difficulty could be overcome by the unions. Already the unions have tried to meet the situation, but have failed. At the Fingal mine on the Murchison a large number of foreigners were employed. The unions took action to protect themselves, but it cost them £2,000.

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

Ayes	17
Noes	19
Majority against ..	2

AYES.

Mr. Corboy	Mr. Panton
Mr. Cunningham	Mr. Raphael
Mr. Hegney	Mr. Sleeman
Mr. Kenneally	Mr. Troy
Mr. Lamond	Mr. Wansbrough
Mr. Marshall	Mr. Willcock
Mr. McCallum	Mr. Withers
Mr. Millington	Mr. Wilson
Mr. Munsie	(*Teller.*)

NOES.

Mr. Angelo	Mr. McLarty
Mr. Barnard	Mr. Parker
Mr. Brown	Mr. Patrick
Mr. Doney	Mr. Piesse
Mr. Griffiths	Mr. Sampson
Mr. Keenan	Mr. Scaddan
Mr. Latham	Mr. Thorn
Mr. Lindsay	Mr. Wells
Mr. H. W. Mann	Mr. North
Mr. J. I. Mann	(*Teller.*)

PAIRS.

AYES.	NOES.
Mr. Collier	Sir James Mitchell
Mr. Coverley	Mr. Davy
Miss Holman	Mr. J. M. Smith
Mr. Lutey	Mr. Teesdale
Mr. Walker	Mr. Ferguson
Mr. Johnson	Mr. J. H. Smith

Amendment on amendment thus negatived.

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

Clauses 22, 23—agreed to.

Progress reported.

House adjourned at 10.55 p.m.

Legislative Council,

Tuesday, 9th June, 1931.

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

MOTION—MOTOR ACCIDENTS.

To amend Traffic Act.

Debate resumed from the 26th May on the motion by Hon. G. Fraser:—

That in view of the dire financial straits to which many victims, and relatives of victims, of motor accidents are reduced, this House requests the Government to amend the Traffic Act in a manner that will protect the financial interests of these unfortunate people.

HON. G. FRASER (West—in reply) [4.35]: It has been suggested during the debate that the persons I seek to cover by this motion have their remedy through the law courts. I quoted several cases which have not gone into the courts because the persons responsible for the accidents possessed no assets. It is useless for injured people to take cases through the courts when the persons concerned have nothing behind them. I could quote cases where injured people have gone through the courts, but received no redress. I know of the case of two young lads who were injured by a motor car when they were riding a motor cycle. They took the case to court. One of them had 70 days in a hospital and the other had ten days. One can imagine what the hospital expenses alone were. They were successful in getting judgment, one for £215 and costs, and the other for £125 and costs. Although the accident happened 12 or 18 months ago, negotiations are still going on with respect to payment. So far the lads have not received a penny. When the Government bring down legislation to cover this sort of thing, I trust they will import into it some portion of the New Zealand Act. In this particular case there was a third-party risk covering the motor

car which belonged to a city firm. The accident, however, happened on a Sunday when the car was being loaned to an employee. The insurance company refused to pay damages because the accident happened outside business hours. I hope the Government will copy a portion of the New Zealand Act to cover that point. That Act lays down that the third-party risk is with the car, irrespective of whether the owner or anyone else is driving it. It even covers a car that has been stolen. The portion of the Act, which was passed in 1928, to which I refer is as follows:—

> For the purposes of the Act, for every contract of insurance thereunder, every person other than the owner, who is at any time in charge of a motor vehicle whether with the authority of the owner or not, shall be deemed to be the authorised agent of the owner acting within the scope of his authority in relation to such motor vehicle.

Sir Edward Wittenoom said he wondered how we heard of so many motor accidents. He represents a province very different from mine. In his province there is only a handful of people and there is very little traffic.

Hon. Sir Edward Wittenoom: I was speaking of Perth.

Hon. G. FRASER: If an accident occurs there, most of his constituents consult their solicitors. My colleagues and I represent a province of about 20,000 electors, mostly poor people who cannot afford to consult a solicitor. They look upon their members as their friends and advisers, and when they are in trouble they go to their members. That is how it is we come to hear of so many of these cases. The only point stressed during the debate was the cost of this insurance to motorists. I have made inquiries to find out what this cost would be. When the Leader of the House was speaking he said it would average about £8 per motorist. I want members to understand that statement. This £8 was the average cost for all motor car owners, not only for the third-party risk.

The Minister for Country Water Supplies: That is so.

Hon. G. FRASER: There is one club which caters for this class of insurance. For a premium of £6 13s. 9d. it covers the insurance on the car up to £100 and a third party risk up to £1,000. The amount in question, I believe, also includes the annual fee of one guinea to the club. I understand there is also a 20 per cent. rebate if no claim is made within 12 months. The matter of cost does not, therefore, seem a serious one.

The Minister for Country Water Supplies: It applies only to private cars.

Hon. W. J. Mann: And I think you pay one guinea first.

Hon. G. FRASER: I think that includes the guinea.

Hon. Sir Edward Wittenoom: Why not be more careful about the issuing of licenses?

Hon. G. FRASER: I do not think that enters into the argument. The question whether a driver was drunk or sober would not affect the situation. The sober man of to-day is the drunk of to-morrow, and *vice versa*. The sobriety or otherwise of the driver would not take one very far. It is interesting to note the insurance figures in connection with motor cars and the third-party risk. Last year motor car insurances alone ran into £192,022, whereas only £8,955 was paid for the third-party risk. It shows how thoughtless people are when they will lay out so small a sum as this in connection with the lives and limbs of other people, but will spend £192,000 in insuring their own property.

Hon. C. B. Williams: They must have thought there was less chance of hitting someone than of hitting a house.

Hon. J. Nicholson: What was the property they insured at the larger sum?

