the Minister, none of which I consider was convincing; consequently, I must have made a mistake last year. The Minister referred in his speech to a circular letter which had been sent by the Perth City Council to—I presume—each member of the House. He made quotations from it, so I do not propose to weary members by also quoting from it. I have it before me and no doubt members have taken into consideration the views expressed by the Town Clerk on behalf of the City of Perth. The Minister did not justify the Bill; all he did was to abuse another place for not passing the Bill introduced last year. Some of his remarks were quite uncalled for; as a matter of fact, had I been introducing the Bill and did not desire it to be put on the statute-book, I would have adopted the course followed by the Minister. He has started off by antagonising another place before the Bill has reached it.

The Minister for Railways: The other Chamber had before it the Bill introduced last year.

HON. C. G. LATHAM: It was a similar measure.

The Minister for Railways: Identical.

HON. C. G. LATHAM: Although one may differ from another person's views, at least one should recognise that he is entitled to

his opinion. His opinion is just as likely to be right as is the opinion of the person who holds an opposite view.

The Premier: Did not you like the word the Minister used?

HON. C. G. LATHAM: I do not know where he found it but he must have made a thorough search of the dictionary. I wondered if it applied to any member of this House. We should have a thorough knowledge of what happened years ago in connection with this matter. I agree with the contention of the member for Yilgarn-Coolgardie (Mr. Lambert) that it would have been better if hon. members had been able to refresh their memories as to the contents of the agreement entered into between the Government of the day in 1912 and the Perth City Council. A concession was granted to a company and in the agreement provision was made for the City Council to have the right to acquire the property in 21 years at a certain price without any payment for goodwill. Provision was also made for the council to take over the property under the same conditions in 28 years' time. In 1932 the property was to revert to the City Council at no cost at all except the original cost of the freehold land. That appears to me to have been a good business proposition. The City Council suggests that the property was worth £500,000 and in all probability it was. When the Government purchased the tramways it paid somewhere in the vicinity of £500,000.

The Minister for Railways: It was £488,000.

HON. C. G. LATHAM: I am prepared to accept the figures given by the Minister because I have no way of checking them. The purchase price is stated to have been £488,452 and the flotation charges on the money that had to be borrowed were £37,935. So that the actual price was something over £500,000. Since the property was acquired in 1912, £363,093 has been spent on tracks, overhead gear and buildings, and £237,077 on rolling stock, making a total cost up to 1939 of £1,126,557. The Minister has argued that the depreciation would have been considerable, but from the little knowledge I have, I suggest that the tracks and rolling stock must have been in a condition suitable for the carrying of passengers because the company was responsible for accidents. The system would be of considerable value at the time the concession was to revert to

the City Council. The Minister evidently is not prepared to agree with that. He stated that under the agreement a large sum of money was paid to the City Council. That payment was forced on the Government of the day by an amendment to the Bill dealing with the matter. I want the Minister to remember that under the agreement, up to the time the property would have reverted to the City Council, the company was bound to pay to the City Council 3 per cent. of all its earnings. The municipality was entitled to that payment up to 1932, when the whole of the property had to revert to the council free of cost, except for the payment of an amount to represent the purchase price of the freehold land. We should take into consideration that the year in which the reversion would have taken place was only eight years ago. Ever since the property was purchased in 1912 the Government has continued to make the payment of 3 per cent., and to ask the Government to continue making that payment is not to ask too much. It must be remembered that the City Council has the responsibility of maintaining all roads and streets in the municipality. The Government makes no contribution at all.

The Minister for Railways: That applies to all local authorities.

Hon. C. G. LATHAM: That is so. In the Old Country the City of London receives considerable revenue from the tramways in respect of such portions of the city over which the vehicles run. If the Minister goes to the bother of hunting up the Acts controlling the tramways in the Old Country, he will find that in every one provision is made for a payment to the local authority. A good deal of damage is done by heavy traffic running over our roads, and more particularly is that the case with roads built on a sand foundation.

The Premier: We pay for all that.

Hon. C. G. LATHAM: The Government pays for the maintenance of only 18 inches on each side of the tramway line.

The Premier: Which all city traffic uses.

Hon. C. G. LATHAM: But the wear and tear of the big iron-wheeled vehicles would be more severe than that caused by ordinary vehicles.

The Premier: The Tramway Department maintains 16 or 18 feet of roadway for nothing.

Hon. C. G. LATHAM: Sixteen or 18 feet? But only where the double line is constructed.

The Premier: Yes.

Hon. C. G. LATHAM: I do not think any Government could commend itself on the maintenance work that has been done. Some of the streets through which the trams run to-day are in a disgraceful condition. I do not blame the present Administration alone. I agree that when the party I represent was in power some of the roads were in a just as disgraceful a condition.

The Premier: I think you are exaggerating.

Hon. C. G. LATHAM: I am not. I will take the Premier out and show him some of the roads if he likes, but I would like to have his car so that if any damage is done to it the expense will not be mine. The Minister submitted the plausible argument that if we insist on this 3 per cent. being paid to the City Council, it will mean that we shall relieve the bloated capitalists of the city—perhaps I am using extravagant language but it includes the people to whom he referred—from the payment of taxation, because if the £6,000 were not paid to the City Council, the municipality would have to secure it from some other source. The Minister forgets that taxation is passed on, so the same people will pay to the Government whether it be in tram fares or through the Taxation Department. I believe and propose to advocate that the management of the tramways should be taken completely out of the control of the Commissioner of Railways. If that were done, instead of the tramways making a loss they would probably make a profit. I do not know what power the manager of the tramways has, but I know he is subject to the Commissioner's control. Ever since 1931 substantial profits have been made by the tramways in the city of Sydney. I am quoting the city of Sydney because it has a Government-owned tramway system. It always was Government-owned; it was never acquired by the Government as our system has been.

The Minister for Railways: Sydney has a much larger population than has Perth.

The Premier: The trams in Sydney are under the Transport Board.

Hon. C. G. LATHAM: Yes, under separate management. Tram fares are much lower in Sydney than they are here.

The Premier: No.

Hon. C. G. LATHAM: Yes; to travel from the railway station to Circular Quay costs only 1d.

The Premier: No, the fare is 2d.

Hon. C. G. LATHAM: I have paid 1d. for that ride.

The Premier: You should not have paid anything.

Hon. C. G. LATHAM: I am amazed to hear that my pass would have carried me over those lines. In every other city I have visited, I have had to pay tram fares. I believe that if our trams were put under separate management, better results could be obtained. In Sydney the trams make substantial profits—up to £50,000 a year.

The Minister for Railways: Sydney is not comparable with Perth.

Hon. C. G. LATHAM: If we take the tramway mileage and the population of both cities, we can draw a comparison. But for the length of tramway between Nedlands and Subiaco, our returns might be very much higher. The Minister is not responsible for that, but there is a long length of line serving practically no people. The main point requiring consideration is why our tramways at the end of the year show a deficit instead of a surplus. I have made some investigations since the Minister moved the second reading of the Bill and have found that in Sydney, between 10 a.m. and 4.30 p.m., reduced fares are charged on the trams. That is a very wise policy. During the slack periods people travel into Sydney to do their shopping and home again without interfering with the traffic at peak periods.

The Premier: We have done that on the railways for years.

Hon. C. G. LATHAM: That might be so. In the first year in which the reduced fares operated in Sydney, the revenue of the trams showed a falling off, but in 1938, the latest year for which I have been able to obtain the figures, the revenue from the trams was higher than it had been at any time since the trams have been running. This is a business proposition, and it is far better to have the trams well patronised and collecting some revenue than to have them running empty. We should offer some inducement to the people to use the trams during slack periods. I believe that reduced fares operate here each day until 8.30 a.m.

The Premier: Yes; workmen's tickets are issued until 8.30 a.m.

Hon. C. G. LATHAM: I have no objection to that, but we should endeavour to get our trams patronised during the slack periods and see that they carry full complements of passengers.

The Minister for Railways: The population of Sydney is nearly three times that of Western Australia.

Hon. C. G. LATHAM: I am aware of that, but does the Minister wish me to weary the House by quoting the mileage of tramways and the population of the two cities and drawing a comparison? Had I known that he would not accept my word, I would have worked out the figures and shown the comparable results. The Government in this State has constructed tramways and later either pulled them up or allowed them to fall into disuse. This applies to a line that served Bay View-terrace, Claremont, and also the line to Wembley. The Wembley line has not been used since the trolley buses were extended to that district. When we construct tramways and then pull up the tracks, we must expect to make a loss.

The Minister for Mines: The Wembley tram does not now go beyond McCourt-street.

Hon. C. G. LATHAM: But it used to be run to the Wembley Hotel, which, by the way, seemed a well-chosen terminus. In referring to the electricity agreement between the Government and the Perth City Council, the Minister introduced a foreign matter to boost up his argument. His desire evidently was to draw a red herring across the track. The electricity agreement has nothing to do with this question. If a bad agreement was made, the Government must stick to it. If the City Council made a good agreement, so much the better for the City Council. There are members of this House who suggest repudiating our agreements. When a bad agreement is made by the Government or an agreement does not work out as was expected, some members want Bills introduced, and we have the greatest difficulty in restraining them. I always resent having to discuss with anyone a question involving a breach of an agreement. If anybody wishes to break an agreement, I do not want him to consult me.

The Minister for Railways: I did not suggest that.

Hon. C. G. LATHAM: No, but other members have suggested it. The only other speaker on this Bill so far suggested that we should review the electricity agreement with the City Council.

The Premier: Parliament is entitled to do as it likes.

Hon. C. G. LATHAM: Of course, but I was speaking of the Minister's action in referring to the electricity agreement as introducing something quite foreign to this Bill. That agreement has nothing whatever to do with the question before the House and I hope members will bear that fact in mind when voting on the Bill. The measure is unwarranted. The City Council is entitled to receive some consideration for the use of its roads.

The Premier: We have constructed tramway extensions and built up the City Council's rateable values by hundreds of thousands of pounds.

Hon. C. G. LATHAM: Let me remind the Premier that in time gone by local authorities, including municipalities, received a subsidy from the Government, though I am aware that municipalities have not received a subsidy of this sort for years. Nowadays the Government does not assist them at all. Admittedly the imposing of taxation is unpopular, and evidently the Government is anxious to unload on to the local authorities the responsibility for collecting some of the taxation. It is of no use depriving the City Council of £6,000 of revenue and taking it into the Treasury. That would not be fair.

The Minister for Railways: Would it be fair if we had to increase the fares on the trams?

Hon. C. G. LATHAM: No, I do not think it is necessary.

The Minister for Railways: I do.

Hon. C. G. LATHAM: I believe that if I resigned my seat in the House, I could run the tramways to the satisfaction of the Minister and make a financial success of them.

Mr. Warner: And a fortune, too.

The Minister for Railways: You give us that guarantee and we might give you the job.

Hon. C. G. LATHAM: I am not the only one who could do it. I am satisfied that the deficiency that occurs there year after year could be made up if the expenditure was watched more closely.

We paid nothing to the City Council for the ferries, and yet there is a loss there year after year. Apparently the Commissioner of Railways or the Minister has decided not to run ferry boats now but to use launches. That may be a way of turning the loss into a profit.

The Premier: Ferries are too slow in these days of speed.

Hon. C. G. LATHAM: And the trams are too noisy. When the Minister declared that business people and bankers, etc., got the benefit of the trams, I remarked by interjection that if I were the City Council I would say, "Take the trams off our streets." I would not like to be in business in any of the city houses. In the very room the Premier occupies one could hardly hear oneself speak when noisy trams were going by, because there were only single windows in the room. Some alteration has since been made. When I was a member of Cabinet, we were a quiet lot of people, but even so it was difficult for anyone to hear others speaking. On the last occasion when I was in that room I noticed that double windows had been installed to keep out the noise. If I were the City Council I would say, "We will forgo the 3 per cent. if you will take the trams off the streets." Great benefit would accrue to the city if the trams were removed. Had the right thing been done, trolley buses would be running there. Wear and tear on the roads would have been reduced, the Government would not have had to maintain tramway tracks, and there would have been no need to worry about the 3 per cent. I am not prepared to allow the Government to unload £6,000 worth of responsibility upon the local authorities, for that is what this would mean.

The Minister for Railways: You want to unload it upon the users of the trams.

Hon. C. G. LATHAM: May I ask the Minister this question?

Mr. SPEAKER: No.

Hon. C. G. LATHAM: Not even through you, Mr. Speaker?

Mr. SPEAKER: That is better.

Hon. C. G. LATHAM: May I ask the Minister through you, if he were granting a concession on the part of the Government, would he not provide for something like this in his agreement? If he declined to do so, I would say he was a very bad business man from the point of view of the Government. If he agreed to do so, then I

would ask what was wrong with the Government carrying the responsibility? In connection with the concessions given on the goldfields, this provision is found in the agreements. The municipalities of Kalgoorlie and Boulder, and the Kalgoorlie Road Board, are getting their 3 per cent.

The Minister for Railways: Not from the Government.

Hon. C. G. LATHAM: From a private concern. It is the usual thing. The difference between a Government and a private concern is that the Government pays no rates and taxes in the ordinary way and makes no contribution to the local authorities, whereas a company desiring to run some public utility would have to pay taxation to the Government and rates to the local authorities.

The Minister for Railways: And quite right too.

Hon. C. G. LATHAM: And the company would make a profit, such as was being made on the very day when the tramways were handed over to the Government.

Mr. Withers: What would the fares be?

Hon. C. G. LATHAM: The fares were not reduced when the Government took the trams over in 1912. The Government is not prepared to increase the fares. The number of passengers carried in 1912 is insignificant compared with the number carried to-day.

The Minister for Railways: What wages were paid in 1912?

Hon. C. G. LATHAM: They were of exactly the same value as they are to-day.

The Minister for Mines: That is not an argument.

Hon. C. G. LATHAM: Because the monetary value of the pound has depreciated, the Minister should have increased the fares long ago; at any rate, the Commissioner of Railways should have done so. In my view, however, there is no need to increase fares. All that is necessary is to popularise the trams. Have you ever travelled on a tram, Mr. Speaker? If so, do you know of any more uncomfortable method of travel?

Mr. Withers: I know what the Fremantle trams are like.

Hon. C. G. LATHAM: The only analogy I can think of is that of a wheelbarrow being run over an old cobbled road. Our trams are both noisy and uncomfortable. At one time the Government did put a tram into decent order by upholstering it, but it proved so popular that no further attempt

was made in that direction. There would be no need to bring down a Bill of this kind if the Government made a serious endeavour to popularise the tramway system. An effort could be made to see that the system was used during slack periods for people, such as shoppers, who did not have to come into the city at any fixed period, and by that means relieve the traffic at busy times. So often at peak periods we see people getting into trams with huge parcels in their arms, thus making it difficult for everybody concerned. If the Government provided some concession such as is given on the New South Wales trams, much would be done to popularise the service.

The Minister for Railways: The two services are not comparable.

Hon. C. G. LATHAM: The Minister might consider taking the management of the trams and ferries from the control of the Commissioner of Railways, and conducting them as a business arrangement. There would then be no need to ask us to take the 3 per cent. away from the local authorities. The local authorities already receive little enough revenue. I do not like this class of legislation, which means taking revenue away from a body that is carrying out a semi-governmental function, and is actually relieving the Government of a good deal of work. For the most part the men concerned in municipal activities receive nothing for their services, except those who are actually employed, and yet we are continually harassing them and making their position more difficult. In the letter to which reference has been made the City Council indicates that there will be an increase in the rates of 1d. in the pound. All these rates are passed on to the public. Many of the people concerned will be unable to afford the extra charge. The Minister's idea is that the City of Perth is composed of bankers and people of that description. Let him go to East Perth, to Newcastle-street, and along Beaufort-street.

