

Mr. PANTON: It is absurd to suggest that every time two or three individuals get into trouble Parliament is to be asked to alter existing legislation to help them out of their difficulties. The hon. member has told us that one applicant paid £920 for a block of land at Mount Hawthorn. I understand that a block alongside that was purchased for £120 and that if it had not been for the fact that it was known the other block was wanted for a hotel, it also could have been bought for £120. But so anxious was the intending purchaser to secure it and get on with the job that he was prepared to pay £920. There is no reason why the people concerned should not again apply for their licenses when the financial position is improved. I object to amending the Act to make it retrospective, and I hope the House will not set up a precedent by passing the Bill.

On motion by Minister for Lands, debate adjourned.

### ROYAL COMMISSION—LAND AND HOMES LIMITED.

The Premier laid on the Table the report of the Royal Commission appointed to inquire into the transactions of the Land and Homes Ltd.

### ADJOURNMENT—SPECIAL.

**THE PREMIER** (Hon. Sir James Mitchell—Northam) [10.12]: I move—

That the House at its rising adjourn until 7.30 p.m. to-morrow.

Question put and passed.

*House adjourned at 10.13 p.m.*

## Legislative Council,

*Wednesday, 25th November, 1931.*

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

### QUESTION—SECESSION REFERENDUM, COST.

Hon. G. A. KEMPTON (for Hon. Sir Edward Wittenoom) asked the Chief Secretary: In the event of a Bill being carried authorising the taking of a referendum on secession, what will be the estimated cost of the referendum?

The CHIEF SECRETARY replied: Approximately £5,000.

### LEAVE OF ABSENCE.

On motion by Hon. J. Nicholson, leave of absence for six consecutive sittings granted to the Hon. A. Lovekin (Metropolitan) on the ground of ill-health.

### BILL—LAND AGENTS ACT AMENDMENT.

Read a third time and *passed*.

### BILL—FORESTS ACT AMENDMENT (No. 2).

*Third Reading.*

**THE CHIEF SECRETARY** (Hon. C. F. Baxter—East) [4.36]: I move—

That the Bill be now read a third time.

**HON. H. SEDDON** (North-East) [4.37]: I missed the opportunity to speak on the Bill yesterday at the second reading stage, and I feel I cannot allow it to pass the third reading without drawing attention to the position under the Forests Act and the present situation of the Forestry Plan. Each year a similar Bill is introduced for the purpose of taking into Consolidated Revenue the funds derived from the sandalwood royalties. What I desire particularly to draw attention to is the fact that for some time past the forests revenue generally has been falling, and in the annual report of the department, which has been laid upon the Table, there is a clear indication that the financial position is precarious. The Conservator of Forests states—

The position of the timber industry has been reflected in the falling revenue of the department, and in consequence the amount credited to the reforestation fund has been the smallest since 1921. The balance remaining in the fund on the 30th June, 1931, was only £3,402.

In another part of the report the Conservator draws attention to the effect of the reduced expenditure, and says—

A reduction of £4,585 in the cost of administration was shown, the amount expended from Consolidated Revenue Fund during the year being £18,511, compared with £23,096 for the previous year. As the amount available in the reforestation fund is dependent on the revenue collected, which last year fell from £170,128 to £93,945, it was necessary to reduce the expenditure from this fund to an absolute minimum, as rapidly as works in hand would permit. The average expenditure of £9,550 per month was, therefore, reduced to £2,000 before the close of the year, to effect which it became necessary to dispense with the services of the majority of employees, while overseers and resident employees were reduced to half time. With this substantial reduction in expenditure, the monthly disbursements still exceed the monthly credits to the fund, which represent three-fifths of the net revenue collected during the period, and at the close of the year the balance available in the fund was £3,402, compared with £55,023 at the close of the previous financial year.

The position of the fund shows that at the beginning of 1930 the department started off with a credit of £76,000 and finished up with £55,000, and at the beginning of 1931, a start was made with a credit of £55,000, but the year finished up with only £3,400. It is obvious that to carry on the forest operations of the department, it will be absolutely necessary for the Conservator to rely upon revenue from other sources. In those

circumstances, I feel that to take away further revenue as proposed in the Bill is encroaching on the departmental resources to a degree we are not justified in permitting. I realise the serious position of the finances, but it appears to me it would be far better to cut down public services than to encroach on the funds of a department that is concerned with the creation and preservation of a national asset. It is but just that I should lodge my protest at this stage, so that members may realise the position.

Question put and passed.

Bill read a third time and *passed*.

### **BILL—ELECTRIC LIGHTING ACT AMENDMENT.**

#### *Second Reading.*

Order of the Day read for the resumption of the debate from the previous day.

Hon. H. SEDDON: I move—

That the debate be adjourned.

The CHIEF SECRETARY: This is the second successive occasion on which the adjournment of the debate has been moved without any member speaking on the question. It simply means that we will never get through the business of the House if this procedure is persisted in. Yesterday a similar motion was agreed to.

The PRESIDENT: I take it that the Minister is speaking by way of personal explanation.

The CHIEF SECRETARY: Yes.

The PRESIDENT: Then he can vote against the motion if he feels so disposed.

Motion put and passed.

### **BILL—DIVIDEND DUTIES ACT AMENDMENT.**

#### *Assembly's Message.*

Message from the Assembly notifying that it had agreed to amendment No. 2 made by the Council, but had disagreed to amendment No. 1, now considered.

#### *In Committee.*

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

No. 1. Clause 2.—Insert a further proviso as follows:—

Provided further, that, in the case of a company engaged in agricultural and/or pastoral business the Commissioner shall (for the purpose of calculating duty) deduct from the amount of the said assessment—

- (a) any net business losses incurred during the year in respect of which the return has been made or during both or either of the two years immediately preceding that year; and
- (b) any net losses arising over a like period from the loss of crops or live stock due to droughts or other circumstances over which the company had no control or which it was unable to prevent or insure against;

but so that no losses which have previously been allowed to the company as deductions under this Act shall be so deducted by the Commissioner as aforesaid, and that nothing in this proviso shall be deemed to deprive any company of the right to be allowed any deduction which it might be allowed if this proviso were not in force, and that no losses in respect of fixed capital assets shall be allowed as deductions under this proviso.

Assembly's reason for disagreeing to the amendment:—"If the amendment were made it would bring about most serious discrimination between the taxation of companies and of individuals."

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

This amendment, if allowed to become law, will have a far-reaching effect on the State revenue, as the losses arising out of the present world-wide financial depression, which cannot be termed in the ordinary sense annual business losses, will be deducted from the profits earned in the year ending 30th June, 1932, and subsequent years, with the result that the revenue from dividend duty will decrease considerably. During the last ten years over 800 new companies have been formed in this State, about 40 or 50 of which, the Commissioner informs me, were pastoral companies definitely created with the object of escaping the higher rates of taxation imposed under the State Land and Income Tax Act and the Federal Income Tax Act. Under both these Acts the rates of taxation are graduated and

rise to amounts considerably in excess of the State dividend duty rate of 1s. 5½d. in the £, less 20 per cent., and the Federal 89.424 pence in the £ on incomes in excess of £7,600, where the income is derived from personal exertion, and income in excess of £6,500 where the income is derived from property.

Under the Federal Income Tax Act the present company rate is 16.4 pence in the £. It will thus be seen that companies are assessed more lightly than individuals or a partnership. Companies should, therefore, not have the further advantage of having losses in previous years deducted from subsequent profits. Apart from the advantages mentioned, companies are in the position of being able to distribute their profits amongst the shareholders and directors by way of directors' fees, salaries and bonuses, and, although there is a special provision in the Dividend Duties Act giving the State Commissioner power to disallow or reduce such payments for remuneration where he is satisfied that the payments have been made with a view of evading taxation, the difficulty which arises from the Commissioner's standpoint is to prove it has been a deliberate evasion of taxation.

In plain language, the position is that this amendment would destroy what previously we put into the measure to control that particular section of taxation because so many were escaping payment under the Dividend Duties Act by the forming of companies distributing directors' fees, bonuses and salaries. The Government have gone to their utmost limit in an endeavour to relieve the burden on the producing industries, and they have refrained from increasing taxation, notwithstanding many advocates for such increases. The Government feel that in the first place people cannot bear the burden of increased taxation, and, secondly, that money in the hands of private persons can be spent to better advantage than it could if it were in the hands of the Government. Still, people must have the accustomed services rendered by the Government, and we cannot provide them if we cannot get the wherewithal. For months past we have been warding off the evil day when perhaps we shall not be able to meet our monthly commitments. So the Government cannot accept any proposal for an encroachment on the revenue under this

Act. I trust members will not insist on the amendment.

Hon. J. J. HOLMES: I really thought this amendment would have been accepted in another place, for it is quite a mild proposal as compared with that which we had before us previously. I resent the insinuation which, according to the Chief Secretary, was made by the Commissioner of Taxation, that these companies have been formed to evade taxation. From what I know of the pastoral companies, they do not have to evade taxation, because they have no profits to be taxed. The point is that they want the right to set off some of their profits, whenever they shall again earn them, against previous losses. The Minister said that some 800 new companies had been formed in this State. He modified that by saying that only 40 or 50 of them were pastoral companies. But why should he have mentioned the 800, since this measure applies only to the 40 or 50? Those pastoral companies have been formed, not with a view to evading taxation, but because men of experience on the land have exhausted their capital and so they have induced other men with money to put some of that money into limited companies with the object of at once limiting their liability and assisting their experienced friends to carry on until more favourable times return. We discussed this amendment fully on a previous occasion and the Committee divided, 13 to five, two of the five being sympathetic votes for the Minister. So I cannot accept the Minister's motion, but will vote against it.

