

In Committee.

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

Clause 1—agreed to.

Clause 2—Power to grant mineral leases on portion of reserve:

Hon. J. F. CULLEN: I would like the Minister to make some statement on this point. Is it intended that the Government shall handle the whole of the area of the park? I move an amendment—

That after the word "lease" the words "not exceeding 250 acres" be inserted.

The COLONIAL SECRETARY: The Bill as originally drafted set out exactly the land proposed to be leased, but it was pointed out in another place that it would be a mistake to give the Government power to grant one lease only and refuse permission to the Government to grant other leases should it be found subsequently that molybdenite existed in other portions of the park.

Amendment put and negatived.

Clause put and passed.

Title—agreed to.

Bill reported without amendment, and the report adopted.

House adjourned at 8.53 p.m.

Legislative Assembly,

Tuesday, 7th November, 1916.

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

PAPER PRESENTED.

By the Minister for Works: Uniform general by-laws for regulating motor and other traffic adopted by various road boards.

QUESTION—STATE TRADING CONCERNS.

Brickworks, Sawmills, and Engineering and Implement Works.

Mr. ANGWIN asked the Premier: 1, Have the Government decided to dispose of the State Brickworks, Sawmills, and Engineering and Implement Works, as published in the *West Australian* of 2nd November, 1916? 2, If so, will he give Parliament an opportunity to approve or otherwise of the conditions or any agreement concerning same before disposal?

The PREMIER replied: 1, Yes, if suitable offers are forthcoming. 2, The State Trading Concerns Bill to be introduced will empower the Governor in Council to approve of the terms and conditions of sale.

QUESTIONS (2)—BRICKS.

Price to Government Departments.

Mr. ANGWIN asked the Minister for Works: 1, What was the number of bricks

for which orders could have been obtained by the State Brickworks to supply to Government departments since the stock of bricks at the works has been disposed of? 2, The orders that could have been obtained from private individuals? 3, Have not such orders been transferred to privately-owned kilns? 4, Are the Government paying 45s. per 1,000 to private manufacturers? 5, If so, seeing that the cost of manufacture at the State works was approximately 32s. per 1,000 in May last, with a prospect of further reduction as quarries were opened up, how can the Government justify such increased payment?

The MINISTER FOR WORKS replied: 1, 161,000. 2, 291,700. 3, Yes. 4, Yes, for pressed bricks at Armadale, which is equal to 42s. 10d. at Beenup kiln. 5, The orders offering and likely to offer did not justify the restarting of the brickworks. The Railway order might do so, but the Government having for its policy the disposal of the enterprises do not consider it justifiable to reopen the works pending same.

Requirements of Government departments.

Mr. ANGWIN asked the Premier: 1, What number of bricks is required by the various Government departments, such as Railways, Water and Sewerage, and Public Works at the present time and approximately for the next six months? 2, How many bricks have private manufacturers been given orders to supply to the Government? 3, What is the price to be paid?

The PREMIER replied: 1, Railways, 1,000,000; Public Works and Water Supply Departments unable to estimate, as requirements will depend upon work authorised on the Estimates. 2, 161,000, inclusive of 35,000 wire cuts. 3, Approximately 45s. at kiln for pressed bricks at Armadale, which is equal to 42s. 10d. at Beenup kiln.

QUESTION—GOVERNMENT OFFICES, WASTE OF ELECTRIC LIGHT.

Mr. E. B. JOHNSTON asked the Premier: 1, Is he aware that electric lights are left burning throughout the whole night in all the Government offices in Perth at the present time, as if some illuminated festival

were in progress? 2, Cannot this unseemly waste be avoided, or at least reduced to the minor and almost unnoticeable scale operating in the Federal offices and private shops and warehouses?

The PREMIER replied: 1, I am aware that electric lights have been burned in Government offices for a defined period, but not for the purposes of an illuminated festival, but in pursuance of a pre-arranged plan devised in the public interest, the details of which it is not desirable should be made public, but which could have been, and may be, supplied to the hon. member privately. 2, There has been, and will be, no unseemly waste in this regard.

QUESTION—ANNUAL ESTIMATES.

Mr. SCADDAN (without notice) asked the Premier: Can the Premier inform the House whether he has yet made any further progress with the preparation of the Estimates, and when he proposes to introduce them?

The PREMIER replied: I have made some little progress during the week. I am still not in a position to give hon. members any definite assurance as to when the Estimates will be introduced.

ASSENT TO BILL.

Message from the Governor received and read notifying assent to the Postponement of Debts Act Amendment Bill.

BILL.—FLINDERS BAY-MARGARET RIVER RAILWAY.

Message from the Governor received and read recommending the Bill.

BILL—TRADING CONCERNS.

Message from the Governor received and read recommending the Bill.

SELECT COMMITTEE WHEAT MAR- KETING BILL.

Extension of Time.

Hon. J. D. CONNOLLY (Honorary Minister—Perth) [4.42]: I have to report that

the committee have had three sittings, but that the work placed before them is such that it is not possible to bring in a report to-day, and the committee have instructed me to ask for an extension of time for making their report to this day fortnight. In support of this, I might add that a certain witness has made a statement through the public Press which supports this request for an extension of time. This witness is Mr. T. Ockerby, who, in this morning's paper, made the following statement:—

A deliberate attempt is now being made by the Government to vary an agreement that was made last December between the millers and Mr. W. D. Johnson, then Minister for Agriculture, in regard to the handling and acquisition of season 1915-16 wheat. There was a clause in that agreement (Clause 14) which provided for wheat, known as contract wheat, being specially dealt with, and it is this Clause 14 that the Minister for Industries (Mr. Mitchell) is now trying to have something read into which is quite contrary to both the letter and the spirit of the clause, and, in fact, constitutes a serious breach of contract.

I do not intend to bring under the notice of the House what one may well consider to be the indecent conduct of this witness—a very material witness before the select committee—in commenting upon and, indeed, publishing what can be construed into his own evidence before the select committee. I simply quote this extract from his statement in the newspaper, not to show the improper conduct of this person in commenting and reflecting, not only upon the committee and the Government but upon this House, but do so for the purpose of supporting my request to the House to grant the committee an extension of time for a fortnight in which to make their report. Further, I quote this extract in order to show the amount of trouble that it would be necessary for the committee to take in order to refute this *ex parte*, improper and indecent statement. Therefore, I move—

That the time for bringing up the report be extended for a fortnight.

Question passed.

BILL—SPECIAL LEASE (STIRLING ESTATE).

Report of Committee adopted.

BILL—ELECTORAL DISTRICTS.

Second Reading—Postponement.

Order of the Day for the resumption of debate on the second reading from 2nd November, read.

The ATTORNEY GENERAL (Hon. R. T. Robinson—Canning) [4.48]: I move—

That the Order of the Day be postponed.

Mr. SCADDAN (Brown Hill-Ivanhoe) [4.49]: I must protest against the proposal of the Attorney General to postpone the further consideration of this measure. The Notice Papers containing the Orders of the Day were distributed amongst members and the public were notified through the columns of the Press that certain business would be taken in the Legislative Assembly. Now I think that the least that could have been expected from the Minister in charge of this measure is that he should have informed me, as leader of the Opposition, of his intention to ask the House to postpone the consideration of a measure such as this. This is the first intimation that I have had of the Minister's intention. When head of the Government I always strictly adhered as much as possible to the Orders of the Day, and if any alteration was proposed I never failed to acquaint the leader of the Opposition.

Mr. Hudson: There is no reason for this now.

Mr. SCADDAN: I am not asking the Attorney General to inform us of his reason; that is a matter for himself. I think we should have been informed of his intention to follow this course, especially after the attitude of the Government on Thursday when they attempted to insist that we should proceed with the debate on that evening. Now they suddenly spring on the House a motion for the postponement of the consideration of the measure. The Orders of the Day are placed upon the Notice Paper and they should be strictly adhered to.

The Premier: Oh no!

Mr. SCADDAN: I have had experience of submitting to the Clerk of the House the

Orders of the Day on Thursday night for consideration on the following Tuesday, and if before the Tuesday I wanted to make an alteration I was informed by the Clerk that it could not be done, as the Notice Paper had been printed and distributed for the information of members, and on that account it was not within my province to make any change. Then if it was still intended to make an alteration, I waited until the House met and informed members of the intention of the Government, and endeavoured to receive their concurrence. On the present occasion no statement whatever is made and at the last moment members, expecting that the debate will be continued, are asked to agree to the postponement of the further consideration of the Bill. The Minister should show a little courtesy to the Opposition, and consult us on a question of this kind.

The PREMIER (Hon. Frank Wilson—Sussex) [4.51]: I am sorry if the leader of the Opposition thinks that any discourtesy has been shown to him in connection with this matter. I can assure him that there was no such intention. Whilst the hon. member is perfectly right when he stated that the Notice Paper, having once been printed, is not alterable because some hon. members have had it, and because it has found its way into the Press, he must admit that on many occasions when he occupied the position of head of the Government he moved the postponement of the consideration of Orders of the Day without consulting me as leader of the Opposition.

Mr. Scaddan: I never did.

The PREMIER: I remember when the hon. member moved the postponement of several Orders of the Day.

Mr. Scaddan: I never did.

The PREMIER: What objection can there be to this course? The Attorney General requires some extra time—

Mr. Scaddan: Do not make an explanation that might get you into difficulties later.

The PREMIER: The Attorney General requires some time to consider certain figures which his departmental officers have supplied to him.

Mr. Scaddan: That is too tame.

The PREMIER: It is only right that the Minister should have this extra time af-

forded him. Last week we were prepared to go on.

Mr. Taylor: Yes, what about last Thursday?

The PREMIER: Hon. members did not show much desire to debate the matter then because they thought they were putting the Government into a corner.

Mr. Munsie: The Government did not show us much consideration either.

The PREMIER: Hon. members want to pass out the Bill; that is just about it.

Mr. Thomas: We want to know what hands have been laid on your shoulders.

The PREMIER: We are only endeavouring to arrange the business for the consideration of the House and this has been done on scores of occasions by my friends opposite without any reference to us.

Mr. Scaddan: That is not correct.

The PREMIER: And on scores of occasions also I, as leader of the Opposition, have been forced to continue the debates on Bills without those Bills being before me.

Mr. Scaddan: How could you continue a debate on a Bill which was not before the House?

The PREMIER: The hon. member has no right to complain about lack of courtesy. He is only bluffing as he so often does. I am going to ask the House to support the motion and to postpone the consideration of the measure.