The Minister for Railways: I have been there.

Hon. C. G. LATHAM: He will find very few bankers in those localities. Some of the people living along the tram routes are earning money that is below the basic wage.

The Minister for Railways: Do you want them to pay more?

Hon. C. G. LATHAM: No. I want the Government to stand up to its obligations and continue the agreement that was entered into. We have taken from the City Council a valuable possession, and should fully compensate it for so doing. We can only give compensation by paying out the 3 per cent., which represents very low interest on the value of the property that would have reverted to it in 1932. When the Commonwealth Government took over buildings in this State, such as post offices, etc., it allowed the State Government 3 per cent. There was no question of repudiation there. The Commonwealth Government continued to pay that amount until the Financial Agreement was entered into, when due credit was given to the State Government for the buildings that were taken over. The tramways also represent property.

The Premier: No.

Hon. C. G. LATHAM: Surely the tram cars, the tram lines, the overhead cables, the poles, etc., all represent property.

The Premier: They were paid for.

Hon. C. G. LATHAM: An allowance of 3 per cent. on the money is very small. The Minister might withdraw the Bill, and forget that he ever introduced it.

HON. W. D. JOHNSON (Guildford-Midland) [5.19]: This is an important Bill, having a direct connection with the finances of the State and the welfare of our transport system generally. The question we have to consider is whether it is proper at the present time to discontinue the 3 per cent. payment that was provided for when the Government took over the tramway system from the company, and accepted all liabilities and obligations under that agreement. I spent some hours reading up the debates dealing with the purchase of the trams and the ratification of that purchase by Parliament. I was interested because I was associated with the Government that made the purchase, and I wished to refresh my memory to know just exactly what was promised at the time, and whether it would be an injustice at this stage to discontinue what has been paid since 1912. It has taken me some hours to read that debate. I read all last night while the sitting was going on, as well as an hour or two to-day. I do not know of any question that was more thoroughly debated and more closely con-

sidered from the aspect of justice to the Municipality of Perth, to the adjoining local governing bodies, and to the State as a whole. The second reading debate was very lengthy, and the then Premier, the late Hon. John Scaddan, went to enormous trouble to furnish the details associated with the system as then operated. If members could find time to read that debate, they would learn that while it was generally conceded that the tramway system as then operated by the company would revert to the City of Perth in 1939, there was grave doubt whether it could be taken over by the municipality in 1939, because of complications associated with the numerous agreements that had been entered into with the company by the Perth City Council and adjoining local governing bodies. Those numerous agreements are all outlined in the schedule to the purchase measure of 1912; but Mr. Scaddan analysed them carefully, no doubt with assistance from the legal authorities of that time. He proved clearly and beyond all doubt that when the time came for the City Council to purchase the trams, or rather for the trams to revert to the City Council, the company would be able, because of the complications of the agreements, to combat the reversion. There was no guarantee that the City of Perth would have got the trams free of cost in 1939, as many people imagine.

Mr. Patrick: Could not the City Council have put on buses to compete with the trams?

Hon. W. D. JOHNSON: I do not know. I do not wish to enter into those details. My desire is to concentrate on the question of the 3 per cent. Payment of that percentage was justified, it was said, because of the existence of a reversionary right. I desire to point out that the reversionary right was subject to legal decision, because while most of the agreements certainly stipulated that in 1939 the City Council would possess such a right, unfortunately agreements made subsequent to the agreement of 1939 for the reversionary right contradicted the original agreement. Additional agreements were made by the Municipality of Subiaco and by the Nedlands Road Board, and Captain Bruce was also associated with the matter.

Hon. N. Keenan: That was a private tramway.

Hon. W. D. JOHNSON: But it was part and parcel of the system. All these things were referred to in the purchase measure. I mention these aspects merely to show that so numerous were the agreements, inter-related, differing and overlapping, that the interpretation of them would have occupied the Privy Council for a long time. The then Premier had pointed out that the Government, in buying the trams, not only nationalised the system but got the City Council out of a hopeless tangle regarding interpretation of the numerous agreements that had been made. I did propose to quote a good deal of this for the information of members, but I changed my mind because there would be so very much to read. However, if members will refer to "Hansard" they will see that under the City Council agreement, which might be termed the main agreement, the City Council would acquire the trams in 1939, but that another agreement, entered into by an adjoining local governing body, gave the trams power to run until 1941 or 1943. Thus it will be seen that such an agreement would give the other people the right to bring trams into the city, and that the City Council could not interfere with that right unless it stopped them by creating a legal tangle. Suppose Leederville was the municipality that made such an agreement; then Leederville would have the right to bring trams up to the boundary of its area, and the City Council, having acquired everything it could acquire in 1939, would interfere with Leederville's right to run trams to the Perth Town Hall. The whole position was utterly complicated and interlaced and made impossible to such a degree by agreements hurriedly entered into and covering specified terms of years. That situation arose because as soon as the company had started operations, all the other local governing bodies were clamouring to get the tramway system extended to their areas. And so it went on. In the urgent desire to secure tramway extension, those bodies entered into agreements that were not thoroughly analysed to see whether, for instance, Victoria Park's agreement conflicted with Leederville's, and Leederville's agreement with Perth's, and so on. So we must appreciate that even though we might declare that there was a reversionary right, and that because of the reversionary right we did decide to pay a certain sum of money as compensa-

tion for acquiring that right—that is to say, the right which the Perth City Council claimed to have—the discussion on the Bill merely disclosed that there would be huge expense from legal complications which would arise in the year 1939.

Mr. Patrick: The company had a monopoly of transport on the roads.

Hon. W. D. JOHNSON: I am dealing with the tramway concession which the company had. Therefore, when the matter was under discussion, the then Premier, Mr. Scaddan, had no trouble in convincing Parliament that it was useless to imagine Perth could get the trams in 1939, having regard to the complications associated with the numerous agreements. Then it went on, and having discovered the difficulty, the Leader of the Opposition at the time, the late Hon. Frank Wilson, concentrated on the question as to whether 3 per cent., which the Government had decided to pay to the City Council, was a just payment, or whether the City Council should not get more than that with a view to paying less to the other local bodies. Mr. Walter Dwyer (now President Dwyer), who was at that time the member for Perth, took an active part in the debate and on the second reading stage devoted all his thoughts and words to Clause 8, which dealt with the payment of the 3 per cent. The second reading was carried and in the Committee stage the debate revolved entirely around Clause 8. There were hours of debate on the subject of the wording of that clause dealing with the 3 per cent., and what I want to emphasise is that the point was whether the payment should be 3 per cent. for all time. Ultimately it was decided that the payment should be made "until Parliament otherwise determined." Mr. Dwyer tried in Committee to make it more definite, but the majority being against it, he failed to alter the wording of the Government's proposal. Mr. Dwyer moved for the recommittal of the Bill and again tackled the question of the 3 per cent. Again, after a long debate, almost as long as the original debate in Committee, it was decided that the Government's proposal to pay 3 per cent. until Parliament otherwise determined, was allowed to stand. Then the Bill went to another place and the question was tackled there. That Chamber appointed a select committee to investigate the matter, and the select committee confined its attention to the one question of the payment of the 3 per

cent. The committee decided that, generally speaking, the terms of the Bill were preferable to the suggested amendment that had been moved during the debate in both the Assembly and the Council. Next, the Upper House gave consideration to the select committee's report and the Bill was returned to the Assembly. After a great deal of cross-firing and further argument, the measure, as we have it to-day, became law.

I do not know whether I should read all that I have extracted from the "Hansard" report of the debate. If I did, I would probably take up the time of the House for some hours. It must, however be remembered that there was a big section of Parliament opposed to the payment of the 3 per cent. Members at that time pointed out that it was not right that the people of the State should be penalised to the extent of having to pay 3 per cent. to the Perth municipality, and quite a number of those who took part in the debate supported that point of view. The late Mr. Scaddan, who was Premier at the time, had a good deal to say on the subject. These are some of his remarks, taken from page 726 of "Hansard" of 1912—

The Government, however, had decided to be generous and continue the 3 per cent. payment until Parliament would probably say in the future that it was consenting that money from the people. If we made this a charge on the people who travelled, the more we loaded up the undertaking, the more the people would have to pay in the way of fares. In the interests of the people who used the trams, it was essential for the Government to be as fair to them as to the interests of the ratepayers. Thus, he objected to making any further concession than was provided in the Bill.

Mr. Dwyer, during the same debate on the clause in Committee, said—

Perth undoubtedly had reversionary rights, and for these something ought to be paid as compensation. His purpose was that of the three per cent. one-fourth per cent. should go to the Perth municipality by way of compensation.

Mr. Gill: When do these rights accrue?

Mr. Dwyer: In 30 years' time.

Mr. Gill: Yet you would start to pay compensation now.

Mr. Dwyer: Seeing that it was proposed to abolish the rights immediately, there was no reason why compensation should not start at the same time.

Mr. Taylor: It is argued that Perth has no such rights.

Mr. Dwyer: So far from that being the case, the fact was admitted. Perth had reversionary rights, and should get compensa-

tion for them. He could not at the present time say what amount would be represented by one-fourth per cent. of the three per cent.

Then Mr. Dwyer went on to quote figures and he tried to amend the clause. Instead of leaving it to read "until Parliament otherwise decided," he endeavoured to make provision for a fixed term. Others then took part in the debate. The then Premier had this to say on Mr. Dwyer's amendment—

The difference between the amendment and the clause as it stood was the difference between tweedledum and tweedledee. The course proposed in the Bill was the wisest one for the Parliament to adopt for we had no right to agree to accept an amendment which might be quoted in years to come by those who would oppose the desire on the part of the people to remove the charge against the tramways, that we had no right to break the contract.

There was no intention at present to limit the payment of the three per cent., but the time might come when it would be desirable to take away the three per cent., and we had no right to say to a future Parliament the Parliament should not do as the public desired. It was right to leave it to a future Parliament to decide what should be done. It would not make a difference of a penny a year to the municipalities; therefore we should leave the words in the Bill.

There is another quotation that is worth giving to the House. In fact, the whole of the debate is worth reading but it would take too long to quote it for the benefit of members. The late Mr. Thomas Walker, who was then Attorney General, had this to say—

Because the Government desired to make them a present of an up-to-date tramway system, they said that the Government were robbing them. They could not see they had the best end of the stick; they did not know when they were well off. After receiving this present of an up-to-date go-ahead tramway service run on approved lines with modern scientific applications for the betterment generally of the service, they said, "If you had left it alone until 1939"—when all the present citizens would be dead or too old to ride in the trams—"we should have had it." The present Government were a Government for the living, and had no desire to wait till then; their desire was to do now what others wished to put off for so long. Then the Perth City Council exclaimed, "You are mean about your three per cents.; we want them for ever and ever, Amen." They did not want them to suit the emergencies for the time being; they wanted them for always. But frankly they had no right to them for a single hour.

I shall not quote more. Anyone who reads the debate and views the matter impartially must come to the conclusion that there was

never any idea on the part of Parliament of that day to continue these payments for the lengthy time they have been made. Throughout the whole of the debate there was apparent a general recognition that the payments would not extend beyond 1939. Therefore I appeal to Parliament to say that the time has arrived for a review of the position. If we consider the matter impartially and fairly and compare the situation at the time when the trams were purchased with that which obtains at present, what do we find? At that time the revenue of the State was buoyant, whereas the City Council and other municipal bodies which were under a heavy burden of expense due to the developmental work that had to be carried out, were in a struggling financial condition. During the Parliamentary debate the Government of the day made it clear that the three per cent. payment was in recognition of the fact that the Government could pay the money and the municipality needed it. Contrast that position with what we know exists to-day.

Recently I read a statement that other members probably perused setting out that when the City Council proposed to float a loan, objection was raised to that course and circulars were distributed among the ratepayers directing attention to the sound financial position of the Perth municipality. The argument was advanced that there was no need to raise the loan because the city's finances were sound and had made a wonderful recovery during recent years. Beyond doubt that is so. I question whether there are many cities in Australia in such a sound financial position as is the City of Perth. We should consider whether the State is in a position to continue making payments to an affluent body at the expense of an impoverished country. Let members consider the railway system, which is linked with this matter.

Mr. Abbott: Not at all.

Hon. W. D. JOHNSON: It is, very much so. The £6,000 a year has to be paid out of State revenue. I do not care whether that money is procured from the tramways or from the railways. If we were to provide the Treasurer with £6,000, I feel convinced he could spend a large proportion of the money on the railway system to the advantage of the people generally. Perth is in an affluent position: the workshops at

Midland Junction are impoverished. Maintenance work is in arrears and the rolling stock cannot be kept up to standard because of the financial stringency. Look where members like and they will see illustrations indicative of the need for the expenditure of money. We have to admit we have not the necessary money with which to provide for requirements under our present system of finance. Therefore the State requires the £6,000 that is involved annually. We cannot afford to pay to the City of Perth, which is a portion of the State, at the expense of the whole of the State.

Having arrived at the stage at which it must be recognised that 1939 meant the end of the contract or association, I submit that the needs of the hour, viewing the situation from the point of view of the Government, show that the Administration requires the £6,000 considerably more than the City Council does. If Parliament refuses to agree to that course, a serious situation will arise in connection with matters of this description. For instance, I would be out of order if I were to direct attention to the proposal to transfer traffic fees to Consolidated Revenue, but I ask hon. members whether in these days we are not required to think less of property and more of humanity. If we are to continue paying £6,000 annually to the City Council to help the city fathers in their administration on behalf of a section of the people, we must consider what the effect will be on those who are less fortunate and have to depend upon the Government for maintenance and relief.

Mr. Hughes: Do not people from outside the metropolitan area use the city streets?

Hon. W. D. JOHNSON: Yes, to an extent.

Mr. Abbott: And those roads are maintained out of revenue.

Hon. W. D. JOHNSON: I do not want to go into that phase.

Mr. Withers: It would be bad for Perth if people outside the metropolitan area did not use the city streets.

Hon. W. D. JOHNSON: At the moment we are discussing the position of the tramways, which were purchased for the people by the people with the people's money. At that time the people's money was sufficiently in credit to enable the payment of three per cent. to be made. Those who have

been so generous from 1912 to 1940 can no longer, with justice to themselves, continue paying that three per cent. Therefore I claim that if we do not help the Government to adjust its finances, then our social services must suffer. There is no other direction in which we can economise. There is need for more finance in connection with all our services of a transport character.

Mr. Abbott: Are not roads included in that category?

Hon. W. D. JOHNSON: That interjection merely serves to show how unfair some hon. members are in this matter. Our roads have had a wonderful amount of attention during the last ten years. The Federal Aid Roads Agreement has placed us in a most fortunate position, and I remember speaking on this question a year or two ago and saying that what we then had were shining roads and dirty playgrounds. That is the position to-day. Our roads compare more than favourably with those constructed elsewhere in Australia, and the explanation is that we have had the benefit of the Federal Aid Roads Agreement to assist us in achieving such a very high road standard. At the same time our schools and playgrounds, our rolling stock, our water supplies and all those services that affect the community as a whole are in a bad way. Yet some members suggest we should continue making payments to an affluent body on behalf of a section only of the people. I appeal to the House to appreciate the fact that the issue is one of humanity as against property. If we do not adjust the payments in question, then people who are least able to afford it will have to suffer.