Hon. G. FRASER: I am speaking of the insurance of motor cars. There is a vast difference between that insurance and the third-party insurance. If this third-party insurance was made compulsory, it would not be a costly matter. In this respect Mr. Kitson's suggestion is well worthy of consideration. He suggested a fee of £1 a year being paid at the time the license was taken out, such fee to cover the third-party risk. This would cut out the question of commission, which I understand averages about 10 per cent. The suggestion is an admirable one. Some members may doubt whether £1 a year would cover the third-party risk. I feel sure it would. Last year 50,195 motor vehicles were registered in this State, and at £1 a head this would yield £50,195. I believe that would be sufficient to cover the cost of the third-party risk. During the year, claims were made in the case of 88 accidents, and only £4,665 was paid out, whereas the amount

of the insurances paid was £8,955. Even with the limit of third-party insurance I find that approximately 60 per cent. of those insured met with accidents. On the basis of £1 per annum per owner, a fund of approximately £50,000 would be available to deal with cases of that description. I trust hon. members will agree to the motion, because all must admit that legislation along the lines I suggest is much overdue. We are lagging behind other countries. In New Zealand an Act has been in force since 1928, and I understand that similar legislative provision has been made in England to deal with third party risks, although I have not been able to obtain a copy of the English Act.

Question put and passed.

BILL—SPECIAL LEASE (ESPERANCE PINE PLANTATION) ACT AMENDMENT.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [4.47] in moving the second reading said: This Bill refers to the Esperance pine plantation which was sanctioned by Parliament during the 1926 session. At that time the Government advised members that it had been approached for an area in the Esperance district for the afforestation of soft woods by certain people who intended to sell bonds to the investing public on lines similar to operations in New Zealand, South Australia and other Australian States. The organisers of the project estimated that the annual output, after the first crop matured —say, in from 25 to 30 years—would be 200 tons per acre, and the proposal was supported by the fact that the imports of soft woods and by-products into the Commonwealth at the time were considerable. Eventually, as the land required was such as did not appeal to the general public for cereal growing and was lying idle, a Bill was submitted to Parliament and an Act—the Special Lease (Esperance Pine Plantation) Act of 1926—was passed, giving the right to an incorporated company to secure 45,000 acres on lease for a term of 30 years.

On referring to that Act, hon. members will see that 500 acres were to be planted and established with soft woods during the first year, and thereafter not less than 1,000 acres per annum out of every 1,500 acres were to be planted and the land fenced. Accordingly, after the Act was passed, a lease was granted to the Esperance Pine Forests, Limited, at 3s. per acre for a term of 30 years from the 1st January, 1927. Subsequently the company secured the services of a forester, proceeded with the establishment of a nursery for seedlings, and carried out a series of experiments in order to ascertain by demonstration the best methods of working the soil and of plant treatment.

In March, 1928, the nursery was well established with about 250,000 seedlings ready for planting and 550 acres had been cleared for that purpose. Concurrently, an extensive subsoil examination over some 4,700 acres was made, and advice was received that improvements in the way of storeroom and other accommodation had been effected. In February, 1929, the company reported that some 30 men were engaged on planting-out operations and that a further area had been laid down as a nursery. The company then estimated that from 600,000 to 700,000 seedlings would be available for planting, and they informed the Government that clearing was proceeding over some 2,000 acres, that wells had been sunk, roads and tracks cleared, and that further living accommodation had been provided. At that stage expert advice assured the Minister for Lands that the company were proceeding on sound lines.

In August, 1929, the report from the company was not so encouraging inasmuch as the Government were advised that although genuine efforts had been made to comply with the terms of the lease in respect to the planting of pines, experiments had convinced the company that, before the land could be made suitable for pine planting, the native vegetation had to be completely destroyed by growing one or more crops. That conclusion had been forced on the company by the fact that out of 250,000 seedlings planted out, 101,000 had died. Up to that date, the company had expended about £7,500 in genuine attempts to develop the property under the terms of the lease and it was then suggested to the Government that the lease should be amended to give the company power to use the land for general farming purposes as well as pine planting, as experiments had been made with various crops of fodder plants such as oats, rye, barley, buck wheat, subterranean clover,

lupins, and veldt grass with satisfactory results. The company further stated that the treeless and bleak nature of the country would make it imperative that extensive tree-planting for shelter belts would have to be taken in hand at the same time, and estimated that it would cost some £50,000 to fully develop the property on the lines stated.

After consideration of the representations, the Government satisfied themselves that an earnest attempt to develop the lease had been made, and now submit the proposals in this amending Bill for the consideration of members. As requested by the company, the Bill provides that the land may be used for other purposes besides pine plantation, such purposes being clearing, ploughing, planting and establishment of pastures. Under the Bill, if the company within 12 months select 25,000 acres out of the 45,000 which they hold and improve the selected area to the extent of £4,000 plus fencing, payment of survey fees and of the purchase money, they will be entitled to a grant in fee simple of the selected area. In regard to the balance of 20,000 acres, the Bill provides that it may be subdivided into blocks in accordance with the areas prescribed in the Land Act —maximum of 5,000 acres and minimum of 1,000 acres—and it is stipulated that after certain necessary improvements have been effected, the blocks may be sold by the company, with the approval of the Minister for Lands, and subject generally to the conditions of the Land Act, the purchaser to take possession of the land and reside upon it for a period of five years. In such cases, the leases to purchasers of the blocks will be for a term expiring concurrently with the special lease granted to the company, namely, 30 years from January, 1927, and no transfer will be registered unless the land to be transferred has been improved in accordance with Section 68 of the Land Act, with effect from the 1st January, 1927.