Mr. COLLIER (Boulder) [4.54]: If the Premier had informed us it was his desire to postpone the consideration of this Order of the Day in order that he might get the second reading of another measure moved, we could have understood it, but what has occurred since last Thursday evening, when there was such unseemly haste on the part of the Attorney General to push this measure through? What has occurred, I ask, to induce him now to ask us to adjourn further the debate on the Bill? The Premier stated that the Attorney General wished to investigate some figures supplied by the department, but the Attorney General was not so generous to members on this side of the House on Thursday evening last when he asked us to analyse figures in five minutes. We had figures presented to us and when members justifiably and reasonably asked that the debate should be adjourned so that those

figures could be investigated, we were denied that opportunity. To-day, however, after the lapse of four or five days, the Attorney General asks for an adjournment in order to make himself acquainted with those figures. The real reason for the adjournment he now wants is that one section of the House has held a meeting since last Thursday and there is a desire on the part of the Government to recast the measure or to reconsider it.

Mr. Bolton: And to reduce it.

Mr. Willmott: You ought to be a fortune teller.

Mr. COLLIER: I do know that this Bill has not received whole-hearted endorsement from a certain quarter. The member for Nelson (Mr. Willmott) need not blush because of the truth of my statement. I repeat that this Bill is not acceptable in quarters where it was believed it would be acceptable, and therefore the Attorney General comes along to-day and asks for the further postponement of its consideration in order that the Government might be able to reconcile those differences of opinion which exist or the hostility that is being shown to the measure and tone it down and so avoid the defeat of the Bill on the second reading, or perhaps to relieve some of those members who intend to oppose it of the uncomfortable position they would be in if they had to express their opinion of it in this House.

The Minister for Works: What are you going to do about it any way?

Mr. COLLIER: I want to get on with it. We have been told that it is extremely urgent, and seeing that the time which we shall have to give to its consideration is limited, we should get right on with it. I am exercising my right, not only to vote on this Bill, but also to speak in regard to it, a right which the hon. member who interjected never failed to exercise when he was on this side of the House. I protest against the adjournment which, I repeat, is being sought because of some decision arrived at by the members of the Country party.

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

Ayes 22

Noes 20

Majority for .. . 2

AYES.

| | |
|--------------------|----------------|
| Mr. Allen | Mr. Nairn |
| Mr. Butcher | Mr. Piesse |
| Mr. Connolly | Mr. Robinson |
| Mr. Cunningham | Mr. S. Stubbs |
| Mr. Gardiner | Mr. S. Stubbs |
| Mr. George | Mr. Veryard |
| Mr. Griffiths | Mr. Wansbrough |
| Mr. Hardwick | Mr. Willmott |
| Mr. Harrison | Mr. F. Wilson |
| Mr. Hickmott | Mr. Male |
| Mr. E. E. Johnston | (Teller.) |
| Mr. Lefroy | |

NOES.

| | |
|-------------------|------------------|
| Mr. Angwin | Mr. Munro |
| Mr. Carpenter | Mr. O'Loughlin |
| Mr. Chesson | Mr. Scaddan |
| Mr. Collier | Mr. Taylor |
| Mr. Green | Mr. Thomas |
| Mr. Heilmann | Mr. Underwood |
| Mr. Holman | Mr. Walker |
| Mr. Hudson | Mr. A. A. Wilson |
| Mr. W. D. Johnson | Mr. Bolton |
| Mr. Lamert | (Teller.) |
| Mr. Mullany | |

Motion thus passed: Order of the Day postponed.

BILL—TREASURY BILLS ACT AMENDMENT.

Second Reading.

The PREMIER and TREASURER (Hon. Frank Wilson—Sussex) [5.0] in moving the second reading said: This is a Bill which it is necessary we should pass in order to put ourselves into a proper position in regard to the issue of Treasury bills. It was, I think, arranged and printed, or at least drafted, by my predecessor. It is required to increase the provisions contained in the existing statutes for the issue of Treasury bills, and also to grant extended powers to the Treasurer. By the original Act the Treasurer was empowered to issue Treasury bills to only the extent of half a million. That Act was amended by the Act of 1897, which increased the amount to three millions; that is to say, the Treasurer of the day can issue Treasury bills to the extent of £3,000,000, of course against loan authorisation passed by Parliament. In normal times that sum would probably be quite sufficient, but in view of the market for the issue of inscribed stock having been practically closed recently to the State, it has become necessary to substitute short-dated Treasury bills in order

to finance the State. It will be remembered that the House was recently informed that the Commonwealth Government had arranged last year to finance £3,100,000 to this State. The late Premier and Treasurer made that announcement. This money has been paid in monthly instalments, and the final payment became due in November last. The advances were covered by Treasury bills which, with some small issues, exhausted the balance of authorisation under the existing Act. Unfortunately, so far as I can judge, this fact was not discovered until Parliament was in recess. I do not know whether my friend opposite had any knowledge of it, but I do not think he had. However, it has put us in a very awkward position, in that at the present time the legal authority to issue Treasury bills has been exceeded by £1,006,860. Of course we have the authority of Parliament for borrowing this amount under Loan Acts. We are not exceeding the authority to borrow, but we have not the legal authority to issue Treasury bills. The loan authority is exhausted to the extent of £1,320,000. At the present time the Government have power granted by Parliament to borrow this additional sum, the balance of loan authorisation, namely £1,320,000. Although we were not acting legally in issuing Treasury bills, the authority for so doing having been exceeded, we still have not exhausted the authority given by Parliament to borrow the amount. At the present time over £4,006,860 worth of Treasury bills have been issued and are now current. I need not worry hon. members with the figures of the issue. They date from 1st July, 1912, up to the present time, or at least to the 1st June of the present year. As I have previously pointed out, big issues amounting to £3,100,000 have been issued to cover the monthly payments. The interest on these ranges from $3\frac{1}{2}$ per cent. to 5 per cent., the bulk of it being $4\frac{1}{3}$ per cent., representing a portion of the Commonwealth loan raised under agreement with the States. In addition to the £4,006,860 worth of Treasury bills we have to find by the issue of Treasury bills £1,100,000, this being this State's share of the recent loan of £4,000,000 which was placed on the market by the Commonwealth Government under agreement for

the Australian States. I think this money will cost us about $5\frac{1}{2}$ per cent. The loan is issued at $5\frac{1}{4}$ per cent., and then of course there are necessary charges to be added. So members can see the road we are going in regard to the cost of money. In addition to this £1,100,000 for which the Commonwealth will call upon us almost immediately to give Treasury bills as security, there is a balance of £980,000 to be raised during the present year for this State under agreement made by the Commonwealth Government with the different States, in which we were represented by the late Treasurer. We require power also to issue further Treasury bills for this sum when it comes to hand. Unfortunately, there is no guarantee that the Commonwealth will be able to raise the whole of this money. Its raising, with all loan raisings in London, will have to be sanctioned by the Imperial Government, and of course it goes without saying that we will have to pay a higher rate of interest even than the $5\frac{1}{2}$ per cent. which we will have to pay for money raised this year. The probabilities are, we may have to pay anything up to 6 per cent. The bank rate at the present time is 6 per cent., and if we have to borrow, as we shall have to do if we do not raise the whole of the loans that the Commonwealth has undertaken to raise, we shall have to borrow probably from our bankers in London and shall have to pay them, under the usual arrangement, the bank rate of interest.

Mr. Scaddan: Have not the Commonwealth Government undertaken to raise the minimum amount for the States?

The PREMIER: Yes, with the approval of the Imperial Government; and the Imperial Government advise them not to raise the full amount, that only the authorised $3\frac{1}{2}$ millions be raised before Christmas. If we have to borrow from our bankers in London we shall have to pay about $5\frac{3}{4}$ per cent. interest on the overdraft. The Bill is a short measure. Hon. members can see exactly what it means. It provides for the issue of Treasury Bills to any extent up to any unraised portion of a loan authorised by Parliament. Our loan authorisation at present is £1,300,000. Within that extent I can issue Treasury bills if I think

necessary in the interests of the State. If our Loan Bill for this session should be for, say, £2,000,000 or £3,000,000, then the Treasurer will be at liberty as occasion requires to raise that money by issuing Treasury bills instead of being limited as at present. Furthermore, it will be within the power of the Treasurer to pay whatever rate of interest is desirable or necessary for the money which we may borrow. It is a very serious thing that we should have drifted, I presume inadvertently, into this position, because it places the Government to some extent in ill repute among outsiders. Yet, I think I am safe in saying that it was purely from inadvertence that we have exceeded our legal powers in the matter of the issues of these bills. Nevertheless, as I have already explained, it is not vital, and I think the House will agree that it is really a matter for the Government, especially in the extremely difficult national position in which we find ourselves to-day, to decide from time to time as to what class of security we shall issue, whether by debentures or by inscribed stock or Treasury bills. It seems to me debentures could have been issued to the Commonwealth Government for the money advanced, had the Treasurer known exactly the state of the issue at the time.

Mr. Scaddan: No; they would not take them.

The PREMIER: I understood the Commonwealth Government did not specify the class of security and, therefore, I thought that debentures might have been issued. However, it is natural that the Commonwealth Government should ask for Treasury bills. This is the usual way in which these temporary loans are met, and it is desirable that we should keep them within reasonable bounds. We do not want a long currency of a loan bearing a very high rate of interest. We require to be in a position to take advantage of a market as soon as it is favourable, by way of conversion, and, therefore, I can quite understand that the Commonwealth Government, and the State Government also, until they can get a better market, shall demand on the one hand and agree to give on the other, Treasury bills as security. Reverting again to the agreement, I find that the Commonwealth Government agreed to raise by the 31st December,

1916, £8,940,000. Western Australia's share of that is £2,080,000. We have received £1,100,000, leaving £980,000 still to come. That £980,000 should have been raised before the 31st December next.

Mr. Scaddan: How much have you received under that agreement since you have been Treasurer?

The PREMIER: A very small amount—about £300,000, I think, speaking from memory. We are just struggling along. I am advised that we can expect only £697,000 of that amount of £980,000, for the reason I have already given, that the Imperial Government will only allow an issue of 3½ millions by the Commonwealth Government on behalf of the States.

Mr. Scaddan: Have the Commonwealth Government so advised you?

The PREMIER: Yes; that is what I am advised. Such is the position up to the end of this year. During the period of the war and for 12 months thereafter, I find, the agreement is that the Commonwealth Government shall raise £7,450,000 annually, to be distributed amongst the various States according to the arrangement on the basis of their requirements. Our share of that raising, if the raising is approved by the Imperial Government, will be only 1½ millions approximately. That is, if the agreement be carried out, we shall have available 1½ millions of borrowed money each year, and I am very much afraid that that will be the limit of our borrowing during the war and for 12 months after its termination. I do not see how we can expect to raise more money; and we shall have to cut our coat according to our cloth and make the 1½ millions annually do for all our requirements. We have no power to raise money otherwise than, of course, by the sale of Treasury bills over the counter.