Mr. Hughes: What percentage of the total revenue is that £6,000?

Hon. W. D. JOHNSON: I do not care. It is £6,000 per annum, and the hon. member would be extremely pleased if that amount could be made available for expenditure on the schools in East Perth. The amount is paid out of revenue. The sum of £6,000 would pay interest and sinking fund on a large loan.

Mr. Hughes interjected.

Mr. SPEAKER: Order!

Hon. W. D. JOHNSON: The hon. member is trying to burke the issue. I want him to view this payment to the city of Perth—

Mr. Hughes: It is not for East Perth only, but for the whole metropolitan area.

Hon. W. D. JOHNSON: Would the hon. member contend that the City of Perth is in greater need of a subsidy of this kind than are the schools of East Perth which require renovations and improvements?

Mr. Hughes: I do not think that is the remedy.

Hon. W. D. JOHNSON: It may not be the remedy, but it is a contribution towards the remedy.

Mr. Hughes: Infinitesimal.

Mr. SPEAKER: Order!

Hon. W. D. JOHNSON: These various small sums are considerable in the aggregate. I would welcome advice from the hon. member showing in what way we can educate the Government and help and encourage it to adjust the State's finances, as it attempted to do when it introduced the Bill to amend the Traffic Act, and as it is attempting to do by this measure. Unquestionably, the Government is attacking the root of its trouble. State revenue to-day is insufficient for the Government's needs, and we shall get into no end of trouble. Ultimately—unless we adjust our finances—we shall have to go cap in hand to the Federal Government with a request that the Commonwealth take the State over. We are of course assisted by the Grants Commission, but that commission picks out all these weaknesses in our revenue account. The commission said with regard to traffic fees, "There is a sum of money which you are paying away—"

Mr. SPEAKER: The hon. member is not in order in discussing traffic fees.

Hon. W. D. JOHNSON: Except as a comparison. The Government discovered in 1939 that to discontinue the payment of this 3 per cent. was reasonable. It considered that the £6,000 per annum should be made available to the State, and that the City Council had been treated wonderfully well in this matter since 1912. I appeal to members to appreciate that there are two sides to this question. If the Government is going to be hampered in matters of this description, there will be but one end—the Government will be forced to reduce our social services, which will be neglected to a greater degree than they are being neglected to-day. The Government will be forced to make reductions in expenditure to try to balance the budget. Is the City of Perth going to compel the people of this State to raise a loan upon which interest and sinking

fund must be paid so that the council might get £6,000 per annum in perpetuity? The council has had £6,000 per annum out of the pockets of the people for a long period of years. I challenge contradiction on the following point: It was not contemplated by the Parliament which agreed to make the 3 per cent. payment that it would continue until 1939, nor was it ever contemplated that the payment would be continued after 1939. The terms of the Bill are reasonable and just. The money has been paid to the City of Perth to the end of the contract, that is, if there was a contract, because any subsequent Parliament could have discontinued the payment. We, as a Parliament, can say to the city fathers, "We paid you notwithstanding that we were under no obligation to do so; we felt morally bound to recognise your claim to payment of this 3 per cent. up to the year 1939, but we now think it is time to discontinue the payment." I sincerely hope that this House and another place will take a reasonable view of the matter; because, if this Bill is defeated, as the traffic Bill was, then I believe we shall be faced with a serious situation. We should not permit the representatives of property-owners to dictate to the people's Government, elected by all the people, as to the services to which the people are justly entitled, but which will be denied them if the State continues to make payments of this description. I commend the Government for introducing the Bill. As I said, it is fair and reasonable: and, if the City Council were a big-minded body, it would say, "We have had a good run. The Parliament of 1912 was generously disposed towards us and over the years various Parliaments have honoured the obligation under the contract." The council should now turn round and agree to the termination of what was a generous payment over a long period of time.

HON. N. KEENAN (Nedlands) [5.57]: This is a Bill to terminate an agreement to pay the Perth City Council 3 per cent. of the gross earnings of the trams, subject to adjustment to various municipalities which, at the time of the passing of the Act, existed, but all of which—with the exception of the Subiaco Municipality—have since been absorbed in and now constitute the City of Perth. Arguments have been

advanced during this debate the relevancy of which to the Bill I confess I am incapable of discovering. For instance, I do not think it in the least relevant whether certain individuals who were in Perth at the time the original concession was granted in 1897 received what has been described as a rake-off.

Hon. W. D. Johnson: It was a pretty liberal rake-off. It was exposed at the time.

Hon. N. KEENAN: Whether it was liberal or not is not relevant to this Bill.

Hon. W. D. Johnson: It is just as well to keep corruption green.

Hon. N. KEENAN: It has had no effect whatever on the people of Perth. The member for Yilgarn-Coolgardie (Mr. Lambert) seemed to have some knowledge of it even when he was on the goldfields. I, too, lived on the goldfields and had an intimate knowledge—or thought I had—of what was happening there, but I certainly did not hear of any grants to any persons with respect to the concession, which of course is not the subject matter of this Bill. So that is entirely irrelevant and it is also quite irrelevant to suggest that certain people who were mentioned under the descriptive title of the "fat banker" class received great advantage from the establishment of trams in Perth and that it is about time those advantages were reconsidered. I venture to suggest that not a single "fat banker" carrying on business in the Terrace acquired a single additional customer through trams being established in Perth. So that argument can be put on one side as wholly irrelevant. Then it was suggested that the fact that the Town Clerk of Perth, speaking on behalf of the City Council, had placed before hon. members the possibility of an increase of 1d. in the general rate imposed by the council if the £6,000 were no longer paid to the City of Perth meant that users of the trams were contributing to the payment of the rates of that "fat banker" class or some persons of a similar description, something like the member for—well, I will not say where—

The Minister for Mines: Why look at me?

Hon. N. KEENAN: —who has every appearance of being—and deservedly so—content with life. There can be no greater mistake than to imagine that if 1d. increase in the rates is imposed it will be of great

moment to people of that class. I venture to say that not a single member of this House would be immoderately distressed by an increase of 1d. in the rates in the particular part of the municipality in which he happens to live, and certainly not a single member of the Treasury Bench would be. But there are people who would be distressed by such an increase. There are people in that part of my electorate occupied by members of the working class who have to count their money carefully beforehand in order to make provision for the payment of rates. As a matter of fact, very frequently they are not able to pay at all. But every time rates are becoming due such people have to take precaution to ensure that a certain sum is set aside to pay them. They are the people who would be hit by an increase in the rates and not the "fat banker" class referred to or those who sit in any part of this House and particularly those on the Treasury Bench. Now I turn to the argument of the member for Guildford-Midland (Hon. W. D. Johnson). That argument was just as irrelevant as any other with which I have hitherto dealt, for this reason: that if the Act of 1912 did not contain the words "until Parliament shall otherwise determine," this Bill could not have been introduced.

The Premier: Yes, it could.

Hon. N. KEENAN: No, it could not, except by repudiation of contract, to which no British Government would care to be a party. I am certain that the Premier of this State would not be a party to such a procedure. Of course the powers of Parliament are unlimited, and Parliament at any time can deliberately break a contract entered into by a preceding Parliament. But it would not do so unless the very worst thing happened which could happen in history, namely, unless Parliament became so degraded that it forgot all the traditions handed down to it from the past. If those words were not in the Act no Bill could be brought forward, but the Act does contain the words, and therefore the Bill has been introduced. The question now is whether the Bill is justified and whether the House should pass it. So far as I can observe the only attempt at justification in this debate was of a dual character. One argument was that the trams were not paying. That was submitted by the Minister for Railways. After having satisfied himself

that the "fat banker" class had been satisfactorily disposed of, he told us that the reason for the Bill was that the trams were not paying, and this £6,000 would be a great relief to a concern not paying its way. I will deal with that in a moment. For the present I wish to refer to the argument advanced by the member for Guildford-Midland that Perth is an affluent corporation.

Hon. W. D. Johnson: Comparatively.

Hon. N. KEENAN: If we descend to definitions of comparative affluence, a man with 2d. might be said to be affluent compared with a man with only 1d. Therefore, that argument means nothing. What the hon. member meant was that Perth is an affluent corporation.

The Premier: It has paid off half a million of debt in eight or nine years.

Hon. C. G. Latham: By providing sinking fund.

Hon. N. KEENAN: That was the result of two causes; one is that the city was carefully and properly administered, and the other is that the municipality has advanced with the progress of the State.

The Premier: And is affluent.

Hon. N. KEENAN: Is it?

The Premier: Well, comparatively affluent.

Hon. N. KEENAN: Is the hon. member comparatively affluent? That statement has no value at all in relation to the question we have to decide. If Perth, instead of being comparatively affluent, was absolutely poor, it would constitute no argument for continuing the payment of this money if otherwise continuance was objectionable, or against the policy of the State and the Government, and provided also that it was within the province of the Government to revise the arrangement. So the question of affluence or poverty has no bearing whatever on the question.

Hon. W. D. Johnson: It has with me.

Mr. SPEAKER: Order! The member for Guildford-Midland has already spoken.

Hon. N. KEENAN: Yes, and is affluent as well.

The Premier: You meant fluent.

Hon. N. KEENAN: Let me turn to a short review of the facts that should decide this question and give the sequence of events. In 1897 the concession or right to construct trams was granted to a private company. Under the terms of the concession, it was provided that the council of the City of

Perth, within whose boundaries at that time all the trams were to be constructed, and not beyond them, was to have the right to purchase the whole concern on the expiration of 21 years without paying anything at all for goodwill.

Hon. W. D. Johnson: That was, until the lawyers came into it.

Hon. N. KEENAN: The hon. member is not always irrepressible, but this is one of the exceptions. A condition of the concession was that the City Council was entitled to purchase without the payment of anything for goodwill. This means it was to pay only the value of the actual construction, for instance, the value of the cars, carbarn, rails, poles and overhead gear.

Hon. W. D. Johnson: With the right of the company to appeal to the Privy Council.

Hon. N. KEENAN: I cannot see that the interjection adds either to the gaiety or to the wisdom of the debate. That was the position in which the Perth City Council stood. If it did not exercise the right in 21 years, which would have been in the year 1918, it could exercise the right at any time up to 1925. In other words, the City Council had an option extending from 1918 to 1925. Till 1918 it could not buy the concern or compel the company to sell. From 1918 to 1925 it could at any time compel the company to sell. If the City Council did not want to purchase, it was at liberty to leave the company in the enjoyment of its property, and on the expiration of 35 years, the whole of the assets of the company, other than the actual freehold land, would pass over and become the property of the City of Perth. The City Council alone had the right to grant the concession, and the concession was accepted on those terms. This means that the City Council, in 1912, could have said to the tramway company, known as the Perth Tramways, "You shall not sell your concern to the State Government," and could have obtained, without the slightest difficulty, an injunction to prevent the company from selling to the Government, because the Government was not entitled to buy the concern. The City Council had an option to purchase accruing in 1918 and continuing until 1925. If the option of purchase was not exercised, the City Council had the reversion as from 1925 onwards.

Hon. W. D. Johnson: With no hope in life.

Hon. N. KEENAN: No hope of what? I do not know what the hon. member means.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. N. KEENAN: I was dealing with the position in which the Perth municipality stood in 1912. It then had the option of purchase in writing, under conditions that were absolutely binding, of the Perth electric tramways with all the assets of the company, its rails, its tram cars, tramway poles and gear, and the car barn. It had the right to purchase all of that without paying one penny except for the actual value of the goods acquired, no goodwill being taken into account. Comment has been made on the fact that the Perth City Council, under the conditions of the original concession, received from the Perth Electric Tramway Company three per cent. of the gross receipts of that company. The suggestion was made that it was something in the nature of plunder on the part of the municipality to impose such a condition upon the company. That is far from being the case. Ever since municipalities were created for the first time under the English law, tramways and gas pipes have always been subject to rating in respect to the ground they occupy, exactly on the same basis as in the case now under discussion. A valuation has been made of the ground so occupied, and the approximate amount of the rate struck has been collected from the company or persons owning the electric tramways or other tramways, horse trams or gas works. That has found expression in our own Acts. In 1906 the Municipal Corporations Act was passed. Provision was made for the case of any agreement either with promoters under the Tramways Act or persons or promoters who were entitled to use the streets for the purpose of laying down gas pipes. In section 46 dealing with tramways, it was provided that, subject to any special agreement made between the municipal council and the promoters, the sum of three per cent. of the gross receipts was to be accepted in full satisfaction of all rates payable in respect of the lands, buildings and works used by the company. If the lands were used for any other pur-

pose they would be subject to the ordinary rate. That was the special provision dealing with tramways. There was nothing exceptional in the Perth Municipal Council receiving three per cent. of the gross takings. It was the law, not at the time the concession was granted, but subsequently, and was the law in 1912 at the time the discussion in question took place. The same condition arose in regard to the gas works that apply to-day to the Fremantle Gas and Coke Company. Any person, company, or corporation that undertook the business of supplying gas within the municipal district, and for that purpose wished to lay down pipes, became liable to a rate for the land occupied by those pipes. There is provision similar to the provision for tramways except that the rate is $1\frac{1}{2}$ per cent. instead of three per cent. That $1\frac{1}{2}$ per cent. is based on the supply of gas or electricity. I do not think it requires any lawyer to satisfy himself that in 1912 the Perth City Council could prevent the Perth Tramway company from selling out to the State Government.

The Premier: It did not do so.

Hon. N. KEENAN: It could have prevented it, if it had so desired, and without its consent there could be no sale. It is true, as pointed out by the member for Guildford-Midland (Hon. W. D. Johnson), that in 1912 extensions were being made beyond Perth, thus bringing other municipalities within the tramway zone. That was provided for, under the statute I have just quoted, namely the Municipal Corporations Act. That laid down that if a car route went beyond the boundaries of any one municipality, and inside the boundaries of any other municipality or road board, the gross earnings were to be divided on a mileage basis. Provision was made for the case of special trips for workmen (or for other reasons of that character) that were exempt from such levy. Ample provision was made for an examination of the company's books and the audit of receipts to make sure that the company paid the three per cent. on the full amount of its gross takings. Similar provisions were made in respect of gas companies. In 1912 the Perth City Council possessed the power to prevent the Perth Electric Tramway Company from selling its concern to the State

Government, and, had it refused to give that consent, it would have gone on receiving the three per cent. of the gross takings of the tramways, apportioned between it and any other municipality into which the tramways went. It would go on receiving that amount until the tramways became its property, that is to say, the tramways inside its boundaries.

Hon. W. D. Johnson: That was subject to legal decision.

Hon. N. KEENAN: No.

Hon. W. D. Johnson: It was; it is not there at all.

Hon. N. KEENAN: It is no use the hon. member saying there is any doubt about the matter. The concession made in 1897 was made before any other concession obtained in respect of any of the extensions, such as those to Leederville or Victoria Park. That was long anterior, and every other concession that was made, was made subject to the conditions to which I have referred.

Hon. W. D. Johnson: No; that is not so.