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

|      |    |    |    |
|------|----|----|----|
| Ayes | .. | .. | 7  |
| Noes | .. | .. | 13 |

Majority against .. 6

#### AYES.

Hon. F. W. Allsop  
Hon. C. F. Baxter  
Hon. J. Ewing  
Hon. G. Fraser

Hon. E. H. Hall  
Hon. W. H. Kitson  
Hon. E. H. Harris  
(Teller.)

#### NOES.

Hon. J. M. Drew  
Hon. V. Hamersley  
Hon. J. J. Holmes  
Hon. J. M. Macfarlane  
Hon. Sir C. Nathan  
Hon. J. Nicholson  
Hon. E. Rose

Hon. H. Seddon  
Hon. A. Thomson  
Hon. Sir E. Wittenoom  
Hon. C. H. Wittenoom  
Hon. H. J. Yelland  
Hon. J. T. Franklin  
(Teller.)

Question thus negatived; the Council's amendment insisted on.

Resolution reported, the report adopted, and a message accordingly returned to the Assembly.

### BILL—LAND ACT AMENDMENT (No. 2).

#### *In Committee.*

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

Clause 1—agreed to.

Clause 2—Adjustment and appraisalment of rentals of pastoral leases:

Hon. J. J. HOLMES: In view of the Minister's remarks last evening, I do not feel disposed to move the amendment, of which I have given notice, to delete "January" and insert "July." We in the North have to be content with the crumbs that fall from the rich man's table, and we are told it is a matter of accepting those crumbs or getting nothing at all. I am not prepared to take the responsibility of losing the crumbs, and therefore will not move the amendment.

Hon. V. HAMERSLEY: We should not discriminate between West Kimberley and East Kimberley. It would be wise to amend the clause by striking an average of 30 per cent. to apply to East Kimberley and West Kimberley. I recommend the Committee to make that alteration.

The CHAIRMAN: In order to discuss the percentage, the hon. member should move an amendment.

Hon. J. J. HOLMES: The Bill is the outcome of a conference between the Pastoralists' Association and the Government. The association are a non-political body, but their request to members of North Province is to allow the Bill to pass as it stands, because they are looking forward to receiving something better next session, as recommended by the committee of officers who investigated the matter. When I spoke on the second reading, the report of the officers was not available, but it has been made available since. The three officers recommend 40 per cent. and 20 per cent. respectively, but another important recommendation is that a considerable extension of the leases be granted. The Go-

vernment have ignored that recommendation—

The Chief Secretary: How do you know?

Hon. J. J. HOLMES: For the time being they have. The committee pointed out that the existing leases would expire in 1948, and that pastoralists would not continue to improve their runs during the short period that remains.

Hon. J. M. MACFARLANE: I will take the responsibility of moving an amendment—

That in paragraph (a) "forty" be struck out, and "thirty" inserted in lieu.

If the Committee agree, I will move subsequently that "twenty" be struck out, and "thirty" inserted in lieu.

Hon. Sir Edward Wittenoom: Why not make it 40 per cent. all round?

Hon. J. M. MACFARLANE: I would like to do so, but there is probably a better chance of getting an average of 30 per cent. Special consideration should be given to the pastoralists. We are treating the North no better than Canberra is treating the State. Some years ago a gentleman in Sydney told me he could find £25,000,000 for the development of our North-West if suitable arrangements could be made between the Federal and State Governments so that he could carry on sufficiently long to get a return for the money.

Hon. Sir Edward Wittenoom: In what direction was the money to be employed?

Hon. J. M. MACFARLANE: He had his ideas.

Hon. Sir Edward Wittenoom: He must be more clever than most of us.

Hon. J. M. MACFARLANE: It was a well-considered plan, and was supported by the Premier of the day, Mr. Collier, but was turned down by the Federal Government. We are told the North is slipping instead of improving, and that cannot be allowed to continue.

Hon. J. J. HOLMES: The Government might well accept 40 per cent. all round. I suggest that progress be reported for half an hour or so, to enable another matter to be considered. No provision is made in the Bill to afford relief to the cattle stations situated in the sheep areas. South of the Kimberleys are many cattle on Roy

Hill, Ethel Creek and other stations, and the rentals of those stations will be governed by the price of wool. But when wool is going up, the price of cattle may be coming down. There is a big area adjacent to the Canning stock route, outside Kimberley, of essentially cattle country.

Hon. V. Hamersley: And useless for sheep.

Hon. J. J. HOLMES: Yes, and the rentals there will rise or fall in accordance with the price of wool. That would not be satisfactory.

The CHIEF SECRETARY: I am agreeable to progress being reported until a later stage of the sitting.

Progress reported.

## BILL—LOAN (No. 2), £2,450,000.

### *Second Reading.*

Debate resumed from the previous day.

HON. A. THOMSON (South-East) [5.15]: The Bill illustrates the unsatisfactory nature of the practice which has been adopted in administering the affairs of the State. On all sides we hear that Parliament is in control of the finances. The 80 members of Parliament are certainly elected to control public expenditure. The figures which were quoted by Mr. Seddon were very instructive and illuminating. I congratulate him upon the very interesting return he prepared. His figures showed that he had made a careful analysis of the position, and we all await with considerable interest the reply of the Chief Secretary. I wish to deal particularly with the Collie River irrigation scheme. In the schedule members will see that a sum of £200,000 has been provided for water supply in agricultural districts, including drainage, etc. There is no special item dealing with the expenditure on the Collie irrigation scheme, estimated to amount to £331,000. Possibly the work may cost £500,000. My attention was drawn to this matter by an article which appeared in the "West Australian" from the Collie correspondent, who sets out the scheme as follows:—

The main feature of the scheme is the construction of a concrete weir, the water from which will be conveyed in part along the bed of the river to the irrigable districts (Roelands, Burekup and Dardanup), and then will

be carried by channels, from which minor channels will supply water for the holdings in the district. The whole scheme is estimated to cost £330,000, and to take from two to three years to complete. It is, however, quite possible that the cost will reach £500,000.

The land which will be brought within the scheme comprises 34,000 acres. It is estimated that the supply of water will be sufficient to irrigate 11,000 acres to a depth of 18 inches.

Hon. Sir Edward Wittenoom: Are the areas to be limited to individuals?

Hon. A. THOMSON: Yes. Is it fair to Parliament and the country that a huge scheme like this should be entered into without due inquiry and the concurrence of Parliament? The only reference I can find to this scheme is the statement in the Press which I have just quoted. This indicates that more careful consideration than has apparently so far been given to the scheme should be paid to it. My attention has also been drawn to the correspondence that has appeared in the Press. A peculiar method seems to have been adopted by the Minister for Works to impose this scheme upon the area affected. He said, *inter alia*, that there had been a little trouble in the area where certain of the bigger landlords had objected, but since then other action had been taken and a majority had signed a petition. At a meeting of the Brunswick Farmers' Association held during the past week a motion was carried expressing appreciation of the fact that the Minister for Works had decided to go on with the Collie irrigation and drainage work. They also expressed their thanks to him for the loan of officers to explain the scheme to the settlers, and for the courteous and tactful way in which the officers had carried out their duties. This was embodied in a letter signed by the president of the association. The Minister for Works has made the following statement:—

I am satisfied that the settlers there will now do their utmost to make the scheme a success. In all these irrigation schemes it naturally follows that every acre cannot be irrigated. There are certain parts that contain too much clay and we are only providing to irrigate one acre in every three.

He points out that the average rainfall over a period of 34 years is 40.31 inches. He then goes on to quote the capital value per acre of land in Victoria and shows that at Bacchus Marsh the capital value per acre

is £14, and that at Maffra it is £28. He then says:—

Let us compare our costs with those of Victoria. Take the Collie scheme, for instance. This is the basis of comparison—a holding comprising 60 acres, the rate with one free watering—20 acres at 10s. per acre would amount to £10, and two additional waterings would be 2s. 6d. each, the total thus being £15. Next take a holding of 100 acres—33 acres at 10s. would come to £16 10s., and with an additional two waterings for 20 acres, an additional £5, or £21 10s.

His final remarks were—

Under our scheme it is proposed to water one-third of the area only. The Collie scheme will take three years to complete. That is, it will take three years to complete the work and for three years after that, no matter how big a man's holding, he will be rated on only 33 acres. Subsequently he will be rated on only one third of his holding.

The figures submitted by the Minister indicate that the scheme will provide for 34,000 acres, of which only 11,000 will be irrigated. According to him, the Government will only be able to levy a minimum charge of 10s. per acre upon a third of the whole area.

Hon. J. J. Holmes: A minimum or a maximum charge?

Hon. A. THOMSON: A minimum charge, with an additional 2s. 6d. for each subsequent watering. The scheme has not had sufficient examination.

The Chief Secretary: Yes, it has.

Hon. A. THOMSON: From a business point of view, and in the interests of the State, it has not had the examination which seems to be demanded by reason of the shortage of money and the desire to make all our loan expenditure reproductive. I hope the Leader of the House will be able to prove that I am wrong.

The Chief Secretary: And so I will be able to.

Hon. A. THOMSON: At 10s. per acre the 11,000 acres will bring in £5,500. Each subsequent watering, of which there would be two, will bring in £2,750, or a total revenue that the Government anticipate receiving from the irrigation of 11,000 acres of £8,250.

The Chief Secretary: For the first three years.

Hon. A. THOMSON: God help the settlers if they are going to be charged up with what the scheme will cost in subsequent years. The estimated cost submitted

by the Minister is £331,000, and 4 per cent. interest upon that comes to £13,240.

Hon. J. J. Holmes: Can you get money at 4 per cent. ?