Mr. Munsie: Are there not too many buyers for those?

The PREMIER: Buyers are not rushing them at the present time. I regret exceedingly that there should be any necessity for this Bill, or for its immediate passage, by reason of the State's having exceeded its legal right to issue Treasury bills. I hope the House will grant the powers I seek, though they are, I admit, unlimited. They are, however, controlled by the House owing

to the need for obtaining loan authorisations. I submit there is no danger of any abuse arising from the passage of this measure. I move—

That the Bill be now read a second time.

Mr. SCADDAN (Brownhill-Ivanhoe) [5.20]: Naturally, I have no objection to the principle of the Bill submitted by the Treasurer, although, as a matter of detail, I am not quite satisfied that the unlimited power which the measure is to confer on the Treasurer, to continue indefinitely the issue of Treasury bills after peace has been declared, is a wise one. I think we might restrict that power in the same way as the power to increase the rate of interest, notwithstanding the provisions of the General Loan and Inscribed Stock Act. Apart from these points, I have no complaint to make regarding the measure. As for the remarks of the Treasurer, I find his tone is somewhat modified from that in which he indulged when addressing himself to this subject on a previous occasion.

The Premier: I was desirous of sparing your feelings; that is all.

Mr. SCADDAN: I recognise that the issue of Treasury bills to the extent they were issued prior to the present Treasurer's advent to office was, strictly speaking, illegal.

The Premier: Absolutely illegal.

Mr. SCADDAN: The Treasurer, who now attempts to show himself extremely wise in this matter, was aware of the fact of the issue of the Treasury bills long before he assumed office.

The Premier: I was not.

Mr. SCADDAN: In point of fact, the hon. gentleman discovered the illegality only when he found, on assuming office, a Bill already drafted to legalise the course adopted by his predecessors.

The Premier: Why do you say I was aware of this previously?

Mr. SCADDAN: The Treasurer cannot complain very much of what he terms the illegal action of his predecessors, because he has continued the practice.

The Premier: We have issued no Treasury bills.

Mr. SCADDAN: None of us have issued any Treasury bills. The late Government did not issue Treasury bills for the same reason as the present Premier has just stated—be-

cause the rate of interest had not been fixed. The Treasury bills when issued will be dated back.

The Premier: But you issued £1,000,000 worth more of Treasury bills than you had authority for.

Mr. SCADDAN: I will admit that to be true. The Premier, however, knows that the reason for our action was that there was no other alternative except to close down public works.

The Premier: But you said you had not issued Treasury bills.

Mr. SCADDAN: The authorities from whom we were obtaining funds for public works insisted that there must be some other security than that of local inscribed stock, such as would be issued in ordinary circumstances. After all, I do not know whether it was desirable to accept the mandate without question. Treasury bills of course, are merely a temporary expedient to tide over, perhaps, a sudden difficulty where the Government had authority to raise money but the time was not opportune to go on the London market with inscribed stock. Under such conditions, Treasury bills are issued for a limited period. The reason why Treasury bills carry no sinking fund is that they are only for a limited period. The issue of inscribed stock, as the Treasurer has stated, is acceptable to the Commonwealth Government. But the Act governing the issue of inscribed stock provides that it shall be for a period not exceeding 50 years, which limitation is in itself an intimation that the stock shall have a lengthy currency. Local inscribed stock or debentures must of necessity carry a sinking fund, and that necessity makes it impossible to issue them for a short period. The Commonwealth Government—in my opinion, quite rightly—have undertaken to raise any funds that can be raised under existing conditions for the purpose of assisting the States to carry on their public works policies. I anticipated that the Commonwealth Government would not experience much difficulty in raising the limited amount of money asked for by the States, because the schedules submitted by the States were most carefully scrutinised. If the State Treasurer really requires the money before December, the balance available under the agreement with the Common-

wealth Government will be made available to him by the Federal Treasurer. In the statement of the Federal Treasurer on the 9th May, 1916, it is mentioned that Western Australia had received £500,000 of the total of £2,080,000 to which this State is entitled during the year 1916; that is, the current year. But subsequently to that date, and prior to the last Premiers' conference, as the result of which the statement I quote from was made, a further sum of £100,000 had been made available through the High Commissioner to our Agent General in London. This made a total received by the previous Government under the agreement of £600,000. The Federal Treasurer on that occasion informed me that the balance of £500,000 could be made available at the moment of asking, as we were entitled to receive that amount before the 30th June. However, not being in actual need of the money, and not wishing to incur the expense of unnecessary interest, which would commence to run as soon as the money was raised, the previous Government decided not to call up any additional funds. The present Treasurer is only pursuing the wise policy adopted by his predecessors, of not calling up money under the agreement merely for the purpose of having it lying idle and costing unnecessary interest. If the figures now produced by the Treasurer are correct, it is evident that since we left office he has received from the Federal Treasurer something like £500,000.

The Premier: No; £350,000.

Mr. SCADDAN: That would make a total of £950,000.

The Premier: Since the close of the financial year in June we have received £350,000.

Mr. SCADDAN: That makes a total of £950,000.

The Premier: It makes the £1,100,000 I referred to.

Mr. SCADDAN: I beg to differ from the Treasurer.

The Premier: Those are the Under Treasurer's figures, and he cannot be far out.

Mr. SCADDAN: I agree that the Under Treasurer cannot be far out. According to the Federal Treasurer, we have received £600,000, which leaves an amount of £500,000 still available at the 30th June.

The Premier: We got £750,000 before June.

Mr. SCADDAN: Not during the term of the late Government.

The Premier: Yes; £750,000 before June; and I got £150,000 since.

Mr. SCADDAN: That makes the £500,000 which I said must have been raised since the 30th June.

The Premier: No.

Mr. SCADDAN: Yes, that is so, because up to that date we had accepted only £600,000. This leaves a sum of £900,000 or thereabouts still available under the agreement before the 31st December next.

The Premier: Nine hundred and eighty thousand pounds.

Mr. SCADDAN: I want to draw the attention of the House to another statement of the Premier. He says that funds are not available for urgent public works. He admits the works to be necessary and urgent, but he states there are no funds available for them. I previously gave this House a statement showing the cash position when the late Government left office. At that time, there were funds available for all the urgent requirements of the Government, and no one could justly say that funds were not available for urgent works. We left not merely the amount of cash I have mentioned, but also certain certificates under the wheat scheme, amounting, I think, to over £300,000. These certificates we considered it undesirable to cash, because immediately we cashed them we lost the interest which the State, and not the wheat pool, derived from the holding of the certificates. The Federal Treasurer asked us, as a matter of policy affecting the Commonwealth Government on the London market and with the Imperial Government, to cash those certificates, and thus allow the wheat pool to earn the interest instead of its accruing to the State Government. That is £360,000—the exact amount is recorded in *Hansard*—plus £350,000 the Treasurer has raised, making a total of about £700,000 received and expended since the 30th June last. Over and above that amount the Treasurer has £950,000 still to call up. Yet, he tells us there are no funds available for urgent public works. Members of Parliament and deputations are being continually told, "We cannot do this work; I would be only too

anxious to undertake this work, recognising its urgency and necessity, but unfortunately there are no funds available."

The Premier: Are you opposing the Bill on those grounds?

Mr. SCADDAN: I am not opposing the Bill. The statement made by the Treasurer himself is evidence that his assertion with regard to public works is not correct. The funds are available, but—whether he is wise or otherwise I am not going to say at this stage—he will not undertake to carry out the works. However, he informs the public that the reason for his refusal is that he has no funds. That is not the correct position. Coming now to the question of the Treasury bills themselves, I recognise that the Treasurer is entitled, in view of the fact that he was succeeding an Administration which had issued those Treasury bills without authority, to make the most of it for party purposes. I have always claimed, and I hope I shall always adopt that attitude, that the question of handling the finances of the State should be above all party considerations, that it should be more than a question of merely keeping in the good graces of the taxpayers of the State. I am speaking on the question of controlling finances and maintaining the credit of the State outside Western Australia. We should not take an opportunity of that sort to advance the interests of party if by doing so we are likely to damage the interests of the State outside Western Australia. The Treasurer knows full well, and if he does not know he will find it in the file, that there was no alternative left to the Government than to issue the Treasury bills, notwithstanding that it may not have been in conformity with the law, if we desired to obtain this money and carry out public works.

The Premier: You should have discovered the mistake earlier.

Mr. SCADDAN: As soon as the mistake was discovered I had a Bill drafted for consideration and for presentation to Parliament when an opportunity offered. I would point out that the Premier was leader of the Opposition at the time, and having previously occupied the position of Treasurer did not discover the fact that we were raising

this money illegally. Evidently he was not sufficiently interested.

The Premier: That is very clever of you, the way you put it.

Mr. SCADDAN: Let me again say that I sincerely believe that it is preferable to issue Treasury bills although it may mean the issue of a large amount, rather than local inscribed stock, for the reason given by the Treasurer himself. Local inscribed stock must be issued over a lengthy period for a sinking fund must be provided against it. It is set down in the local inscribed stock Act that sinking fund at the rate of one half per cent. must be provided, and it is not likely that any Government in the present condition of the finances would desire to increase that amount abnormally, which it would do were local inscribed stock issued for short periods. I therefore think we should endeavour to tide over present difficulties by the issue of Treasury bills, and when we return to normal conditions and can raise money at something approaching the price possible prior to the war we can raise the necessary money to meet the Treasury bills. In that way the cost will be lighter on the general community. Therefore, whether right or wrong, the conditions at the time being abnormal, I hold that the late Government did the only thing possible and took the correct course; and yet we are blamed because we did not discover the irregularity at the moment. If blame is attachable to anyone I am that person and I will accept the responsibility; but I submit for consideration that no great harm was done and that the course we took enabled us to avoid doing something which might have caused considerable harm. Had the irregularity been discovered during recess a special session of Parliament would have been involved, or I might have refused to issue the Treasury bills and closed down public works. In these circumstances I submit it was better to accept a wrong procedure than to do that. I have no objection whatever to offer to the Bill, but still maintain that my attitude was the correct one in the circumstances.

The PREMIER (Hon. Frank Wilson—Snssex—in reply [5.35]: I wish to put the hon. gentleman right. When I interjected

the leader of the Opposition said that no Treasury bills had been issued under this authority.

Mr. Scaddan: I said under this agreement; I was referring to the previous agreement.

The PREMIER: The position is that we have exceeded our legal rights in the matter of issuing Treasury bills. I have no desire whatever to make any party advantage, but undoubtedly an irregular course has been taken.

Mr. Scaddan: You are continuing it in this bill.

The PREMIER: I am not. I have refused to sign Treasury bills.