Hon. N. KEENAN: Every concession that was granted was made subject, for the simple reason that unless the company could run the trams into the streets of the municipality, the concession was valueless. What would be the use of a Leederville concession if it stopped at the boundaries of Leederville? No use at all. The position is as I put it. In 1912 the City Council, by refusing to allow the Perth Electric Tramway Company to sell its assets to the State, could have continued to receive its 3 per cent. of the gross proceeds, appropriated of course in accordance with the mileage that the trams then served in Perth and Leederville, or Perth and Victoria Park, as the case may be.

The Premier: In 1912 that did not apply to extensions.

Hon. N. KEENAN: For the simple reason that when the State bought out the Perth Electric Tramway Company—with the consent, because that body allowed it, of the City Council, and with the consent, because this other municipality allowed it, of Leederville, and similarly in the case of Victoria Park, if Victoria Park then existed—the State acquired the whole of the business, and that would no longer apply. But I want the House to understand what the position would have been if the Perth City Council had refused. The municipality then

would have gone on receiving its £6,000 a year up to the very last day when the property went over to it for nothing, except the purchase of the freeholds. It is suggested that the Perth City Council, having been in that position, agreed to accept far less, agreed to accept £6,000 annually up to 1939, and no further. In other words, it is suggested that the Perth City Council, having a right to receive this money and at the end of a certain term, which would have been approximately at the end of 1939, the year in which all the concessions would have fallen in, the local governing bodies in question becoming Greater Perth, when the City Council would have been in a position to get all that system for nothing and £6,000 per annum up to the date when the system was handed over, nevertheless said, "We are willing to abandon all that."

The Premier: Not £6,000 a year always. In some years the amount was only £2,000.

Hon. N. KEENAN: I remember when a somewhat similar arrangement was made in Kalgoorlie at a time when I happened to be the mayor. The town clerk and I had to frame estimates of traffic and so forth. At that time I was rather anxious that instead of having an arrangement which would simply give the right to rate in the same way as English municipalities rate tramways, there should be a different arrangement. We found that on a certain estimation of traffic which we had to make, it was possible to arrive at a somewhat better arrangement. On the whole, allowing for a number of years, and allowing for development of traffic, this other arrangement might prove a gain. On the other hand, if the traffic was very low, the rating would be higher than the 3 per cent. of the traffic revenue. It was merely a business arrangement. The point I wish to emphasise is whether it is conceivable that the Perth City Council, which would have received the 3 per cent. or a proportion thereof on the gross trading revenue of the Perth Electric Tramways right up to the date when the system came into the possession of the City Council for nothing, would agree to receive only the payment of a certain sum over a period, which payment possibly on the average would be less or might be less than the 3 per cent.

Hon. W. D. Johnson: The Perth City Council did it because it knew about the complications that would arise.

Hon. N. KEENAN: The hon. member is always suffering from some complication. There was no complication in the world about this.

Hon. W. D. Johnson: In connection with taking gas into Perth, the company received a cut.

Hon. N. KEENAN: There was no complication and there could not be any complication. The position was perfectly clear under the arrangement of 1897, and the Perth City Council would have stood in the position I pointed out to the House. It would have received all this money annually from the Perth Electric Tramways and obtained for nothing the whole of the property except for the freeholds. Now we are asked to tell the Perth City Council that because of the insertion of those words in the Act of 1912 it is just and proper—that is what it amounts to—to pay that body nothing more.

The Premier: Why were the words put in?

Hon. N. KEENAN: As a matter of fact, although those words were inserted Parliament had the absolute right to provide otherwise without the insertion of the words.

Hon. C. G. Latham: Without those words, the Bill of 1929 would have lapsed.

Hon. N. KEENAN: A very pertinent example is the Braddon Clause, which the Premier no doubt remembers.

The Premier: Undoubtedly.

Hon. N. KEENAN: It was clearly pointed out, and as I think rightly, that the Braddon Clause could be repealed at any time if Parliament was prepared to do such an act. So the inclusion of the words meant only that there was an obligation of a moral character imposed not to touch the distribution of customs duties until the expiration of ten years from the inception of the Braddon Clause. Exactly the same thing applies here. The question is whether it is just and proper to take away from the Perth City Council this revenue. It is revenue in lieu of rates, and that is what I want the House to appreciate. It is not a gift at all. I repeat, it is in lieu of rates. If instead of the trams being purchased by the State, there had been another company that had purchased, it would have made no difference at all. The rate to-day would be far more than £6,000 on the mileage now in possession of the State. And so the only

reason that matters is that the fact of the State being the purchaser does not justify taking away from the City of Perth this right as a municipality to receive revenue from the use of its roads. I can conceive of no justification for that, any more than I can see justification in the case of Fremantle for taking away without compensation from the Fremantle Council the revenue derived by it from the Fremantle Gas and Coke Company because of a purchase of that company by the State.

Hon. W. D. Johnson: That is subject to the Privy Council.

Hon. N. KEENAN: A new instrument has been invented for the purpose of worrying mankind. I refer to the time bomb, which explodes after a certain interval. I suggest that there is a member of this Chamber who closely resembles it.

The Minister for Mines: You can take him out into the bush and explode him if you like.

Hon. N. KEENAN: I do not desire to weary the House, and I shall not reiterate arguments. It appears to me perfectly clear that in no conceivable circumstances, would the City Council have agreed to take half of what it was bound to get. The City Council was to have received £6,000 a year and the entire tramway system—poles, rails, trams, carbarns and everything else—for nothing. Yet the City Council is supposed to have agreed, despite its being in that position, to take portion of what it was bound to receive.

Mr. Rodoreda: But the City Council did agree.

Hon. N. KEENAN: Now it is said that because of the inclusion of certain words in the Act, it is just and proper to take those rights away from the City Council. I suggest it is neither just nor proper, and I hope the House will not agree to the Bill.

MR. ABBOTT (North Perth) [7.52]: I do not propose to delve into the past in considering the Bill, because I think it should be regarded in the light of conditions as they exist to-day. Parliament has imposed upon local authorities the duty of providing and maintaining roads, and set out the means by which the necessary funds could be obtained to enable that duty to be carried out. Parliament determined the method of collecting a fair and reasonable

share of the necessary revenue from the tramways in return for the privilege of running the cars over the city roads. I do not suggest that the amount fixed by the Act of 1912 should be regarded as an appropriate amount to-day. On the other hand, the Act fixed three per cent of the gross takings of the tramway system as a reasonable amount to be paid for the use of the roads that local authorities have to construct and maintain.

Hon. W. D. Johnson: That was not the purpose.

Mr. ABBOTT: I am quoting the Municipal Corporations Act, not the hon. member's Act.

Mr. SPEAKER: Order! I must ask the member for North Perth to address the Chair, and hon. members generally to maintain order.

The Premier: That was, if used by a private company.

Mr. ABBOTT: That is so.

The Premier: But the position now is different.

Mr. ABBOTT: I suggest that authority was imposed by Parliament upon the local authorities to maintain roads. As it happens, the Government is now running the tramway system and is making use of the local authorities' roads. Is it not fair that the Government should pay out of the earnings of the tramways, a reasonable amount for the use of those roads?

The Premier: No, to maintain the roads.

Mr. ABBOTT: The Government does not maintain the roads over which the trolley buses run.

The Premier: This Bill deals with the trams, and that is all that matters.

Mr. ABBOTT: The Government does not maintain the roads.

The Premier: It maintains the portion of the roads used by the trams.

Mr. ABBOTT: But not the other portions availed of by those who use the trams. I do not think there is any weight in the Premier's argument at all. If it were sound, we might say that the users of footpaths who did not use the roads should not pay rates for the upkeep of those roads. Undoubtedly it is but reasonable and fair that the tramways and those who make use of the system should pay a reasonable amount towards the upkeep of the roads they use. Why should the owners of small homes pay for the people who wish to use the trams,

their share of the upkeep of the roads? I suggest there is no reason at all why they should do so. Surely it is a proper and suitable method of providing for the upkeep of the roads that those who use them should pay a reasonable proportion of the cost. I have the further objection to a Government undertaking not paying a reasonable proportion for that purpose. From time to time figures are published indicating how efficiently or otherwise a public undertaking is being managed. If those figures do not show payments for certain services made available for the convenience and use of the undertaking, I suggest those figures do not give a proper indication of the efficiency or otherwise of the methods adopted. For instance, if the Electricity Supply Department did not pay for the coal used, any figures that were submitted to Parliament to indicate how the undertaking was progressing, could not indicate that it was being conducted in an efficient manner. I oppose the second reading of the Bill because it is merely fair and reasonable that those who use the trams should pay a reasonable amount towards the upkeep of the roads over which the system operates.

MR. CROSS (Canning) [7.57]: I do not know that I would have risen to speak—

Mr. Thorn: It would have been better had you not risen.

Mr. CROSS:—had it not been for the remarks of the member for North Perth (Mr. Abbott).

Mr. Thorn: He helped you to make up your mind.

Mr. CROSS: The member for North Perth asked why the owners of small homes should pay towards the upkeep of roads.

Mr. Abbott: I did not.

Mr. CROSS: The hon. member did make that statement.

Mr. Abbott: I referred to those who use the trams.

Mr. CROSS: Why should the people of South Perth, who derive no benefit whatever from the 3 per cent. payment, pay a dole to the City Council per medium of the tramway earnings? That is the position today.

Hon. N. Keenan: South Perth gets its proportion.

The Premier: No.

Mr. CROSS: The Perth City Council collects the lion's share of the 3 per cent. payment.

Mr. Abbott: No, it does not.

The Minister for Railways: Yes, it does.

Mr. CROSS: The member for North Perth knows very little indeed about the subject or he would not have contradicted my statement. Only three or four local governing bodies derive any benefit from the 3 per cent. payment, and the major portion is collected by the City of Perth. The City Council is paid about £6,000 a year; the Subiaco Council benefits to the extent of about £500. The Perth Road Board obtains an average of about £12, and the Nedlands Road Board collects a small amount as well. Can any hon. member tell me any other municipal council or road board that collects any portion of that payment? No member can do so, for the reason that only those participants in the 3 per cent. payments are those local authorities that were affected when the tramway system was taken over by the Government. Since then the tramways have extended for miles into Inglewood, Maylands, Claremont, South Perth and through the city into Wembley. The Claremont municipality gets no share of this money, neither does the South Perth municipality. The City Council reaps another advantage; not only does it collect the 3 per cent., but also 3 per cent. of the fares paid by persons who travel over any portion of the City Council's lines. Every passenger travelling to Perth from South Perth pays portion of the 3 per cent. toll to the City of Perth. That means that people in the newer areas are contributing to the city's coffers through the medium of this toll on the fares. But the City of Perth has still another advantage. The Tramway Department maintains not only its own portion of the road, but the roadway for 18 inches from each side of the outer set of rails. I venture to say that the Subiaco Municipal Council is receiving an absolute gift of £500 a year, because the trams run from Thomas-street to Rokeby-road and along Rokeby-road to Keightley-road. The Tramway Department pays for the construction and maintenance of portion of those roads, which are also used by vehicular traffic, to the extent of 18 inches each side of the outer set of rails.

The Premier: About 15 feet in all.

Mr. CROSS: Yes, and also so much of Hay-street to the carbarn as is used by the trams. Yet another advantage accruing to the City of Perth is its right to use the tramway poles to carry the electric light standards.

Hon. C. G. Latham: You would not suggest that the City of Perth erect another lot of standards?

Mr. CROSS: No, but the city is getting that advantage.

Hon. C. G. Latham: What does it cost?

Mr. SPEAKER: Order!

Mr. CROSS: It cost tens of thousands of pounds to erect the poles and thousands of pounds to maintain them. I could quote the figures. A few days ago I led a deputation from South Perth to the Minister for Works and asked that the department should cover with bitumen that portion of the road over which the trams run, as such portion was dangerous to other traffic. The department did not comply with the request and consequently the South Perth municipality will have to pay for that work. Yet 3 per cent. of the fares paid in South Perth goes to the City of Perth immediately the passengers travel in any portion of the city area. Why should the people of South Perth be forced to do that? Is it fair to the workers of South Perth and Como that they should be obliged to pay toll to the City of Perth in order to ease the burden of Luber & Co., who have a magnificent building? Two-thirds of the buildings in Hay-street between Pier-street and King-street are owned by the Jews.

Members: Oh!

Mr. Abbott: Or by the Scottish or the English.

Mr. CROSS: No, by the Jews. Why should the workers of Maylands, South Perth, Claremont, and of portion of North Perth pay toll in order to relieve those people of their liabilities? In my opinion, it is both unfair and unjust. Incidentally, the City of Perth has by this toll taken from the tramways an amount equal to the capital cost of the area taken over by the Government in 1907 or 1908. In the meantime, successive Governments have expended hundreds of thousands of pounds upon extensions and relaying lines. It has cost the Government over £15,000 a mile to relay some of the double tramlines in the city area, and within my recollection those

lines have been relaid twice. The City of Perth made no contribution to that expenditure. Nevertheless, it has—profit or loss—collected its toll of 3 per cent. I draw attention to another fact. A few years ago when the Government took over the old power house and decided to construct a new one, the City of Perth entered into a contract with the Government for the supply of electric power to the city at three-farthings per unit. In respect of that contract the City of Perth has made profits averaging £30,000 a year.

Mr. SPEAKER: Order! The hon. member is getting away from the Bill.

Mr. CROSS: I think that matter is related to the Bill, because the trams are run by electric power. The Government runs its trams on electric power which costs more than 1d. per unit to produce. The City of Perth has taken advantage in an unfair way of the contract into which it entered. When the Act was passed, the City of Perth had the opportunity to take over the trams. It did not do so. It is obvious that when the trams were taken over by the Government, the unfair arrangement with the City of Perth should have been discontinued. To-day that arrangement is particularly unfair, because persons who contribute quite half the subsidy to the City of Perth do not reside in the city area at all. That is incontrovertible. It is time that there was a change. The contract expired over 12 months ago. I read the Act 10 or 12 years ago and thought then that it was unjust. I support the Bill and hope it will be carried.

MRS. CARDELL-OLIVER (Subiaco) [8.8]: I do not know why there is so much bother about a mere £6,000, when the Government deals in millions. It seems to me that £6,000 does not matter very much.

The Premier: That is not so.

Mrs. CARDELL-OLIVER: I think there is a good deal of justice in the argument put forward by the member for Canning (Mr. Cross). Had he introduced a Bill asking that those municipalities which had tramways and whose residents travelled into the city should participate in this money, I might have reconsidered my opposition to the measure.

The Premier: The people of South Perth welcomed the trams.

Mrs. CARDELL-OLIVER: I shall oppose the Bill, because as long as the trams travel over the roads there is a great deal of wear and tear: notwithstanding the Government's statement that it repairs 18 inches of the road on each side of the rails, that really does not go quite far enough. I know—or at least the Subiaco engineer tells me—that it will mean an extra penny in the pound on the rates if this money is taken away from the municipality, and so it cannot afford to lose its share of the three per cent. payment. The member for Guildford-Midland (Hon. W. D. Johnson) has said that social services will have to be curtailed if the Government does not receive this money. That seems a little absurd.

Hon. W. D. Johnson: This money and the traffic fees.