Furthermore, it is laid down in the Bill that the company shall be jointly and severally liable with the purchaser of the block for the due compliance with all improvement conditions, and if the conditions in respect to any subdivisional section out of the 20,000 acres have not been complied with, then such lot shall be forfeited to the Crown, and that latter safeguard will also apply to any land not disposed of to purchasers during the currency of the lease to the company, namely, 30 years from the 1st January, 1927. In support of their request for the variation of the terms of the grant as laid down in the Act of 1926, the company point out that if this amending Bill becomes law, further capital will be forthcoming and that extensive improvements will proceed towards the establishment of pastures, with the object of providing fat lambs for export which may be treated at Esperance and possibly result in the establishment of freezing works at that centre, while the demand for fertilisers necessary for the development of the property may lead to the establishment of superphosphate works at Esperance.

The 45,000 acres in question comprise sandplain, interspersed with swamps of poor soil with evidence of alkali, and reports by the Conservator of Forests show that the problems in connection with the development of a crop of pines are not insuperable. But the evidence at present available is not sufficient to show that, when established, the pines will develop satisfactorily, and on that account the company would not be justified in continuing operations on a large scale and selling bonds to investors. Therefore to enforce the terms of the lease would not be in the best interests of the State. A close perusal of the Bill will show that the company will need to spend on improvements and fencing on the 25,000 acres more than would be required if the ordinary conditions of the Land Act were to apply, and it will also be seen that in respect to every separate area sold by the company out of the balance of 20,000 acres, the lessee will become a lessee of the Crown under Section 68 of the Land Act, under a lease expiring on the 31st December, 1956. I move—

That the Bill be now read a second time.

HON. C. B. WILLIAMS (South) [4.58]: I am sorry that the President is away, and that you, Mr. Cornell, are in the position of Deputy President. In the circumstances you, in all probability, will not be able to give the support to the Bill that it warrants. It affects the interests of people in the province the President, you, Mr. Deputy President, and I, represent. Sir John Kirwan and you have been more in touch with the Esperance Pine Forests Ltd. and their activities than I have been. On

the other hand, we all know the troubles that have been associated with the company's operations. They went to great expense to bring under cultivation a large tract of land that is not being adequately utilised at present, and sought to create an asset for the State. A large number of men have been employed in clearing and planting pines, but success has not attended their efforts. This has been on account of the native undergrowth, some of which is of a parasitical nature, thriving on the growth of other trees. Because of that, the pine plantation has not been a success. Under the provisions of the Bill I do not know that the Government are really giving away anything to the company, but the Bill will give the company an opportunity to attempt to raise further capital. If they can do so, it will enable them to grow fodder grasses that will kill the native vegetation and thus pave the way to successful pine planting later on. I hope the House will not delay in passing the Bill, and thus give the company an opportunity to proceed with their plans, which will be of importance in pioneering a huge area of sandplain country. It will be helpful to others engaged in developmental work in the Esperance district. Inspector Spedding-Smith, of the Police Department, also has a large area of sand-plain country in the Esperance district, and he is endeavouring to develop it along sound lines. If the company are able to secure the necessary finances to enable them to proceed as they suggest, it will give a fillip to a portion of the district that extends from Esperance to Seaddan. The Bill has been too long delayed. It has been under consideration for the last two years, and it is high time that the company received the necessary authority to proceed along the lines they propose. I support the Bill.

HON. H. STEWART (South-East) [5.0]: I have been seriously considering the Bill, and I had intended securing the adjournment of the debate, but I think it better to say a few words at this stage. There are several matters in connection with the Bill to which attention should be given. One is whether it is desirable that a special Act should be brought into force which sets aside the provisions of another statute. Where facilities are provided by that statute, then any question as to how far they should be amended by a special Act, should receive careful consideration. There should also be kept in mind the fact that conditions governing a special lease should be equitable to a company as well as to the small producer. The position is that in the South-West division any person can take up 5,000 acres of third class land. That is the maximum that can be acquired by a single individual, although several people can combine after each has made his application for the 5,000 acres. The company in question could have combined in that way through a number of the members of the concern. Under the Land Act each could have selected 5,000 acres, though of course in such a case there would have been special provisions applicable to that particular class of land. But there is an anomaly to which I desire to draw attention, an anomaly that has existed for many years. This occurs in the Land and Income Tax Assessment Act, and I have drawn attention to it on previous occasions. I drew the attention of the former Crown Solicitor, Mr. Sayer, and also of Mr. Angwin when Minister for Lands, as well as the Under Secretary for Lands to the anomaly. When Mr. Angwin was Minister for Lands it was reported to him that there were over 9,000,000 of unalienated third-class land within ten miles of existing railways, and yet the position is that if a man takes up 1,000 acres of first-class land, under Section 10 (2) of the Land and Income Tax Assessment Act he gets an exemption from land tax for a period of five years. If a man takes up 2,500 acres of first- and second-class land of a value equivalent to the 1,000 acres of first-class land, again he gets five years' exemption from taxation, but if a man takes up 5,000 acres of third-class land of a value equivalent to 1,000 acres of first-class land, he gets no exemption at all. That is the anomaly about which I have complained, and the present and the previous Government are culpable in that they made no attempt to amend the law in the direction of removing it. It is only one of many anomalies that exist in the Assessment Act which need to be rectified in the interests of production. Many associations in this State—the Taxpayers' Association and others—have repeatedly drawn attention to the anomalies, and the necessity for removing them. Many people who are not aware of the existence of the particular anomaly to which I have referred took up areas of third-class land, but after-

wards abandoned them when they learned that they would be liable to taxation before they had had the opportunity of getting any revenue from those areas. Premier after Premier and Minister for Lands after Minister for Lands declared that people should be encouraged to take up large areas of the poorer lands, but they never did anything to remove the stumbling block in the shape of the anomaly. On the 17th March, 1927, I wrote to the Commissioner of Taxation as follows:—

Re Section 10 (2) Land and Income Tax Assessment Act, I would be obliged if you would inform me (1) If a person, holding no other land, takes up a conditional purchase grazing area of 5,000 acres at 3s. per acre, is he exempt from land tax for the first five years?

I have given notice of a question on this particular subject.

If he is not exempt, what area of that land will he be assessed on?