Mr. Scaddan: Are you getting money without security then?

The PREMIER: I have not issued a single Treasury bill since I knew of the position; in fact I have never issued one since I took office. Some were sent up a couple of months ago but I have never signed them. The leader of the Opposition would have the House believe that he could not do anything else. I think he could. He might have pointed out to the Federal Government that he had no legal authority to sign Treasury bills and arranged for the money on the understanding that the matter would be righted as soon as Parliament met. The leader of the Opposition has argued that we have £750,000 available.

Mr. Scaddan: No, £980,000.

The PREMIER: Well, £980,000; but we have not got it yet. I remember the leader of the Opposition making the statement in this House in July last that the deficit would be increased by half a million pounds by Christmas.

Mr. Scaddan: He did not.

The PREMIER: The hon. gentleman did. The estimates are in the Treasury now, and on them will be found a statement that half a million would be required to provide for the increase of the deficit between June and the 31st December. And the hon. gentleman also made that statement in this House.

Mr. Scaddan: That is not correct.

The PREMIER: Now he says we have £750,000 available, yet in July half a million would be wanted for the deficit. How then would it be possible to carry out public

works? I am not going to take the responsibility which properly belongs to the late Treasurer.

Mr. Scaddan: You gave away all the funds you had.

Mr. Collier: On what day did we cease to carry responsibility?

The PREMIER: I have responsibility now and the hon. gentleman has no responsibility at all.

Mr. Scaddan: Why not bring down your Estimates and we will then see the position.

The PREMIER: I will take the responsibility after I have got the State out of the difficulties in which it was placed by the hon. gentlemen opposite, and when I have a free hand to handle the finances in their proper way. When I am in that position I am quite prepared to take the responsibility. The leader of the Opposition has no right to evade his responsibility in this matter. This Bill should have been introduced in November of last year when the House was sitting. The Treasury bills bear his signature. I am not saying that he knew of the irregularity but after he did learn of it he had plenty of opportunity of coming down to the House and getting proper legal authority. The leader of the Opposition now says that I have been neglectful because as leader of the Opposition I did not discover this mistake. I retort that I have no responsibility and that the responsibility is placed on the proper shoulders when it is placed with the leader of the Opposition. He claims that he did the right thing at the moment, but I say that he did not, and as a matter of fact it has now been found necessary to introduce this Bill. I hope the House will accept the statement I have made and I will deal comprehensively on the Budget with the financial position of the State.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Holman in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Repeal of Section 1, and substitution of new section:

Mr. SCADDAN: The Premier told us that it is not his intention to continue the

procedure of issuing Treasury bills for the purpose of raising necessary funds.

The Premier: I did not say that.

Mr. SCADDAN: I asked him the question as to whether he proposed to continue this method of obtaining money under these conditions and he said he was not. He admits, however, that he has received £350,000 since the 30th June.

The Premier: I have not issued any Treasury bills at all.

Mr. SCADDAN: Even accepting it on the basis that the Treasurer is prepared to continue the proceeding, I think we might limit the period under which he might operate under this clause. I admit that there are times when he will have to act promptly in order to get over the present abnormal conditions, but I doubt whether it is desirable to make this a permanent provision. He might limit the operations of the clause for the same period as he limits the operations of Clause 3. that is to say, during the period of the war and for two years after. Again, with regard to the Treasurer having taken to himself some credit for having refused to sign these Treasury Bills, it is rather interesting to hear this come from him. Apparently he would not as Treasurer do anything for anything in the nature of an illegal act. Therefore, under these circumstances, he refused to sign these Treasury bills. If the Commonwealth Treasurer had followed his example and said "If you have no legal right to issue Treasury bills, I have no legal right to lend you money without some security," the result would have been that the Loan fund would have been exhausted and we should not have been able to keep our public works going even to the limited extent that we have done since this Government came into office. The Treasurer to-day is continuing, however, to do something which he has stated was illegal. He has, according to Sir John Forrest, no authority for building up a deficit, and Sir John went so far as to state that I should be impeached because I had no legal authority for finding that my revenue account did not balance. The Treasurer also sat on the platform with Sir John Forrest and allowed a statement like that to go unchallenged.

Yet he is prepared to continue an illegal action in increasing his deficit at an enormous rate, which is equally as illegal as the action of his chief, Sir John Forrest, and is taking no action for the purpose of putting it on a proper basis.

Mr. Collier: That is one of the responsibilities he has not yet assumed.

Mr. SCADDAN: As to the amount of cash which was left in the Treasury when I left office, I find that the Treasurer stated that I had boasted of £700,000 being available and that I said I would require £500,000 of that to meet the deficit until the end of December. I made no mention of December in the House, or of a deficit of £500,000 after the financial year. I mentioned the possible cash requirements to the end of September and stated that, for the purpose of meeting the probable deficit on our revenue account owing to advances made to departments, as well as for other reasons, at a maximum of £50,000 per month, a certain amount would be required, but it was not a matter of £500,000 being debited against the £700,000. We left cash in the Treasury, in London, or in the Eastern States, after meeting interest which had to be paid by me on the 30th June, together with wheat certificates which could be turned into cash at a moment's notice, not including an amount, which could have been called up under agreement with the Commonwealth Treasurer, of £500,000, to the amount of £614,703, which, together with an additional £980,000 which was a further amount payable to 31st December, gave a total of £2,094,703, cash in hand or in sight, to meet the expenditure to 31st December. Even if there was this deficit the public account would still be in credit for the purpose of carrying on public works to the tune of a million and a half; so that the Treasurer actually has a million and a half of money after meeting the deficit and his expenditure to the end of December for the purpose of carrying on a public works policy. Yet we are told that there are no funds and that essential works cannot be undertaken. If there are urgent works, subject to material being available, they should be gone on with. I do ask the Treasurer to consider the question of making an amendment to this clause in order that it may con-

form with Clause 3 dealing with the question of fixing interest.

The PREMIER: The leader of the Opposition argues that it is not right to give the Treasurer power to continue Treasury bills to the extent of the loan authorisation of Parliament for longer than two years after the termination of the war. That would be very undesirable because at the present stage we have perforce to utilise Treasury bills which we would never dream of providing for in the ordinary course of events in normal times. We have to go on issuing Treasury bills for loan requirements possibly for the next three or four years, in order that we may have short-dated currency and take advantage of any favourable opportunity that may offer to convert. We should also have this power because of the money market being so disturbed. It is not favourable towards long-dated loans. We want short-dated paper. We do not know what is going to happen, and when it will be necessary to realise and reinvest. Therefore, we must be in a position to carry on for several years to come. Meanwhile, so far as our loan policy is concerned, we cannot put on a limited date with regard to the amount. What might be suitable in ordinary time is totally unsuitable to-day and it is necessary that Parliament should put a fair amount of discretionary power in the hands of the Treasurer. The Treasurer cannot issue bills unless he has a loan authorisation of Parliament for the amount. It does not matter whether it is debenture stock, or inscribed stock; they are all promises to pay at some future date. The only reason why some distinction was made was because Treasury bills, being a temporary expedient, did not come within the provisions of a sinking fund.

Mr. Scaddan: I am not going to press my point, but I do not think you would have given similar powers to us had I been in your place.

The PREMIER: The leader of the Opposition has sailed away on other seas and I will deal with the subject-matter of his remarks when the Budget comes along. I am hard at work upon the Budget. There is a terrible task that is left behind for me and I have to unravel the devious methods of

finance adopted by the late Premier. I am going to submit the results of my investigations to the House. I have appointed a Commission of experts to find out what items of expenditure incurred last year were not brought to account by my predecessor. I do not want to make things worse than they are, and I do not want to make them better.

Mr. Scaddan: You have been put there to make them better.

The PREMIER: I will make them better in time, but I cannot do it in five minutes.

Mr. Scaddan: You said you would do so in the first ten days.

Clause put and passed.

Clause 3—agreed to.

Bill reported without amendment, and the report adopted.

BILL—TOTALISATOR DUTY ACT AMENDMENT.

Second Reading.

The PREMIER (Hon. Frank Wilson—Sussex) [6.5] in moving the second reading said: The object of this Bill is to obtain additional revenue by increasing the tax on moneys invested by the public in the totalisator.

Mr. Scaddan: You promised no further taxation.

The PREMIER: I did nothing of the sort; there is going to be a considerable amount of taxation before we get through.

Mr. Munsie: Do you include increased railway freights in the taxation proposals?

The PREMIER: I regard them as increased charges for services rendered. The object of the Bill is to obtain additional revenue, and I hope the House will not accept the insinuation of my friends opposite that there should be no additional taxation.

Mr. Scaddan: You said there would not be.

The PREMIER: The country has been going to leeward for a considerable time and the deficit, which now amounts to £1,700,000, is sufficient to show that there is need for additional taxation.

Mr. Munsie: They will be starting a "Gone two millions club" in the *Sunday Times* presently if you are not careful.

The PREMIER: Hon. members should treat a subject of this kind seriously and not with levity. The object of the Bill, as I said, is to get additional revenue. The nature of the increased tax I propose to put on is as follows. It is intended to take 5 per cent. of the gross totalisator takings instead of $2\frac{1}{2}$ per cent. as in the past. I propose also to make it mandatory that the clubs shall pay the fractional parts of the dividends to the Treasurer,

Mr. Holman: Why not make them pay the fractions to the public?

Mr. Munsie: How will the charitable institutions get on?

The PREMIER: I propose to take 5 per cent. of the gross earnings instead of $2\frac{1}{2}$ per cent., and I propose to annex the unclaimed dividends and the fractions, neither of which should belong to the clubs. I do not propose that the clubs shall be in any worse position than they are to-day and, therefore, the Bill empowers them to charge $12\frac{1}{2}$ per cent. instead of 10 per cent. on the operations of the totalisator.

Mr. Collier: That is to say they pass it on.

The PREMIER: Yes; I think that is a very proper thing.

Mr. Heitmann: Why do you not take a short cut into it: take something of the gross?

The PREMIER: The existing law was introduced in 1905. At that time we imposed a tax of $2\frac{1}{2}$ per cent. on the gross takings, and a similar amount has since then been taken from the undistributed fractions and dividends, and we allow them to deduct 10 per cent. on the gross takings to pay the cost of running the concern. That leaves the clubs $7\frac{1}{2}$ per cent. of the gross takings. I am not asking the House to agree to put $2\frac{1}{2}$ per cent. on and to enact that the Treasurer shall have five per cent. of the gross takings, and that they shall have the whole of the fractions and unclaimed dividends.

Mr. Heitmann: You will not offend the clubs by any means.