Mrs. CARDELL-OLIVER: Altogether that would amount to only about £28,000 out of millions of pounds that are received by the Government. The municipalities render help to social services. I can get £25 or £50 from the municipality for a deserving cause, but I cannot get a sou from the Government. I am not sure whether the Minister will reply to the debate, but if he does, I would like him to tell us why trolley buses cannot be substituted for the trams. I think people would be prepared to pay an extra rate in order to have decent trolley buses rather than the ramshackle vehicles called trams. It is said that the trams do not pay and I do not wonder at that. The Minister spoke about gerontocracy the other night. Some of our older people find the greatest difficulty in boarding our trams which are so old-fashioned that they are of no use to the general public. Not only are they old-fashioned, but they do not keep to any time-table. Not infrequently three trams can be seen travelling along the same line one after the other, and on other occasions one has to wait for 15 minutes for a tram to bring one to Parliament House. Far from being a boon to business people, these trams, in my opinion, are a confounded curse. If a person goes into a butcher's shop and asks for a pound of mutton, she is just as likely to receive a pound of beef through the butcher being unable to hear what was ordered because the trams are so noisy. As for the threat about higher fares, that is just infantile political bluff. I intend to oppose the Bill.

MR. SAMPSON (Swan) [8.13]: I listened with a good deal of interest to the pathetic appeals made by different members in an endeavour to justify the Government's proposal to refrain from paying to the Perth City Council an amount of money to which it is entitled. That the Government should exercise its power through Parliament to take from the local authorities this three per cent. of the gross earnings of the tramways is manifestly unfair. The matter would never be considered if other than a local authority were concerned. Everyone agrees that the Perth City Council is a good local authority and is doing its job well, but under this measure that council is to be deprived of a right which it enjoyed by statutory power up to 1939, and should continue indefinitely to enjoy. The statements made in support of the measure constitute an effort to salve the conscience of the Ministerial group which is endeavouring to deprive the City Council of this money. There is no real justification for the Bill and to pass it would be inequitable. The trams are by no means an unqualified blessing to Perth. They are very noisy. Many a person endeavouring to do business on the telephone in Perth has to request the party at the other end of the line to wait a moment or two as there is a tram passing.

Mr. Watts: In the bush we hear the trams over the radio.

Mr. Cross: What happens in Melbourne and Sydney? The same noise occurs there.

Mr. SAMPSON: One does not hear the Perth trams over there I am glad to say. Ours is a very noisy system, far noisier than that in Adelaide. I became aware of that when I visited Adelaide. With Sydney I am not so well acquainted, but I believe that the steam trams that were driven in Sydney years ago were as bad as our electric trams.

The Minister for Mines: The trams in Sydney are twice as noisy as ours.

Mr. SAMPSON: I will not dispute that.

Mr. SPEAKER: Order! The Sydney trams cannot be discussed now.

Mr. SAMPSON: There can be no question about the noise made by our trams. I do not know whether that can be avoided. The running of trams in Hay-street and Murray-street has reduced the value of properties in those streets. There are sounds of lamentation from the member for Canning (Mr. Cross), but let him think for a moment. The running of trams in those

streets means that they are one-way streets. If one desires to pay a visit to an establishment in Murray-street, he must proceed from the west. If he goes into Hay-street he must proceed from the east. The running of trams through those streets has led to their being one-way streets, and the proclaiming of a one-way street leads to a reduction in the value of properties in that street.

The Minister for Railways: Would you advocate removing the trams from those streets?

Mr. SAMPSON: I would advocate a more modern method of transport and I venture the opinion that if the Government had not been responsible for the carrying of passengers in the metropolis there would by this time have been a definite move towards a change in the direction of modernising the system.

Mr. Cross: Would you scrap a million pounds worth of assets in one hit?

Mr. SAMPSON: I would be prepared to scrap the hon. member. I cannot understand an hon. member who is usually quite fair taking such a biased view.

Mr. SPEAKER: Order!

Mr. Cross: Who is biased? You speak for yourself.

Mr. SAMPSON: Well, the hon. member has taken a bleak view. I am not in favour of the Bill.

MR. HUGHES (East Perth) [8.19]: The member for Canning (Mr. Cross) has lost sight of the most important factor connected with the £6,000 a year. He has probably forgotten that the people of South Perth and the outer suburbs pay about one-third of the fares paid by the people in the city.

Mr. Mann: He forgot that all right.

Mr. HUGHES: If we go from the Town Hall to Chelmsford road—three-quarters of a mile—it costs 3d. but we can travel about three times that distance to South Perth for 4d.

Mr. Cross: There is a live member in that district.

Mr. Sampson: I have heard him described in other terms.

Mr. HUGHES: If the people who live in the City of Perth receive £6,000 back through the municipal rates, they pay much more than that in extra fares as compared with what is paid by other people. If we had a uniform system, the people of East Perth

and North Perth would pay 2d. and 1d. for services for which they now pay 3d. and 2d. Striking a general average I think we can say that the people who live in North Perth, East Perth and West Perth pay twice the fare paid by people living in any other suburb.

The Premier: That is quite wrong. Nobody in West Perth pays more than a 2d. fare.

Mr. HUGHES: That is not so.

The Premier: Tell me where they do?

Mr. HUGHES: Can one travel to Perth from a point a mile from the Town Hall for 2d.

The Premier: Yes, from Thomas-street.

Mr. HUGHES: And beyond Thomas-street, what is the fare?

The Premier: Beyond Thomas-street is Subiaco, not West Perth.

Mr. HUGHES: And for a journey from a point west of Thomas-street the fare is 3d. Take the same distance from the Town Hall going east.

Mr. Cross: For that the fare is 2d.

Mr. HUGHES: One cannot travel to the car barn for 2d.

The Premier: Yes, you can.

Mr. HUGHES: And one may travel three times that distance for 4d.

Mr. J. Hegney: Obviously you have not paid a tram fare for a long time.

The Premier: Out of four tries, you have been wrong three times.

Mr. HUGHES: What is the fare from the Town Hall to Chelmsford-road?

Mr. SPEAKER: The hon. member had better address the Chair and not ask questions of other members.

Mr. HUGHES: From the Town Hall to Chelmsford-road the fare is 3d., and from the Town Hall to Bulwer-street it is 2d. How many times that distance can one travel on the South Perth route for 4d.? One can travel four or five times the distance for twice the 2d. fare. But what do we find the people of South Perth doing? They patronise the privately-owned buses.

Mr. Cross: Wait until we get trolley buses and you will see what the people will do.

Mr. HUGHES: If the Government spends money on a trolley bus service to South Perth, some guarantee should first be obtained from the residents to use them. The Government vehicles should not be allowed to run empty while people ride in privately-owned buses.

The Premier: Like the people at Claremont do.

Mr. HUGHES: People who live in North Perth, East Perth and West Perth, as well as those living in the city itself, pay on the average twice the tram fare that anyone else pays. If we checked up all the mileage rates—

Mr. Cross: You would be wrong.

The Premier: That is so.

Mr. Cross: I have checked them up.

Mr. SPEAKER: Order!

Mr. HUGHES: I do not think I am wrong. I do not suppose the member for Canning knows how far one may travel on the South Perth route for 4d.

Mr. Cross: I know as much about tram fares as does anyone in Perth.

Mr. SPEAKER: Order!

Mr. HUGHES: I think the sum involved is about £6,000, and I point out that apart from the contractual obligations of the Government to the Perth City Council this sum represents about one two-thousandth part of the revenue of the Government. I cannot see that that will make very much difference to the Treasury.

The Premier: If you were Treasurer, you would know that every hundred makes a difference.

Mr. HUGHES: Compared with the total revenue of the State, I cannot see that £6,000 is a big item.

The Premier: You know the maxim that many mickles mak' a muckle.

Mr. HUGHES: In any event, why this constant onslaught upon the metropolitan area? Why this repeated desire to take something from the metropolis?

The Premier: Well, we have a drought on and we have a war on, and that puts the Government in financial difficulties. You should be awake to those facts.

Mr. HUGHES: But the Government was in financial difficulties before the war of 1914-18. If the Premier looks up the financial returns, he will find that in a period of 40 years, we have had a balanced budget on only four or five occasions. I do not think we can attribute to Hitler the deficits of 1902 and 1903.

Hon. W. D. Johnson: It would have been wrong to deprive the City Council of the 3 per cent. before 1939, but the provision for paying the 3 per cent. has now expired.

Mr. HUGHES: Why would it have been wrong to take it away in 1939?

Hon. W. D. Johnson: Because—

Mr. SPEAKER: The member for Guildford-Midland must keep order and the member for East Perth must address the Chair.

Mr. HUGHES: If any unreasonable payment was being made to the municipality, there was no reason why it should not have been taken away before 1939. The Act of 1912 states that the payment shall continue till 1939 and thereafter until Parliament otherwise determines, but that could not have prevented Parliament from stopping the payments in 1926. Nothing that we can put in an Act of Parliament can bind a future Parliament.

The Premier: But if you make a contract, you carry it out.

Mr. HUGHES: A contract was made, and a provision of it is that the payment shall continue until Parliament otherwise determines.

Mr. McDonald: The City Council did not agree to that.

Mr. HUGHES: The City Council had no choice in the matter.

Mr. Patrick: The City Council does not appear to have opposed the sale to the Government in 1912.

Mr. HUGHES: The City Council had no choice in the matter because a dominant power was held over it. If the City Council had had its way, the provision for these payments would have been indefinite and the year 1939 would not have been mentioned.

The Premier: There was no dominant power, according to the member for Nedlands.

Mr. HUGHES: The Perth City Council agreed, as many people would agree, when a dominant power threatened to take something. In such a case there is no contractual consensus. One party has the right to say that such a thing will be done.

The Premier: The member for Nedlands said that the City Council could have gone to the court and got an injunction.

Mr. SPEAKER: The Premier will have an opportunity to speak later. I ask him to keep order now.

Mr. HUGHES: The member for Nedlands did not say anything about 1939. He said that if the company had attempted to

sell the enterprise to the Government or any-the spending power of the Perth City Council will be reduced by £6,000 per annum.

Mr. Patrick: Why did not the Perth City Council do so?

Mr. HUGHES: In that statement, the member for Nedlands is quite right, notwithstanding the boggy that has been dragged out about the Privy Council. I venture to say that had there been a dispute with the company, the matter would never have been taken to the Privy Council, because the Privy Council would not have heard it.

Mr. McDonald: I have been trying for 25 years to get before the Privy Council and have not got there yet.

Mr. HUGHES: The agreement is quite plain. When the Government decided to step in and take over the trams, it could have passed legislation absolutely abrogating the rights of the City Council, Privy Council or no Privy Council. Parliament could have decided to cancel all the rights of the City Council against the Government when the Government became the assignee. The City Council and the Government were not bargaining on equal terms. There was no contract. The municipality was not in a position to say to the Government, "If you do not do so-and-so, we will not do so-and-so." The City Council knew that the Government could get legislation passed abrogating its right. Therefore the council had to negotiate on the basis of taking whatever crumbs fell from the Government's table. In those circumstances, how can it be said that the City Council agreed to the provision for these payments till the year 1939? What the City Council got was probably the best obtainable in its disadvantageous position. I think this Bill will meet the fate of another measure mentioned during the debate, but suppose it becomes law and the £6,000 is withheld from the City Council, it will merely mean that the council will have £6,000 less to spend on road construction, and this will throw upon the Government the responsibility of finding work for men deprived of their livelihood as a result of the loss of the £6,000. Those electors of South Perth who most require the care of the member for Canning (Mr. Cross) will find themselves in need of work. More unemployed will be thrown on the market in the metropolitan area, because

Mr. Cross: The £6,000 could be used to good advantage in providing a better service for South Perth.

Mr. HUGHES: What guarantee is there that that would be done? I had a half promise from the member for Guildford-Midland (Hon. W. D. Johnson) that the money would be spent on two schools in East Perth, but so far nothing has come of it. I do not suppose one penny will be spent there.

Mr. Withers: I hope the money will be spent in the country.

Mr. HUGHES: It would be an easy matter to lay out £6,000 on the schools in East Perth, and to get the money by cutting out some of the useless education that is taught in higher institutions.

Mr. SPEAKER: The hon. member is getting away from the Bill.

Mr. HUGHES: We cannot allow £6,000 to lie about. If that money is taken from the municipality it will have that much less to spend in providing work. Men will therefore be thrown back upon the Government, which will be expected to provide employment for them, when they will doubtless come in for a share of such relief work as is available. This is the worst example of the vicious circle that could be found, and does not provide any solution of our problems. Those problems will never be solved unless they are tackled in a more business-like manner. The member for Canning said that the people of South Perth were paying something towards the metropolitan area generally.

Mr. Cross: So they are.

Mr. HUGHES: I do not think so. Long before passengers on the South Perth trams reach the boundary of the City of Perth they have had a full mileage for their money. From then on they are riding for nothing. They pay 4d. from away out beyond the Zoo, and by the time they reach the Causeway they have had their money's worth.

The Premier: You should brush up your knowledge. The fare is only 4d. to the Zoo.

Mr. HUGHES: How far is it from the Zoo to the western end of the Causeway?

Mr. Cross: Do not you know that?

Mr. HUGHES: I do. It is at least three times as far from the western end of the Causeway to the Town Hall as it is from

that end of the Causeway to the Zoo. I should not be surprised if it were five times as far.

Mr. Cross: You do not know the distance between the Causeway and the Town Hall.

Mr. HUGHES: I have walked it often enough to know. The Government does not pay the City Council anything on the money earned by the South Perth trams. The Act of 1912 provides that it shall pay 3 per cent. only on the gross profits made by the tramways in existence at that time. The particulars are set out in the schedule. The line to South Perth was not then built. None of the extensions that have been made since 1912 comes within the provisions to which I have referred.

The Premier: Why should the Government pay on the earnings of the extensions?

Mr. HUGHES: The fact that the Government does not pay 3 per cent. on the gross profits of the trams running in South Perth may be due to the somnolence of the Parliamentary representative.

Mr. Cross: We prefer cheap fares and a good service.

Mr. HUGHES: Then the hon. member recognises that his district does derive great advantage from the charging of cheap fares. South Perth would prefer cheap fares and forgo the 3 per cent. to having dear fares plus the 3 per cent. If the people of that district paid the same fare rate as is paid by other people, the Government could well afford to give the local authority 3 per cent. of the gross earnings, but as they already enjoy cheap fares the people there cannot have it both ways.

The Premier: That has nothing to do with the Bill.

Mr. HUGHES: It has. The fact is that the trams are not paying.

The Premier: It is a matter of justice.

Mr. HUGHES: Justice is an elastic term. It is justice that every user of the trams should pay the same rate per mile for the services received.

The Premier: So he does approximately.

Mr. HUGHES: Those districts that have had tramway extensions since 1912 have been able to get cheap fares. When the tramways were extended to South Perth the value of land adjoining the route immediately increased. Not only was that so in close proximity to the trams but was so further away.

Mr. J. Hegney: Why did the land become more valuable?

Mr. HUGHES: Because the tramway service gave the people better transport facilities.

Mr. J. Hegney: The people themselves created the value.

Mr. HUGHES: When the extension was made people went to live in South Perth and land went up considerably in value. As a result of that dwellers in the district had to pay increased rates. What we want is a scientific system of transport. When the Government extends its transport facilities to a suburb it should see that land values are co-ordinated to conform to those facilities.

Mr. SPEAKER: Will the hon. member connect his remarks with the Bill?

Mr. HUGHES: The Government would not then be worrying about such a drop in the ocean as £6,000. It would not be thinking more or less of terminating a contract that was entered into.