That is to say, whether he will be assessed on the whole of the 5,000 acres or 2,500 acres.

My question refers to specific cases where the Lands Department have approved such applications. (2) What would be the position in a similar case to the above, but where the area is 5,000 acres at 4s. 6d. per acre?

The reply of the Commissioner, dated 28th March, 1927, was as follows:—

In reply to your letter of the 17th inst. I desire to advise you that Section 10 (2) of the Land and Income Tax Assessment Act, 1907-24, provides that where a taxpayer holds more than 2,500 acres of grazing land, there is no exemption from payment of land tax.

The DEPUTY PRESIDENT: Order! I hope the hon. member will connect what he is quoting with the Bill before the House.

Hon. H. STEWART: I have already done so, and I will do so again.

The DEPUTY PRESIDENT: So far there seems to be only a remote connection.

Hon. H. STEWART: The Bill deals with land alienation and the people who take up large areas of inferior land are liable to taxation. It is one of the conditions under which the special lease we are discussing is held that it shall be subject to the existing laws. I contend that I have connected my remarks with the Bill logically and consistently, and I do not want to have my arguments unnecessarily interfered with. I assure the House I have no intention of wandering from Dan to Beersheba, and I desire to conclude my remarks as quickly as I can. The Bill we are discussing deals with 45,000 acres that have been alienated, and I was quoting a reply from the Commissioner of Taxation to a communication of mine to show that where a taxpayer holds more than 2,500 acres of grazing land there is no exemption from the payment of land tax. The Commissioner concluded his letter with these words—

The price paid or payable for the land does not affect the case in any way.

Hon. C. B. Williams: In what way does the tax affect this question; it has nothing to do with the Bill at all.

Hon. H. STEWART: I should like to say in justice to Mr. Angwin that when he was Minister for Lands he said that, if he could have had his way, the anomaly would have been removed. His desire had always been to make as easy as possible the conditions for the utilisation of this class of land. As I have already pointed out, instead of the granting of this special lease, a similar area could have been obtained under similar conditions by a number of the people interested applying individually to take up smaller areas, and then acting in a co-operative manner.

Hon. Sir Edward Wittenoom: Taking up 5,000 acres each?

Hon. H. STEWART: Yes. Having seen the land, and fully appreciating the bona fides of the company, I doubt whether the Bill before us will be in the interests of the company, and whether it will benefit the company's financial position. It is not desirable to insist on too stringent conditions here.

Hon. Sir Edward Wittenoom: Is this area exempt from land tax?

Hon. H. STEWART: I believe not. We shall know more about the liability when we have the replies to the questions of which I have given notice. I want to point out to the company themselves a liability which exists and to which regard may not have been paid. However, to resume the line I wish to follow, experimental work should precede any extensive programme of development. Sir Charles Nathan will, I think, be fully in accord with me as to that. Further, the advice of men who know the position should be obtained. Mr. Williams said a good deal of this land was alkaline. To me that points to the need for a report from the officer of the Agricultural Depart-

ment dealing specially with soil surveys. It is eminently desirable that before the Bill goes into Committee the Minister should furnish a candid report from the Conservator of Forests on what he thinks can be done with any portions of this area in the way of pine planting. There should be a report on the work done and on future prospects, as well as a statement from the Agricultural Department as to the probable results if these people follow up the lines they propose. Another phase with which I am concerned is that a company should not be permitted to secure by a special Bill a right to a considerable tract of country in this way. Speaking now, I am speaking before I have had an opportunity of refreshing my mind as to how close this area is to the more settled portions of the district and to the railway line. We do not want to establish a company, simply by the expenditure of certain moneys and the fulfilment of certain conditions, in such a position that they will be able to get hold of the land or even perhaps sell it to people in another State, who might then come here and be put on 5,000-acre propositions of which they could not make a success. While not wishing in any way to make the position difficult for the company, I hold that money should not be spent merely in order that the land may be alienated. Perhaps during that period, as the result of developments elsewhere or of experimental work by the department or other people, the holding, which is in almost a key position, might eventually be disposed of in areas and at prices which would leave the purchasers no opportunity of remunerative production. Apart from these phases of the question, the information furnished by the Minister shows that the company have gone in for a bona fide experiment. Without time to peruse in detail the Minister's remarks I cannot estimate what the position is, or whether the company's expenditure has been in a wise direction. When we realise the whole of the statements made by the Minister, we shall be able to decide whether the company have proceeded as wisely as they think. I reserve my future action on the Bill for the Committee stage.

HON. H. SEDDON (North-East) [5.20]: I was pleased to hear Mr. Stewart's remarks on the Bill, because within the last fortnight I have had an opportunity of visiting the pine plantation and seeing exactly the lines on which the company have been working. As the Minister explained, the lease was taken up by the company with the idea of going in for the planting of pines. As a result of their operations they have planted 500 acres. The leasehold is typical of an area of about 5,000,000 acres. However, the company have found that with the growth of the pines the natural plants grew simultaneously, that certain plants of the natural growth were parasitic in character, and that their roots caused the death of the pines planted. Instances were shown to me where the roots of the Christmas tree had entwined around the roots of the pine and cut it off, with the result that the pine was killed. The man in charge of the work is a trained forester named Helm, and I understand he took the work over some two years ago. He then found that to proceed along those lines would be simply courting failure, and he therefore turned his attention to experimental work with a view to testing the grazing possibilities of the leasehold. From investigations made on scientific lines, he found that the land responded favourably and that certain plants throve well under cultivation. He is now engaged in a series of experiments with a view to growing two or more species of food plants together, the idea being that the one will assist the other in growth. He has various grasses growing along with clover, the theory being that the clover will fix the nitrogen in the soil and improve the growth of the grasses. His work is really research and experimental work of the kind usually associated with the experimental farms of the Agricultural Department.

Hon. H. J. Yelland: Has he done any experimental work in that direction previously?