The PREMIER: I do not care whether I do or not. They will have to be content to abide by the decision of Parliament. This is a fair way in which to raise revenue, and this is an opportune move to raise re-

venue and at the same time to minimise horse-racing. I am hopeful that if this Bill passes it will together with the action the Government proposes to take in the direction of the abolition of the bookmaker, solve the difficulty in regard to horse-racing.

Mr. Munsie: What is going to become of the extra revenue you are expecting to get? If racing goes out altogether, where will you get the revenue?

The PREMIER: I will deal with that phase when it arises. It is unwise to take a fence before you get to it. At the present time I expect to get additional revenue from this source. Last year we received from the $2\frac{1}{2}$ per cent. tax a sum of £12,132, from the fractions £296, and from the unclaimed dividends £111, a total of £12,439. It is estimated that the new rate will give £50,000 on the 5 per cent duty, about £25,000 in fractions, and about £1,000 in respect to unclaimed dividends, or an estimated total increase of £63,000. Of course this year we cannot hope to get the full advantage of the measure. We hope to be able to raise a little over half, say £30,000 this year instead of £63,000.

Mr. Taylor: Do you think it is fair to take all the fractions?

Mr. Holman: They amount to nearly 30 per cent. at times.

The PREMIER: I can hardly conceive that.

Mr. Holman: Frequently fractions amount to 11d. on a ticket.

The PREMIER: The Bill provides that the returns to be supplied to the Minister shall be submitted as statutory declarations: and there is substituted a pecuniary penalty in lieu, or treble duty for omission to make returns, because it must be obvious, if no returns are furnished, then no figures will be available on which to calculate the duty and consequently to fix the penalty. The amendment proposes that the penalty shall be £100. The clubs are quite prepared to certify to the correctness of the figures, but in remote country districts there is some difficulty in this respect, and there will therefore be greater security under a statutory declaration than under a signed declaration.

Sitting suspended from 6.15 to 7.30 p.m.

The PREMIER: The next amendment to which I come is a nominal one, by which the Commissioner of Taxation is substituted for the Treasurer. The reason is that when the 1905 Act was passed there was no Taxation Department and, consequently, the totalisator duty had to be paid to the Treasurer. Now that we have a Commissioner of Taxation we propose to bring this under his control. One member asked a question in regard to the undistributed fractions and the unpaid dividends. This is how the clubs will be affected if the Bill passes: Last year the clubs, as a whole, received from bookmakers' license fees a total of about £25,000. If the provision for the prohibition of bookmakers be applied equally all through, the clubs will lose this sum; but they will make a recoup from the totalisator. Last year the undistributed fractions amounted to £11,500. This sum they will lose, together with the unclaimed dividends, amounting to £450 last year. The total, including the bookmakers' license fees, will amount to £37,000 in round figures. I propose to make this good by allowing the clubs to increase the totalisator charges from 10 per cent. to 12½ per cent. on the gross takings of the totalisator, allowing them also to retain 7½ per cent. as at present. It is estimated that there will be a very large increase in business on the totalisator as the result of the abolition of the bookmaker. I wish to draw attention to some figures, which will be of interest to hon. members. They are to be found in the report of the Commissioner of Taxation. In relation to the totalisator returns of 1905-6 the figures are as follows:—Sixty-five meetings were held at which the totalisator was used; total amount passed through, plus the undistributed fractions and the unclaimed dividends, £223,000. I will omit the odd hundreds. We collected £5,580 in totalisator duty. In the following year these figures are nearly doubled. There were 125 meetings held, but the amount put through was not doubled. It was about 50 per cent. more than in the preceding year, the total being £311,000, with a return to the Treasurer of £7,782. In the following year the meetings were the same, namely 125. The amount collected was £316,000,

and the amount returned to the Treasurer about the same as in the previous year. In the next year, strange to say, the same number of meetings was held, but the amount passed through was less, namely, £287,000, while the amount returned to the Treasurer was correspondingly less. This went on for the two following years in proportion. Then we began to get an increase. In 1911-12, 153 meetings were held; the total amount put through was £361,000, and the amount returned to the Treasurer £9,000. In the next year there were 149 meetings; the amount put through increased to £453,000, and £11,342 was returned to the Treasurer. In 1913-14 we had 191 meetings; the amount put through was £482,000, and £12,000 was returned to the Treasurer. In 1914-15 there were 187 meetings and the amount put through, together with that returned to the Treasurer, was about the same as in the preceding year. Then, in 1915-16, we had a jump. There were 261 meetings, the trotting and the unregistered having come in.

Mr. Scaddan: The jump was due, not to increased meetings but to the extension of the totalisator.

The PREMIER: Exactly. It was extended to trotting meetings and to some unregistered meetings, in addition to which one or two of the proprietary clubs got it.

Mr. Scaddan: No; they always had it.

The PREMIER: The amount put through last year was £497,524, and the amount returned to the Treasurer exceeded £12,000.

Mr. Scaddan: That amount was going through over and over again.

The PREMIER: Yes, of course it was. It is estimated that, if the bookmakers are abolished, at least one million pounds will be put through the totalisator, or double the amount in 1915-16. I have no means of checking this estimate or saying whether it is too large or too small. Personally, I think it is rather excessive, but these figures are given to me as a fairly conservative estimate. I hope it will be realised. So it will be seen that, against the loss of £27,000, which I have pointed out, if a million of money is put through the totalisator at 7½ per cent., the clubs will get £75,000 in lieu of the amount they collect at present from

the totalisator, namely, £36,400. This will give them an increased income of £38,000 odd to set off against the estimated loss of £37,000. In other words, the clubs would practically remain as they are, neither losing nor gaining by the change.

Mr. Bolton: The clubs could not remain the same if they were to lose the bookmakers' license fees.

The PREMIER: I have pointed out that the clubs will lose £25,000 in bookmakers' license fees and will lose the whole of the fractions and the unclaimed dividends, or a total of £37,000. Now, I am pointing out that if they have this turnover the amount they collect from the totalisator will be increased by £38,000, on a turnover of a million. Therefore, what they will lose is set off by the increase on the gross takings of the totalisator, and the increased fees.

Mr. O'Loghlen: The turnover will not be there.

Mr. Thomas: That will be a good thing.

The PREMIER: Exactly. There may be some little increase of expenditure in connection with the tote for the clubs to meet, but it will not be very much. The position, therefore, is, briefly, that this Bill provides a legitimate means of raising further revenue. I do not think anyone would argue that those people who frequent race meetings and bet should not be called upon to contribute something additional to what they have contributed in the past. I maintain that they are asked to bear no grievous burden under this measure, and I consider that, with the abolition of the bookmaker, which I find was recommended by the joint select committee that sat on this question last year—

Mr. Bolton: That is not correct, anyhow.

The PREMIER: What is the meaning of these words in the report of the committee of which the hon. member interjecting was a member—

Mr. Bolton: I was.

The PREMIER: The committee's report says—

With regard to other forms of betting on races in this State, street betting and shop betting should be suppressed, and betting on race-courses otherwise than through the totalisator should be prohibited.

Mr. Bolton: That was not the opinion of everybody on the committee.

The PREMIER: I did not refer to individuals; I referred to the majority report of the select committee. The report further recommends that totalisator agents should be prohibited and that the bookmaker should be abolished. I maintain that, in conjunction with the abolition of the bookmaker, we shall, by this Bill, to a considerable extent solve the problem of the undoubted excess of racing and tend to raise the sport.

Mr. Underwood: Why not wait to discuss that on the other Bill? Why bring two Bills down for the one object?

The PREMIER: What Bill does the hon. member refer to?

Mr. Underwood: The Bill you have in the Council.

The PREMIER: Why should we include the two proposals in the one measure?

Mr. Underwood: Because it would be a demonstration of common sense.

The PREMIER: This is not a Bill to prohibit racing or to reduce it.

Mr. Scaddan: This is a taxation Bill.

The PREMIER: Yes, it tends in that direction, and therefore commends itself to me more than it otherwise would.

Mr. Underwood: Let us discuss the whole question on one Bill.

The PREMIER: The whole question cannot be discussed on one Bill.

Mr. Underwood: But I say it can.

The PREMIER: The hon. member is only repeating that we can. However, I do not intend to do it.

Mr. Underwood: You have no desire to do so. You are only paltering with the question; you do not want to deal with the question comprehensively.

The PREMIER: The hon. member apparently thinks so.

Mr. Underwood: I am sure of it.

The PREMIER: The hon. member is not noted for an excess of knowledge in these matters, by any means.

Mr. Underwood: I have a lot of knowledge that you have not.

The PREMIER: I am aware of it; and the hon. member has experience, too, that I hope I shall never have. I have endeavoured to state briefly the attitude of the Government in this matter, and I have

sought to explain the provisions of the Bill. The Bill is simplicity itself. Hon. members now know the whole thing from beginning to end, and they must deal with the measure as they think fit. For my part I hope the House will support the recommendations of the Government. This measure represents only one step of many which are necessary, and will have to be taken in order to adjust the financial position of this State.

Mr. Scaddan: What about the business acumen that was going to be applied to the affairs of Western Australia, according to the Attorney General?

Mr. Underwood: What about the business principles that were going to be introduced?

The PREMIER: This is one illustration of our business acumen.

Mr. Scaddan: Where is the referendum on horse-racing that was promised by the Attorney General?

Mr. Holman: Are you going to curtail horse-racing in this State?

The PREMIER: This Bill will do that.

Mr. Bolton: Do it straightforwardly, then.

The PREMIER: This measure will remedy an evil which has been allowed to grow to unwonted dimensions. I submit, during the last five years.

Mr. Underwood: Why discuss that now? There is another Bill coming down.

Mr. Scaddan: You can point out all this on the other Bill.

The PREMIER: The hon. gentleman was for several years in a position to deal with this matter, but was afraid to take action.

Mr. Bolton: You were afraid to reduce the number of race meetings.

The PREMIER: The number of race meetings was not decreased, but rather increased, during the late Premier's term of office. The number of totalisator licenses was increased during the hon. gentleman's term. Whippet racing, which I abolished, was re-installed on the goldfields with the sanction of the hon. member's Government. Street betting, which had been largely put down and controlled, so far as the law permitted, during the last Liberal Administration's term of office, hon. members opposite have tolerated. Proprietary racing has been encouraged during their term of office. They cannot pose as men who have taken

one step in the direction of curtailing racing in Western Australia.

Mr. Scaddan: That is absolutely incorrect, and you know it. Take the figures of the Commissioner of Taxation.

The PREMIER: I commend the Bill to the favourable consideration of the House.

Mr. Scaddan: You might keep somewhere near the facts.

The PREMIER: I say this is a fair measure to introduce at the present juncture, as is also the other Bill which I shall have to ask hon. members to consider later.

