

# Legislative Council,

Wednesday, 15th October, 1924.

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

## QUESTION—GOVERNMENT SAVINGS BANK.

### Interest on Securities.

Hon. H. SEDDON asked the Colonial Secretary: What is the rate of interest paid by each class of security itemised in the statement of assets printed in the Savings Bank report of June, 1924?

The COLONIAL SECRETARY replied: By securities in Treasury Chest:—Mortgages on freehold, £33,163 7s. 1d., 6 per cent.; Municipal Debentures, £35,680, 4½, 5, 6, and 6½ per cent.; Metropolitan Waterworks, Goldfields Water Supply Debentures, £508,207 3s. 6d., 3½, 3¾, and 4 per cent.; Debentures under Agricultural Land Purchase Act, £240,954 4s. 9d., 4 and 5 per cent.; Water Boards' Debentures, £71,557 16s. 9d., 4 and 5½ per cent.; Local Inscribed Stock Certificates, £3,123,303 11s., 3½, 4, and 4½ per cent.; Land Drainage Act Debentures, £8,304 1s. 8d., 4½ per cent.; Road Board Debentures, £14,994 2s. 4d., 5, 6, and 6½ per cent.; Treasury Bills, £746,113, 4½ per cent.; Treasury Bonds, £631,360, 4½ and 5 per cent.; W.A. Government Debentures, £6,210, 4½ per cent.; Fixed Deposits, £66,667, 4 per cent.; Cemetery Board Debentures, £250, 5 per cent.; Commonwealth Treasury Bond, £20, 4½ per cent. Total, £5,486,784 7s. 1d.

## BILL—TRUST FUNDS INVESTMENT.

Read a third time and returned to the Assembly with an amendment.

## MOTION—TRAMWAYS AND WATER SUPPLY.

### Transfer to Local Governing Bodies.

Debate resumed from the 25th September on the following motion by the Hon. C. F. Baxter—

*That in the opinion of this House the Government should immediately enter into negotiations for the transfer of the metro-*

*politan tramway system and the metropolitan water supply to representatives of the local bodies concerned.*

To which the Hon J. Nicholson had moved the following amendment—

*That the words "immediately enter into" be struck out and the words "at the first convenient opportunity renew" inserted in lieu.*

Hon. C. F. BAXTER (East—on amendment) [4.37]: It is pleasing to find practically no opposition to the motion and I hope this augurs well for the future inasmuch as we can expect something definite to be done regarding the transfer of these two activities. I was rather surprised to hear Mr. Nicholson say that the tramways and water supply should be given to the local governing bodies. I do not want members to think I agree with that; nothing was further from my mind. If the local governing bodies take over these concerns, they must do so on a valuation and finance them. No Government could be expected to hand over two such concerns as Mr. Nicholson has suggested.

The PRESIDENT: The amendment is at present before the House.

Hon. C. F. BAXTER: While I consider the wording of the motion rather stronger than that of the amendment, I see no reason for insisting upon the original wording and am prepared to accept the amendment.

Amendment put and passed.

Hon. A. LOVEKIN (Metropolitan) [4.41]: It would be better if the mover of the motion agreed to strike out the reference to the metropolitan water supply until we receive the report of the select committee now sitting. We are trying to obtain information that will enable the House to found a better judgment than it could give to-day on the question of the expediency of handing over the metropolitan water supply. We are getting particulars of the assets and their value, the profit and loss and working accounts, and other material that will enable the House to form a sound judgment as to whether it is advisable for the Government to enter into such negotiations. I move an amendment—

*That the words "and the metropolitan water supply" be struck out.*

Hon. J. EWING (South-West) [4.43]: The motion only suggests the renewal of negotiations and as the evidence collected by the select committee will be at the disposal of the Government, there is no reason why the metropolitan water supply should not be included in the motion. The words "at the first convenient opportunity" adequately safeguard the position. The fact that the metropolitan water supply is the subject of examination by a select committee should be all the more reason why this concern should be included.

Hon. J. DUFFELL (Metropolitan-Suburban—on amendment) [4.45]: I am greatly surprised at the remarks of the last speaker, who I thought would have realised that the Select Committee on Water Supply must be hampered in their investigations if a resolution of this nature hangs over their heads.

Hon. J. Ewing: Not at all!

Hon. J. DUFFELL: The select committee should be allowed to remain free in their inquiries. The evidence already taken will surprise hon. members when they read it in the report, and there is a great deal more to come. The mover of the motion would be well advised to allow the words to be excised. I repeat that I am surprised at the stand taken by Mr. Ewing, especially in view of Mr. Lovekin's remarks.

Hon. J. M. MACFARLANE (Metropolitan—on amendment) [4.46]: As the motion now reads, "at the first opportunity," instead of "immediately," I do not see how the passage of it by this House can hamper the select committee at all. The Government will take into consideration that evidence is being taken by a select committee, and that that evidence must be such as to assist the Government in their negotiations with the Perth City Council. Therefore, I cannot support the amendment.

Hon. C. F. BAXTER (East—on amendment) [4.47]: Had my motion stood as originally moved, there would have been some justification for Mr. Lovekin's amendment; but in view of the amendment just carried I am unable to agree with the reasoning of either Mr. Lovekin or Mr. Duffell. I fail to see how the carrying of the motion, as already amended, can possibly hamper the select committee's investigation. The Government will be fortified by the evidence and the report of the select committee in disposing of the water supply. To excise the words would do more harm than good. As the motion now reads, the Government could enter into negotiations either next week or next year.

Member: Or never!

Hon. C. F. BAXTER: I have sufficient faith in the present Government to believe that a motion of this kind, supported by the Leader of this House and carried by the Chamber, will receive due consideration. I is not the function of a Government to carry on activities such as those referred to in the motion; and whatever the select committee's report might be, the Government would still be justified in opening negotiations. The result of the select committee's deliberations will probably be to put both the Government and the local bodies in a better position to negotiate, once the report has been presented. In any case, the Government would not embark on negotiations hastily, but would assuredly await the presentation of the select committee's report.

Hon. H. A. STEPHENSON (Metropolitan-Suburban—on amendment) [4.49]: As a member of the select committee inquiring into the important question of metropolitan water supply, I still fail to see any necessity whatever for the present amendment. I do not recognise that the carrying of the motion would hamper the select committee's work in any way. Therefore I am unable to support the amendment.

Hon. J. CORNELL (South—on amendment) [4.50]: I have listened to debates upon this subject on previous occasions. The arguments advanced have invariably been confined almost entirely to the realm of pious wishes. The principle of the motion opens up a broad sphere of discussion—the question whether or not public utilities other than those of a national character are better owned and controlled by local governing bodies or by the State. The ramifications of the control of such institutions spread far beyond the metropolitan area; for, if it is logical and reasonable that water supply and tramways—as a fact, it is only in the metropolitan area that the Government control tramways—should be owned and managed by local governing bodies, is it not just as reasonable and logical that the same principle should apply at, say, Narrogin? No argument has been adduced to lead one to support the motion if only one can find one's way out of the realm of pious aspirations. I have long held that public utilities can, in the general interests of the community, be better controlled by local governing bodies, because it has been found that with the Government taking control of purely local institutions, in respect of which the citizens are levied for upkeep, there is a great addition to the detail work of government, thus detracting from the essential functions of government. I venture to say that few, if any, Ministers who have had control of such institutions would offer serious objection to relinquishing that control, since a great deal of their time is occupied by detail work connected with such institutions, time which could be better devoted to the important issues necessarily arising in a huge State like this. I had several months' practical experience of the working of public utilities in a country where they are controlled by the municipalities, as against that State control which, particularly during the past few years, has grown up in this country and in Australia generally. I have had ample opportunity of drawing comparisons between the two systems of control. My reference is to the Union of South Africa. There the Provincial Governments could not function as satisfactorily as they do if they were loaded up with the paraphernalia of local governing institutions. It has been said that there are three forms of government in South Africa: the Union, the Provincial, and the local. I think the order of naming those forms of government should be amended, or even reversed, because there