Hon. A. THOMSON: I am taking the interest at the lowest figure. I am giving those who propounded the scheme every consideration. The conversion loan has brought money down to 4 per cent., and the Government may be able to obtain it at that price. In my calculations I am being very generous to the scheme. If we take the whole of the income which the Government anticipate deriving from the scheme, namely, £8,250, a deficit of £4,990 is left, on interest account alone at 4 per cent. That means a total loss in interest of approximately £5,000, on the assumption that the work can be done for £331,000. A Collie correspondent estimates that quite possibly the cost will reach £500,000. I am much inclined to agree with that view, particularly having regard to the conditions under which the work will be carried out. Moreover, experience has shown that departmental estimates are invariably much exceeded. Again taking the interest at 4 per cent. on the possible £500,000, we find an interest charge of £20,000. Deducting once more the total income from watering, this means a net loss of £11,750. And even then no provision is made for running expenses or sinking fund. I understand, too, that the whole of the land to be served by the scheme is already alienated from the Crown. The work is to be done by unemployed on sustenance. The Government intend to provide for single men two days work per week, and for married men three days per week. If the men had blocks adjacent to the scheme, they would be able to improve them on the three or four days per week which will otherwise represent idle time. The scheme is to take three years to complete. What a prospect to hold out to the workers who are to be employed! Taking the cost at £500,000, it means that the Government are expending £14 14s. per acre on land already alienated, and much of it already developed. For each of the 11,000 acres to be irrigated the State will be expending £45. I realise the Government's position. I realise, too, that in criticising the Government one is liable to be misunderstood. However, with so much undeveloped land available, is it wise for

the State to embark on this scheme without fuller investigation? Residents of long standing in the area have protested strongly against the scheme. On the 10th instant Mr. A. F. Clifton wrote—

I have nothing to say against the man who honestly thinks that the scheme will benefit those who hope to continue making a living on the land or those who will displace them, but it is well-known that some of those most strongly advocating the scheme are not looking to what they will make off the land under irrigation, but to what they will make by selling out, having made up their minds that an immediate rise in the price of land in the area will take place as soon as the scheme is put in hand.

I quote these extracts as justification for having made further inquiries into the Collie irrigation scheme.

The Chief Secretary: Do you support the statements you have just read?

Hon. A. THOMSON: Yes, I support the contention that further investigation is essential. I want my South-Western friends to understand clearly that I offer no objection whatever to any scheme for the development of the South-West.

Hon. Sir Edward Wittenoom: What can be grown there at a profit?

Hon. A. THOMSON: The people anticipate being able to produce more butter. That is the main object of the scheme. Mr. Arthur Clifton, writing on the 14th instant, stated—

Here we have an area within a 40-inch rainfall belt. The land is an intensely heavy clay of the closest possible texture. By the application of liberal dressings of phosphate this land produces most enormous crops of clovers and lighter grasses, which keep green in ordinary seasons to the middle or end of November. The farmer can conserve huge stacks of this, as hay or silage, and if he so desires he can, by fallow and summer cultivation, grow anything and everything in the nature of summer fodders. These heavy lands have the most extraordinary amount of moisture stored in the sub-soils, and without one inch of summer rainfall we can grow green peas, potatoes, cucumbers and anything else. So why load ourselves up with irrigation costs? . . . . . It was thought that in the meantime the Government would have sought the advice of the very highest authority procurable, not as to whether irrigation generally was a sound proposition, but whether this class of land, taking into consideration the rainfall and texture of the sub-soil, was a suitable proposition, considering the huge amount of money that was going to be absorbed. A few thousands spent on good advice was most desirable. The matter

has been badly handled by the advocates of the scheme, and is being rushed by the Government. The onus of petitioning against the scheme was forced upon the objectors, and no sooner had this been started—which by the way is a perfectly legal right—than the Minister sends the Under Secretary down to follow up the petition, presumably to undermine it, after putting the people to the loss of time and personal expense of putting it in motion.

That is the opinion of a practical man living on the site.

The Chief Secretary: He is 50 years behind the times.

Hon. A. THOMSON: That is the kind of statement we often hear. However, we know that if in the expenditure of millions of pounds on South-Western development the various Governments—they all share the responsibility—had taken the advice of settlers who have spent 40 or 50 years of their lives in the area, considerable sums of money would have been saved to the State. I feel that I am justified in quoting statements which have appeared in the Press. Mr. H. H. Evans writes—

In the first place the men proposed to be benefited have protested against it, and for very good reasons. It will impose a capital charge of £33 per acre on the 11,000 acres of land possible for irrigation. Add to this the present value of their land, add further the cost of grading each individual property, and they will find themselves with a capital cost close up to £100 per acre.

The point I wish to make is that the Agricultural Department have urged on residents of these areas the use of ensilage. The modern method of providing green ensilage enables the farmer to furnish his cattle with a balanced ration. Another advantage of the irrigation scheme, we are told, is that it obviates hand-feeding of cattle. Hon. members who come from the Old Country know that there cattle have to be hand-fed during the winter, for months at a time. We are in a more fortunate position. While we have to provide a balanced ration for our cattle, at least we are more favourably circumstanced than the people at Home and elsewhere who have made a success of butter production. There is in the South-West, and also in my province, land capable of producing from eight to twenty tons per acre of green ensilage. This being so should we not give the matter further consideration before placing such a burden on the settlers? The Minister said the burden was only for the first three years. The settlers who have

signed the petition are firmly convinced that the maximum amount that can be charged is 10s. per acre for their irrigable land and 2s. 6d. per acre for each subsequent watering. But the 34,000 acres are to be charged with the whole of the capital cost of the work, and thus a heavy burden will be thrown upon the shoulders of those who will endeavour to make a living from that land. The owners to-day will be wise to get rid of their land at an enhanced price. Huge areas of land are available for irrigation. A recent Royal Commission recommended that we should utilise for settlement the land that is already supplied with roads and railways. I wish to mention two or three areas where such facilities already exist, and to show that these can be utilised without imposing such a load as the present scheme involves. In to-day's "West Australian" appears a statement from a correspondent as to the value of closer settlement in the Torbay area. We know what those districts can produce in the way of potatoes and fruit, but the idea is mainly to increase the production of butter. The article states—

Lucerne grows to perfection in the inland on the highest hills, and even on karri sand where drained. One settler cuts his lucerne from five to seven times per year, the paddocks sown 12 years ago looking as well as ever. Possibly dairying cannot be made payable on small holdings without this fodder unless there is both hill and swamp land on the holding.

As it costs approximately £25 an acre to plant with grasses, including clearing and fencing, a yield of £12 per cow does not yield much profit for the settler. There are still some 20,000 to 30,000 acres of flats which, when drained, will produce better grass than the hill territory and at a cheaper rate.

The Premier recently visited the Mt. Barker district, and after declaring the show open said that he was delighted to visit a locality that had no requests to put forward. Let me quote briefly from a Press report of a tour of the district on the occasion of the Premier's visit. It says—

The Premier's party was driven through pasture of luscious clover and grasses on the Mt. Barker estate, so deep that the wheel tracks looked like green gullies. The clover was hub-deep everywhere, and in places wheel-deep. About this amazingly fertile country in a wonderful rainfall, I later heard some particulars. Two brothers—Messrs. J. and A. Martin—own the Mt. Barker estate, and at the show in the afternoon Mr. Jim Martin approached me. "My brother will give you



some details of the carrying capacity of that country you saw this morning," he said casually, "if you care to have them." "Why don't you give them to me," I asked curiously. He shrugged with an uneasy movement of the shoulders. "Because I am tired of being called a liar," he said, grimly, and I sought his brother with quickened interest.

That was the reply he gave because the statements he had made really did seem also unbelievable. The writer of the article goes on to say—

Here are the amazing facts: In one paddock of 100 acres, 300 ewes were kept throughout the year, and they lambed there. Lambing was 100 per cent., and ewes and lambs were left in the same paddock throughout. Later they added another 200, and although the paddock is badly defiled, it is far from being eaten-off. In another paddock (on the estate of the late Mr. Edward Warburton) consisting of 800 acres of clover and 200 acres of bush, they carry throughout the year 1,000 sheep and 40 head of big stock, taking 40 bales of wool off the sheep.

I am quoting this to show the productive qualities of the soil in a very wide area. Now I am going to take members to Kendenup, an area which, I regret to say, was turned down by the Government when it was offered to them at 14s. 6d. per acre. This estate has a main road and a railway line running through it. It has been developed, and I should like members to visit it to see what is being done without irrigation. There are beautiful orchards in full bearing. I was down there about three weeks ago, and I visited the returned soldiers' blocks. I saw feed there over 6 feet high, and lucerne 18 inches high from which three cuts per year were taken. There were also subterranean and other clovers growing there, all without irrigation. Possibly the Minister in replying may say that there are no dry periods in this district. I admit that the rainfall is between 36 and 40 inches. The people there know what can be produced and they can provide excellent feed for stock. Next I should like to take members along to Cranbrook. A railway has been authorised from Boyup Brook to Cranbrook. I know of an estate within two or three miles of Cranbrook which was offered to the Government at 15s. per acre. It has a river frontage of six miles. That district has been proved to be eminently adapted to the growth of subterranean and other clovers. I assure members that I never willingly make state-

ments that I am not able to prove. Over 200 cans of cream go to the Cranbrook station every week—showing that the district can produce cream—for despatch to the butter factories at Albany and Narrogin. There is an immense territory at the present time waiting to be properly utilised and here we are going to expend a huge sum of money on irrigation works.

Hon. E. H. Harris: What would it cost to clear the land you have referred to?

Hon. A. THOMSON: It would vary according to the class of country. I should say that the cost would be between £4 and £5 and up to £8 an acre.

Hon. Sir Edward Wittenoom interjected.

Hon. A. THOMSON: I should like to take Sir Edward Wittenoom to Kendenup and show him what the land there is capable of producing in the way of pastures and apples. There is no gainsaying the fact that in a short space of time Kendenup will outdo the celebrated Mt. Barker district as far as the production of apples is concerned.