Mr. Scaddan: Is that why you use so much electric current in the public offices during the scavenging?

The PREMIER: I am trying to remedy one of the evils which the hon. gentleman left behind.

Mr. Walker: Will you drop this Bill if the other Bill up above is carried?

The PREMIER: I am not going to drop any Bill. I move—

That the Bill be now read a second time.

On motion by Mr. Scaddan debate adjourned.

BILL—KINGIA GRASS TREE CONCESSION.

Second Reading.

The MINISTER FOR LANDS (Hon. H. B. Lefroy—Moore) [7.54] in moving the second reading said: This Bill has already been before the House. The same measure was passed in 1914 for the purpose of granting to one Benjamin the right to collect and remove, for manufacturing purposes, Kingia grass tree growing on waste lands of the Crown. At that time it was pointed out to the House that Kingia grass tree, or black-boy tree, or, as it is commonly called by bushmen, blackgin, is a shrub of considerable commercial value. At that time portman-teaus and other articles of a similar nature manufactured from the Kingia grass tree were exhibited, and the Mr. Benjamin mentioned in the previous measure desired to have the right to collect the Kingia grass-tree from certain areas with a view to starting an industry. The measure was passed by Parliament, so that the principles of this Bill were approved two years ago. We all

recognise that it is an advantage to afford people an opportunity of starting industries in order to prove what the natural products of the country are worth. Unfortunately, however, the lessee or concessionaire has failed. He floated his company, but a short time ago the concession was forfeited for non-payment of rental. The lease provided for a rental of £250 per annum; and, default being made in payment, the concession was forfeited. It might have been forfeited for other reasons. Mr. Benjamin had contracted to spend £2,500 on plant and machinery during the first nine months of his term, and a further sum of £2,500 in plant and machinery during a further period. This he failed to do. The simplest method of forfeiture was to forfeit for non-payment of rent, and that course was adopted. The lessee had paid £500 to the State. Thus, although he gained nothing, the State was the gainer of £500. I believe that really the lessee never touched the areas which were leased to him, all the grass tree he collected during his time having been obtained from freehold properties of farmers. Now another gentleman comes along and asks that he shall have the same right granted to him as had been conferred on Mr. Benjamin. Hence the introduction of this Bill. Parliament having decided two years ago to grant such a lease, I thought it my duty, at any rate, to go on with this business, more especially since the present applicant, A. E. Langford, has already started a manufactory in Fremantle—I must admit, in a somewhat primitive fashion—and is sending away the product at the rate of about half a ton of fibre per week. The fibre goes to Melbourne, and is there converted into brushware—street brooms and stable brooms such as hon. members have seen exhibited in the lobby of this House. When I took over the Lands Department my predecessor left a broom, made from the Kingia grass tree, on a table in the departmental offices; and I asked him at the time whether this new broom had been put there for my special use. At all events, I told him, I hoped there would be no occasion to use it. I have had the broom transported to the House, so that hon. members may see it for themselves. Undoubtedly, the Kingia grass tree is a remarkable plant. It is similar in

character to the ordinary blackboy. Outside it has the ordinary scale, but the removal of that scale discloses, instead of the ordinary fibrous heart of the blackboy, a stringy heart which yields the fibre hon. members have seen in the brushware exhibited. The Bill simply asks that a lease shall be granted to one A. E. Langford instead of to Benjamin. The lease gives the Minister for Lands power to grant to Mr. Langford the right to clear and remove Kingia grass tree from certain waste lands of the Crown. I would point out that it refers to waste lands, that is land not leased or in any way alienated. It gives the lessee the right to collect Kingia grass over an area of 500,000 acres in just the same way as applies to the cutters of sandalwood, excepting that those cutting sandalwood are permitted to do so not only on Crown lands but also on leasehold lands, in certain specified areas in different parts of the State. The first is an area of 28,600 acres on the Midland Railway line east of Wannamal siding, about 20 miles north of Gingin. There is another 76,000 acres on the Midland railway between Bullsbrook and Muchea; another 82,000 acres in the Murray district east of Pinjarra, all unoccupied lands; there are 88,600 acres between the Perth-Bunbury railway and the sea coast, near the Harvey river; 56,900 acres east of Brunswick Junction on the South Western railway, through which the Brunswick river flows; and another 100,900 acres south of Boyanup in the Wellington district, on the Boyanup-Busselton railway. The agreement provides that within six months of its completion the licensee shall substantially commence operations, that within nine months he shall spend £2,500—these conditions being similar to the provisions made in the previous lease, which has had the approval of this House—in the provision of plant, machinery, implements and appliances for the treatment of Kingia grass fibre. Within twelve months after the expiration of the nine months referred to he has to spend another £2,500. If he fails the leases may be forfeited by giving him 30 days' notice. Moreover, the licensee has to pay rent to the amount of £250 per annua besides a royalty of 6d. per ton of grass removed from the lands. It is provided also that the lessee shall be allowed to set off so much for roy-

alty paid against the rental. A similar provision was made in the former lease. That is to say, if he owes £200 for rent and has paid £50 during the year in royalty, he will be called upon to pay only £150 by way of rent, instead of £200. These are the principal provisions of the Bill; but it is further provided that should the rent be in arrear for 30 days, or for any breach of the agreement, the license may be forfeited. I have stated what the agreement sets forth and for any breach of that agreement the license may be forfeited. On signing the agreement the licensee has to put up a deposit of £500 as a guarantee for the proper performance of his contract: but it is provided that if the licensee shows that he has already spent a sum of £1,000 in the performance of this agreement the Minister may waive the deposit, or permit it to be placed to further the objects of the industry. It must be admitted that the work done in connection with this industry to date has been of a primitive character, but it has been sufficient to show that it is an industry which should be fostered and which would be a benefit to the State. That being so, we should go as far as we can to assist it in an endeavour to see a new industry established in the State. Like all other industries of this kind, money is required, and I think the principal reason why the industry has not been a complete success in the past is want of capital. There is no doubt that in connection with a new industry people are shy at the start, perhaps because they do not know sufficient about the industry to enable them to come to a proper judgment.

Member: Did the previous lessee do anything with his concession?

The MINISTER FOR LANDS: The previous lessee had a similar concession to that now proposed. Mr. Langford I understand floated it into a company, but so far as I can learn the company was not able to raise sufficient money. Mr. Langford came here and assisted to start the business. I believe it was his money, and not that of the company, which started the work in Fremantle. There is no doubt that he has been struggling in Fremantle and has done a good deal to establish the fact that it is possible to make from the kingia grass serviceable brooms. They are sending away a small

quantity of brooms each week. I am not sure of the exact quantity, and although I have the figures here, it is not necessary that I should weary members by reading them. However, we have the fact established that this is a State asset of commercial value and can be turned to account. I understand the municipality of Melbourne is using these brooms for scavenging and street cleaning purposes in the city of Melbourne.

Mr. Lambert: Who made that statement?

The MINISTER FOR LANDS: I have it on the authority of Mr. Langford. I may have been misinformed, but I know that somebody is using the brooms.

Mr. Underwood: They are using them in Melbourne alright.

The MINISTER FOR LANDS: At least we know they are being sent out from Western Australia weekly; therefore, they must be being used somewhere.

Mr. Lambert: I understand they are being used in Western Australia by the blacks.

The MINISTER FOR LANDS: If they are being used in Western Australia they must have been brought back again. I have not heard of them being used here. In fact, I am told there is so much use for them in the East, there was no necessity to return them to Western Australia. The object of people in starting an industry of this kind is undoubtedly to make money—that is their primary object; but if they are able to make money out of it and able to employ a large number of people then it is to the advantage of Western Australia. When one goes through the country and sees the enormous area of blackboy and kingia grass land, one is inclined to wonder whether they could not be turned to some useful account. We have also the ordinary blackboy and it is hoped that the time is not far distant when this will also prove to have a commercial value. Experiments are being carried on now in this connection, and I believe that the commercial value of the ordinary blackboy will shortly be established. I submit this Bill for the consideration of members. The application was made to the Department while my predecessor was in office. He had already been considering the question of forfeiting the previous concession and instructions were issued for notices to be sent to the company

intimating that if no good reason could be shown to the contrary, the leases would be forfeited. I believe the company was communicated with and nothing heard from them. I therefore considered it to be my duty, as the rent had not been paid, to forfeit the leases. Another proposition now comes from another proposed lessee and I think the same conditions might be granted to him as were granted to the former holder. The House is already in possession of all the facts of the case and I commend the Bill to their attention.

Mr. UNDERWOOD (Pilbara) [8.13]: I rise to support the second reading and concur with what the Minister has stated in regard to the Bill. From a knowledge gained while acting for the Minister for Lands last year I am confident that this is a genuine desire to develop the kingia grass industry and that there seems to be a likely possibility of its being successful. That being so, I do not think we can do otherwise than afford it every possible encouragement. We should encourage those people who are prepared to put up their money and try out the business. The Minister has stated that the lessee wanted to make money. Of course he does; otherwise he would not put his money into it. So far as the previous lessee was concerned he failed to carry out the conditions of his lease and it was only right that the department should issue instructions that the lease should be cancelled. This man is prepared to go on and I am prepared to give him a chance. A question was asked by way of interjection regarding the previous lessee. My own opinion—which may be wrong—having seen both of the lessees, was that the previous one was just an adventurer who did not intend to work the proposition but wanted to sell it. He got the proposition and tried to sell it, but could not do so and would not work it. Mr. Langford appears to be a man who is going to work the proposition, and I would ask the House to give him a chance of doing so.

Mr. WILMOTT (Nelson) [8.16]: I can see no reason why this measure should not receive the support of the House. I notice there is no monopoly here at all. From my knowledge of the State I know that there are huge areas covered with this kingia

grass outside this proposed concession. I have seen many of the articles made from this grass. They were shown to me some years ago. I saw trunks made of it, and I think the present Minister for Lands took one home to England with him many years ago made out of the same material. It was a splendid article. I tried it although I was very sceptical myself regarding it. I remember turning the trunk round and round and jumping on it, and testing it in every possible way. I have also seen brooms made of this grass as well as socks. I was struck by seeing that socks could be made of this article. These socks were placed inside the boot, and were worn by musicians who complained of the coldness of their feet when performing in the orchestras in the various theatres. Curiously enough the wearers of the socks said that they absolutely prevented them from having cold feet. I think the establishment of an industry such as this should receive the support of the House.