Hon. H. SEDDON: Not to a great extnet. He has had great success with lupins, and his present experiments are so promising that he feels another two years' work will enable him to demonstrate effectively the valuable qualities which can be developed in country at present regarded as waste. From that standpoint his work will be of great value to Western Australia. If as the result of his experiments he can show that this tremendous area is capable of being used for grazing purposes, he will have benefited the State to an extent which very few have achieved so far. I had the pleasure of visiting another place in the district, where a man is experimenting in

a more or less crude fashion with the growth of vegetables, and is obtaining promising results. Mr. Helm, however, is working on scientific lines, and believes that in another two or three years he will be able to demonstrate the value of this area to Western Australia. Mr. Stewart pointed out that it was not desirable a large area of country should be alienated without the matter being given due consideration. The original Act of 1926 granted 45,000 acres on lease to the company, and provided that if the conditions of the lease were complied with, the company would be entitled to receive the fee simple of the land at the end of the 30 years period. The present Bill proposes to assist the company by reducing the area which they may reserve to themselves, and giving them the right to cut up 20,000 acres into blocks which they propose to sell. The company have expended some £7,500 on their leasehold up to the present, and I know that Mr. Helm has sunk a considerable amount of money in the work which is undertaken due to his enthusiasm. In the circumstances I feel that Mr. Stewart and other members will be impressed with the desirability of allowing the work to be completed and then giving these people whatever benefit may have accrued from their pioneering work. Mr. Stewart asked that reports should be made available from the Conservator of Forests and from Dr. Teakle. Dr. Teakle has already carried out a rather extensive soil examination in connection with the lease. Very largely as the result of that gentleman's examination, Mr. Helm proceeded along his present lines. I have no doubt that the Minister will make the reports available to the House and thus show that the work has proceeded in the light of up-to-date scientific knowledge. I hope the House will pass the Bill, because I feel sure that by doing so hon. members will be helping work which is most valuable to the State and which will be the means of opening up an area of country at present comparatively neglected.

HON. J. NICHOLSON (Metropolitan) [5.29]: This Bill recalls to my mind a visit which I had the pleasure of paying in company with you, Sir, and our respected President and the Hon. Thomas Walker at the opening of the Esperance railway. I believe several members of this Chamber also joined in the visit to Esperance on that occasion. We had the opportunity then of inspecting the pine forest which is referred to in this lease, and which then was in a more or less initial stage of progress. There were, however, evidences made manifest to us during that visit which led us to hope that the expectations which the company had when embarking on the plantation would be achieved. In fact, the company had been greatly impressed with the growth of certain pine trees in the near vicinity of this land. They hoped that the characteristics of the soil on the area comprised within the boundaries of the lease would prove to be very much what was obviously the case in those places around Esperance where the pine trees had made wonderful progress. Those trees had simply been planted haphazard, notwithstanding which they tended to give sufficient encouragement to everyone desirous of embarking on the development of what has been described by Mr. Seddon as waste land. What did impress those members who were present at that inspection was the fact that the planting of that land might mean the transformation of waste sandplain into something distinctly useful. It is a great pity the pine plantation has not proved as successful as was hoped. I had something to do professionally with the company at its inception, but as to what has happened to the company since, the first I have learnt about it is what appears in the Bill. At that inspection of the country I was more than impressed with the suggestions made by Mr. Maddern, who was then in charge of the experiments. He did express the hope that something could be done with that sandplain country in the way of producing grasses. What has been mentioned by Mr. Seddon is a testimony to the prospects which lie in store for a very large tract of what is at present waste land. One has only to stand on any eminence there to see for miles around him vast stretches of the same class of country. It could easily be cleared, and if it could be induced to grow any sort of fodder, the whole area would be transformed from a useless sandplain into a productive pastoral district. We might well give encouragement to those who have already spent a large sum of money, some £7,000, on that area. And, as the Minister said, it will be necessary for the company to expend considerably more on the improvement of the property in order to bring it up to the essential condi-

tion. By the terms of the Bill the Government will not be the losers, but rather will the Government and the people be the gainers if it be demonstrated that this land can be put to profitable use. I agree that reports should be made available from time to time. Perhaps there might be made in the lease some stipulation that reports should be furnished of the progress and development of the area, and that at the request of the Minister full information be supplied, showing the steps taken and methods adopted in the planting of grasses or other fodders. Eventually the Government will receive full value for the land. Certainly it will be over a long period of years, but in the meantime the land will be developed and put to some good use, possibly transforming the whole of that portion of the Esperance district. I will support the second reading.

HON. V. HAMERSLEY (East) [5.36]: The Bill reminds me that not infrequently large areas of land are taken up but nothing done with them. In the vicinity of the area covered by the Bill, the Hampton Plains Company acquired a large tract of country. It would be interesting to know what development has taken place on that area, whether the Hampton Plains Company developed those lands.

Hon. Sir Edward Wittenoom: Does the Hampton Plains Company still exist?

Hon. V. HAMERSLEY: Whether or not the company still exist, I believe the land is still there and is held up from anybody who might wish to develop it. Now we are asked to grant 45,000 acres to this pine plantation company which originally proposed to plant pines. But the country there was found to be not altogether suitable for the purpose, and so the company have turned their attention to other means of rendering the land profitable. The question in my mind is whether the 25,000 acres to be set apart for them and ring-fenced is not a large enough area for them to give attention to. And presumably the other 20,000 acres will be placed on the market by the company for individuals to acquire. Surely the Government themselves would be better able to deal with that area.

Hon. C. B. Williams: There will still be left in the district millions of acres for the Government to handle.

Hon. V. HAMERSLEY: I realise it must be pretty poor country, otherwise it would have been taken up many years ago.

Hon. J. Nicholson: I should like Mr. Hamersley to see it.