The Chief Secretary: Is it all good land?

Hon. A. THOMSON: The Minister should know better than to ask such a question. Can we say that of any particular strip of country in Western Australia? Why make that interjection? I have no doubt that even at Kendenup there are inferior patches of country. But I do want the Minister to realise that the reason why I have raised my voice in protest with regard to the irrigation scheme at Collie is that it shows the absolute necessity for the appointment of a public accounts committee or a public works committee. It would be the duty of such a body to make a thorough examination of proposals of the kind now being carried out. Here we are launching on a scheme which the Government admit is going to cost £320,000, and a correspondent says will cost probably £500,000, and Parliament has not been asked for its authority. I strongly object to any Government—I do not care which Government it may be—entering upon a scheme which is going to cost half a million, without Parliament being consulted. Surely we have had enough of that kind of thing. We have only to recall the Herdsman's Lake undertaking, the Peel Estate fiasco, the 3,500 farms

scheme, group settlement, all of which were started by an administrative Act, and all of which have had unfortunate results. I am not opposed to irrigation in connection with the development of the South-West, but I do think Parliament should be consulted before the Government enter upon a scheme which is going to cost the State £500,000. Of course, the Chief Secretary, in replying, may be able to refute the statement I have made, but on the facts we have before us I feel that there should be a further examination of the scheme, and the House should seriously consider its position before it passes the Bill. At any rate, we should delay the passing of the Bill until further information is supplied to us in regard to the Collie irrigation scheme. I assure the Minister I have no desire whatever to embarrass the Government, but I feel it is my duty in the interests of the State, and particularly because of the parlous state of the finances, to draw attention to the Government's proposal to embark on a scheme which, for all we know, may cost anything up to a million pounds.

**HON. SIR EDWARD WITTENOOM** (North) [5.55]: I should like to preface my remarks by congratulating the hon. member on the admirable speech he made. He showed that he has a thorough grasp of the position, and he placed the facts before us very clearly. My experience of irrigation schemes is that one must have more than the average education to carry them out successfully. In starting undertakings of this description it is necessary to find the right man to put on them; otherwise all will go wrong. As the hon. member said, the Collie irrigation proposal will cost a great deal of money, and even then may prove a failure. We have only to turn to the Agricultural Bank to find out how many farms that institution has had to write off. Then we can turn to the Industries Assistance Board to learn how many mistakes that body has made. But the farming operations carried on under the bank and the board are simple matters as compared with irrigation, which is quite a different thing. I repeat, education is required to successfully carry out irrigation proposals, and without that, and bearing in mind the failures under the Agricultural Bank and the Industries Assist-

ance Board, what may we expect from anything in the nature of an expensive irrigation proposal? Then we come back to what I have said before, and that is, what is it that we can grow nowadays that will prove sufficiently profitable to enable us to pay for the irrigation scheme? So far as I know, nothing can be grown profitably. We cannot grow wool or wheat profitably; I do not know about vegetables, but I am told that they are to be got for next to nothing. Then with regard to fruit, we hear that it is hardly worth picking off the trees. The hon. member has told us that there is a lot of unused land that could profitably be utilised for the growth of subterranean and other clovers. I have travelled over a good deal of this State, from Nannine to Albany, and I do not know where it is. Yet we are told that within 12 miles of a railway there is any amount of land that could profitably be used.

**Hon. A. Thomson:** You come along with me next week, and I will show you where it is.

**Hon. Sir EDWARD WITTENOOM:** I thank the hon. member for the invitation. The irrigation scheme in question is an ambitious one. I think the hon. member said we were 50 years behind the times. If we start that scheme we shall be 50 years ahead of the times, and we shall not be able to pay for it.

**Hon. H. Seddon:** In view of that, are you going to support the Bill?

**Hon. Sir EDWARD WITTENOOM:** I am not. I do not know that I need say any more except to congratulate Mr. Thomson on the splendid description he gave of the people on holdings in the Albany and other districts. In view of what he told us, I am sure those settlers must be very well off. We were at one time told that people had been ruined in that district, but whether that is so or not, I cannot say. At any rate, if the settlers there can grow subterranean clover and other grasses to the extent the hon. member described, they must be well off indeed. I have nothing more to say, except that I am entirely opposed to the irrigation scheme at Collie.

**HON. E. H. H. HALL** (Central) [6.1]: The question whether or not the money to be spent on the irrigation scheme in the Harvey-Collie district is justified, is not the

issue. Rather is it whether Parliament is to have control over the expenditure of public money. In common with Sir Edward Wittenoom with his long experience of Parliamentary procedure, I must answer that question in the affirmative. I cannot see how Parliament, after the experience we have had in Western Australia, can continue to sanction the action that the present Government have already intimated it is their intention to take.

Hon. Sir Edward Wittenoom: I did not advocate that.

Hon. E. H. H. HALL: No. The point I was making was that if a member enjoying the long experience that Sir Edward possesses could adopt the attitude he has just indicated to the House, then an immature member, like myself, is amply justified in saying it cannot be conceived that Parliament will consent to any Government, irrespective of their political colour, continuing to spend public money without Parliamentary sanction.

Hon. J. Corneli: The alternative is, no authority to borrow.

Hon. E. H. H. HALL: I do not know about that. It has been stated frequently that this House is not a party Chamber. I will not support any Government, irrespective of what party they may represent, who continue to spend public money without Parliamentary sanction. That is the long and short of it. Both Mr. Thomson and Sir Edward Wittenoom considered it their duty not to consent to a continuance of this vicious practice, and I endorse their attitude. If Parliament is supposed to have control over public expenditure, then we should exercise that control. If the drainage scheme to be undertaken by the Government is justified, then the Government should place the scheme before Parliament for consideration. If we are not to learn from the mistakes that have been made in the past, then there is ample justification for the severe strictures passed by people outside respecting Parliamentary government. I shall be compelled reluctantly to vote against the second reading of the Bill.

On motion by the Chief Secretary, debate adjourned.

## INDUSTRIES ASSISTANCE ACT CONTINUANCE (No. 2).

### *Second Reading.*

Debate resumed from the previous day.

HON. E. H. H. HALL (Central) [6.5]:

I do not intend to traverse the long speeches delivered by Mr. Seddon and Sir Charles Nathan on the Bill, because I feel sure that when the Minister replies, he will be able to satisfy members effectively that much misconception and lack of personal and practical knowledge of the operations of the Industries Assistance Board were evidenced in the comments of those hon. members. I will admit that on the report presented to Parliament by the Industries Assistance Board, there was considerable justification for their remarks. I asked for the adjournment of the debate last night, because there is one copy only of that important report available for members of this Chamber. We should not be expected to criticise the report and the Bill without an opportunity to give consideration to the report, which is really the subject matter of the debate on the Bill. When listening to Mr. Seddon and Sir Charles Nathan, I wondered if they had any personal experience of the operations of the board, and of the Farmers' Debts Adjustment Act which we passed last year. I wondered if either of them had attended any meetings held under the provisions of that Act. I have not a wide knowledge of the operations of the Farmers' Debts Adjustment Act, but I have attended some meetings held in accordance with its provisions. It may be interesting to Mr. Seddon and Sir Charles Nathan to learn that in the majority of cases under the Act, the biggest creditor concerned has been the Agricultural Bank and the Industries Assistance Board combined, and those two concerns have been mainly responsible for the successful administration of the Act. Much has been said regarding the reasonable attitude adopted by various mercantile interests, but my experience has been that we have to secure the consent of the Agricultural Bank to carry on the debtor farmer. A rather important point made by Sir Charles Nathan had reference to the operations of the Industries Assistance Board and the Farmers' Debts Adjustment Act. His remarks certainly caused me some surprise, because when I perused the report, I came

across the following passage, which must have been available to Mr. Seddon and Sir Charles Nathan:—

Administration expenses, £42,728 5s. 1d. Working expenses have increased by £1,446 19s. 10d., principally affecting the salaries item. The departmental working costs have again been equally divided between the board and the Agricultural Bank, but as the board's operations are largely becoming inactive, it is intended during the current year to re-adjust the proportion of expenditure to be borne by the board and the other activities of the department.

Without in any way wishing to excuse the evidently unfair allocation of the proportionate expenditure as between the board and the bank, it can safely be assumed that the allocation so far has been rather rough and ready. After all, while the apportionment is between what are supposed to be two different departments, everyone who has had experience with the Agricultural Bank and the Industries Assistance Board knows perfectly well that they represent but one department.

Hon. H. Seddon: Do you say the bank should adopt a rough-and-ready method of apportioning expenses?

Hon. E. H. H. HALL: I agree that this rough-and-ready method, as I have described it, should not be included in a report presented to Parliament. I do not seek to advise hon. members as to what course they should adopt, for I have been at fault myself, but I believe that had Mr. Seddon and Sir Charles Nathan, before they devoted so much time to the preparation of their speeches, as they must have done, had taken the trouble to discuss the position with the chief executive officer of the department, they would have saved themselves a lot of time. They could still have done their duty to the State, but they would have presented a more accurate statement of the position. They would then have had a better knowledge of the operations of the department than they at present possess. There is one paragraph in the report that should certainly receive attention. It deals with the insurances effected by the board, and shows that the number of insurances was 297, the premiums paid £1,579, the number of claims received 25, and the claims recovered accounted for £762. Those particulars indicate that the State Insurance Department made a nice little profit under this heading.

Hon. H. Seddon: Have you read what the Auditor General stated regarding losses on the Industries Assistance Board insurances?

Hon. E. H. H. HALL: The report shows that the rates of commission received by the board for undertaking the business I have indicated were 30 per cent. on hail and 5 per cent. on fire insurances. The Government would be well advised to arrange that all Agricultural Bank clients should be treated exactly as the Industries Assistance Board clients. The Government represent the people of the State, and the people as a whole must bear any losses sustained. On the other hand, the people should reap the benefit when profits are made.