is far greater spending capacity in the local governing bodies than in either the Provincial or the Union Government. Take the Town Council of Johannesburg. Here is an illustration of what might be done in our metropolitan area. For the year 1921 the revenue of the Johannesburg Town Council was in the neighbourhood of 3½ millions sterling. That is some council! All purely local institutions, such as water supply, electricity supply, tramways, zoological gardens, the museum, abattoirs and cool storage, are administered by the Johannesburg Town Council. South African municipal administration undoubtedly stands miles ahead of Perth city administration, however good the latter may be. On the information submitted to the Chamber I feel that the motion should go beyond a mere pious declaration, and should affirm the need for a full investigation so that the facts may be placed before the only people who can bring about the consummation of the ideal; and that is the people who are paying the piper. As to the amendment, to strike out the words "metropolitan water supply," I shall vote for it, because I think that in all the circumstances the deletion of the words is essential. I understand that there is a select committee of this Chamber now investigating all the ramifications of the metropolitan water supply, and for that reason it is wiser that the House should stay its hand in that regard. Piece by piece the select committee are bringing out evidence which must of necessity have an effect upon the minds of the people who are paying. Now I turn to the proposed transfer of the metropolitan tramways. Originally those tramways were run by a concessionaire. Eventually the State took them over. Now, have any facts been adduced here to convince the general taxpayer that the tramway service has been a better paying proposition, or a more effective utility, under the State than it was while in the hands of the concessionaire, or has it been demonstrated that it would be a better proposition under municipal control? For the reason that a committee is inquiring into one of the activities referred to in the motion, and that no investigation has been carried on with regard to the other, I intend to support the amendment, and if that is passed I shall vote against the motion as amended.

Hon. J. J. HOLMES (North) [5.3]: I urge upon the House to endeavour to proceed with the business that comes within its province. Yesterday we wasted a whole sitting on a Bill that everyone knew would be defeated. To-day we are haggling over an abstract motion. I have yet to learn that it comes within the province of this Chamber to dictate the policy of the Government. It is a matter of policy as to whether concerns such as those referred to in the motion should be run by the Government or by the municipality. A motion originally moved by

Mr. Baxter was that the Government should immediately enter into negotiations for the transfer of two activities, and that was debated. Then Mr. Nicholson came along with an amendment to strike out the words "immediately enter into." After all is said and done, it is only an abstract motion that is before us and no notice will ever be taken of it by the Government, and rightly so, I think. We have had Royal Commissions that have dealt with most important subjects affecting the welfare of the whole community, and days and nights and weeks have been spent in debating reports that have been put in, which reports have eventually found their way into the waste paper basket. It has been exactly the same with regard to the reports of select committees; no notice has been taken of them. Here we have an abstract motion that means nothing.

The Colonial Secretary: Notice will be taken of it.

Hon. J. J. HOLMES: Then if that is so, I have nothing more to say.

Hon. H. SEDDON (North-East) [5.5]: I move—

*That the debate be adjourned till the 5th November.*

Hon. J. Cornell: Guy Fawkes Day. Probably on that day the motion will be burnt.

Motion put and negatived.

Hon. F. E. S. WILLMOTT (South-West) [5.6]: My remarks will be brief. I was drawn to my feet by the utterances of some members who have lately resumed their seats. Mr. Cornell asked the House what arguments had ever been adduced in favour of the Government entering into negotiations to rid themselves of the water supply and trams, and handing them over to local governing bodies. He answered his own question.

Hon. J. Cornell: Then you need not say any more.

Hon. F. E. S. WILLMOTT: He answered his own question in the affirmative, and then said he intended to vote against the motion. Everyone knows that the main thing we require to-day as a State is money with which to develop the State, and in regard to activities such as water supply we know that several millions will have to be spent in the next few years, while with regard to trams we are aware that they are in such a condition that they will swallow many thousands of pounds before they can be put into a proper state of repair. If we could hand over those two activities to the local governing bodies, the Government would be freed from the expenditure of a certain amount of money which could be more profitably used in the encouragement of primary production. Mr. Holmes told us it was not the duty of this House to dictate the policy of the

Government. I have heard that hon. member dictating a very stern policy regarding State trading concerns. I have heard his tirades against the Government that occupied the Treasury bench before the Government now in power, and I listened to him tell them that they were doing wrong in continuing the State trading and other concerns. I agreed with him. Surely we must dictate the policy of the Government whenever we can and we should endeavour to do so whenever we can. Does the hon. member wish us to infer that the Bills now before us, and others that are likely to come before us, must be passed? I for one, having looked through those now under cover of the red book, and knowing something of the others that are likely to come before us, am not prepared to follow that line. Anything I can do in the direction of dictating the policy the Government shall take, I intend to do.

Hon. A. Lovekin: Suppose the select committee should recommend that the control of the water supply be transferred to a trust, and this House has already said that that activity should be handed over to the local authorities, how will it be possible for this House to adopt the select committee's report?

Hon. F. E. S. WILLMOTT: I am of the opinion that none of these activities can be handed over to a trust without the concurrence of the local governing bodies.

Hon. A. Lovekin: But the local governing bodies cannot finance the matter.

Hon. F. E. S. WILLMOTT: The local governing bodies, if they like, can say "We will not allow this activity to go to a trust." If they do that, I feel certain that a trust will never get control. I do not see that the matter requires any further argument. We have all made up our minds on the subject and the sooner we take a vote the better. I intend to support the motion as it stands on the Notice Paper.

Hon. J. E. DODD (South) [5.10]: I did not intend to speak on this motion, but after having heard the remarks of some hon. members, it strikes me that there may be something more behind the motion than many of us think, especially when we hear references to a transfer to a trust, and so on. As the years go on, I feel inclined to go more against Government control than I have done in the past. I am inclined to think that we have gone a little too far along that road, but I do not intend to go to the other extreme and I am rather amazed to hear references to handing over to local governing bodies some of our activities, especially after what I heard said here the other night about the incapacity of the principal local governing body in this State. Something drastic was said about the Perth City Council in connection with the High School land. It was said that that body was incapable of making up its mind about anything, and now we are asked to hand

over such big undertakings as tramways and water supply to a body that is incapable of making up its mind. That is how I view the matter and I intend to vote against both amendment and the motion.

Hon. H. SEDDON (North-East) [5.12]: I wish to say merely a few words, and they refer to the select committee that has been engaged on the question of investigating the water supply. Evidence has been taken which has not yet been made public. My argument is that if the House commits itself to definite action, it may find itself in conflict with the report that the select committee may be likely to present, and the committee may be forced to reconsider its position. That was why I sought to bring about the adjournment of the debate until the 5th November. I intend to vote against the motion.

Amendment put and negatived.

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

Ayes	..	..	..	..	11
Noes	..	..	..	..	14
Majority against					3

#### AYES.

Hon. C. F. Baxter	Hon. T. Moore
Hon. J. R. Brown	Hon. J. Nicholson
Hon. J. M. Drew	Hon. A. J. H. Saw
Hon. J. Ewing	Hon. H. J. Yelland
Hon. J. W. Hickey	Hon. F. E. S. Willmott
Hon. J. M. Macfarlane	(Teller.)