Hon. V. HAMERSLEY: And I should like to see it. But these days the community do not favour Parliamentary visits to outlying centres, else we might have been taken to the plantation to see the spread of the parasitic plants which are preventing the growth of the pines. We are told there are very good swamps in that area. Frequently have I heard of the swamp lands of the Esperance district. Doubtless there are in that area several avenues for profitable cultivation besides the growing of pines. My only query to the Minister is why should the Government set up a sort of department in this company to dispose of the balance of the area over and above the 25,000 acres, and what is to become of that balance? This company are not going to develop it, but will try to sell it. I presume that if they do not sell it they will not pay any rent to the Crown for it, but will be sitting over it for the next 30 years. I do not see anything to be gained by that, for there is no compulsion on the company to effect any improvements, except to the 25,000 acres to be allotted to them in fee simple.

Hon. E. H. Harris: You suggest they will lock up the other 20,000 acres.

Hon. V. HAMERSLEY: Yes, for 30 years. It is a question whether the Government are prepared to throw open the lands of the State and so encourage other companies to come and do the same as this company. I want to know whether that is the policy of the Government, to throw open vast areas of land to companies without their having to pay any rents or dues to the Crown while sitting on those lands in the hope that their value will appreciate. That is the one point I should like to hear the Minister upon.

HON. W. J. MANN (South-West) [5.43]: I do not intend to oppose the second reading, because I look upon this venture at Esperance as something in the nature of an experiment. Certainly it was an experiment in the first place. Mr. Nicholson has referred to a trip some of us took to Esperance at the opening of the railway, when an inspection of this area was made. I have had a little experience of pine plantation

country, and the moment I saw that at Esperance I felt sorry for those who had put their money into the venture. To me it appeared like much of the moor land we have along the South-Western coast, very cold and wind-swept country, and I was not able to find evidence of any prospect of a pine plantation being successfully established there. I recollect that the pines we were shown around the homesteads had been planted for some years, notwithstanding which they were extremely poor samples. One could not by any stretch of the imagination believe that a pine plantation in that area would be commercially successful. Apparently the company have some idea that it could be turned to better use, and there is a proposal to make a general farming proposition of it. If those people are prepared to spend their money on such an experiment, I would say, "Good luck, I hope you succeed." The Minister told us that the soil has been proved for growing oats, barley, subterranean clover, veldt grass and crops of that description. I hope he is right, and I sincerely wish the Esperance people the best of good fortune, but it is not the type of country on which I would attempt to grow some of the crops enumerated. If the Bill be passed and the Esperance company be given the power they desire and the opportunity to acquire the land, it should be distinctly understood that they should not come to the Government later on for financial assistance. I quite agree to financial assistance being given to any reasonably safe agricultural proposition, provided the State can afford it. Had we not given assistance to other agricultural portions of the State, we should have been very much further behind than we are, but I cannot feel the same enthusiasm for this particular venture that I could feel for a number of others. I hope the Bill will pass, that the company will prove that my ideas of the country are quite wrong, and that they will make a splendid success of the experiment.

HON. H. J. YELLAND (East) [5.47]: I do not wish to say anything that would be likely to damp the ardour of the Government in permitting such an experiment to be carried out. Recognising the class of country in which the experiment is to be made, it would be to the lasting benefit of the State if it proved a success, and it would be unwise for us to prevent its being given a fair trial. Of the original grant of 45,000 acres, it is proposed to allow the lessees to hold 25,000 acres, and to dispose of 20,000 acres under conditions similar to those in Section 68 of the Land Act—grazing conditions. That means that if they succeed in disposing of it, we shall have 20,000 acres being developed under Section 68 of the Land Act, and the 25,000 acres will be under experiment for growing grasses and the development of a pine plantation. If there is the slightest possibility of this being done, and done at very little expense to the Government—it means only giving the company some land at present considered useless—we should give the proposal all possible assistance. I advise Mr. Hamersley to read carefully Clauses 4 and 5, and he will find that the Government will not be at a loss at all. First of all, on the 25,000 acres the company have to spend £4,000 in 10 years, £800 of which must be spent every two years. Consequently they must bona-fide carry out the obligations which the Government are imposing on them. Then they have completely to ring fence the whole of the 45,000 acres and, when those conditions have been complied with to the satisfaction of the Minister, the company will receive the fee simple of the land.

Hon. C. B. Williams: After payment.

Hon. H. J. YELLAND: Yes.

The Minister for Country Water Supplies: And after payment of the survey fees.

Hon. H. J. YELLAND: Yes. The Government stand to lose nothing, but there is a possibility of the company's being able to show the community what the land is capable of producing. I believe that the prospects of developing a soft-wood industry are infinitely better on the south-west coast than in the arid parts in the south-east. From what I have seen of the growth of pinus pinaster and pinus insignis in the South-West, they promise to become of great assistance to the State in the years ahead. However, this proposition will not affect the Government in any way. There will be no liability on the State, but there is a chance of the company achieving some good that will be of lasting benefit to the State. I support the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. H. Kitson in the Chair; the Minister for Country Water Supplies in charge of the Bill.

Clauses 1, 2—agreed to.

Clause 3—Terms of the special lease may be varied by Governor:

Hon. H. STEWART: I thought the Minister would postpone the Committee stage to give time for the consideration of some aspects of the measure.

The Minister for Country Water Supplies: Regarding taxation?

Hon. H. STEWART: No, whether it is necessary or desirable that the full area should be included.

The MINISTER FOR COUNTRY WATER SUPPLIES: The Government made inquiries from the Forests Department and from the Department of Agriculture, and as a result are prepared to meet the company regarding the lease.

Hon. Sir Edward Wittenoom: Why not report progress?

The MINISTER FOR COUNTRY WATER SUPPLIES: If the hon. member desires to secure further information, I am prepared to report progress.

Progress reported.

BILL—TRAFFIC ACT AMENDMENT (No. 2).