Hon. J. Cornell: The Agricultural Bank does not insure its clients against fire and hail.

Hon. E. H. H. HALL: I cannot have made myself clear to the hon. member. I contended it would be a good idea if the Agricultural Bank dealt with its clients as the Industries Assistance Board has dealt with its clients.

Hon. J. Cornell: In what way?

Hon. E. H. H. HALL: By effecting the insurances through the State Insurance Department.

Hon. J. Cornell: The Agricultural Bank allows its clients to insure where they like.

Hon. E. H. H. HALL: Quite so, but I advocate action by the Government to achieve the same result with the Agricultural Bank clients as with the Industries Assistance Board clients.

Hon. J. J. Holmes: You are making it quite clear that you are in favour of that State trading concern.

Hon. E. H. H. HALL: I plead guilty to that.

Hon. J. Cornell: Then you are aiding and abetting an illegal transaction.

Hon. E. H. H. HALL: When the Government foot the bill, they should reap the benefit.

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

Hon. E. H. H. HALL: During the discussion on this Bill, Mr. Cornell said he could not understand the criticism levelled at it by Mr. Seddon, because the Bill had passed another place with little or no comment at all. I take it the inference was, because there was no discussion in another place Mr. Cornell failed to see any reason why there should be criticism in this Chamber.

But two wrongs do not make a right. If another place fails to seize opportunities to indulge in criticism, that is no reason why members in this Chamber should fail to take such opportunities when presented here in this House of review.

Hon. J. Cornell: I said it seemed there was nothing to talk about in another place.

Hon. E. H. H. HALL: Had members of this Chamber in the past exercised their right to review legislation sent from another place, vast sums of money spent on public works might have been saved to the taxpayer. In this report before us we have the information that there are 388 accounts unfunded. I agree with Mr. Cornell that no great surprise can be expressed at these accounts being unfunded, for they are only being carried on because of the very great difficulties that exist. Those who know of the great difficulties with which the Industries Assistance Board have to contend can easily understand why those accounts are still being carried on. A great deal of the criticism levelled by Mr. Seddon and Sir Charles Nathan against the Bill is justified, for the amount set down as the cost of continuing the activities of the board is altogether unreasonable. From my conversation with members of another place who are more fully conversant with the work of the board than I am, I learn that the rough-and-ready methods of apportioning the expenditure, to which I referred before the tea adjournment have no doubt been caused through very heavy pressure of work on the head officials of the board. The board has done good work in the help given to primary producers throughout the State, but even better results would have been achieved had the activities of the board been placed under separate control. Good man as he may be, the Managing Trustee of the Agricultural Bank has quite enough to do in supervising the activities of the bank. Any one who has had experience in supervising and controlling accounts, more especially primary producers' accounts, will realise the difficulty of keeping an effective check on them. By that I mean that, no matter what the ability of the primary producer might be, his success is governed by factors largely outside of his own control. He may be a most excellent farmer, but if he does not get good seasons and a good price for his

product, he cannot pay his way. So, to establish the efficient control which the taxpayers have a right to expect, the activities of the board should have been placed under the charge of a separate body altogether. Sir Charles Nathan last night unwittingly created in my mind the idea that the Industries Assistance Board were responsible for something for which really they cannot be held responsible. There is no mention of it in their report, but still the hon. member had a certain amount of justification for referring to it; I mean the assistance given to industries. No doubt the Minister in his reply will point out that the Industries Assistance Board do not govern these amounts set out in the Auditor General's report under the heading of "Assistance to Industries."

Hon. Sir Charles Nathan: No one suggested it.

Hon. E. H. H. HALL: I am glad to hear the hon. member say that, but for a brief space last night I thought he meant the Industries Assistance Board was responsible for that form of assistance. He certainly mentioned it in his speech, and so unwittingly gave me that idea. It requires to be made clear that the Industries Assistance Board are not responsible for the grants to various industries shown in the Auditor General's report.

Hon. Sir Charles Nathan: Quite right.

Hon. E. H. H. HALL: The sooner we create some independent body to investigate the claims made by people who think they are deserving of financial assistance for the various schemes they put up to successive Governments, the better.

Hon. J. M. Drew: Already there is an independent board, the Council of Financial Development.

Hon. Sir Charles Nathan: That is not an independent body; it consists of Government officials.

Hon. E. H. H. HALL: That brings me back to the discussion last year on the Financial Development Bill. On that occasion I said I was definitely against the appointment of those officials to that board. As Sir Charles Nathan has pointed out, that is not an independent board. I say an independent board should be appointed to investigate those claims and so save unwise expenditure. The sooner Parliament appoints such a board to investigate the

claims of people who appeal to the Government for assistance, the better will it be in the interests of saving money. On a discussion of this Bill, possibly I would be out of order in referring to those matters, as Sir Charles Nathan did last night. If I am in order I should like to refer to the Auditor General's report, which I consider is deserving of very special consideration in both Houses of the Legislature. It is the most important report presented to Parliament, yet it is laid on the Table, handed round to members, and no opportunity is given us to discuss it. At every meeting of shareholders the auditor's report is specially considered and eventually passed. I consider Parliament should have a special discussion on the Auditor General's report. In going through that report for this year I find that the Auditor General frequently calls attention to matters which Parliament never takes into consideration. It is brought close home to me when I see that advance of £135,000 made to the manganese company; and even closer home when I consider the butter factory at Geraldton. Surely no further justification could be required for having a special discussion of the matters contained in the Auditor General's report. I should like to explain that the advance made to the butter factory is not an advance which comes under the Industries Assistance Board, except that it was made on the direct guarantee of the Treasury. The immense amount of money, just on a quarter of a million, granted to all sorts and conditions of people on seemingly all sorts of pretexts is amazing. It means members of Parliament quietly submitting to Cabinet dictation. If members of the Government were spending their own money, would they so readily hand it out to people applying for it as they hand out the taxpayers' money?

Hon. J. M. Drew: Certainly not.

Hon. E. H. H. HALL: Of course not. I will support the second reading, because I am assured by a lot of other members who have a much closer acquaintance with the working of the Act than I have, that these clients are being carried on only because it is the only thing to do with them, and that no one would be more pleased to end the operations of the Act than the

gentlemen whose duty it is to administer it.

On motion by Chief Secretary, debate adjourned.

## BILL—LAND ACT AMENDMENT (No. 2).

*In Committee.*

Resumed from an earlier stage in the sitting; Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 2—Adjustment and appraisalment of land rents of pastoral leases.

Hon. J. M. MACFARLANE: With the permission of the Committee, I should like to withdraw my amendment.

Amendment, by leave, withdrawn.

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

That in line 8, page 2, the word "twenty" be struck out with the view of inserting "forty" in lieu.

My object is to bring the two Kimberleys into line in the matter of rental reductions. The West Kimberley people cannot get rid of their culls and old stock, as East Kimberley can, by being able to send them to the Wyndham Meat Works. The 40 per cent. reduction would be little enough to give the station owners, considering the disabilities under which they are placed. For the same kind of land in the Northern Territory the rental is only 3s. 10d. per thousand acres, whereas in the Kimberleys it is 15s. If the rentals were reduced by 40 per cent., this would bring the 15s. down to 9s. per thousand acres, which would still be several times greater than is the rent paid in the Northern Territory. Furthermore, the leases in the Northern Territory do not expire until 1965, whereas ours expire in 1948.

The CHIEF SECRETARY: I cannot accept the amendment. The Government are now considering bringing down a more comprehensive measure that will place the pastoralists on a better footing.

Hon. G. W. Miles: And for extending the leases?

The CHIEF SECRETARY: I cannot make any definite announcement on the subject yet. In this matter we are following up the recommendations of the Royal Commission on the meat industry.

Hon. J. J. Holmes: Our own Royal Commission?

The CHIEF SECRETARY: Yes. The amendment is not acceptable to the Government. The two Kimberleys are practically on all fours, but, if anything, the outlook for West Kimberley is better than that of East Kimberley. The Government have gone as far as they can afford to go.

Hon. J. J. HOLMES: I am sorry the Government cannot accept the amendment, which is a reasonable enough one. It does not mean anything like that which was involved in the amendment to date the Bill back to the 1st July. I realise that if we alter the Bill materially we may lose it, and rather than that should happen I suppose we must take what we have, and be thankful. On the other hand if Mr. Miles divides the Committee, I shall be compelled to vote with him, although it may mean wrecking the Bill.

*[Hon. J. Nicholson took the Chair.]*

Hon. W. H. KITSON: I thought it strange that the Pastoralists' Association should be prepared to accept the Bill, seeing that it gives them so small an advantage. It now appears there is something in the wind and that as a result of negotiations the Government intend to do, next session, something more than they are doing this session. Mr. Miles' proposal is a fair one, namely, that there should be no distinction between the two Kimberleys. We are told that the cattlemen in the west are better off than those in the East. Owing to the alteration in the pleuro restrictions, I believe that the cattlemen in the West are at a disadvantage compared with those in the East, because they can only send their cattle to the metropolitan markets, where they have to be slaughtered immediately. The East Kimberley men, however, can market their cattle at the Wyndham Meat Works, and, no matter what kind of cattle they send in, they do get some return for them. I am in accord with the idea of bringing the two Kimberleys into line in this matter. When I was through that part of the State, I gained quite a lot of information concerning it. An effort has been made to get the Government to do something on behalf of the cattle growers in both the West and the East Kimberleys. In this evening's paper appears an interview with Mr. M. P. Durack,

who is interested in cattle stations in the North. He makes several statements which seem to be quite convincing.

Hon. H. Seddon: He said something about politicians.