#### NOES.

Hon. A. Burvill	Hon. W. H. Kitson
Hon. J. E. Dodd	Hon. A. Lovekin
Hon. J. Duffell	Hon. G. W. Miles
Hon. E. H. Gray	Hon. H. Seddon
Hon. V. Hamersley	Hon. H. A. Stephenson
Hon. E. H. Harris	Hon. J. Cornell
Hon. J. J. Holmes	(Teller.)
Hon. J. W. Kirwan	

Question, as amended, thus negatived.

#### BILL—STATE LOTTERIES.

Received from the Assembly and read a first time.

#### BILL—PRIVATE SAVINGS BANK.

##### Recommittal.

Resumed from the 9th October; Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

Clause 7—Quarterly investments with Minister (partly reconsidered):

The CHAIRMAN: The Bill has been re-committed for the purpose of reconsidering Clause 7, to which an amendment has been moved by Mr. Nicholson to strike out the

word "seventy" in line 3 of Subclause 1, and insert "seven" in lieu.

Hon. J. NICHOLSON: If Clause 7 is struck out, as is proposed by Mr. Lovekin, that will give me all I want, and I will withdraw my amendment.

Amendment by leave withdrawn.

Hon. A. LOVEKIN: I submit that the clause as it stands, apart from its merits, is ultra vires of the Federal Constitution, which provides that after the imposition of uniform duties, all trade, intercourse and commerce between the States shall be absolutely free. A savings bank may be domiciled in Victoria, and establish a branch here. The Government may impose a license upon such branch, and may call upon it to put up a deposit of £10,000, or pay a license fee, but it is not competent for us to pass an Act declaring that 70 per cent. of its deposits, or any portion of them, shall be lodged with the Government. That is an interference with trade intercourse and commerce which is not permissible under the Federal Constitution. That being so the clause cannot constitutionally stand part of the Bill, and must be struck out.

The COLONIAL SECRETARY: It is quite immaterial where the head office of a company is that decides to open a branch savings bank here. If it decides to open the branch here it must comply with our laws. I submit that this is not ultra vires of the Federal Constitution. The Solicitor General says that the Bill adopts the Queensland Act of 1923, and that there can be no question that this Act was within the legislative power of the State Parliament. Section 51 of the Constitution Act confers on the Federal Parliament power to make laws with respect to 39 subjects, including banking.

Hon. A. Lovekin: See Section 92.

The COLONIAL SECRETARY: There are many other powers that may be exercised concurrently by the Federal Parliament and the State Legislature. The Solicitor General directs my attention to Quick and Garran on the Federal Constitution.

Hon. A. Lovekin: I do question that. Section 92 of the Constitution Act says that the intercourse between the States shall be free.

The COLONIAL SECRETARY: On page 508 Quick and Garran say—

This important section, containing 39 subsections, enumerates the main legislative powers conferred on the Federal Parliament. They are not expressly described as either exclusive powers or concurrent powers, but an examination of their scope and intent, coupled with subsequent sections, will show clearly that, whilst some of them are powers which neither never belonged to the States, or are taken from the States and are vested wholly in the Federal Parliament to the exclusion of action by the State Legislatures, others are powers which may be exercised con-

currently by the Federal Parliament and by the State Legislatures.

Under the Federal Constitution it is expressly set out that the State has power to start any banking business. If the State attempted to legislate for any action beyond its own borders, the Federal Constitution would apply, but there is no attempt by this Bill to exercise any jurisdiction outside the State.

Hon. A. LOVEKIN: I have raised quite a different point. Section 92 of the Federal Constitution says that after the passing of uniform duties all trade, intercourse and commerce between the States shall be absolutely free. Trade intercourse and commerce between Victoria and Western Australia cannot be said to be absolutely free if a person carrying on a savings bank or any other commercial business is compelled to put up 70 per cent. of his assets to the Government, in addition to paying license fees and making a deposit. Certain powers of transfer are permitted either for the State or the Commonwealth Government until the Commonwealth sees fit to act. One of these transfer powers is banking, but that does not operate until the Federal Parliament legislates in regard to banking. The only legislation in this respect that the Federal authorities have passed up to the present is in connection with the Commonwealth Bank. All other banking has remained as free as it was before the Federal Constitution was passed. Where matters are not touched by the Federal Parliament, the State remains free. The points suggested by the Colonial Secretary do not apply. The provisions of Section 51 do not enter into this question. Section 92 of the Federal Constitution Act sets out that on the imposition of uniform duties of Customs, trade, commerce, and intercourse among the States, whether by means of internal carriage or ocean navigation, shall be absolutely free.

Hon. A. J. H. Saw: Can a savings bank business be regarded as coming within the scope of "trade, commerce or intercourse"?

Hon. A. LOVEKIN: I think so.

Hon. J. Cornell: The earlier part of the section qualifies the latter part.

Hon. A. LOVEKIN: I do not think that is so. The point is that there must be free trade, commerce and intercourse between the States, and the question arises as to whether the savings bank business comes within that category. I submit that it affects intercourse between two States in the carrying on of a savings bank. That being so, it is not competent for us to pass a measure that will prevent free intercourse as between the head office of a bank in the Eastern States and its branch here, to the extent of compelling a savings bank to put up 75 per cent. of its assets, in addition to paying a license fee and a deposit of £10,000.

Hon. J. J. Holmes: If we can compel a bank to put up a deposit, cannot we compel it to lodge additional money as suggested?

Hon. A. LOVEKIN: No. That is a different matter. Under the Federal Constitution it is permissible for a State, notwithstanding the Federal law, to impose a licensing fee or guarantee.

Hon. J. J. Holmes: Would a £10,000 deposit be regarded as a licensing fee?

Hon. A. LOVEKIN: It is a different proposition to ask a bank to hand over its assets to the Government.

Hon. G. W. Miles: That only means putting up a bigger guarantee.

Hon. A. LOVEKIN: If it is so interpreted, my point is of no value. I suggest that if we compel a savings bank to lodge assets with the Government—it practically amounts to confiscation—that bears a relationship different from that of a license fee or a deposit.

Hon. J. E. Dodd: The Queensland Act has never been challenged.

Hon. A. LOVEKIN: That is hardly the point. No objection may have been taken for Governments may have been in power who have not taken exception to it. I raise the objection now, and it is for us to say whether my objection is well founded.

Hon. J. J. Holmes: Have not the Federal Government hampered the State enough without increasing their hold?

Hon. A. LOVEKIN: I am not suggesting anything in that direction. We have power to impose license fees and to ask an interstate company to put up a deposit, but we have no right to go beyond that and confiscate the capital in this way. We have no more right to do that than we have to impose income tax on companies operating in Melbourne. Many companies have gone to Melbourne where the income tax is lower, and now trade from there. Western Australia can charge income tax only on the profits that can be shown to have been derived from their business in this State. As there are no profits accruing, for obvious reasons, the Government cannot go beyond Western Australia and tax profits made by companies in the East. We cannot legislate in this direction regarding savings banks any more than we can go to Foy & Gibson's and force that firm to lodge goods on deposit with the Government.

Hon. J. J. Holmes: You agree with the deposit?

Hon. A. LOVEKIN: The State has power to impose a license fee and a deposit. I do not object to that.

Hon. J. J. Holmes: If we can legislate in that direction, cannot we impose the additional conditions sought in the Bill?

Hon. A. LOVEKIN: The State cannot confiscate goods any more than they can confiscate the money of a savings bank in the way suggested.

Hon. J. NICHOLSON: I am unable to share the views expressed by Mr. Lovekin. As the Leader of the House has pointed out, the powers of the Commonwealth Government regarding certain matters are absolute and exclusive, whereas certain powers con-

cerning other matters may be exercised concurrently by the State and the Commonwealth. Provision was made in the Federal Constitution that trade, commerce and intercourse between States should be absolutely free, once uniform duties were imposed.

Hon. J. Cornell: Did that not apply only to Customs and Excise duty?