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [5.55] in moving the second reading said: When the Traffic Act was being reviewed by the House last year, increased taxes were imposed on motor wagons which were being used to carry heavy traffic more or less continuously on certain main roads and which were in competition with the railways. The license fees for trailers were also increased because, in ratio to the fees charged for motor wagons, the charges previously provided for were inadequate. On the previous occasion when Parliament amended the Traffic Act the fees for all motor vehicles were increased. Since the increased fees became operative many local authorities controlling districts outside the metropolitan area have urged that for two reasons the license fees on wagons, carriers and trailers used solely or mainly by farmers or wool growers should be reduced. One reason given was that such vehicles are used only on occasions during the year in carting mainly the produce of farms and farming requisitions to and from railway sidings during the period of production. The other reason was that some relief should be afforded to wheat and wool growers on account of the low prices obtainable for their products.

The requests, supported as they were by the Road Boards Association, showed that road boards in the agricultural districts were willing to sacrifice some of their revenue so that relief could be accorded to farmers. The Government were further influenced by the fact that in the Third Schedule to the Act provision was made whereby, if a licensing authority were satisfied that a cart was used only on occasions by a farmer or wool grower, the prescribed fee for the cart could be reduced by one-fourth, with a minimum of 15s. Briefly those are the reasons why this Bill provides that the fees for certain motor vehicles, not including motor cars, shall, subject to the condition that such vehicles are used solely or mainly for carting the products of farms and stations to the nearest siding or railway station, be reduced by 50 per cent. Similarly it is proposed that the fee for a motor vehicle which is used by a bona-fide sandalwood puller or a bona-fide prospector shall also be 50 per cent. less than is now prescribed in the schedule. Those proposed concessions will not apply to motor cars owned by station owners or farmers, because it is considered there is no justification for granting concessions to the owners of such vehicles.

Another amendment proposed is in regard to the payment of fees. Even when times were comparatively good, many persons who owned motor cars, wagons and buses found it inconvenient and even difficult in the month of July to pay the full amount required to license the vehicle for the whole year, and so, even though the cost of collection will be increased, this Bill provides that a license may be taken out for a half-year, namely, from July to December or from January to June. The fee can be paid in two moieties instead of the full amount in the month of July, and it is further proposed that the consideration in this respect shall apply to all forms of licenses issued for motor vehicles, including the increased fees for motor wagons when licensed to use main roads. To safeguard

the concession it is provided that, if a person does not intend to take out a license for the first half-year, he must prove that he is not going to use the roads during the half-year by handing to the licensing authority the old number plate before the 15th July. Similarly if he does not intend to license his vehicle for the half-year commencing on the 1st January he must hand in his number plate before the 15th of that month.

Thus, under the Bill, if a person who licenses a vehicle for the first half of the licensing year only, continues to use it after the 1st January, he is liable to prosecution. A further proposal in the Bill is to amend Section 42 of the principal Act. That section contains authority to make regulations prescribing stopping places for buses. Undoubtedly one of the reasons why that provision was made in the original Act was to give the Governor power to prevent buses, when traversing a route parallel or in proximity to a railway or tramway, from competing with those public facilities. But when a regulation embodying the intention of the section was issued it was, after having been in force in one form or another for a period of five or six years, recently declared by the Court to be ultra vires. So the situation at the moment is that any bus is at liberty to stop anywhere to pick up passengers who might at the time be waiting for the next tram or train. It is quite certain that many of the routes which in part are traversed by tram lines would never have been declared if such a regulation as the one referred to had not been in existence.

The Act provides that routes may be prescribed. That being so, any route can be altered or cancelled. Consequently it is possible to cancel all existing routes, and prescribe others which would be well away from tramways or railways. But of course the Government would be reluctant to make any material alterations to the existing routes. A new regulation is urgently necessary. When it is made the owners of buses will be in no worse position than they have been during the last five years, except that many of them are for the time being taking advantage of the fact that the old regulation has been declared ultra vires. The remaining proposed amendment in the Bill concerns Part 2 of the Third Schedule. When the schedule was amended last session the seating fees charged for buses were increased for those operating within the metropolitan area; and it was further provided that if a motor bus was used on any prescribed route outside the metropolitan area an additional fee of £1 10s. should be payable. As it now reads the amount of £1 10s. has been interpreted to mean that the extra fee shall be only 30s. for the vehicle, instead of 30s. for each passenger the motor bus is licensed to carry, which was intended when the measure was submitted. The Bill puts the matter right. I move—

That the Bill be now read a second time.

On motion by Hon. H. Seddon debate adjourned.

BILL—COLLIE RECREATION AND PARK LANDS.

Second Reading.

Debate resumed from 27th May.

HON. G. FRASER (West) [6.5]: I secured the adjournment of the debate in order that I might peruse the Bill. I know the value of the reserve in question. On this area is the Minninup Pool, one of the most magnificent stretches of water in the State. I know how highly the people of Collie value this, and how anxious they are to have it safeguarded. In Collie recently I went into the matter, with those who are vitally concerned in keeping this area for the people. I am satisfied that, if the Bill goes through, great satisfaction will be felt by the local residents. I am, however, doubtful about the advisability of passing Subclause 2 of Clause 9. This refers to money borrowed by the board by mortgage on the land vested in the board. I want the area preserved for all time for the people of Collie, and do not think any body should have power to raise money by mortgage upon it. If this is allowed, it is possible the land will pass into other channels.

Hon. J. Nicholson: How would you raise the money otherwise?

Hon. G. FRASER: There must be other means of doing this.

Hon. J. Nicholson: Such as by debentures.

Hon. G. FRASER: Yes, but there is a big difference between raising money by that means and raising it by mortgage on the area itself. If permission were given to the

board. I believe they would find some other avenue whereby they could raise money. I am pleased the Bill has been brought down, for I want to see this area reserved for all time to the people of Collie. I support the second reading.