Hon. W. H. KITSON: He is not the only one holding views of that kind.

Hon. Sir Charles Nathan: Was he quite convincing?

Hon. W. H. KITSON: That part of his interview was not quite convincing. I wish to point out the unfairness of the position. No matter what is agreed to by this Bill, there will still be certain people in the far North who will receive concessions to which they are not entitled, whereas others who are entitled to assistance will not get anything like their just dues. The interview to which I referred states—

Mr. Durack said that in the area he had traversed during the past nine months in the North-West and the Territory there were over 800,000 head of cattle within reach of the Wyndham Meatworks. Nevertheless Western Australia was losing 20,000 cattle every year, either because Wyndham Meatworks could not handle them, or because cattlemen were offered better terms to send their stock to Queensland. Last year, he said, upwards of 20,000 cattle were mustered on the borderline of W.A. and the Northern Territory and driven about 2,000 miles to Brisbane and Townsville meatworks, and yet Wyndham was only 200 or 300 miles away. This had been going on for ten years, said Mr. Durack, and he considers it a great pity that these cattle are not going into the W.A. meat export trade. The cattle, for the most part, belong to Vesteys and the Bovril company, and Mr. Durack says it is evident that better prices are obtainable in Queensland than at Wyndham, otherwise the big expense entailed in droving cattle 2,000 miles would not be incurred.

Hon. G. W. Miles: That is owing to the high cost of converting at Wyndham instead of in Queensland.

Hon. W. H. KITSON: Mr. Durack continued—

The drive occupies anything between six and twelve months, and the mortality is high. After the drive the cattle are held for two seasons before becoming available for the export trade. They are then treated at the several meatworks between Townsville and Brisbane. Mr. Durack appreciates the fact that the freezing capacity at Wyndham works is somewhat limited, but he considers it would be a wise move if the State Government did something towards increasing the capacity. The works might then be able to handle the cattle now sent to Queensland.

There are other factors to take into consideration. Vestey's and Bovril Limited have interests outside of Western Australia; I understand they are interested in the meat works in Queensland. That is the reason why cattle are sent overland to Queensland instead of being treated in Western Australia. These are the people who are expecting concessions at the hands of the Government. There is no question that hundreds of the cattle could be treated more cheaply at Wyndham than in Queensland if there is included the cost of driving them to Queensland. On many stations owned by these companies, no development whatever has taken place for years past. Many are manned principally by one or two whites, and the rest are natives. Water is one of the principal commodities required, but in many cases they rely on what can be obtained from the natural waterways, the result being that the country is eaten out on the frontages to the rivers. That is another reason why the cattle business has slipped in the North. It is necessary to do something for the growers, but it is important also that the growers should do something for themselves. Had they done what the sheep owners in other parts of the State have been obliged to do for their own protection, they would today be in a better position. On some stations, I admit efforts have been made to provide water supplies in the back areas. I intend to support the amendment because there should be no distinction between East and West Kimberley.

The CHIEF SECRETARY: Mr. Kitson has overlooked the fact that East Kimberley is suffering great disadvantages as compared with West Kimberley inasmuch as on account of the pleuro restrictions East Kimberley cannot send cattle to the metropolitan market. The price received for West Kimberley cattle sent to the metropolitan market is much above the average received for the cattle sent to Wyndham. The Government are anxious to assist the pastoralists of the North, and they are acting on the recommendation of the Commission consisting of Messrs. Courtenay, Brockman and Pelloe, who investigated the position at the beginning of the present year. They recommend that there should be a 20 per cent. reduction for West Kimberley and 40 per cent. for East Kimber-

ley, the difference being on account of the pleuro restrictions preventing East Kimberley cattle being sent to the metropolitan market. The Government are sincere in their desire to do what they can for the pastoralist.

Hon. J. J. HOLMES: If Mr. Kitson will read the reports that are on the Table, he will find exactly what the Committee that investigated the position in the North recommended, and how much the Kimberley people are getting for their cattle. The hon. member said that cattle belonging to Vestey's and Bovril Limited were all being taken to Queensland. It should be known to Mr. Kitson, who has been in the far North, that but for Vestey's and Bovril Limited the Wyndham Meat Works could not carry on. If Bovril Limited and Vestey's wanted to hit the meat works to leg as suggested, all they had to do was to refuse to sell any cattle to the works and the works would have to close down. Then a number of Mr. Kitson's well-paid, well-groomed and well-fed friends would be out of the best job they ever had. Mr. Kitson said it was time that these people did something for themselves. Does he not know what has happened at the Peel Estate, which is in his own province?

Hon. G. Fraser: Outside his province.

Hon. J. J. HOLMES: Does he not know that millions have been lost there? If it is not in his province, it is not far from it. Whatever has been done in the North has been done with the pioneers' own money, not that provided by the Government. Compare what has been done in the North with what has taken place close to the hon. member's province, and then let him ask himself to whom should the country be grateful, the pioneers of the North or those in the South, who wanted to be spoon fed into affluence? The hon. member referred to cattle being sent to Queensland and elsewhere. East Kimberley cattle are being sent there, but only because of the establishment of the pleuro line between East and West Kimberley by the Government, to which the hon. member himself belonged. That pleuro line prevented East Kimberley cattle coming this way at all, and what is more, the Government of which Mr. Kitson was a member, and which established the State trading concerns, was also responsible for the State Shipping Ser-



vice for the purpose of bringing the growers and the consumers together. But what did they do? The Shipping Service absolutely shut out Wyndham as a port of shipment by declining to lift bullocks from that port. They forced the station owners whether they wanted to or not to send the cattle to the meat works. The Shipping Service was to bring consumer and producer together, but they absolutely refused to do so. The "Kangaroo" was offered a shipload of bullocks at £5 10s. a head from Wyndham to Fremantle, but refused to take them. The "Kangaroo" was sent to Derby, and from Derby the vessel lifted 600 bullocks at £4 10s. a head as against the £5 10s. offered at Wyndham. That is the way in which the Shipping Service brought producer and consumer together. The present Government have established a pleuro line further south and that prevents cattle from West Kimberley coming down here overland. The stock can only come down by steamer, and then in quarantine. The hon. member mentioned that cattle have gone to Queensland. There must be some outlet, since Wyndham cannot handle all Vesteys and Bovril Limited's stock. I think Mr. Kitson has been led astray by something that appeared in the Press. I give him my assurance that, but for Vesteys and the Bovril company, the Wyndham Meat Works would not operate. Mr. Miles's amendment is fair and reasonable, but I am bound to remind the Committee that by supporting it, we run the risk of losing the small portion of relief proposed in the Bill.

Hon. W. H. KITSON: I had no intention of conveying that I was opposed to the cattle growers receiving relief. I said I was surprised at their being satisfied with the small measure of relief mentioned in the Bill, and was desirous that something more should be done for them. I said the pastoralists had been promised something more at some future date. Mr. Holmes spoke of a conference having agreed to certain things in the hope or on the understanding of something more being done. I believe that West Kimberley and East Kimberley should be treated alike. As regards the travelling of stock to Queensland, my remarks were based on a statement by Mr. M. P. Duraek published in tonight's "Daily News." I endeavoured to

show that such action by Vesteys and the Bovril company could not be in the best interests of this State. It is of no use blaming any Government or any regulation when private interests go to the extent of sending so many of their cattle out of the State, although they could be treated in the State.

Hon. J. J. Holmes: The bulk of the Vestey and Bovril holdings are in the Northern Territory.

Hon. W. H. KITSON: That does not matter. The holdings mentioned by Mr. Duraek are within 200 or 300 miles of Wyndham, and instead of the cattle being treated at Wyndham, they are sent to Queensland.

Hon. G. W. Miles: They could not be treated at Wyndham. The works have not sufficient capacity to treat them.

Hon. W. H. KITSON: Some of them could be treated at Wyndham.

Hon. G. W. Miles: There is not sufficient capacity at the works to treat more than are being treated at present.

Hon. W. H. KITSON: There may not be sufficient capacity to treat the whole of the cattle in the North-West and in the Northern Territory but the works could deal with more cattle than they are treating. According to the article, those people are travelling their cattle over 2,000 miles and then holding them for two years before sending them into the meat works in Queensland. No doubt those people have interests in the Queensland meat works, and have a perfect right to do whatever they think fit. I do not object to their supporting their own works, but I object to their expecting the Government to grant the concessions they have been advocating in recent years. I do not say that the whole of the growers in the North have not done the right thing. I appreciate what the real pioneers have done.

Hon. G. W. Miles: Mr. Duraek is one of them.

Hon. W. H. KITSON: I merely quoted his article in which he referred to other people. If what he said is a fact, it is not fair to the State. Those people could have their cattle treated in Western Australia to their own benefit and to the benefit of the State. The people of the Kimberleys are entitled to all possible consideration. I did not say that all of them were in the same boat, but I said that some were not deserving of much consideration, and I stand by that statement. Some people interested in

stations in the far North have not done a fair thing, but they have been prominent in advocating that Governments should do more for them. I say that sufficient has not been done for the Kimberley people, but that is probably due to the limitations of Governments. Under legislation of this kind, some people not entitled to consideration must inevitably receive it, because we cannot make flesh of one and fowl of another. I support the amendment because the growers in West Kimberley, owing to the pleuro restrictions, are suffering just as much as are the growers in East Kimberley. West Kimberley growers can market only prime beasts and they have to be slaughtered or arrival at Fremantle. East Kimberley growers have an opportunity to send all their cattle to the meat works and, though some of the cattle may not be of good quality, some return can be obtained for them. Similar cattle in West Kimberley are of no value at all. If we are going to do anything, we should put East and West Kimberley on an equality.