Hon. J. NICHOLSON: That is the point I am coming to. That freedom did not imply that business could be conducted here free and untrammelled by local laws. It simply meant that the business could be conducted free from the possibility of duties that might otherwise have been imposed by the several States. The Bill imposes no duty. It merely seeks to set out the conditions under which business may be conducted within our own borders and that is a power the States may exercise. The Bill merely sets out the conditions under which banking institutions of this description may be conducted. If Mr. Lovekin were correct in his view, any banking institution, company, corporation or firm could come to Western Australia, secure registration and carry on business without conforming to the provisions of the Companies Act. On the contrary we know that what are known as foreign companies have to appoint some person resident in the State to act as attorney and certain returns and forms have to be furnished under the provision of that Act. That is a condition imposed by our local laws setting out how companies may carry on business here. A little while ago we passed legislation imposing restrictions and conditions upon insurance companies. We insisted that they should deposit a certain sum as evidence of their bona fides and business ability and stability. That was no infraction of Section 92 of the Federal Constitution.

Clause put and passed.

Bill further reported without amendment.

#### *Further Recommitment.*

On motion by Hon. A. Lovekin, Bill again recommitted for the purpose of reconsidering Clauses 3, 5, 7 and 15.

#### *Clause 3—Interpretation:*

Hon. A. LOVEKIN: I move an amendment—

*That in line 3 of the interpretation of "savings bank business" the words "receivable from a deposit" be struck out, and "so deposited" inserted in lieu.*

This will make the clause clearer. As it is, I think an error was made in the drafting.

Amendment put and passed.

Hon. A. LOVEKIN: I move an amendment—

*That all words after "bank" in line 8 of the definition of "savings bank" be struck out and the following inserted in lieu: "having relation to any moneys so deposited and withdrawals from such de-*

posits, but does not include or extend to (a) the business of receiving moneys on deposit for fixed periods at interest by joint stock or incorporated banks engaged in or carrying on ordinary commercial banking business, or (b) any building society or mutual co-operative or benefit society receiving deposits or loans at interest in sums (except in the case of deposits by its members) not less than £100."

There have been some conferences between the Crown Solicitor, the Minister, Mr. Nicholson and myself, and I think this amendment is one that was agreed upon. I see it is also in accord with an amendment Mr. Kitson has on the Notice Paper. Indeed my amendment covers that of the hon. member. The amendment is to make it perfectly clear that this definition does not include the ordinary incorporated banks, nor any building society or mutual co-operative or benefit society receiving deposits on loan at interest in sums, except in the case of deposits by its members, of not less than £100.

The COLONIAL SECRETARY: There is no objection to the amendment, but the Solicitor General still maintains that this measure does not in any way affect the associated banks. The provision has been inserted in the Queensland Act without any objection from the associated banks.

Hon. J. NICHOLSON: I understood the Crown Law Department were to be asked about the phraseology of the clause. I have not been able to find out what occurred. Perhaps the Minister may have something to say on the point.

The COLONIAL SECRETARY: When all these amendments have been moved I will report progress in order to place the result before the Parliamentary draftsman. The Bill will have to be recommitted again.

Hon. W. H. KITSON: I move an amendment on the amendment—

*That the words "in sums (except in the case of deposits by its members) of not less than £100" be struck out and "from its members or others (provided that deposits or loans received from other than members are in sums of not less than one hundred pounds)" be inserted in lieu.*

My amendment will make the position clear. I have discussed this matter with a building society officer, who considers his society would be affected by Mr. Lovekin's amendment. He favoured my amendment as it would exclude his society from the operations of the measure.

Hon. A. J. H. SAW: I presume there is a difference between deposits and loans?

Hon. A. Nicholson: Undoubtedly.

Hon. A. J. H. SAW: Mr. Lovekin proposes to exempt only deposits and not loans, whereas Mr. Kitson desires to exempt both deposits and loans. It would be better to report progress in order that those specially

concerned might frame a satisfactory amendment.

Hon. A. LOVEKIN: I accept Mr. Kitson's amendment, which is an improvement on mine. Mr. Nicholson suggested the wording I adopted, and it was approved by the Crown Law authorities, but we are all at one in our wishes.

Hon. H. STEWART: In one instance a minimum of £100 is stipulated as the amount bearing interest, and in the other instance the minimum is not stipulated.

Hon. A. Lovekin: That is right. A member may put up a shilling, but an outsider must put up £100.

Hon. H. STEWART: Members should realise exactly what is being provided for.

Amendment on amendment put and passed.

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

Clause 5—Application for license:

Hon. A. LOVEKIN: I move an amendment—

*That in Subclause 6 the words "subject to such conditions, if any, as may from time to time be prescribed" be struck out.*

It is proposed to issue a certificate granting a person permission to carry on this business, and then it is proposed that the license shall be subject to such conditions as the Governor may from time to time prescribe.

Hon. A. J. H. SAW: It is a very fine blunderbuss.

Hon. A. LOVEKIN: It is. The conditions under the Bill are strenuous enough. First a deposit of £10,000 is required; then 70 per cent. of the deposits over withdrawals must be put up, and on top of that the private savings bank is to be subject to any other conditions that the Governor may from time to time prescribe. That dragnet might well be cut out.

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

Clause 7—agreed to.

Clause 15—Regulations:

Hon. A. LOVEKIN: Is it intended that the Governor shall make regulations prescribing that the interest rate of a private savings bank shall not be lower than the rate allowed on Government deposits, or is it intended that the rate shall not be higher? If the rate were higher, the private savings bank would get the money. If it were lower, there would be no hope of its getting any money.

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

The COLONIAL SECRETARY: I hope that in the interests of private savings banks the Chamber will not accept Mr. Lovekin's amendment, which would kill those banks with one fell blow. Under

paragraph 5 of Clause 15 the Governor may prescribe the rate of interest which shall be allowed on deposits by private savings banks. That provision gives the Government full power to prescribe a rate. But paragraph 5 continues—

but so that such rate shall not be lower than that allowed for the time being on deposits in the Government Savings Bank.

If "higher" were substituted for "lower," the Government could save 3 per cent interest on deposits. The provision is for the protection of private savings banks.

Hon. A. LOVEKIN: I thought I was helping the Government by my amendment. The whole tenor of the Minister's second reading speech was that the Bill was to wipe out all other savings banks, and also building societies taking deposits. As the Minister has now disclosed a desire to protect private savings banks, I ask leave to withdraw the amendment.

Amendment by leave withdrawn.

Clause put and passed.

Bill reported with further amendments.

#### *Further Recommittal.*

On motion by the Colonial Secretary Bill again recommitted for the purpose of further considering Clause 3.

Clause 3—Interpretation:

The COLONIAL SECRETARY: I wish to submit the amendments made to-night to the Parliamentary draftsman for his consideration before the Bill is finally disposed of.

Progress reported.

#### BILL—NOXIOUS WEEDS.

##### *In Committee.*

Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

Clauses 1 to 6—agreed to.

Clause 7—Power to destroy after notice:

Hon. J. J. HOLMES: On the second reading I pointed out that it would be unfair to put on the attorney or agent personally the liability for any money expended under this measure. I therefore move an amendment, which has been drawn in consultation with the Crown Law Department—

*That the following be added to stand as Subclause 5: "The amount of such costs and expenses shall be deemed to be rates imposed by the local authority on the said land for the financial year current when such costs and expenses were incurred, and shall be a charge on such land accordingly; and the provisions of the relative*

*Local Government Act dealing with the sale and leasing of land for rates shall apply to and in respect of such costs and expenses, and any charge arising thereunder may be enforced in the manner therein provided."*

The effect will be to enable the local authority to place the charge on the land instead of on the person administering the estate. When Clause 15 is reached, I shall move another amendment, making the attorney or agent the person upon whom the notice may be served.