Hon. W. D. Johnson: "More or less" is good.

Mr. HUGHES: There was inequality at the time when it was entered into. Why terminate it because successive Governments have refused to recognise the fact that transport facilities increase the value of land, which increase belongs to the people and not to private owners? I hope the Bill will be defeated. I fail to understand the sudden desire to grab every few pence that can be grabbed from the city people.

Hon. W. D. Johnson: Social services must be maintained.

Mr. HUGHES: All right. What about our municipal services? Are not they social services?

Hon. W. D. Johnson: No.

Mr. HUGHES: What kind of services are they?

Hon. W. D. Johnson: They are municipal services, and not social services under the State.

Mr. HUGHES: Here is a new definition of social services. Is a social service no longer a social service when it is performed on a communal basis by a municipality or other local authority?

Mr. SPEAKER: The Bill contains nothing about social services.

Mr. HUGHES: Surely, Mr. Speaker, the trams are a social service.

Mr. SPEAKER: There is nothing about social services in this Bill.

Mr. HUGHES: What can we get in exchange for the £6,000? What is it proposed to give in place of that? It is time metropolitan members became a little parochial, too.

Mr. Withers: A little bit more parochial.

Mr. HUGHES: No. I think metropolitan members can claim that they are the non-parochial section of the House. They are not found voting against things needed by the rural and mining districts.

Mr. Withers: I would not say that for another place during this last week.

Mr. HUGHES: Metropolitan members take the broader view, and recognise that if a thing is for the advantage of the State it must be supported. On this occasion, though, it is time for the worm to turn. It is time that metropolitan members declared, "We too are going to be a little bit parochial." In my opinion there is no justification in the claim more or less to repudiate a contract entered into with the Perth City Council on unequal terms in 1912. If the terms had been equal, the position would not be so bad. But, dominated by a superior power in 1912, the City Council had to make the best bargain it could in the circumstances. Now Parliament is to declare, "We used the big stick on that occasion, and we will use the big stick again on this occasion." I consider that to be most unjust and highly improper, and I hope the Bill will be defeated—if not here, then somewhere else.

[The Deputy Speaker took the Chair.]

THE PREMIER (Hon. J. C. Willcock—Geraldton) [8.45]: I do not mind the member for East Perth (Mr. Hughes) standing up for city parochial interests. I should say that is his job. But it came somewhat as a surprise and a shock to me to hear the Country Party, whose very existence, whose very justification for seeking representation in the Parliament of this State, is based upon protection of country interests against city interests, demanding that the latter interests shall get all the cream.

Mr. Patrick: This is not a party measure.

The PREMIER: No; but that is how the Leader of the Country Party expressed himself. Last time the hon. gentleman discussed a similar Bill here, he did show some fair-

ness and some idea of taking the view that one would expect a representative of his type to take. Therefore I say that I got a shock when the Leader of the Opposition discussed this measure. I sat up and took notice.

Mr. Doney: Do you think his attitude is unfair merely because he opposes the Bill?

The PREMIER: No; but it was a shock that he adopted such an attitude on the measure. The justification for this Bill, and also for other Bills, is that the State of Western Australia is not in a good position financially. We have made a compact with the Federal Government that so far as we possibly can we will get on without a deficit. While undertaking that obligation, we are suffering from adverse climatic conditions in the agricultural and pastoral industries; and those conditions have affected both the economic and financial position. Unless the Government takes some steps to ameliorate the financial position, we shall find that all assurances given to the Federal Government in regard to having as low a deficit as possible in the circumstances are void, owing to adverse climatic conditions and the hostility of certain sections of this Parliament. We shall have to state that those two factors prevent us from observing our assurance that this Government is anxious to do everything possible to carry out its obligations to the Federal Government. We have to look around for things that are not equitable in connection with the financial relationship between the Government and the local authorities. Some members appear to think that the interests of local authorities are a long, long way superior to the interests of the State.

Hon. C. G. Latham: Surely they are equal, are they not?

The PREMIER: No.

Mr. Abbott: They should be specially taxed.

The PREMIER: No. They should receive special consideration for a particular time, and at the expiration of that period Parliament should have the right to review the arrangement. What is the position with regard to the three per cent.? Parliament at the time, as the member for Guildford-Midland (Hon. W. D. Johnson) has said, was in doubt whether to continue the three per cent. arrangement or not. Some mem-

bers of Parliament at that stage thought the City Council was entitled to some compensation.

Hon. C. G. Latham: It was included in the Bill.

The PREMIER: By the Legislative Council; not by the Government of the day. The whole matter, according to my reading, was finished up on the last or second last day of the session, and thus the Bill did not receive that full consideration which it should have had on being returned to this Chamber.

Hon. C. G. Latham: The Government accepted the condition rather than lose the Bill.

The PREMIER: The Government accepted the condition because it was the last night of the session. It was allowed to go through without having received proper consideration. The position was that the Government and members of this House thought it would be right and proper and just at that stage to terminate the three per cent. arrangement. However, because some members of another place thought that the Perth City Council was entitled to some consideration, we said, "We will let the arrangement go on for a year or two, until the City Council has got something out of it. Then, when Parliament thinks fit, when it considers that sufficient compensation has been received by the City Council for the loss of supposed rights which would not have been much good to that body"—as members will ascertain on reading the debate—"Parliament can declare that sufficient compensation has been paid to the City Council for its supposed rights and that the time has arrived when the Legislature is entitled to review the position." That situation has persisted until now. It has happened many times that when people have certain rights Parliament has said, "You have certain rights, and we will compensate you for them by making a payment for a specified number of years."

In this instance, as applied also in the case referred to by the member for Nedlands (Hon. N. Keenan) regarding the Federal Constitution and the Braddon blot, the payment was to continue for a period until Parliament otherwise decided. With regard to the Braddon blot, the period was ten years, and the operation of that particular provision did not extend beyond that period. As I have indicated, Parliament in this State

dealt with the amending legislation in the dying hours of the session. The Upper House considered that the City Council was entitled to some compensation, but agreed that a future Parliament should be allowed to determine how long the payments should continue. The Government, in order to secure the passage of the Bill, agreed to that proposal. The payment has gone on for years until now we find that the State has paid to the City Council between £160,000 and £170,000. Then Parliament absolutely abrogated that right. The member for Nedlands has referred to Parliament's action in 1912. At that stage it was determined that the payment should be terminated and thereafter any new tramway could be built under an Executive Council Order signed by the Governor, and no liability attached for the payment of the three per cent. to any local authority. That happened 30 years ago. Now because at this stage, after nearly £170,000 has been paid by the Government as compensation to the City Council, the Government seeks to rectify the position in accordance with what Parliament in 1912 considered was fair and just, there is talk about repudiation of a contract. The action proposed constitutes nothing of the kind. The Tramway Department undertakes the responsibility to maintain half the width of a road through the metropolitan-suburban areas where double lines exist. Hay-street is the most valuable thoroughfare in the State and carries the greatest volume of traffic, yet half the construction and maintenance cost of that street is borne by the Tramway Department. Everyone has the right to make use of those portions that the department maintains. The position is similar regarding Murray-street.

Mr. Hughes: People can use those streets when they are not being dug up.

The PREMIER: That does not happen very often. Hay-street was reconstructed seven or eight years ago, and it has not been interfered with since. That represents a tremendous convenience, not only to the rate-payers of Perth, but to everyone else who makes use of the roads. Yet it is said that the Government is not standing up to its obligations. The member for Nedlands expressed doubt as to whether the City Council was an affluent body. I say it is a most affluent body. Ten years ago it had an indebtedness of about £1,700,000. At that stage the State was suffering severely from

unemployment troubles, and yet the City Council was able to proceed at a most rapid rate to reduce its indebtedness, with the result that it was lowered by £500,000 or so in seven or eight years.

Hon. N. Keenan: By means of a sinking fund.

The PREMIER: By direct contributions. The Leader of the Opposition was a member of the Government in those days and well knows that people from one end of the State to the other clamoured that the Government was responsible for finding work for the people. Quite rightly the Government spent all the money it could make available or borrow in finding employment for the people. Nevertheless at that particular time when the people were in the throes of the greatest financial crisis in the history of the State, this affluent, opulent City Council instead of spending money to provide employment, taxed the ratepayers more heavily to assist in paying off portion of the municipal indebtedness.

Mr. Hughes: The council had no choice.

The PREMIER: The council could have raised more money. However, I am dealing with the point as to whether the City Council is an affluent body. I want to know who contributed towards the progress and prosperity of the city and to the increased rateable values.

Mr. J. Hegney: The people in the outer suburban areas.

Mr. Withers: And the people in the country.

The PREMIER: That may be so, but the progressive policy adopted by successive Governments in providing extended tramway services resulted in building up the rateable values throughout the city and what is now known as Greater Perth. By that means, Governments increased the municipal rateable values four and five fold. Take the position regarding Wembley. I was Minister in charge of the tramways when the line was extended to that area. There was much public agitation. The Minister for Works was the member for the district, and deputation after deputation waited upon me to urge the construction of the line. I went out to the area and I counted 60 houses from St. John of God Hospital outwards. The value of land there was from £30 to £40 a block. No rental value attached to them at all, because no houses were built on those

blocks. Within four or five years of the construction of the line, there were between 800 and 1,000 houses there. What enabled the City Council to open up Floreat Park and convert it into a residential area? What enabled the City Council to dispose of blocks there and secure rates in consequence? Nothing but the enterprise of the Government in carrying out the tramway extension. Now the Government is told that it is unjust.

Hon. C. G. Latham: Are you referring to Floreat Park?

The PREMIER: Yes.

Hon. C. G. Latham: But the trolley buses operate there.

The PREMIER: That was after the land was sold.

Hon. C. G. Latham: Very few of the blocks were sold then.

The PREMIER: Hundreds of blocks were sold later. The hon. member knows nothing about it.

Mr. Hughes: That is correct. The blocks were then three or four times their pre-tram value.

The PREMIER: I know the suburb, what sales took place there, what the values were and what they were after the buses went there. I bought blocks there.

Hon. C. G. Latham: You had to pay more on re-sales.

The PREMIER: The first blocks were sold at from £60 to £70, which represented the highest figures obtained. After the tramway and bus facilities were provided, upwards of £200 was added to the value of the blocks. I know the position because I wanted to buy blocks there for two of my daughters who were recently married. I was directly concerned in what went on there and so I know what happened. Since the trolley buses have been operating, three or four more land sales have been conducted farther afield. We know what the rateable values were and what they are now. We know how they have increased and yet we are told that the Government is taking something away from the City Council. The Government has increased rateable values to the extent of hundreds of thousands of pounds, from all of which the City Council has derived benefit. Who carried out the reclamation work along the river foreshore and made a present of it to the City of Perth, making available large areas of most valuable land and adding to the attractions of the city?

Mr. Hughes: Prince Louis!

The PREMIER: The Government was responsible for doing that and for adding vastly to the rateable values of city property. Who provided added amenities regarding water supplies and sewerage? The Government. Because of those actions, the rateable values of the City of Perth have been greatly increased to the benefit of the City Council.

Hon. C. G. Latham: Private individuals would have done that as a business proposition.

The PREMIER: I am directing attention to the fact that the Government did these things.

Several members interjected.

The DEPUTY SPEAKER: I must ask hon. members to cease cross firing and to maintain order.

The PREMIER: When a superior body like the Government delegates powers to a subordinate body, that subordinate body cannot be regarded in consequence as superior to the Administration. That is never done. The Government does too much in the way of developmental work at its own cost. It made an eminently fair proposal to the City of Perth. It said, "We hesitate about continuing the three per cent. payment and cannot make up our minds how long it should continue; we will pay it and let some future Parliament decide when you have received adequate compensation." This principle was laid down 30 years ago. No tramline which has been constructed in the metropolitan area since then is under an obligation to contribute to that three per cent. payment. The Government can now run trams anywhere without incurring that liability. If it was right for Parliament 30 years ago to adopt the attitude which I have mentioned, if that was fair and reasonable then, what is wrong about Parliament at this stage deciding to discontinue the three per cent. payment? Surely, after the State has made this payment for practically 30 years, it has to some extent met the obligations of the company. The relationship of a private company to a public authority is entirely different from the relationship of a public authority to the Government. Had the Government constructed the trams in the first place, there would have been no question of a three per cent. payment. I admit the City of Perth had every right to enter into the contract

with the private company; but a capitalistic company seeks only profit. The Government does not adopt that attitude with regard to transport services for the people. Its desire is to give the people as cheap a service as possible. Compared with other tramway systems under private control, the Government is giving excellent service at a cheap rate. As a matter of fact, when the private company was operating the tramway system, the fare to Loftus-street was 3d., to Bulwer-street 3d., and to many other points it was also 3d. Wages were then about 7s. 6d. per day. I came to Western Australia over 40 years ago and worked for that rate. Wages have increased by 100 per cent. since that time, but the fares have not increased. They have remained stationary.

Mr. Sampson interjected.

The PREMIER: Now we have the champion of local authorities! I never saw a man with less responsibility to the State and greater responsibility to local authorities. If one touches a local authority, even with one's finger, he backs up as if a snake had bitten him.

Mr. Sampson: No.

The PREMIER: The hon. member has a tremendous regard for local authorities. I hope that now he is growing old and getting wisdom he will acquire a bigger sense of responsibility and learn that statesmanship should have some place in his make-up. I hope he will abandon his narrow parochial local-authority point of view.

Mr. Sampson: If you have no case, abuse the other side!

The PREMIER: Should the Minister for Works happen to be dealing with local authorities, the hon. member glances up and is all attention. He is sitting with his hair standing up like a cat's when it is attacked.

Hon. C. G. Latham: A very good representation!

The PREMIER: Members of this House should take a wide view.

Hon. C. G. Latham: And always agree with the Government.

The PREMIER: No. I do not expect hon. members always to agree with the Government; they have their point of view which, according to their standards, is right. But when it comes to a question of the interest of the State as against that of a local authority, the viewpoint of the State should be entertained rather than that

of the local authority. We should take a bigger view. Local authorities, compared with the Government, are circumscribed in their activities. We should appreciate the relative importance of a local authority. I have never decried the work done by those authorities. I well know it is carried out by men working in an honorary capacity. Those authorities are doing excellent work for the people of the State, but it must be borne in mind that they have received considerable assistance from the Government.

Member: Are you not exploiting them?

The PREMIER: No. I am surprised at the attitude of some hon. members. For a long time they have in this House taken the point of view of local authorities. As I said, the Government has given tremendous assistance to local authorities. That is well known to Country Party members and to all people who live in our outback districts. They know what the Government has done in the way of providing water supplies and carrying out other public works. Cannot we occasionally make an adjustment with a local authority in order to secure a little more revenue? I am pestered with requests from importunate people for this or that social service. The member for Subiaco asks for milk.

Hon. C. G. Latham: The member for Subiaco does not get it from the Government.

The PREMIER: The hon. member gets all that the State can afford. I do not object to such requests, but I must reply that I cannot accede to them. Since I have been Treasurer I have been waiting for the time to come when our industries will again become normal. I think I had better vacate the position of Premier. There has been a drought each year since I have been in that office.

Hon. C. G. Latham: You cannot be blamed for the drought.

The PREMIER: We have passed through years of extreme financial difficulty. The only year since I have been in office that wheat was at a high price, we experienced the worst drought we had had for 30 years. Our yield was 19,000,000 bushels. The Government has been saving and cheese-paring year by year, but it cannot continue to do so.