Mr. ANGWIN (North-East Fremantle) [8.17]: I desire to support the Bill. I have seen the efforts made by Mr. Langford to try and put this material to profitable use. I think his intention is, if he can get this concession, to form it into a company with a view to making the business more of a commercial one than he is able to do at the present time. He is already spending a good deal of money by way of wages, etc. He also intends to try, if possible, to make use of a good deal of the waste that he has in connection with dealing with these kingia grass trees. Unless he gets this area it will be impossible for him to continue. I think up to the present about 13 cwt. is the largest quantity of the article that has been sent out of the State in one week and that it realised a fair price. I think material of this description was previously imported from Germany, and it is said that the local article stands better for heavy work, such as municipal work, than the material that was previously used. There is no doubt that Mr. Langford is making every effort to make a marketable product. No doubt he sees money in it, and if he did not he would not take up the venture. His works at Fremantle are at present very primitive as they are purely at the experimental stage, and it

was his intention if he made a success of it to place machinery at the various centres in the country and so avoid paying the heavy railage on material which is not useful in any way at present. It is necessary in order to get the material out of the tree to put it under a big hammer, and then put it through screens to produce such material as that from which the broom now in the corridor of the House was made. He hopes to launch out in the export trade immediately the war is over. The trade in Australia is rather limited in this kind of material, but he is confident that eventually by advertisements, and so on, he will find a market for the kingia grass in various parts of the world. He has spent several months in Western Australia and also a considerable sum of money on the venture. The late lessee formed a company of which he became the manager. That company had a very small capital, and it only lasted a few months and eventually ceased to exist. As a matter of fact, whilst Mr. Underwood was away in the North-West and the member for Guildford (Mr. W. D. Johnson) was in Melbourne I wired to the company as to what action they intended to take in regard to their concession. They did not have the courtesy to reply to my telegram. Eventually I heard that they had given up the lease. They were also written to by the Under Secretary for Lands in regard to the matter but eventually their lease was cancelled. There was no monopoly in this, for any person could go into the area and cut the tree if he so desired. In my opinion we should endeavour as far as possible to encourage local industry of this nature.

Mr. S. STUBBS (Wagin) [8.22]: If my memory serves me right, when the previous Bill granting this concession was introduced, a deposit of £500 had to be put up by the lessee, Mr. Benjamin. I do not hold any brief for the lessee, but I see there is nothing in the Bill asking that a similar deposit of £500 should be put up by the present gentleman.

Mr. Angwin: It is in the agreement.

Mr. S. STUBBS: Then, do I understand from the Minister that Mr. Benjamin has lost his £500?

The Minister for Lands: Yes.

Mr. S. STUBBS: I have much pleasure in supporting the Bill.

Mr. LAMBERT (Coolgardie) [8.23]: There appears to be some mistake in regard to the size of the works with which it is proposed to handle the product from 500,000 acres of land. I have some slight knowledge of this particular matter which was brought under my notice in the Eastern States some time ago. I do not remember whether it was brought under my notice by Mr. Langford or somebody else who was endeavouring to float the concession, which I believe was granted or intended to be granted by the late Minister for Lands (Hon. T. H. Bath). I desire to point out that at the present time if the lessee expends £2,500 he virtually has a lease in perpetuity over 500,000 acres of ground by the payment of a rental annually. Is that so?

The Minister for Lands: Not a lease in perpetuity. The lessee has only the right to take the grass off and the ground can be let for grazing purposes.

Mr. LAMBERT: If the lessee was to spend £2,500 and did not take a ton of grass off, could he still hold the land?

The Minister for Lands: He would have to pay the rent.

Mr. LAMBERT: Could he hold 500,000 acres indefinitely whether he worked it or not?

The Minister for Lands: No.

Mr. LAMBERT: I should like to see a stipulation provided in the Bill for a minimum output of grass. I think Mr. Langford should be given an opportunity of exploiting this grass, but that the Minister should in all fairness insert a provision insisting on a minimum output of the grass so that if the lessee does not intend to work the lease as it should be worked the concession could be forfeited. I have much pleasure in supporting the second reading of the Bill with this stipulation.

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—SPECIAL LEASE ENABLING.

Second Reading.

The MINISTER FOR LANDS (Hon. H. B. Lefroy—Moore) [8.27] in moving the second reading said: I believe we have already had a measure of this kind before the House. I do not know that the House actually disapproved of the Bill, but I suppose it was amongst the slaughtered innocents at the close of the session of 1914. This was a proposal by Mr. Lancelot le Souef to start an opossum farm. He desires that Parliament should give him this right over a certain area of land in the South-West for the purpose of breeding this class of marsupial. We all know that opossum furs are a valuable article and we all know that opossums have been dying out in Western Australia. I am sorry to see that because the opossum is an interesting little animal and he makes an excellent rug.

Mr. Collier: Will not this help to thin him out?

The MINISTER FOR LANDS: The object is to breed him.

Mr. Collier: And then to kill him.

The MINISTER FOR LANDS: That is what man is always doing, producing life and then destroying it. The object is to enter upon the breeding of opossums in the same way as we breed sheep, and the product will be of advantage to the country.

Mr. Heitmann: Does the Minister know what was done by the same party some time ago? He dashed near got behind the bars.

The MINISTER FOR LANDS: The Bill provides for the granting of a lease over a certain area in the South-West consisting of 4,300 acres in the Nelson district. The lease will have 10 years to run, the rent to be at a peppercorn rate if demanded for the first five years and £25 per annum for the remainder of the term.

Mr. Collier: Peppercorn if demanded!

Mr. Bolton: And it gives him the right over the land except that you can enter on it for timber cutting only. I think we could deal with more important Bills than this rubbish. It is not the proper thing to bring in here. It was thrown out once.

The MINISTER FOR LANDS: It was not thrown out. My predecessor had the Bill before the House. At any rate, Parlia-

ment has the opportunity of saying whether it wants it or not. I move—

That the Bill be now read a second time.

On motion by Mr. Hudson debate adjourned.

BILL—EXECUTION OF INSTRUMENTS.

Second Reading.

The ATTORNEY GENERAL (Hon. R. T. Robinson—Canning) [8.37] in moving the second reading said: The object of this Bill is to facilitate the execution of instruments and powers of attorney during war time. It is a Bill which was prepared by my predecessor and would have been introduced by him, and I venture to submit to the House that it is one of the Bills which should be passed quickly. As everybody knows, documents under the Transfer of Land Act require to be signed within the limits of Western Australia before Registrars, Justices of the Peace, Notaries Public, solicitors, postmasters, and so on, or outside the limits of Western Australia before a Notary Public, Commissioner, a mayor of a town, a British Consul, an officer and so on, and more particularly outside the limits of the State, those officers have to sign certain declarations, and there is a good deal of formality about the execution of an instrument. There has been some difficulty, and this Bill is to provide that any person engaged on war service during the period of the war and three months thereafter may sign any documents and the Registrar of Titles will accept them upon the verification to his satisfaction of the signature.

Mr. Scaddan: Quite a number of these men will not come back until six months after the war.

The ATTORNEY GENERAL: I am introducing the Bill as I found it. The Bill also provides that a person shall be deemed to be engaged on war service who is in naval or military service either within or without Western Australia, or who is engaged in red cross or ambulance work or in kindred or similar objects, and the benefit of the privileges conferred by this Bill shall also apply to persons not engaged on war service in relation to any period, during which being ab-

sent from Western Australia he has, for any reason connected with the war, never returned to Western Australia. It will be seen therefore that the measure is pretty comprehensive. I move—

That the Bill be now read a second time.

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—ZOOLOGICAL GARDENS ACT AMENDMENT.

Second Reading.

Hon. J. D. CONNOLLY (Honorary Minister—Perth) [8.42] in moving the second reading said: This is a small Bill but it is one of some importance to the zoological gardens. The object of the measure is set forth in the second clause which is really the essence of the Bill. It is to legally increase the borrowing powers of the Zoological Gardens from £5,000 to £6,000. At the present time the gardens are subject to two mortgages, one of £3,000 and the other of £2,000. The first mortgage was held by the Government Savings Bank and the second one, which has run up to as much as £2,800, was held by a private banking institution. Naturally the latter institution wanted to be on legal grounds and therefore asked that the borrowing powers of the gardens be increased. The account was changed from the private banking institution to the Commonwealth Bank, and the understanding was that the matter would be put right by having the Bill introduced to enable them to increase the borrowing powers to £6,000. This was a considerable saving in interest to the Zoological Gardens. They obtained their money at a rate lower than that charged in private institutions, so the whole of the money is now advanced by the Commonwealth Bank. The Bill was agreed to by the ex-Premier and also by the then leader of the Opposition, so I do not anticipate that there will be any serious opposition to it. The remainder of

the Bill consists of machinery clauses. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

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

BILLS (3)—RETURNED FROM THE COUNCIL.

1. Roman Catholic Church Property Acts Amendment.
2. Adoption of Children Act Amendment.
3. Western Australian Day Funds (No. 2). Without amendment.

RESOLUTION—SALE OF LIQUOR REGULATION ACT.

Message from the Council received and read asking concurrence in the following resolution:—

"That the Sale of Liquor Regulation Act, 1915, shall continue in operation for the further period of twelve calendar months from the 31st day of December, 1916, that is to say, until the 31st day of December, 1917."

BILL—PERMANENT RESERVES (No. 2).

In Committee.

Resumed from the 2nd November; Mr. Holman in the Chair, the Minister for Lands in charge of the Bill.

Clause 2—Portions of Reserves A8431 and A8694 excised:

[Mr. Angwin had moved an amendment, "That after 'of' in line 4 the words 'by lease' be inserted."]

The MINISTER FOR LANDS: The question before the Committee now is not the approval of the Bill, but the old question of freehold versus leasehold tenure. There is a principle involved in the amendment, and the Committee are asked to say whether they are in favour of this land being granted

under leasehold or under freehold tenure. I object to the leasehold tenure.

Mr. Scaddan: You are a leaseholder yourself.

The MINISTER FOR LANDS: No, I have not an acre of land under lease as the hon. member has. It is strange that hon. members opposite should have suddenly found this measure to be objectionable. The member for Guildford had the question brought before him long ago. He consulted the then Surveyor General, the late Mr. Johnston, who approved of the excision of portion of the reserve. It was recommended also by the district surveyor, Mr. Brockman, at Bridgetown, and the late Minister for Lands gave instructions that a Bill should be prepared. The late Attorney General was also in it, and his views appear on the file, approving of the excision. In February last the Under Secretary for Lands asked the Solicitor General to have a Bill prepared, explaining in a minute that his Minister had given the necessary approval.

Mr. Scaddan: Who moved the department in the first instance?

The MINISTER FOR LANDS: When the late Minister for Lands was in the south he was asked by a number of people if the land could be thrown open because they wanted to put up summer residences. That was the reason given by the late Surveyor General to meet this demand that the land should be set apart for sale for residential purposes.

Mr. Scaddan: There are thousands of acres of alienated land down there which could be bought for a song.