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

Clauses 8, 9, 10—agreed to.

Clause 11—Apportionment of expense between persons interested in land:

Hon. J. J. HOLMES: On the second reading I drew attention to this clause also. As it stands, the clause provides that either the owner or the occupier shall be liable, and that the expense shall be borne in such proportions as may be prescribed by regulation. That seems to me indefinite. The owner may have leased to a tenant and provided in the lease that the tenant shall eradicate weeds. To get over the difficulty I move an amendment—

*That the following be added to the clause:—"Subject, however, to the express provision of any agreement made as between such owner and occupier."*

Where no agreement such as I have indicated exists, the Government will have to put the responsibility on the one party or on the other; and I presume that will be done by regulation.

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

Clauses 12 to 14—agreed to.

Clause 15—Attorney to represent principal:

Hon. J. J. HOLMES: I move an amendment—

*That Subclause (E) be struck out, and the following inserted in lieu:—(E) Service on such a representative of the owner of any land of—(a) any notice required or authorised to be served on such owner under this Act; (b) any summons or legal process for the recovery of moneys payable by such owner in respect of the land under this Act shall be deemed to be good and sufficient service on the owner.*

With this amendment we shall make the owner the person on whom the notice shall be served.

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

Clauses 16 to 20—agreed to.

Clause 21—Quarantine and inspection of imported stock to prevent introduction of noxious weeds:



Hon. J. J. HOLMES: I move an amendment—

*That Subclause (2) be struck out, and the following inserted in lieu: "(2) In the case of sheep the inspector shall keep them in quarantine until shorn or slaughtered, unless the Minister, on the recommendation of the Director of Agriculture, exempts them from the provisions of this subsection."*

This is a result of a conference between persons interested and the Director of Agriculture. The amendment does not go as far as I would wish, but it is as far as the Director of Agriculture is prepared to go in the matter. It provides that in the case of sheep the inspector shall keep them in quarantine until shorn or slaughtered, unless the Minister, on the recommendation of the director, exempts them. It was arbitrary before. In the case of rams it might not be convenient to shear them at Fremantle. At the discretion of the Director of Agriculture it will be possible to recommend that they be sent from one port to another before being shorn and still dealt with as proposed in the Bill.

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

Hon. J. J. HOLMES: It will be necessary now to move what may be a consequential amendment in Subclause (3). The clause begins "the wool shorn from such sheep. . . ." It will be necessary to insert after "wool" the words "or skins," as skins will have to be treated in the same manner as the wool shorn from the sheep. I move an amendment—

*That in line 1 after "wool" the word "shorn" be struck out with a view to inserting "or skins."*

Hon. H. Stewart: The clause will not then read satisfactorily.

Hon. H. A. Stephenson: The clause further down refers to wool being immediately baled. It will not be possible to immediately bale green skins.

Hon. H. Stewart: We ought to report progress and have the amendment properly framed; otherwise we shall have to deal with the Bill again and make a further alteration.

Hon. J. J. HOLMES: The amendment I propose will be all right, because we are dealing with merely a few skins from sheep that may be brought in.

Hon. H. STEWART: The clause was evidently drafted to deal with stud sheep. Some years ago a good many sheep were brought in from South Australia for slaughtering purposes and there might at any time be a considerable number of skins that it will not be possible to deal with on account of their being green. Of course we could strike out the word "immediately."

Amendment (to strike out "shorn") put and passed.

Hon. J. J. HOLMES: I move an amendment—

*That "or skins" be inserted.*

Hon. W. H. KITSON: It would be better to amend the clause further down. I suggest that the words "in addition, the skins from such sheep" be inserted in line 2 after the words "baled and."

Hon. H. STEWART: Mr. Kitson's amendment will mean that the skins can be dealt with as the Government inspector thinks fit.

Hon. J. CORNELL: I suggest that in addition to Mr. Holmes' amendment the following words be added to the clause:—"The skins from slaughtered sheep shall be dealt with as the inspector directs."

The COLONIAL SECRETARY: Mr. Holmes' amendment will meet the case. The skins that are affected by noxious weeds must be baled and every precaution taken to see that they are exported from the State.

Amendment put and passed; the Clause as amended agreed to.

Clauses 22 to 30—agreed to.

Title—agreed to.

Bill reported with amendments.

## BILL—CLOSER SETTLEMENT.

### Second Reading

Debate resumed from 2nd October.

Hon. J. EWING (South-West) [8.10]: This is not the first occasion when a Bill of this character has come before the House. In 1922 an amending Bill was twice before the House. It was unfortunate that it did not pass on those occasions. The then Government desired to see the State developed, and thought that such a Bill would tend towards greater prosperity than anything else. Another Government have now come into power, and they seem to see eye to eye with the Government that have just gone out of office, at any rate on this particular matter. The object of the Bill before us is to bring all unimproved and unproductive land into a state of production. We desire to effect this with the least possible disturbance of titles, and the least interference with owners. The Bill will require a considerable amount of amendment. I am prepared to support the second reading, as well as to join with other members in making as perfect a Bill as possible of it. When it has gone through the Committee stage I expect it will be a much improved Bill. Members who have spoken have said what they intend to do, and some of their amendments already appear on the Notice Paper. Whatever the amendments may be, with the general principles of the Bill we must all heartily agree. The Colonial Secretary has told us that we have practically ten million acres granted in fee simple, and 17 million acres

granted in conditional purchase, which will eventually become fee simple, making a total of 28 million acres. Of land cleared there is about six million acres, leaving 22 million acres. If we take from this the partly cleared land, according to the Colonial Secretary's statement, there remain 19 million acres of practically unutilised land. It cannot be said that this vast area is unutilised because it is used to a great extent for sheep runs. The object of the Government is to see that this so-called unproductive land is brought into more effective use. I am sure every member will do what he can to assist the Government in that direction, provided nothing wrong is done to any owner, and that the titles of the lands of the State are not prejudiced. Members have on many occasions said that the Government seem to find all the money necessary for the improvement of the lands of the State. If they analyse the position they will see what a wonderful amount of work has been done by the settlers and pioneers. The moneys spent by these people on improvements to land run into between 40 million and 50 million pounds. The moneys spent by the Government total about 10 million pounds. The man on the land, therefore, has done a considerable amount in the way of improving his own holdings. The Colonial Secretary said that according to the classification there were two million acres of land in the Avon Valley suitable for settlement, and that in the opinion of the Government or the surveyor portion of this land is not being put to proper use. I have looked at the plans, and find that a lot of this land does not properly belong to the Avon Valley. In the Avon Valley there is not that extent of unproductive or unused land, for most of it is already in the capable hands of settlers. That fact is pretty well established. That being so, we must ascertain where this land is that the surveyor said was within 12 miles of a railway. If hon. members look at the railway map, they will find that many branch lines run off from the main line. The land said to be available for resumption is along those branch lines and, therefore, not within the Avon Valley as suggested. Nevertheless, the land is available and it is the object of the Government to see that the land is utilised to a greater extent. Mr. Burvill must have gone to much trouble to secure the list of people who were looking for land, that he submitted to the House. I read the list with interest and it disclosed the fact that many of our own people, quite apart from migrants, were looking for land now. I take it that the idea is to resume some of the 2,000,000 acres referred to in order to provide land for our own people.

Hon. J. J. Holmes: Could not they be provided with land on the group settlements?

Hon. J. EWING: We are not dealing with group settlements now. I am sorry

that group settlement work has been stopped, apparently, for the time being, for the good and sufficient reason that the agreement with the Imperial authorities is not satisfactory. As one of the representatives of the South-West, I am anxious regarding the position. I hope the Government will reconsider their decision and go ahead with the group settlement work. I hope they will bring out people from the Old Country and settle them under the advantageous conditions that operate in the South-West.