Hon. G. W. MILES: I am glad Mr. Kitson realises the necessity for giving the people of West Kimberley similar consideration to that given the people of East Kimberley, but I disagree with his interpretation of Mr. Durack's remarks. Mr. Durack is one of the pioneers of the North, and if he had received justice in the past he would have been worth probably a quarter of a million of money to-day. Owing to the legislation of the present and past Governments, the Duracks have been struggling on from one generation to another. Most of Vestey's property, probably three-quarters of it, is in the Northern Territory.

Hon. Sir Charles Nathan: More than that.

Hon. G. W. MILES: As Mr. Holmes pointed out, unless Vesteys and the Bovril company sent portion of their cattle to Wyndham, the works could not operate. The works are killing up to their limit, and the cattle owners have to get rid of their stock somewhere, and the only way to do that is by overlanding some to Queensland. Owing to the pleuro restrictions in West Kimberley, other growers have had to overland their cattle to South Australia. To talk of stations employing only one or two men and of not putting money into their properties is absurd. The balance sheets would show that they have made no profits

during the last four or five years, and in some instances the working expenses run into £3,000 or £4,000 a year.

Hon. W. H. Kitson: Give us the earlier balance sheets, when they were having a good time.

Hon. G. W. MILES: When were they having a good time? They have been referred to as beef bucaners, and they are the men who have been producing cattle and making it possible to pay high wages to the employees of the meat works—supporters of Mr. Kitson. After holding beasts for three or four years, growers do not get as much as do the workers for converting them into marketable products. The high cost of production at Wyndham is probably the reason why so many cattle are sent to the Eastern States.

Hon. G. Fraser: Those workers earn every penny they get.

Hon. G. W. MILES: They do not. They work under highly favourable arbitration conditions and work when it suits them, and they pay a ridiculously small amount for their board.

Hon. Sir Charles Nathan: You must not chastise his supporters like that.

Hon. G. W. MILES: I merely wish to put him on the right track.

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

|              |    |    |    |    |
|--------------|----|----|----|----|
| Ayes         | .. | .. | .. | 11 |
| Noes         | .. | .. | .. | 7  |
| Majority for |    |    |    | 4  |

#### AYES.

|                     |                      |
|---------------------|----------------------|
| Hon. F. W. Allsop   | Hon. W. H. Kitson    |
| Hon. J. M. Drew     | Hon. G. W. Miles     |
| Hon. J. T. Franklia | Hon. A. Thomson      |
| Hon. G. Fraser      | Hon. C. H. Wittenoom |
| Hon. J. J. Holmes   | Hon. E. Rose         |
| Hon. G. A. Kempton  | (Teller.)            |

#### NOES.

|                       |                    |
|-----------------------|--------------------|
| Hon. C. F. Baxter     | Hon. Sir C. Nathan |
| Hon. E. H. H. Hall    | Hon. H. Seddon     |
| Hon. E. H. Harris     | Hon. H. J. Yelland |
| Hon. J. M. Macfarlane | (Teller.)          |

Amendment thus passed.

Progress reported.

### BILL—COMPANIES ACT AMENDMENT.

Received from the Assembly, and read a first time.

**BILL—APPROPRIATION (No. 2).***Second Reading.*

**THE CHIEF SECRETARY** (Hon. C. F. Baxter—East) [8.35], in moving the second reading, said: The Bill appropriates the moneys covered by the Revenue and Loan Estimates, the Sale of Government Property Trust Fund, and the Advance to the Treasurer, but does not include the votes under special Acts, because those commitments have already been appropriated by the particular enactments. Hon. members are aware that the Treasurer's Advance represents an amount given annually to the Treasurer to enable him to finance the amounts expended in excess of the votes on the Estimates. The Advance enables the Treasurer to make advances to departments for the time being, and it also permits him to finance works where the debits to revenue votes are spread over a number of years, particularly where the apportionment between the revenue and loan accounts cannot be fixed until the work is completed. In that regard all such expenditure is subsequently transferred to votes or refunded; if not, Parliamentary approval is sought.

The various classes of transactions are set out and covered by the schedules to the Bill. Schedule A covers the total amounts shown on the various Estimates, and the total amount of the schedule has been partly provided for by the two Supply Bills, and the remainder by this Bill. Schedule B gives the total amounts required by each department from the Consolidated Revenue Fund, and Schedule C discloses the amount proposed to be expended from the Government Property Trust Account. Schedule D details the provision under the General Loan Fund, and Schedule E sets forth the purposes for which the Treasurer's Advance can be used; also how such transactions are to be cleared, and within what period. Schedule F details last year's excesses under the Consolidated Revenue Fund which were paid out of the Treasurer's Advance, and for which approval is now required.

As will be seen, they amount to a substantial sum, but, with three exceptions, they are no larger than usual. The three exceptions are:—Exchange on remittances to London, Unemployment Relief, and Miners' Phthisis. In explanation of the excesses on those items hon. members will appreciate the

fact that when the Estimates were passed last year, it was not anticipated that they would reach the amounts they actually did.

The remaining two Schedules—G and H—show the excesses granted last year under the General Loan Fund and the Sale of Government Property Trust Fund and for which approval is now required.

In regard to loan moneys, the difficulty of raising money which existed last year has greatly increased in this financial year. The Government have funds in sight which will be sufficient to carry us on until the 31st December only, when the position may ease sufficiently to enable the Loan Council to provide a larger amount of loan money for the remainder of the financial year. But it is almost impossible to provide sufficient funds to meet the high expenditure on unemployment relief and exchange, and to carry on the other essential services. The falling-off in revenue collections is our chief difficulty in that regard, and it is heightened by the limitation of funds to cover our loan commitments. However, if the increase in the prices of primary products continues, business generally should look up; but even in that event our finances will not be affected favourably for some time to come.

Our loan expenditure last year totalled £1,759,263, and this year it is estimated that it will reach a total of £1,459,840. No public works of any importance were carried out in the last financial year, owing to lack of funds; but certain works were continued, and in that regard the principal items of expenditure were:—

|  | £       |
|--|---------|
| Kulja railway .. ..                              | 107,348 |
| Bridgetown-Jarnadup railway ..                   | 49,985  |
| Lake Grace-Karlgarin railway ..                  | 96,847  |
| Meekatharra-Wiluna railway ..                    | 34,824  |
| Fremantle Harbour Works ..                       | 61,238  |
| Geraldton Harbour Works ..                       | 49,348  |
| Perth and Fremantle Water Supply and Sewerage .. | 58,191  |
| Agricultural Water Supplies ..                   | 117,760 |
| Agricultural Bank, Soldier Settlement, etc. ..   | 595,033 |
| Group Settlements .. ..                          | 201,326 |

In addition, £200,000 was made available to the Agricultural Bank by the Commonwealth Bank, so that the farmers could be assisted to extend their operations, and later in the year £400,000 was obtained from the same source, through the medium of the Finance and Development Board, to cover the purchase of sacks, fertilisers, etc., and

to make advances to keep farmers on their holdings.

The Agricultural Bank's total expenditure, under its various sections, for the year, was:

|                                | £          |
|--------------------------------|------------|
| Agricultural Bank .. ..        | 898,734    |
| Soldier Settlement Scheme ..   | 39,369     |
| Industries Assistance Board .. | 256,930    |
|                                | <hr/>      |
|                                | £1,195,033 |

With the exception of the Group Settlement activities of the Agricultural Bank, this year's proposed loan expenditure has been framed almost wholly for the relief of unemployment; and with that object in view, works have been chosen on which the greatest percentage of the expenditure is on wages and the least on materials.

Naturally, the greatest amount asked for in any one division on the Loan Estimates is that provided for Development of Agriculture, because of our commitments under that head. In the Development of Agriculture vote, the activities of the Agricultural Bank account for £600,000 and that amount is made up of:—

|                                | £        |
|--------------------------------|----------|
| Agricultural Bank .. ..        | 450,000  |
| Soldier Settlement Scheme ..   | 20,000   |
| Industries Assistance Board .. | 100,000  |
| Group Settlement .. ..         | 30,000   |
|                                | <hr/>    |
|                                | £600,000 |

Passing to other items of expenditure, the next in importance is that on account of Water Supplies and Sewerage, the total of which is £403,616. Of that amount the water supply and sewerage requirements of the metropolitan area are responsible for £115,000, whilst £210,000 is provided for water supplies, irrigation and drainage in the Agricultural Districts. The latter amount will be devoted largely to drainage and irrigation in the districts along the railway line from Pinjarra to Collie, because they appear at the moment to be very promising and the most capable of early returns.

The works to be undertaken in the metropolitan area will help to relieve unemployment. They should also serve immediate requirements, and the Government have no doubt that they will return sufficient to cover interest and working expenses so soon as they are completed. The sum of £65,000 has been provided for Goldfields Water Supply, and that amount will be expended almost wholly

on the overhaul and renewal of the pipe track. It is now over 30 years since the original pipes were laid; many of them still remain in the tracks, and it is evident that their life cannot be extended for a much longer period. The Government cannot afford to risk a breakdown of any consequence in the Goldfields Water Supply, and therefore the work of replacing the old pipes must be continued.

Although £132,000 has been set down for Railways and Tramways only £10,000 is for a new work, and that is the Boyup Brook-Cranbrook line. Of the remainder, £20,000 is to carry on the Bridgetown-Jarnadup extension, which has been in hand for some time. Also, an amount of £20,000 has been provided for the ballasting of the Lake Grace-Karlgarin railway, and £20,000 for the Meekatharra-Wiluna line.

I do not think I can say much more in introducing the Bill, but if I have overlooked any matters, I shall be pleased to supply further information when replying to the debate; and I will endeavour to answer any inquiries in connection with the Loan Estimates when the Bill is in committee, if hon. members will quote the item numbers. I move—

That the Bill be now read a second time.