The MINISTER FOR LANDS: I see no reason for not going on with the Bill. The officers of the department which was controlling that reserve, and of the late Attorney General's department, concurred.

Mr. Walker: How did my department come in?

The MINISTER FOR LANDS: Because that department controlled State hotels, and the manager was asked for an opinion.

Mr. Scaddan: Is this evidence of the business acumen of the Government, that they should throw open this land for sale at a time when it will not bring its value, whereas later on, with a railway, it will bring its price?

The MINISTER FOR LANDS: All the information which was obtainable was asked for on the subject. The question was not dealt with hurriedly. The late Minister gave instructions that the Bill should be drafted in February last, and every Minister had already agreed to it.

Mr. Scaddan: No.

The MINISTER FOR LANDS: The file, at all events, bears the initials of the late Attorney General. I am surprised at the reception given to the Bill by members opposite.

Mr. SMITH: The principle involved in the Bill demands the utmost consideration. The officers controlling the department felt that this land was of some special value, so they put it into the class "A" reserve. I have heard no good reason why this land should be thrown open for selection. I cannot understand why people down there did not select this land before it was made a reserve, if they wanted it. At all events, I am opposed to throwing it open on the leasehold principle. If it is going to be thrown open—and I do not think it should be—it should be thrown open on the freehold principle. The whole question should be allowed to stand over until the railway, which has been surveyed, is built.

Mr. WALKER: I suggest to the member for North-East Fremantle that he withdraw the amendment in order that the Committee may have an opportunity of discussing, and of voting on, the advisability of the alienation of this portion of the reserve. The member for North Perth has struck the right note, for an important principle is involved. Whoever is responsible for the proposal to excise, makes no difference to the violation of the principle. I see no value in the fact that objection is not raised departmentally to the proposal. The Attorney General's department, for instance, was merely asked whether from the point of view of the State hotels there was any objection; which there was not. From the point of view of preserving these areas for future generations, however, I have not been asked to give an opinion, and have given no opinion. As the result of similar proposals to this one, reserves in other parts of Australia have been cancelled in wholesale fashion.

Mr. ANGWIN: No better assurance of the fact that members on this side have not even read the Bill could be given than is afforded by the absence from the clause of the words "by lease." I ask leave to withdraw my amendment.

Amendment by leave withdrawn.

Mr. NAIRN: I regret I cannot support the proposal for alienation. An inspection of the maps and plans shows that the area which it is proposed to alienate is close to the mouth of the Margaret River, one of the finest water courses in Western Australia.

The Minister for Lands: But the water is salt.

Mr. NAIRN: As a holiday resort the district has few equals in Australia, and therefore no portion of this reserve should be alienated. The proposal does not disclose business acumen, because the land if put up for sale would not bring anything like substantial prices. The opposite side of the river has already been alienated—an additional reason for opposing the clause. The land might be leased or thrown open for camping purposes, as is done in all other parts of Australia.

Mr. Collier: As is done here at Crawley.

Mr. WILLMOTT: Three years ago I expressed the opinion that it was desirable people should have an opportunity of selecting blocks of five or 10 acres in the particular locality now under consideration. Many years before, I had expressed the opinion that our reserves were too large, and were closing the country against settlement. That is the trouble in the Margaret River district. I hold that a portion of this reserve should be subdivided, always retaining, however, a strip along the river. This latter point can be decided by the Minister.

Mr. Scaddan: No. It is a matter of policy.

Mr. WILLMOTT: Under the Land Act, reservation for a certain distance from the water's edge is compulsory. On the 9th December, 1914, I once more raised the question whether some of our huge reserves should not be cut up. They are a curse rather than a blessing, because the dingoes live on these reserves. The more reserves we have, the more dingoes we have. It was the opinion of the late Surveyor General that there were too many reserves in this

particular locality, and he fell in with the idea that a certain portion of this reserve should be excised. The late Premier went down there some time back and what did he do?

Mr. Scaddan: I did not.

Mr. WILLMOTT: He went down to Karidale and then to Augusta and took up land there, because he was so struck with the country that he said he must have some of it. The hon. member will take up land himself but he adopts the selfish attitude of refusing to allow others to take it up. An injustice will be done to the district if a certain portion of the reserve in question is not thrown open to allow people to have the small selections of five acres.

Mr. GREEN: We have to admit that the Caves district is really the playground of Western Australia and we have to look forward to the time when there will be a greater population in this State. The excuse given that it is only a small area of 400 acres that it is proposed to excise, should make us somewhat suspicious of the Bill. I well remember when the present leader of the Opposition introduced a Bill to Parliament to excise some land from King's Park for University purposes, many members of the present Government were loud in their anathemas against a proposal of that kind. The object in that case was educational and we might well have been justified in granting that reserve. But there is no excuse whatever for alienating a portion of what will undoubtedly be in the future the favourite resort in Western Australia for tourists. We have to remember that a railway is contemplated in this particular district and we have been told also that the land is poor. In the very next breath we are informed that the land is required for orchard purposes. I can see, however, that with the advent of a railway, these blocks will be purchased for speculative purposes and I am strongly opposed to any portion of our national playground being reserved for the speculator.

Mr. SCADDAN: We heard a rather interesting statement from the member for Nelson that it requires the exclusion of this particular portion of the Caves reserve to solve the problem of the development of the South-West. Here we have an area which, if it were marked on a plan showing the

whole of the South-West from Pinjarra south, would be about the size of a dot made by a pencil. Yet the member for Nelson tells us that in this little area covered by the dot, the question of the development of the South-West will be solved. It is not a matter of settling that problem, it is just a question of providing land for summer residences. It seems to me that members are confusing the Margaret with the Blackwood River. The member for Nelson suggested that I took up land down there. That is true, but I took it up where there are tens of thousands of miles of it, and not in this particular locality, but close to one of the finest rivers—excluding the Murray—in Australia. I refer to the Blackwood River. Because someone comes along and finds that a little frontage to the Margaret River in the Caves reserve will shortly be served by a railway, it is desired to get in early to avoid the crush, and it is desired to purchase this land at a time when it is known there will not be any bidding for it. I suppose the speculators think that if they can get the land before a railway is constructed, they will get it cheap and that later on when the people recognise the advantage of spending the summer months in the South-West portion of the State, these speculators will make a pretty good thing out of it. There is no demand whatever for land in that part of the State at present.

Mr. Smith: Are you selling yours?

Mr. SCADDAN: No chance. The member for Nelson can inform the Committee that many of the settlers there are willing to dispose of portions of their holdings if they can get buyers. There are too many settlers holding land that they can never utilise and they hope that, with the advent of a railway, they will be able to cut it up. I fail to see how we are to help the development of the South-West by excluding this small area of river frontage, about 400 acres altogether, while there are hundreds of miles of land there unsettled.

The Minister for Works: How long is it since the movement for this land started?

Mr. SCADDAN: I will warrant that it started from the date of the commencement of the agitation for the construction of the

Margaret River-Busselton railway—that was before we took office.

Mr. Willmott: The people asked for a railway there over 20 years ago.

Mr. SCADDAN: My point is that for summer residences there are thousands of acres of land which can be made available without touching this reserve. The area between Busselton and the Leeuwin should be reserved for the use of the public. I recognise that eventually it will become necessary to make land available in that quarter, but I question whether it should be made available in the manner now proposed, which will work into the hands of speculators.

Member: I do not think it will be rushed.

Mr. SCADDAN: Those moving in the matter recognise that it is not likely to be rushed now, but that it will be when the railway is constructed.

The Premier: This land is seven miles from the route of the proposed railway.

Mr. SCADDAN: I know the district and I say it is not above three miles away. If this Bill passes, the people will be shut out from the whole of the river frontage. The present Premier, when he was formerly head of a Government, resumed land along the Swan River in order to make it available to the public; yet it is now proposed that we shall repeat in the Margaret River district the mistake made years ago in Perth. If land must be alienated in that district it should be from some other part and not from the river frontage. The river frontages on the Blackwood the Murray or the Margaret will undoubtedly be utilised by the public in the summer months. There is no climate in Australia to compare with that of this area; it is the most equable in the world. I suggest to the Minister that there will probably be a demand for this land when the railway is constructed, and when that demand occurs Parliament can make the land available. The reason for this Bill is that certain persons desire to get in early, realising that there will be a demand for small blocks for residential purposes and probably also for hotels to accommodate the thousands who will go there from the metropoli-

tan area. I ask the Government not to proceed with the Bill in the circumstances, but to allow the district to develop and when the demand for land has been created it can be made available as required. Nobody but the member for Nelson has asked for this land to be made available.

Mr. Willmott: The local progress association has asked for it.

Mr. SCADDAN: Local progress associations would ask for the moon. I do not think the circumstances justify our agreeing to the request, and I do not agree with the contention that we will be holding up the development of the South-West if we refuse to make available this small area of 400 acres for residential purposes. Under the proposal of the Government there will be a few who will pay up to 10s. an acre for this land, and under the freehold system in a very short time the whole area will be in the hands of one or two persons. Why not open up the land down at Augusta, where we made blocks available?

Mr. Willmott: I know instances of applications for that land having been refused by you.

Mr. SCADDAN: We dealt with applications on their merits. Instead of giving up the only piece of the shore of the Margaret River still open to the public, it would be far wiser to make blocks available at Augusta. I would ask the Minister to reconsider this question and withdraw the Bill. Not by any stretch of the imagination can it be regarded as a matter of urgency.

Progress reported.

BILL—FLINDERS BAY-MARGARET RIVER RAILWAY.

Second Reading.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [10.11] in moving the second reading said: This is merely a short Act to confirm the purchase of the Flinders Bay-Margaret River railway and vest the railway in His Majesty. It will be remembered that in 1913 a Bill was passed authorising the purchase of this railway from Millar's Timber and Trading Co. The Bill now before the Chamber has been prepared on the advice of the Solicitor

General, who is also Commissioner of Titles, to secure the vestment of the property in the Crown, and so avoid the expense of getting transfers of the various parcels of land on which the railway line is built, and to complete formalities. There is really nothing new in the matter. It is a formal Bill and, the principle of the purchase of the railway having been already approved by the passing of the Act of 1913, this is merely to enable the officers to complete the transaction.

On motion by Mr. Angwin debate adjourned.

BILL—TRADING CONCERNS.

Second Reading—Order discharged.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [10.13]: The Crown Law Department has informed me that there is a technical error in connection with the Title of the Bill. It will, therefore, be necessary to withdraw it this evening, and notice will have to be given under the amended Title. Therefore I move—

That the Order of the Day be discharged.

Question passed; Order discharged.

House adjourned at 10.11 p.m.

Legislative Council,

Wednesday, 8th November, 1916.

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