Hon. G. W. Miles: They are doing the work now by contract instead of by day labour.

Hon. J. EWING: I have been in favour of contract work but I doubt if, in view of the number who were coming out under the group settlement scheme, the work could have been done originally along lines other than those adopted by Sir James Mitchell. It has to be remembered that the greater proportion of those migrants were men without previous farming experience, and in view of that fact, there was no other way to cope with the task than that adopted by Sir James. I believe that, had he remained in power, he would have introduced the contract system in due course. It has been said that it is not necessary to have a Closer Settlement Bill, because the Land Act of 1898 can be utilised. I have read that Act and I believe the Crown Solicitor has given it as his opinion that closer settlement cannot be brought about under it. Hence the necessity for the Bill. Mr. Stewart and others mentioned the Agricultural Lands Purchase Act and suggested that, with amendments, that measure could be used. I have looked through that Act and, in view of the many amendments that would be necessary, I am convinced that the Government have adopted the better way by introducing a Closer Settlement Bill in which their intentions are clearly indicated. I am afraid that the amending of the 1898 Act would be a complicated matter.

Hon. H. Stewart: In the past Closer Settlement Bills have been introduced for group settlement purposes. Now you support such a Bill because land is needed for other than group settlement purposes.

Hon. J. EWING: I do not say whether the land is required for group settlement purposes or not. It is a matter of Government policy and they may resume the land for what purposes they may see fit. As the intentions of the Government are put in concrete form in the Bill, we can amend it or reject it. I think the Government have dealt with the matter in the best available way. Mr. Willmott, when speaking the other night, was apparently concerned about the group settlers and doubted the classification of the land. I do not know where he got his information from, but he said that practically all the estates in the South-West had been offered to the Government.

Hon. E. H. Harris: That was not the first time he made that statement.

Hon. J. EWING: Many estates have been offered to the Government and have been rejected. I do not know why that was so. If the estates were offered to the Government on reasonable terms, as suggested by hon. members from time to time, there must have been something unsatisfactory about the proposals, or the Government would have repurchased those estates and there would have been no necessity for the Bill.

Hon. T. Moore: Did any such offers come before the Mitchell Government?

Hon. J. EWING: Yes, some estates were purchased by that Government and proved satisfactory. I would instance the Dardanup estate.

Hon. H. Stewart: The former owner says the estate is not producing as much now as when he was in possession.

Hon. J. EWING: I do not think that is correct; I think it is producing more.

Hon. V. Hamersley: The former owner should know.

Hon. J. EWING: The prices offered for the estates rejected may have been more than the Government were prepared to pay. I will bring one concrete proposal before the notice of the Minister in the hope that he will consider the proposition and develop land that is within reasonable distance of railways in the South-West. Before Sir James Mitchell went out of office, a big scheme was put before him. The land comprised areas similar to those of the Peel estate and Bateman estate. It was suggested that the Government should purchase land and enter upon a developmental scheme extending from Pinjarra to Bunbury. The area comprised good country and high, dry land, not such as Mr. Holmes, as chairman of a Royal Commission, reported when he described some parts as sandy wastes and poor land. The area I refer to comprises good soil and, of course, swamps that could not be improved upon. That proposal was put before the present Government but the Minister for Lands turned down the big scheme. I trust the Government will do something for that part of the State and bring into use land which is not satisfactorily utilised now. For the information of the House, I wish to state exactly what has happened. There has been a movement in Bunbury dealing with this matter and land has been placed under option to the Government. I want the Minister to say whether the price asked for and the conditions governing the offer are satisfactory. I know the Minister will pass on my representations to the Minister for Lands and I hope some statement will be made by the Government regarding the policy respecting this matter. A smaller scheme has been formulated affecting 28,000 acres. That area is under offer to the Government at 28s. 6d. per acre. The land is adjacent to a railway and lies between the railway line and the coast.

Hon. A. Lovekin: So does the Peel estate!

Hon. J. EWING: The Peel estate will justify itself. When speaking yesterday to a man who knows the country well, I was talking about the good land to be found in Western Australia and I said that some of the best was in the Gingin district.

Hon. T. Moore: Nearly as good as the Greenough Flats.

Hon. J. EWING: That, too, is beautiful country. The gentleman I was speaking to said that the land I referred to was not the best, because the best land was to be found on the Peel estate.

Hon. J. J. Holmes: Yes, the swamps.

Hon. J. EWING: In the South-West we have similar swamp lands in the areas I am referring to. That land is under offer to the Government for £39,000. The proposal is to cut the land up into 100 farms, each containing 110 acres of high land and 16 acres of swamp land.

Hon. G. W. Miles: What does the high land consist of?

Hon. J. EWING: Good redgum country. I know the land and it is good country.

Hon. T. Moore: What is it being used for now?

Hon. J. EWING: Cattle and sheep grazing.

Hon. T. Moore: Has it ever been cleared?

Hon. J. EWING: Yes. It is also proposed to provide a large commonage for the benefit of people who take up the land there. I hope, if the Government entertain the proposition, they will provide a commonage where the people can run their dry stock.

Hon. V. Hamersley: They will require a big area!

Hon. J. EWING: The hon. member knows I am right.

Hon. J. J. Holmes: You want the Government to say that they consider the offer a fair one?

Hon. J. EWING: That is what I am asking.

Hon. J. J. Holmes: Do you think that is wise? Is there not a chance of getting a better offer?

Hon. J. EWING: I understand what I am doing. I am pointing out that, although the Bill may be required, there are large areas in the South-West that the Government can acquire without the necessity for such a Bill.

Hon. G. W. Miles: The price may be too high.

Hon. J. EWING: I want to point out that the Bill is unnecessary regarding this particular area.

Hon. T. Moore: You thought such a Bill was necessary two years ago.

Hon. J. Cornell: Mr. Ewing is two years older now.

Hon. J. EWING: If the hon. member were to read my speech, I do not think he would say that I considered it was necessary.

Hon. T. Moore: You spent an hour and a half on it!

Hon. J. EWING: The area I refer to is available under exceptionally easy conditions. It is suggested that £11,000 should be paid as a deposit and that the balance should be at 6 per cent. per annum over a reasonable term.

The PRESIDENT: Do you intend to connect your remarks with the Bill?

Hon. J. EWING: Most decidedly! I want the Government to purchase this land under the Bill or any Act they like. It is land that is not fully improved and, therefore, comes within the scope of the Bill. I am quite in order! The expenditure necessary would be £39,000; to complete the roads £8,000; drainage and surveys, £13,000; total, £61,000. Against that there is clearing, buildings, and fencing valued at £19,847, which will reduce the cost to £41,000. It is a golden opportunity for the Government.

Hon. J. Cornell: Why didn't your Government do it?

Hon. J. EWING: I believe that Sir James Mitchell was on the point of doing it when he left office.

Hon. A. Lovekin: Don't you think you are handicapping the Government by your suggestion that it is a fair price?

Hon. J. EWING: I should be sorry to handicap the Government as the hon. member does. I think the Colonial Secretary knows that he has to keep his eye open to see that he does not get into trouble with all the hon. member's amendments.

The PRESIDENT: The hon. member had better address the Chair.

Hon. J. EWING: When one sees land like that and in such a position, and available to the Government, one wonders why it should be necessary to have this Bill.

Hon. J. Cornell: Where is this wonderful Garden of Eden?