Hon. C. G. Latham: Your revenue is increasing each year.

The PREMIER: And so are our responsibilities. Probably the hon. member's farm has become an increasing burden on him during the past few years. No one regrets more than I do the unfortunate position in which so many of our agriculturists are placed. I do my best to help them. The State has helped the industry to a considerable extent over the last few years. Yet when we desire to make an adjustment with a local authority, which has had a fair deal from the Government, we are met—as I said—by a narrow parochial view. The time has arrived for members to take a State-wide view. We do not seek to get money out of the people for no return. Every penny of revenue that the Government receives is spent wisely and judiciously. I have not had any criticism of governmental expenditure from members of the House. The Government has not been accused of wasting money.

[The Speaker took the Chair.]

Mr. Doney: Is the local government view necessarily a narrow one?

The PREMIER: No, but it should not prevail as against the interests of the State. I take off my hat to local authorities, who have proved to be of tremendous value to the State. I know what they do and have never referred disparagingly to their work; but they have a sphere and we have a sphere, and from the standpoint of the whole population of Western Australia, the sphere of governmental activities is far more important than the sphere of local activities. I think that for one particular occasion that might be termed a red-letter day the House should have regard to the State standpoint as against that of the local authorities; that it should take a big instead of a comparatively small view of the situation. The proposal in the Bill is eminently fair, and is in accord with what Parliament intended 30 years ago when it laid down that the 3 per cent. payment should no longer be levied on the Government in connection with the running of trams.

Mr. Seward: What about New Zealand?

The PREMIER: Well, what about it?

Mr. Seward: Government instrumentalities are taxed in New Zealand.

The PREMIER: They may be; I do not know the New Zealand system of finance, but I suppose they make it up in some other way.

The Minister for Works: They do.

The PREMIER: The Minister for Works was in New Zealand three or four years ago and could tell us what prevails there. I have not been to New Zealand, but I suppose a fair and equitable adjustment is made. I consider that this is a reasonable proposition. We are submitting it 30 years after Parliament deliberately wiped out any 3 per cent. payments for ever, so far as Parliament was concerned. It gave a right to this Parliament to alter the present procedure, when it thought fit, that is to say, when it was considered that a reasonable amount of compensation had been paid to the City Council for any rights that existed. We have reached the stage when the State is in a parlous financial condition, when the climatic conditions have been adverse and when we are in the throes of a war and have been asked to conserve every possible pound we can and not to incur any heavy deficit. It has been my desire to keep our deficit as low as possible, and with that end in view, two or three definite proposals have been submitted that would not affect anyone to any great degree, but would considerably help the State's finances. Those proposals have been ignominiously defeated in Parliament, and that is not much encouragement to a Treasurer to try to undertake a financial responsibility. It is not encouraging for him to have his financial proposals rejected in this way.

Mr. Doney: Are you anticipating the defeat of this measure?

Mr. SPEAKER: Order!

The PREMIER: In view of the opposition which has been displayed to it and unless something favourable is said, I am anticipating its defeat.

Hon. C. G. Latham: You have had a fair amount of support.

The PREMIER: I was very disappointed and shocked that I did not have the hon. member's support.

Hon. C. G. Latham: Your Minister absolutely upset me.

The PREMIER: I hope that my remarks have brought the hon. member back to some sense of responsibility. I consider the measure is just, fair and reasonable, and I hope the second reading will be agreed to.

MR. J. HEGNEY (Middle Swan) [9.14]: I intend to support the Bill because I consider its passage essential. Members representing metropolitan constituencies have said that this money will matter very little, that it is only a flea-bite, and is of no concern to outlying districts. The question of school grounds has been raised. I know that last year the Treasurer allocated £2,000 to be spent on improving school grounds, not only in the metropolitan area, but in the country districts also. If the £6,000 paid out under the Tramways Purchase Act were available to the State, he could do a good deal more to improve school grounds. I know that the member for Subiaco, the member for Nedlands and the member for Claremont have schools in their electorates needing improvements.

Mr. McDonald: West Perth, too.

Mr. J. HEGNEY: Each electorate wants funds, but they are not available. The member for Guildford-Midland has pointed out that if the Government could retain this money, and had the £75,000 it was hoped to obtain from the traffic fees, £81,000 would be available for use in much better directions than those in which it is at present being used. Social services in this State are being starved. Particularly does that apply to education and improvements to school grounds. The reason is that the Treasurer has no money for these purposes.

Mr. Patrick: You ought to get up a working bee as they do in the bush.

Mr. J. HEGNEY: The hon. member ought to get some working bees together from amongst his farmer friends.

Hon. C. G. Latham: They build their own schools in the country.

Mr. J. HEGNEY: The member for East Perth (Mr. Hughes) was a protagonist of the broad viewpoint. He pointed out that he always took the broad view and that we should not be parochial. Most metropolitan members take the broad view when voting on problems affecting the State as a whole.

Mr. Hughes: Except in respect of school grounds.

Mr. J. HEGNEY: I am not parochial, even in that direction. I realise that the child in the backblocks is entitled to equal consideration with the child in the metropolitan area. I do not want prior rights for my electorate over any other electorate. If this money were made available to revenue the Treasurer could allocate further sums to

meet the requirements in many areas, and there would be fewer complaints. The member for East Perth spoke about the high fares charged in city areas as against those in the outer metropolitan areas. Fares in the outer districts should be lower because that encourages people to settle in those districts where rents are lower and so the suburbs are developed. People should be encouraged to get away from the stuffiness of the city into the healthier atmosphere of the suburbs. The member for Swan (Mr. Sampson) advanced the argument that the noise of the trams had retarded the value of property in the city. He also referred to the taking up of one of the lines in Hay-street. I was a lad when that line was taken up, and I remember that the whole of Perth was up in arms. However, the line was removed from Hay-street and put down in Murray-street, and as a result, the values of property in Murray-street increased immeasurably. In those days Chinamen were still occupying premises in Murray-street and it was not safe to visit that portion of the city. Regarding my own electorate, there is no doubt that the Beaufort-street tram service is one of the best paying propositions in the State. Apart from the Subiaco service I suppose it is the most payable we have. The tram fare is not too high, and, as a result, people have been induced to go further out, and there has been increased building activity. Moreover, the fact that the trams run out to these areas has led to increased business in the city. From time to time big city emporiums provide free tram rides—and train rides too—for purchasers living in the outer areas, and the fact that people are thus able to come to the city to make their purchases has meant an increase in the value of city property. To appropriate the £6,000 for the State revenue would be only fair. As the Premier pointed out, the interests of the State must be paramount, even though the other body concerned is the Perth City Council. The member for Subiaco (Mrs. Cardell-Oliver) referred to our rattletrap trams. I remind her, however, that a million pounds of capital is involved in the system and that it has given Perth good service. I doubt whether a large fleet of trolley buses would be able to cope with the demands at peak hours. Certainly the petrol buses cannot do it. The time has not arrived when the tramway system can be abolished. To talk about scrapping it would be ridiculous as the State is

too impoverished to be able to write off such a large sum. The Government requires more revenue for social services. From time to time I have tried to convince the department of the need for providing improved playgrounds in my electorate, and I am only one of 50 members. I know what improvements could be effected, but if the State has not the revenue, work of that sort cannot be carried out. Under the 1912 Act the City Council has benefited considerably. Members opposite have not convinced me that the Bill should not be passed and I intend to support it.

THE MINISTER FOR RAILWAYS

(Hon. E. Nulsen—Kanowna—in reply) [9.22]: I have not heard one argument from the other side of the House to justify the continuance of this payment to the municipalities.

Mr. Thorn: Then you could not have been listening.

The MINISTER FOR RAILWAYS: I listened patiently to all that was said and have tried to be just and impartial in my attitude to members' criticism. The Leader of the Opposition did not offer any argument at all. It seemed to me that he was prejudiced against what I had said when moving the second reading, and I was very disappointed at his speech. Last session he appreciated the position and showed that he was alive to the interests of the people he represents. This year he has changed his attitude. Why, I do not know.

Mr. Watts: He told you why.

The MINISTER FOR RAILWAYS: Whether he intends sooner or later to stand for a constituency in the city, I do not know.

Mr. Hughes: He is older and more mature.

The MINISTER FOR RAILWAYS: Doubtless he is older, and probably he has become more traditional and has forgotten that at one time he advocated decentralisation, whereas in his speech I could detect nothing but argument in favour of centralisation. I feel that the facts have been fully explained, especially since the Premier has made such a very good reply in justification of the Bill. I hope the £6,000 that now goes to the benefit of the interested councils will be made available to the Treasury by this House, and that the Bill will receive equally favourable consideration in another place. Should the second reading be taken to a

division, I do not think that even the Leader of the Opposition will vote against it.

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

Ayes	..	..	..	..	27
Noes	..	..	..	..	8
Majority for	..	..	..	..	19

AYES.	
Mr. Berry	Mr. Millington
Mr. Boyle	Mr. Needham
Mr. Cockerley	Mr. Nulsen
Mr. Cross	Mr. Panton
Mr. Doney	Mr. Patrick
Mr. Fox	Mr. Rodoreda
Mr. J. Hegney	Mr. Seward
Mr. W. Hegney	Mr. Triat
Mr. Hill	Mr. Warner
Mr. Holman	Mr. Watts
Mr. Johnson	Mr. Willcock
Mr. Leahy	Mr. Withers
Mr. Mann	Mr. Wilson
Mr. Marshall	

(Teller.)

NOES.	
Mr. Abbott	Mr. McDonald
Mrs. Cardell-Oliver	Mr. J. H. Smith
Mr. Hughes	Mr. Thorn
Mr. Keenan	Mr. Sampson

(Teller.)

Question thus passed.

Bill read a second time.

In Committee.

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

BILL—REGISTRATION OF FIRMS ACT AMENDMENT.

Second Reading.

Debate resumed from the 22nd October.

MR. WATTS (Katanning) [9.33]: I do not propose to take up much of the time of the House on the second reading of this Bill, for there is nothing objectionable in the principle of the measure. It merely seeks to prevent the use of certain firm names and of certain words in firm names, such as those relating to members of the Royal family, banking houses and other institutions of that nature and so on. In Committee I propose to have some discussion with the Minister as to one or two amendments I think should be made, of which I have already given him notice. So far as I can see the Bill is by no means objectionable and can safely be supported. I shall, therefore, vote for the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Marshall in the Chair; the Minister for Justice in charge of the Bill.

Clause 1—agreed to.

Clause 2—New section. Prohibition against use of certain firm names and of certain words in firm names:

Mr. WATTS: I question the necessity for paragraph (b), which prevents the use of the word "saving" or "savings" or the words "savings bank" or "savings institution" or "savings department" in the name of any registered firm. I would not do so in regard to the use of the words "savings bank" were it not that the use of the word "bank" is prevented by paragraph (c). If paragraph (b) were deleted, it would be impossible in any event to use the words "savings bank." I admit there is some objection to the use of the words "savings bank" in the name of any firm, because that phrase has a special meaning, but I see no reason to object to a registered firm having in its name some reference to "savings." I can imagine it being justifiably used by some firm that is carrying on the business of selling goods on time payment. I move an amendment—

That paragraph (b) be struck out.

People will still be able to use the word "saving" or "savings," but not the word "bank."

THE MINISTER FOR JUSTICE: I do not know what effect the amendment would have on the Bill, but I do know that there are firms who may wish to use the word "saving." If any objection is found to the amendment, the paragraph can be restored in another place.

Amendment put and passed.

Mr. WATTS: I move an amendment—

That in line 6 of paragraph (d) after the word "where" the words "the Registrar of Companies is satisfied that such firm or persons has ceased to carry on business for a period of not less than one year or where" be inserted.

The clause provides that no firm name shall be used which is identical with the firm name of a firm already registered under the Act or which, in the opinion of the Registrar of Companies, so nearly resembles that firm name as to be calculated to deceive, except where the firm is about to cease carrying on business and signifies its con-

sent in such manner as the registrar requires. The intention of the clause is, of course, that it does not matter if the suggested name resembles another name already registered, provided that the firm already registered is about to cease carrying on business and gives its consent to the similar name being registered by another firm. But the Registration of Companies Act contains no provision for the cancellation of registration of a firm name when the firm discontinues business. It is quite practicable that the firm may have gone out of business some time ago and that, as there is no need to acquaint the registrar, he may know nothing about the matter. As the Bill stands, in those circumstances the firm could not signify its consent, and it is not about to cease carrying on business, because it ceased some time ago. I doubt whether the firm name could then be used, although the firm had actually ceased to exist some time previously.

The MINISTER FOR JUSTICE: I have no objection to the amendment.

Amendment put and passed.

Mr. WATTS: I move an amendment—

That in the last line of paragraph (d) of Subsection (1) of proposed new Section 4A. the word "General" be struck out and the words "of Companies" inserted in lieu.

The "Registrar" under this Bill is the Registrar of Companies. This is probably an error in drafting or else a printer's error.

The MINISTER FOR JUSTICE: "Registrar General" appears to be a misprint for "Registrar of Companies."

Amendment put and passed.

Mr. WATTS: I move an amendment—

That subparagraph (i) of paragraph (c) of Subsection 1 of proposed new Section 4A. be struck out, with a view to the insertion of another subparagraph.

The subparagraph provides that no firm name shall be registered which is identical with that by which a company in existence is already registered under the Companies Act, 1893. It has been represented to me that foreign companies are not registered under that Act, but receive a certificate of compliance with the conditions imposed on foreign companies. In consequence, it is contended, arguments may arise that while a company registered as a Western Australian company, which can be strictly described as registered under the Companies

Act, would not have a firm with an identical name in competition with it, it is possible, as the subparagraph is now worded, that a foreign company, by the peculiar construction of the subparagraph, could have such a firm in opposition to it.

The MINISTER FOR JUSTICE: I have no objection to the amendment.

Amendment put and passed.

Mr. WATTS: I move an amendment—

That the following be inserted in lieu of the subparagraph struck out:—“(i) A company which is registered under (or has complied with Part 8 of) the Companies Act, 1893, is registered or known.”

The MINISTER FOR JUSTICE: There is no objection to this amendment.

Mr. McDONALD: I consider the amendment desirable for the reasons given by the member for Katanning; but I suggest that pending the Bill reaching the Legislative Council the Minister might give some consideration to the wording. The amendment might be better if its wording were “(i) A company in existence already registered under Part 2, or which has complied with the conditions of Part 8, of the Companies Act.” The legal advisers to the Crown will be able to decide.

Amendment put and passed.

Mr. HUGHES: I move an amendment—

That in line 3 of paragraph (f), after the word “firm”, the following be inserted:—“or the persons comprising any firm.”

I wonder whether the words “identity of any firm” in the paragraph are intended to mean the identities of the persons comprising the firm. A good deal of deception is practised under this particular Act. For instance, a man who takes his motor car to Brown & Smith, may not know that those people have sold out and the firm's name should then be Jones & Robertson. Many people deal with a firm under the impression that it is registered, and that those who are in the firm are the registered persons. The paragraph as it stands may be misleading to the public. Does it refer to the identity of the firm or to the persons comprising the firm.

Mr. Doney: What else could it mean?

Mr. HUGHES: I suggest it could mean much else.