**HON. J. M. DREW** (Central) [8.45]: I desire to take advantage of the presentation of this Bill to refer to another financial Bill that I dealt with some weeks ago—the State Savings Banks Transfer Bill. In the course of my remarks on that occasion, I stated that the Agricultural Bank had been financed in its early stages by the State Savings Bank. The Leader of the House contradicted that assertion in his reply and said—

Mr. Drew stated that the Agricultural Bank had been financed by the State Savings Bank. This is not the first time I have heard that statement made, but it is not a fact. I have gone back a long way and I cannot find any record of the State Savings Bank having advanced money to the Agricultural Bank.

If the Minister had read "The Story of A Hundred Years," edited by Sir Hal Colebatch, he would have perused, on page 267, the following:—

Under the management of Mr. William Paterson, the bank commenced operations early in 1895 with the modest capital of £100,000 raised from the State Savings Bank on the security of 4 per cent. mortgage bonds.

I trusted to my memory to a certain extent, because when I was in control of the Lands Department in 1904, I discovered that up to that time savings bank money only had been used. But Sir Hal Colebatch may be wrong and my memory may be at fault. I therefore refer the Chief Secretary to the balance sheet of the bank for the year ended the 30th June, 1911, and he will find this entry—

Mortgage bonds under Agricultural Bank Act, £1,109,500.

Subsequently the scope of the bank was enlarged, the limit of the advances was increased from £750 to £2,000, and when that was done, it was decided to cut away from the State Savings Bank and utilise loan funds. I make that explanation purely for historical purposes, that facts may be recorded instead of fiction.

On motion by Hon. G. W. Miles, debate adjourned.

### **BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT (No. 3).**

#### *Second Reading.*

Debate resumed from the 24th November.

**HON. E. H. HARRIS** (North-East) [8.48]: The Bill provides for spreading the payment of taxation by taxpayers, but I find that it will operate only when the taxpayer has made arrangements with the Commissioner for the periodical payment of the tax. I had hoped that the principle of collecting the tax at its source would have been adopted by making provision for the payment of the tax as is done with the hospital tax. If the taxation had been deducted from the salaries or wages by the employers, it would have been in accordance with the principle advocated in this House for a number of years past. My reading of the speech of the Minister in introducing the Bill and of the Bill itself convinces me that the chief point the Government have in mind is not to grant a measure of relief to taxpayers, so much as to secure the collection of the tax for the Government at an earlier period than is usual with half-yearly or yearly payments. I hope the Minister, when replying, will indicate why the Government have not adopted the principle that

we have advocated for so long of collecting the tax at the source. We have already adopted the principle to a limited extent with the hospital tax and I think it could have been extended under the Bill now before us. I support the second reading.

**HON. E. H. H. HALL** (Central) [8.50]: Evidently Mr. Harris has not had experience of the attitude of the Government towards employers who act as honorary collectors for the State. I regret that in Geraldton the department administering the hospital tax legislation launched a number of prosecutions against several reputable business people, and I think those prosecutions should have been withheld.

Hon. E. H. Harris: Why were they prosecuted?

Hon. E. H. H. HALL: Because of their failure to see that the correct stamps were attached to the weekly pay sheets.

Hon. H. Seddon: Do you think they should not have been prosecuted?

Hon. E. H. H. HALL: But those employers were acting in a purely honorary capacity, collecting tax in the interests of the State. I maintain that to launch such prosecutions within the first few months of the operation of that legislation was quite unwarranted. The work of the employers was to the advantage of the department and 99 per cent. of the employers are only too willing to assist the department in every possible way. I think that the department should have issued a warning and drawn the attention of employers to the provisions of the Act before launching prosecutions.

Hon. E. H. Harris: They were equally culpable in Kalgoorlie as in Geraldton.

Hon. E. H. H. HALL: If Mr. Harris's desires were given effect to, employers would have a further onus thrown upon them. They would be required to see that the proper amount of income tax was deducted from their employees' wages. While I am in sympathy with the idea of the tax being collected at its source, as suggested, I think the Government will fail in their objective if they do not make provision whereby the taxpayers can reasonably and easily pay their tax. Is it to be expected that an ordinary taxpayer will make a special trip to the clerk of courts, the Treasury, or some other department, in order to pay his tax? Of course he will not. I think the officials concerned should extend more sympathetic

consideration to the position of employers before instituting prosecutions. Incidentally, I know that cases brought before the police court in Perth have been dealt with on a very different basis compared with the experience of employers in Geraldton. If it has not already been done, I trust instructions will be issued to the officers concerned, to convey a warning to business men and to bring before their notice the provisions of the Act, before prosecutions are launched.

**HON. H. SEDDON** (North-East) [8.55]: I congratulate the Government on the introduction of the Bill, which is a step in the right direction. We have all advocated something of this nature, not only this session, but during previous sessions. It will give business men an opportunity to spread the incidence of taxation over the year, and so facilitate their operations. Under the existing system they are called upon to pay out large sums at times that may cause serious inconvenience to business. The Bill will obviate that position and business people will be able to arrive at an arrangement with the department to spread the payment of taxation over the whole year. I support the Bill.

**THE CHIEF SECRETARY** (Hon. C. F. Baxter—East—in reply) [8.56]: Regarding the suggestion made by Mr. Harris, the object of the Government is to meet the convenience of the taxpayers as far as possible. On the other hand, if we did as Mr. Harris suggests, and made it compulsory, I do not think it would meet with the approval of the House. We have had enough of compulsory legislation already.

**Hon. E. H. Harris**: We did it in another Bill.

**THE CHIEF SECRETARY**: But not in a Bill of this description. I would not agree to it, because it may suit some people better to pay the tax in a lump sum instead of spreading it over the year.

Question put and passed.

Bill read a second time.

*In Committee.*

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

## **BILL—TENANTS, PURCHASERS AND MORTGAGORS' RELIEF ACT AMENDMENT.**

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. C. F. Baxter—East) [9.0], in moving the second reading said: After examining the position of the Tenants, Purchasers and Mortgagees Act, the Government are of the opinion that it is necessary to continue the operation of the Act for a further year, and that is the object of this amending Bill. Unfortunately it places a burden on a section of the community, but the Government are in the regrettable position that the exigencies of the moment compel them to ask for its continuance for the time being. The parent Act is full of discrimination, and for that reason it does not commend itself to anyone, but Parliament has had to do many unpleasant things in these abnormal times. There is this to be remembered, that although at first sight the Act seems to place the whole burden of the inability to pay rents on the shoulders of landlords, yet if the landlords be regarded in the mass they are really carrying no more burden than if such legislation had not been passed. That is so because people cannot pay their full rents, and in those circumstances the landlords would be that much short of their rentals. What the legislation does is to retain the burden on individual landlords longer than would have been the position had there been no such legislation. I do not like the legislation, but it had to be put through in difficult times to meet difficult circumstances, and although I sympathise with the landlords, I cannot forget that other sections of the people have also been loaded with burdens peculiar to themselves. One pleasing feature about the legislation is that it has been administered thoughtfully by the magistrates, and I do not hesitate to say that Parliament is very much indebted to them for their judicious decisions in the matters arising out of the legislation. I move—

That the Bill be now read a second time.

On motion by Hon. H. Seddon, debate adjourned.

# **BILL—DEEDS OF SEPARATION ALLOWANCES REDUCTION.**

*Second Reading.*

Debate resumed from the previous day.

**THE CHIEF SECRETARY** (Hon. C. F. Baxter—East) [9.3]: It is the duty of the Government to look into measures of the nature of this one, as very often they vitally concern people who are not able to take action to preserve their rights. That has been done in respect to this Bill, and as the result of inquiries the Government have decided to oppose its passage both here and in another place, should it be necessary. The position is that, if a man and his wife separate, and reduce their agreement to a deed of separation under which the husband agrees to make certain payments by way of maintenance to his wife, there is naturally no means by which the payments can be varied, except by the consent of both parties. Mr. Nicholson desires to alter that, to give power to a court of law to reduce the payments. His view apparently is that the position under such a contract is analogous to the position under a mortgage, under which interest has been reduced by the financial emergency legislation. But the Attorney General cannot see that there is any resemblance between payments under a deed of separation and payments under a mortgage. If the reduction is to be extended beyond the case of mortgages, then in the opinion of the Attorney General there is no reason why every periodical payment payable under a contract should not also be reduced, as there seems no logical reason for confining it to deeds of separation. For those reasons, and after listening to the remarks of Mr. Holmes, I intend to vote against the second reading of the Bill.

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

*House adjourned at 9.5 p.m.*

# **Legislative Assembly.**

*Wednesday, 25th November, 1931.*

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The **SPEAKER** took the Chair at 7.30 p.m., and read prayers.

## **MOTION—URGENCY.**

### *Wool Trade Dispute.*

Mr. **SPEAKER**: I have received from the member for Williams-Narrogin (Mr. Doney) the following letter:—

I beg to notify you that on the assembling of the House to-night it is my intention to move the adjournment of the House in order to discuss a matter of urgent public importance, namely, the strike in the wool stores at Fremantle.

Before the motion can be entertained it will be necessary for seven members to rise in their places.

Seven members having risen,

**MR. DONEY** (Williams-Narrogin) [7.37]: I forebore to pursue this matter last night as I had been given information tending to show that certain negotiations were in progress and that those negotiations seemed likely to yield good fruit. It would therefore have been very injudicious to intervene at that moment. The position, however, has undergone no change. The matter at present stands this wise: A strike has occurred in the Fremantle wool stores as a result of a decision by the wool-handling section of the Shop and Warehouse Assistants' Union not to accept the new rate of wages recently decided upon by the Arbitration Court. They have determined to adopt this extreme course despite the fact that the proposed reduction is in keeping with the provisions of the Financial Emergency Act, and despite the further fact that the rates they are receiving are substantially in excess of the rates now ruling for similar