Hon. J. EWING: If the hon. member will come with me I will show it to him. At any rate, I put this concrete case before the House in order that members may see that the land is there and that it is cheap, and that if the Government cannot arrange to purchase it on the conditions I have mentioned, then perhaps this Closer Settlement Bill might be brought into use; although I am not one to support a Bill in order that the Government may get the land too cheaply, for I want to see a fair price paid for the land. That is what makes me wonder why the Bill should be deemed necessary. Hon. members say there is plenty of cheap land to be bought. Then why do we not buy it, instead of worrying about Closer Settlement Bills? Mr. Willmott, the other night, mentioned the Forests Act. There are large areas of land in the forest country that could be used for closer settlement.

Hon. T. Moore: And it can be used for growing timber, too.

Hon. J. EWING: Yes, that is right, but the hon. member knows there are in the gullies large areas of land that can be and should be cultivated.

Hon. T. Moore: Your Government did not go after that land.

Hon. J. EWING: I have been astonished at the classifications made of timber land. I know that country very well, and I can see that when the classifier goes out to classify timber he seems to forget everything else, does not worry as to whether or not there is good land between the hills. If one goes to the Forests Department he will be told that the land in and around Greenbushes is all timber land. When I was there 12 months ago, I was interviewed by a number of clear-brained, far-seeing men who knew the country, and who assured me there was any extent of good land for closer settlement in and around Greenbushes.

Hon. T. MOORE: On the other hand, there is a great demand for sleeper cutters over the whole of that area, showing that there is timber there.

Hon. J. EWING: But there is between the ridges much land that could be utilised for closer settlement. The Minister for Lands, on the representations of the member for Nelson in another place, and others, has had surveyors down there, and I know that he is favourably disposed towards the country, and is going to give attention to the land around Bridgetown and Greenbushes. However, the Forests Act is in the Minister's way all the time. The Government should amend that Act so as to be able to utilise suitable land for closer settlement. In all this I am only emphasising what has been said by Mr. Willmott, and endeavouring to impress upon the Government the necessity for giving consideration to all the land in the South-West available for closer settlement.

Hon. J. J. Holmes: Is this land near a railway?

Hon. J. EWING: Yes, it is all close to Bridgetown or to Greenbushes.

Hon. J. J. Holmes: Well, why do not the Government do something with their own land?

Hon. J. EWING: The Minister for Lands cannot touch it, because of the Forests Act.

Hon. J. J. Holmes: And so you favour him touching somebody else's land?

Hon. J. EWING: I am not in favour of touching anybody else's land. There is room for all.

Hon. J. J. Holmes: Well, that is what the Bill aims at.

Hon. H. Stewart: But he does not approve of the Bill.

Hon. J. EWING: I hope something will be done to minimise the difficulties now confronting the Minister for Lands. Mr. Holmes, the other night, mentioned the Midland Railway Company. I agree with what he said, and I hope the method the Government will take in respect of the Midland Railway Company will be to have a straight-out purchase of the company's property, not to bring the company's lands under the Bill. For if the Government touch the company's lands they will get but a small percentage of good land. That

would suit the Midland Company very well. But I hope the Government will purchase the company's property rather than acquire it by compulsion.

Hon. T. Moore: I suppose Sir James Mitchell nearly bought that property too.

Hon. J. J. Holmes: He would have bought it if he had stayed in office long enough.

Hon. J. EWING: Well, Rome was not built in a day. Had that property been purchased by the Daglish Government it would have been a wonderful bargain for Western Australia. I want to refer to what Mr. Holmes said about the nationalisation of agriculture. Of course he did not mean what he said. He knows that agriculture has not been nationalised.

Hon. J. J. Holmes: I do mean what I say.

Hon. J. EWING: There is no nationalisation of land in Western Australia today.

Hon. J. J. Holmes: I said nationalisation of agriculture.

Hon. J. EWING: The hon. member said that everything was being nationalised, the Agricultural Bank, the Industries Assistance Board, soldier settlement, group settlement and everything else. Because the Government are bringing out settlers and assisting them with public money, the hon. member's contention is that they are all building on Government money, and putting in none themselves, and therefore the industry is being nationalised. The hon. member knows that ultimately every settler has to pay for his land, and that therefore there can be no nationalisation of land under those conditions.

Hon. J. J. Holmes: I did not say land, I said agriculture.

Hon. J. EWING: Well, it is practically the same thing. I say the land is not being nationalised, because the settlers are steadily buying it. The hon. member also said that the burden on the people of Western Australia was too great, and that therefore if we passed the Bill, and the Government bought more land, the burden would become still greater. I cannot agree with the hon. member. He said that with the obligations on the Government, the difficulties of marketing, the railways authorised, and the public works in hand, one must conclude that we had gone far enough, and that group settlement must stop. The hon. member's argument was totally fallacious, because unless we are going to stagnate, we must not stop the progress of the State by stopping group settlement or any other settlement. The moment we say "That is enough," that is the end of it. If in any great enterprise doubt arises, the whole thing is damned. That is what I fear for group settlement to-day. I am afraid that those in the Old Country looking forward to coming out here have been told that the Imperial agreement is not all right, and

that the suggestion has been made that migration must cease.

Hon. G. W. Miles: Did you not read in the Treasurer's Budget speech that migration means more work?

Hon. J. EWING: Yes, I was very pleased to read that. Mr. Holmes, having full knowledge of the State and its requirements, cannot advise the Government to stop group settlement. Indeed such a contention should not be used by a responsible member of the House.

Hon. A. Lovekin: The Government may not be able to go on, for want of funds.

Hon. J. EWING: I do not think the hon. member believes that for a moment. This is a wonderfully rich State, and we can get any amount of money in London.

Hon. J. J. Holmes: Don't you think four millions in the South-West enough to go on with?

Hon. J. EWING: I should like to see it 40 millions. Some members seem to be afraid of Western Australia. They say we must stop, that we have not got the money. Plenty of businesses, if afraid to go on borrowing when up against it, would have gone to the wall.

Hon. J. Cornell: Then you believe in the old adage that no church was ever built without going into debt.

Hon. J. EWING: If we stop, migrants will go to Canada and other parts of the world, and will say that although Western Australia started group settlement she became afraid of her position and closed down. And they will add "We have no time for Western Australia." Thus the link will be broken and that will mean disaster to Western Australia. It will be necessary to make some amendments to the Bill. Mr. Holmes, speaking of his experience on the Peel Estate Royal Commission, said a certain board was appointed. Mr. Venn was a member of the board which reported against the purchasing of a certain property. Therefore, the Government got rid of him and appointed someone else who was favourable to the purchase.

Hon. A. Lovekin: The board reported against the land.

Hon. J. EWING: The reason for Mr. Venn's going off the board was that he had purchased an estate that required his attention.

Hon. J. J. Holmes: I only pointed out what might be done and what could be done by this board.

Hon. J. EWING: A civil servant would not be worthy of any consideration if he was amenable to pressure by the Minister. I do not think there is such a man in our civil service to-day. Mr. Camm went on to the board referred to by Mr. Holmes, but the estate was purchased for an entirely different reason. It was purchased because it was required in connection with the drainage system, and the price was reduced from 28s. to 20s. per acre. There was ample justification for its purchase at that stage.

Hon. J. Cornell: Did you read what was said about Mr. Camm on the Redi-tribution of Seats Bill last session?

Hon. J. EWING: No, but he is a very good man, and above the sort of thing suggested by Mr. Holmes. Governments come and Governments go, and if a Minister could not depend upon the head of his department, it would be a bad thing indeed for the State.

Hon. G. W. Miles: If the officer did not do as the Minister desired, in some cases he would be pushed out.

Hon. J. J. Holmes: No one said that is what happened.

Hon. J. EWING: That was the inference conveyed by the hon. member, and in speaking thus he did an injustice to civil servants. The constitution of the board is capable of improvement. Two of its three members should not be Government officials. One member should be an experienced agriculturist not in the Government service. The board would then consist of a Government official, an experienced agriculturist outside the Government service, and a local resident.