Mr. McDONALD: I am disposed to leave the paragraph as it is. I do not know where the amendment would lead us, or what re-

sponsibilities might be cast upon the Registrar of Companies if we agreed to it. A firm may have been in existence for many years under the style of Brown & Smith. The firm may have changed in personnel, but the retention of the old name may be of the utmost importance. The new partners may have paid a large sum of money to secure the retention of the old name of the firm.

The Premier: That applies particularly in the legal profession.

Mr. McDONALD: That is so.

The Premier: Even judges' names are still retained in firms' names.

Mr. McDONALD: Yes.

Mr. Hughes: With the result that people are deceived.

The Premier: No, but people regard the names as those of those old established firms.

Mr. Hughes: But the people are deceived nevertheless.

Mr. McDONALD: I do not think there is much deceit involved.

The Premier: Perhaps it is unfair to the younger members of the profession.

Mr. Hughes: I think they get their fair share of the work.

Mr. McDONALD: I oppose the amendment because I do not care to cast upon the Registrar of Companies a responsibility the extent of which I do not know.

Mr. HUGHES: The reference to legal firms provides a very strong argument in favour of the amendment. I regard it as quite improper for any legal firm to trade under a name that includes that of a judge on the Bench. Many people think there is some connection between the judge and the firm. Frequently such a firm becomes inferior in its personnel because of the purchase of a business with the retention of the old established firm-name. The same trouble has been very pronounced in the motor trade. I have known of instances where mechanics have purchased a business with the right to trade under the old name, yet those mechanics knew little about motor cars and their work resulted in damage to vehicles. A fundamental should be that people shall know exactly with whom they are trading. If the paragraph means that people will not be able to use the name of a firm under conditions likely to mislead the public as to the identity of the persons comprising the firm, my objection will be met. I am not sure that that interpretation will be placed

on it. I reiterate my objection to the practice of legal firms being conducted with the retention of the name of one partner who has been elevated to the Bench. It merely misleads the public.

The Premier: Some people will go to an old-established firm with such a name because it has looked after the family business for years.

Mr. HUGHES: I have heard people say that they would go to such-and-such a firm because they had known so-and-so who was now a judge, and he was a member of the firm.

The Premier: It is more likely that people would go to such a firm because their fathers had done business there 30 years before.

Mr. HUGHES: I am speaking about people who have no fathers—speaking in legal sense. However, I do not care who takes exception to my remarks. I make no bones about my assertion that it is wrong in principle for any legal firm to retain in its name that of a former member who may later on have become a judge. Much damage has been done in the past to the motor trade because competent mechanics, who have built up a reputation, have sold out to persons with very little mechanical knowledge. If the clause as it stands, without the amendment, is intended to provide that the identity of the members of a firm shall be disclosed, then there is no need for my amendment.

Mr. WATTS: If the amendment is carried, it will upset the Act itself. If the people comprising firms trade in their own names, there will be no necessity to register firms. John Smith and Thomas Brown, trading in their own names, would not be required to register as a firm; but if Jones and Smith traded as Hopkins & Green, it would be necessary to register the firm.

Mr. Hughes: You please yourself whether you register or not.

Mr. WATTS: A firm is liable to a penalty if it does not register. Further, if the members of an unregistered firm bring an action under Section 12, having failed to comply with the provisions of the Act, the judge is at liberty, on application, to order that all proceedings shall be stayed until the Act is complied with.

Mr. Hughes: No one polices the Act.

Mr. WATTS: I am not concerned about that. We can only assume that the law will be applied when a proper case arises. I admit people do not register themselves as firms and consequently their names would not be recorded at the registry, but such people are the exception. If we accept the amendment, it might, as I said, to some extent upset the principle of the Act.

The MINISTER FOR JUSTICE: I cannot accept the amendment. From what I have gathered by listening to the members who have spoken to it, it might have the effect of nullifying the clause and upsetting the principle of the Act.

Mr. HUGHES: I cannot see what injury would be done to the public by making people who trade in partnership disclose their identity. True, if they trade under names other than their own, one can go to the registry of firms and ascertain with whom one is trading. But I understand this Bill is designed to save people from that trouble by making firms disclose, reasonably, who are their members. Is it a very great hardship to make Hopkins and Jones disclose that the firm consists of Hopkins and Jones and not Smith and Brown? Members of the legal profession and of the medical profession should make it plain to the public whom they are consulting. If a person consults Dr. Smith, he should not be led into the belief that he is consulting Dr. Brown. Dr. Smith should put up his own name and stand on his own feet. I sometimes pass the State furniture shop. The idea underlying the Bill, I take it, is that customers who go into that shop are not to be deceived into the belief that they are dealing with the Premier in his trading capacity and that consequently they will get better service, whereas as a matter of fact they will not. The idea is to prevent a person from thinking he is dealing with the Government because the title of the firm includes the word "State."

Mr. Sampson: That is already illegal.

Mr. HUGHES: The whole object of the Bill is to afford protection to the public. The amendment should, in my opinion, be agreed to.

Mr. SAMPSON: I do not think the sub-clause should be altered. It makes quite clear what is intended. There is a capable motor repairer in the city named Sutherland. That is the name he trades under.

Suppose he sold his business to a man named Hughes or Brown and the purchaser of the business did not alter the name in the sign. If I took my car to the establishment I would be misled into thinking that Sutherland was still in the business. The sub-clause is all right as it stands. Anyone doing anything to mislead the public as to the identity of any firm or person will be dealt with by the Registrar of Companies.

Mr. McDONALD: The idea of the member for East Perth is that a firm's name should contain the names of the partners. As it is legal for a firm to have any number of partners up to 19, I tremble to think of the size of the name of a firm having that number of partners, though doubtless it would be a good thing for the member for Swan and for sign painters. Further, I protest against the assumption that the new generation is worse than the old firm. Very often it is the other way about.

Mr. HUGHES: I think that privately the hon. member would agree with me that in one case they are. But it is not necessary to give the 18 names of the partners of a firm. It is however, very objectionable that somebody should trade as Parker & Co. simply because in bygone days there was somebody in the firm named Parker, who has ceased to be connected with it. My amendment does not mean that a firm has to trade in its own name. What I am seeking to ensure is that when dealing with a firm, people should not be misled into believing they are dealing with somebody not connected with the firm. If we say the law must be such that if "A" builds up goodwill through good work over a number of years he can sell his business and be assured that his successor will be able to mislead the public into thinking they are dealing with the man who built the goodwill, we simply say that there must be a pretence by the law that the public is still dealing with a man who is no longer a member of the firm and whose services can no longer really be required or obtained. If the newcomer is better than his predecessor, no great harm will be done by using his own or some other name. As a matter of fact, he would not want to trade under his predecessor's name. What we need to do is to prevent any person, by virtue of money power, from buying a name and misleading the public into believing they are dealing with somebody else.

Amendment put and negatived.

Mr. WATTS: I would like to know whether the Minister would consider a reduction in the fee payable in accordance with proposed new subsection 4. Five guineas appears to be rather a heavy fee in comparison with the charge made for other services under the Registration of Firms Act. I daresay there is a number of firms to whom the privilege of being compelled to pay this sum might be worth while, but a number of small firms is registered and I am unable to judge whether any of them would be affected. I suggest that the fee should be reduced.

The MINISTER FOR JUSTICE: The fee is not too high and I cannot give consideration to a reduction. If a firm is worth registering at all, surely it will be able to find five guineas. If we reduced the amount to three guineas, the difference would be only two guineas and if that sum is likely to make a difference as to whether or not a firm is registered, it does not seem to me that the firm ought to be registered.

Mr. WATTS: I move an amendment—

That in line 4 of proposed new Subsection 6 the word "forthwith" be struck out and the words "three months subsequently" inserted in lieu.

The subsection provides that any firm or person registered under any firm name prohibited or containing any word or words or combination of letters prohibited by the section, neglecting or refusing to take forthwith the necessary steps to effect a change, after being required to do so, shall be guilty of an offence. It is conceivable that the responsible party in a firm may be out of the State or under some other handicap and to require something to be done "forthwith" would be a little sudden.

The MINISTER FOR JUSTICE: I have no objection to the amendment. There is a possibility that one of the partners of a firm might be away and to ask the firm to act at a moment's notice would be hardly fair. The principle of the Bill will not be altered in any way by giving three months' notice and moreover, the persons concerned will have an opportunity to submit any arguments they may desire.

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

Clause 3, Title—agreed to.

Bill reported with amendments.

BILL—CIVIL DEFENCE (EMERGENCY POWERS).

In Committee.

Resumed from the 8th October; Mr. Marshall in the Chair; the Minister for Mines in charge of the Bill.

The CHAIRMAN: Progress was reported on Clause 11, "Provision in case of default by local authority," to which Mr. Doney had moved an amendment as follows:—

That the following proviso be added to Subclause 2:—"Provided that such court shall not give judgment for the Minister in excess of the amount which in the opinion of the court was sufficient to carry out in a reasonably efficient manner such duty or obligation."

Mr. NEEDHAM: On a point of order, is the amendment rightly before the Committee? After having deleted Subclause 2 of Clause 10, I thought that this amendment would automatically go out.

The CHAIRMAN: We have finished with Clause 10.

Mr. NEEDHAM: Clause 11 proposes to do something, and a similar provision was deleted from Clause 10.

Mr. Doney: But Clause 11 is still in the Bill.

The CHAIRMAN: What is the hon. member's point of order?

Mr. NEEDHAM: Shall we be in order in dealing with the amendment in view of the decision on Clause 10?

The CHAIRMAN: The amendment is quite in order. We have completed consideration of Clause 10, which really gives local authorities the power to perform certain functions. Clause 11 deals with regulations, and there is no relation between it and Clause 10.

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

Clauses 12 to 16—agreed to.

New clause:

Mr. McDONALD: I move—

That the following be inserted to stand as Clause 15:—

If—

- (a) at the time of the publication in the "Government Gazette" Parliament is not sitting, and
- (b) a petition signed by not less than seventeen members of the Legisla-

tive Assembly or by not less than thirty members of Parliament, all or any of whom are members of the Legislative Council, objecting to such regulation and requesting that Parliament shall be summoned, is addressed to the Speaker of the Legislative Assembly or the President of the Legislative Council—

Parliament shall be summoned to meet as soon as practicable thereafter.

I explained on the second reading that if we followed the ordinary procedure, Parliament might be in recess for several months of the year during which time far-reaching and onerous regulations might be issued and there would be no opportunity for some time to object to any of them in accordance with the powers conferred upon both Houses by the Interpretation Act. I suggest that we follow the procedure laid down in the Civil Defence Act of Victoria passed last year. That Act contains extensive powers to make regulations, but has a similar safeguard. This Chamber, I think, would not have agreed to such extensive authority to make regulations under the powers conferred by the measure had not there been a state of war.

The Minister for Mines: We would not have brought it down but for there being a state of war.

Mr. McDONALD: But I am regarding it merely as a power to make regulations. The new clause will afford fair and proper protection for the public who might be affected by the regulations. A similar provision was supported by the Labour Party in the Victorian legislature. The new clause stipulates that the request must be made by a substantial proportion of the members.

[Mr. Withers took the Chair.]

The MINISTER FOR MINES: The Government has no intention of accepting the proposed new clause. The hon. member said that a similar provision had been supported by the Labour Party in Victoria. As a matter of fact, it was enacted by the Labour Party of that State. There is, however, no analogy between the circumstances which arose in Victoria and any that might arise in this State. In Victoria no party was strong enough to form a Government without the support of another party. When this particular provision was discussed in Victoria

the matter was adjourned until the following day. A meeting was then held of representatives of all the parties in Parliament, including the Independents. At that meeting the proposition similar to that brought forward by the member for West Perth, was finally dealt with. One can appreciate the reason for the adoption of such a procedure in that State when the Lower House comprises, I think, 60 Members. The Government, led by Mr. Dunstan, had only 21 of these. The Leader of the Labour Party stated that although he would support the proposition for the time being his party was not prepared, in view of the fact that the Government was governing with a minority, to hand over to it such wide powers as were contained in the regulations. The position is different in this State. The Government has a working majority, and we accept the responsibilities attached to the legislation we bring down and the regulations framed thereunder. I give the assurance that the Government will do as was done last year, refrain from having Parliament prorogued until a day or so before it is necessary to call it together again. As a result of such a procedure, Parliament can be called together again immediately. I cannot imagine any regulations of a drastic nature being framed under this measure without Parliament having the opportunity to disallow them. The Tasmanian Government saw no occasion to insert such a provision in the legislation that it passed.

Mr. WATTS: There is some distinction between the making of regulations and the other responsibilities of Government. In view of the exceptional circumstances dealt with in the Bill I am not astonished that the member for West Perth should have moved to insert this new clause. The responsibility of the Government to make regulations has often been questioned by a majority of members. The fact that the Government has a majority in the House does not necessarily result in a majority of members being in favour of certain regulations framed by it. Within the last few weeks a member on the Government side of the House moved to disallow certain Government regulations, and the majority of the members agreed with him. Last session the member for Canning moved to disallow regulations which had received the approval of a responsible Minister, and the House agreed with him. There

is a great difference between the ordinary responsibilities of Government and the right of the Legislature to disallow regulations under the Interpretation Act. Whilst there may be some argument against the proposed new clause, I do not consider the reasons advanced by the Minister in opposition to it are the soundest that could be used.

New clause put and negatived.

Title—agreed to.

Bill reported with amendments.

House adjourned at 10.37 p.m.

Legislative Council,

Tuesday, 29th October, 1940.

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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 un-dermentioned Bills:—

- 1, Income Tax Assessment Act Amendment.
- 2, Metropolitan Market Trust (Land Re-vestment).
- 3, State Transport Co-ordination Act Amendment.

QUESTION—RAILWAYS, SUPER-ANNUATION.

Select Committee's Recommendation.

HON. SIR HAL COLEBATCH asked the Chief Secretary: 1, Is it the intention of the Government to give effect to the recommendation of the select committee of the Legislative Assembly appointed in 1937 to inquire into the liability of the Government to pay superannuation to railway employees who were in the service prior to April, 1905, which recommendation was approved by a more than two to one majority in the Legislative Assembly? 2, If not, why not?

The CHIEF SECRETARY replied: The whole position has been dealt with exhaustively in Parliament.

QUESTION—LANDS, COMMON-WEALTH MARGINAL AREA GRANT.

HON. J. CORNELL asked the Chief Secretary: 1, Are location holders in the marginal areas, not being clients of the Agricultural Bank, eligible for assistance from the Commonwealth Marginal Area Grant? 2, If so, how many of this class of location holders have received, or have been recommended for, assistance from the grant? 3, If not eligible, why not?

The CHIEF SECRETARY replied: 1, Yes. 2, Nil. Four applications are deferred. 3, Answered by No. 1.

MOTION—AGRICULTURAL PRODUCTS ACT.

To Disallow Regulations.

HON. A. THOMSON (South-East) [4.36]: I move—

That the regulations made under the Agricultural Products Act, 1929, as published in the "Government Gazette" of the 6th September, 1940, and laid on the Table of the House on the 10th September, 1940, be and are hereby disallowed.

For the information of the House I shall read part of the new regulations. The schedule states—

The above-mentioned regulations are amended by inserting therein after Regulation 9, new regulations, as follows:—

9A. (1) For the purpose of correctly grading hen eggs and duck eggs produced in Western Australia and intended for sale either in Western Australia or in any other State of