Hon. A. Burvill: What about the owner of the land?

Hon. J. EWING: He would be represented by the agriculturist. All that the board has to decide is what is reasonable use of land. Under my suggestion it should be possible to get a good board, and given that there should be no difficulty with the measure. Provision is made for appeals, and I am satisfied all possible consideration will be extended to land owners. The Government have no intention to confiscate land. I am sure they will act fairly and will not take a man's property without paying a reasonable price for it. Mr. Stewart referred to land valuation taxation. That would be of great advantage in this State. Under the Bill it is proposed to take as the value of the land the amount returned for taxation purposes plus 10 per cent., but it would also be reasonable to give some consideration for disturbance.

Hon. J. J. Holmes: A lot of the valuations have been fixed by the department.

Hon. J. EWING: But the valuations have not been fixed by the Taxation Department throughout the State. As regards the definition of land required for closer settlement, I do not think there is much in the objections that have been raised. The land acquired will be land required for closer settlement, and there is no intention of taking town lands.

Hon. J. J. Holmes: The Government could take stock reserves, university land, or anything.

Hon. J. EWING: The Government want only such land as is unused and unproductive. If the Government decide to acquire a portion of a man's holding, the owner has a right to insist upon their taking the lot. That is satisfactory, but what about the other side of the picture? The Minister for Lands has strenuously opposed any suggestion that a man should be allowed

to retain portion of his property for his own use.

Hon. V. Hamersley: They will put a fictitious value on it and make him buy it back.

Hon. J. EWING: He should be able to reserve a portion of his holding and then the unused portion could be made available for closer settlement. The principle of the Bill is sound, and in Committee we can make such amendments as will perfect the measure.

Hon. V. HAMERSLEY (East) [8.54]: I do not agree with Mr. Ewing's statement that this is a good Bill. His remarks indicate that there is any amount of land, even in his own province, on offer to the Government. Speaking from a lifetime's knowledge of land in this State I am not aware of any part where land is not for sale and available. There are immense areas of land for sale throughout the State, and in many instances it has been offered for considerably less than it has cost the owners. There are always some people jealous of those who arrived earlier. People come here and see land partially developed and think it would be good land to acquire. They do not care to go into the black blocks and take up virgin country.

Hon. A. Burvill: What about the people going out 40 miles from a railway and unable to get land there?

Hon. V. HAMERSLEY: What about the people who came out from the old land many years ago and paid their own passages? Some even chartered their own vessels to get here, and went considerably more than 40 miles out.

Hon. J. Cornell: What about the aborigines from whom they took the land?

Hon. V. HAMERSLEY: The aborigines had their opportunity, and to-day there are areas set aside for them. The people who have given their lives to working the land are promised a board consisting of Government officials—who probably were never on the land, but who decided from their school days to always wear stiff collars and shirts—to dictate as to how the land shall be used. It is ridiculous.

Hon. E. H. Gray: Are there not any stiff collars in the bush?

Hon. V. HAMERSLEY: Such men have taken good care never to go into the bush, but they are to be appointed to dictate to the men on the land as to what they shall do. They are to decide whether the unfortunate holder of land has been developing it effectively. The holder has probably been struggling to obtain money to develop it, but the board are going to have the power to say that he has not been using it to the best advantage.

Hon. T. Moore: Do you say Mr. McLarty does not know anything about land?

Hon. V. HAMERSLEY: Many of our settlers decided in the early days that Australia was a good land in which to grow wool. Owing to the prevalence of native



Hon. A. Burvill: Recently there were 92 applicants for one block.

Hon. V. HAMERSLEY: It must have been a block with the right to erect an hotel on it.

Hon. A. Burvill: Nothing of the sort! The applicants included men with capital.

Hon. V. HAMERSLEY: I know of a few men with capital who are getting out of this country because of the various forms of taxation which are being applied to land here. A man who was about to invest here said, "I will only invest if there is not likely to be any interference." Seeing a Bill similar to this, and having looked into taxation matters, he decided not to invest here.

Hon. T. Moore: He could not have intended to develop the land, seeing that the Bill dealt only with unimproved land.

Hon. V. HAMERSLEY: The present Bill deals with land which, in the opinion of the board to be appointed, is not being put to its best use. I am not ready to accept from a board of officials who have not gone through the mill of working land a decision as to whether my land is or is not being worked to the best advantage. Officials are not competent to express an opinion on such a subject. Further, if the board do not satisfy the Minister he can wipe them out and appoint another board, and thus speedily obtain quite a different report. We know what happens to civil servants who do not carry out the wishes of Ministers: they usually go overboard.

Hon. E. H. Gray: Can you quote any such case?

Hon. V. HAMERSLEY: I do not wish to quote cases, but members know of a few which occurred under previous Governments. Such cases are likely to recur under future Governments. I care not which side is in power—Governments expect their ideas to be carried into effect. In fact, Governments have only to indicate their views and then employ the needful intimidation to bring about decisions unfair to the community. We shall run the risk of those things occurring if we pass the measure. Personally I see no necessity for the Bill, and I hope it will not pass the second reading. There are many other matters to which I should have liked to refer. One is the cutting up of estates in the past. One need only go to York or Northam to discover that estates which were acquired by the Government and by them subdivided into from 15 to 25 blocks, have now been re-acquired, and are held, in one instance by five persons, and in another by seven persons. Many of these men who have been put on small areas cannot make a living on those areas. The Buckland estate recently acquired has been cut up and trouble has occurred there.

Hon. T. Moore: It was cut up in an absurd fashion—40-acre blocks.

Hon. V. HAMERSLEY: Of course some areas could be acquired and cut up into 25-acre blocks. There is no doubt about

it, it is much better in a matter like this to allow it to work itself out. If a man finds that he has too big an area, and that someone else wants it, he is only too ready to let him have a portion of it. But when you have tremendous tracts of country, and the Government are competing with you at every turn and are acquiring the money that is needed for development purposes, it becomes a difficult matter for landholders to carry on. At the present time we find that there are people who prefer to invest their money in Government bonds rather than invest it in land. Thus it becomes impossible for that development that we desire to see, to be brought about. Naturally also it is more profitable to carry sheep than to embark in many other industries, and it would be better for many people in the cities to wake up to that fact and to get out into the country. I agree with Mr. Ewing that we want to see a little more optimism shown in respect of the country, and more interest taken in what is going on there, whilst also many should realise the fact that they are only wasting their time in carrying on secondary industries at the expense of the primary industries.

Hon. T. Moore: What population would the State carry if everyone went in for sheep?

Hon. J. Cornell: In 20 years the population of Australia increased by 2 per cent. while the manufactories increase by 21 per cent.

Hon. V. HAMERSLEY: We hear that in Western Australia it is difficult to secure land. Yet we have 300,000,000 acres still in the hands of the Government not touched.

Hon. A. Burvill: You cannot get at it.

Hon. V. HAMERSLEY: If anyone has any grit the land is to be found going begging.

Hon. A. Burvill: In August last there were 41 people with capital after a block and only one got it.

Hon. V. HAMERSLEY: Only to-day I was offered 10,000 acres fenced at one place, 20,000 acres in another, and 5,000 acres in another.

Hon. T. Moore: Those areas are too big for the ordinary man.

Hon. V. HAMERSLEY: Land is available in every direction and the owners are begging for help from one another. There are bargains in land to be got every day, and we find that those who are doing their best to develop areas are harassed in all directions. Hon. members should look more carefully into these things and see whether we can induce business people to treat sympathetically, rather than upset those who know how to deal with their land. I intend to vote against the second reading of the Bill.

On motion by Hon. H. J. Yelland, debate adjourned.

*House adjourned at 9.25 p.m.*