HON. W. J. MANN (South-West) [6.7]: I hope members will support the Bill. A great proportion of Western Australia is devoid of rivers, lakes or streams with which to beautify it, and by means of which recreation areas may be made available for the people. In the South-West, however, residents are fairly well off in this respect, although not more so than is desired. I have often wondered why the fine stretch of water within a mile or so of Collie has not been definitely set aside as a reserve. Park lands have been reserved in the district for many years, but the position has not been satisfactory. The reserve referred to in the Bill is in road board territory, while the local municipal authority is very much concerned about beautifying it. The people themselves have not gone to great trouble to make this a pleasure resort, and so it became no one's business to do anything with it. If the Bill is passed, a board will be constituted with powers similar to those held by the King's Park Board, but it will be on a smaller scale. I understand it is proposed to construct a drive along the bank of the river and the Minninup Pool. This stretch of water is said to be four miles in length, but the main portion of it would be 2½ miles long.

Hon. G. Fraser: One of the finest in the State.

Hon. W. J. MANN: It has a width in parts of a quarter of a mile, and in depth it ranges from 40 to 90 feet. Properly cleared and placed under the control of people who know how to beautify it, this stream could be made a fine one for a regatta. I am given to understand that the Collie people, if the Bill is passed, intend to assist their rowing club.

Hon. G. Fraser: They already have one.

Hon. W. J. MANN: It is then proposed to invite rowing people from other parts of the State to visit them and enter into competition. The reserve is a matter very close to the hearts of the Collie people. I am sure there will be no great worry about raising money to beautify this area. The local people have a splendid reputation for giving money for any public service, and I am sure they will not be backward in this direction. I look forward at no very distant date to seeing this portion of the Collie River one of the show places in Western Australia. We need not be very much concerned about the point raised by Mr. Fraser. The board will be unable to borrow money without the consent of the Minister, and the House can safely leave that phase of the matter to the Government in power to see that nothing is done to render the land forfeitable to any person to whom money may be owing. I support the second reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East—in reply) [6.10]: There is no ground for Mr. Fraser's fear with regard to the area in question being in jeopardy as a result of a mortgage. The board would be controlled by the Collie people, and upon it would be representatives of the road board or council. When it comes to a question of borrowing money, the board will have to get the assent of the Government before doing so. There is no need to be concerned about what would happen in the event of a mortgage. I trust the Bill will pass the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Nicholson in the Chair; the Minister for Country Water Supplies is charge of the Bill.

Clause 1—agreed to.

Sitting suspended from 6.15 to 7.30 p.m.

Clauses 2 to 8—agreed to.

Clause 9—Power to borrow money:

Hon. G. FRASER: While I am satisfied with the explanation furnished by the Minister I would prefer to see the board without the power to mortgage. My experience has been that bodies are more prone to borrow than to make efforts to raise funds themselves. At the same time, I am aware that there is a safeguard in that the Minister has to grant his approval before any scheme can be undertaken.

The MINISTER FOR COUNTRY WATER SUPPLIES: I do not think there

is any danger in the clause. If we were to insist upon the board raising their own funds and deprived them of the power to borrow, it might delay for months what could be done straight away. The Bill gives power that will be exercised in the interests of the Collie people themselves, and if they, through their representatives, are prepared to borrow in order to carry out the necessary improvements, they should be given the necessary authority.

Hon. W. J. MANN: Subclause 3 provides all the necessary safeguards and the Minister, in addition to the people's representatives, will see that no risk attaches to the undertaking.

The CHAIRMAN: I would further draw the attention of the Committee to the first few lines of the clause, which set out that the board may, with the consent of the Governor and with the approval of four members of the board including the Chairman, borrow money.

Hon. W. J. MANN: That is so. That is sufficient safeguard.

Hon. V. HAMERSLEY: No stipulation is included in the Bill as to the amount of money that may be borrowed or the interest that may be paid. The Commonwealth and the State Governments have been lavish in borrowing and have, year by year, increased the rates of interest to be paid, with the result that Australia is in dire trouble. Who will decide how much money may be borrowed by the board, what interest shall be paid, and who will be responsible for the repayment of the money borrowed? Young people who want recreation facilities are quite prepared to have a large amount of money spent, but it is quite a different proposition when interest has to be paid and the debt liquidated.

The MINISTER FOR COUNTRY WATER SUPPLIES: Although the board will include representatives of the Collie Municipal Council and the Collie Road Board, the board will be quite separate. Clause 2 sets out how the board shall be elected. If there should be a loss, it will be a debt against the reserve, and will not have to be borne by the local governing authorities. As to there being any danger in the clause, will the Governor-in-Council authorise a transaction that will admit of failure?

Hon. E. ROSE: There is no danger in the clause, in view of its proposed personnel. The improvements contemplated will not involve any great expense. The mortgage will be raised by the board on the land, and repayment will be made by that authority.

Hon. G. FRASER: I have been associated with many boards of this description.

Hon. W. J. Mann: Name them.

Hon. G. FRASER: In my district, a body similar to this built a hall, and everything went well in the way of raising money. They got to the stage where all was repaid with the exception of £200, and at the present time it is impossible to raise a penny. Now that body are carrying on with interest mounting up.

Hon. W. J. Mann: Was that board appointed in the way it is proposed to appoint this board?

Hon. G. FRASER: The only difference is that in this instance the Minister's consent has to be obtained.

Hon. W. J. Mann: This board will be composed of municipal and road board authorities.

Hon. G. FRASER: Money will have to be raised for the erection of buildings, and at first those associated with the task are full of enthusiasm, but later it begins to wane. I can forsee danger if what is proposed is allowed to go on. I am speaking from actual experience of my association with bodies somewhat similar to the one proposed.

The MINISTER FOR COUNTRY WATER SUPPLIES: Mr. Fraser is talking about associations which are very different from a body like this which will be incorporated. I cannot see the slightest danger, especially when the Governor in Council will have control.

Clause put and passed.

Clause 10, Schedules 1 and 2, Title—agreed to.

Bill reported without amendment, and the report adopted.

BILL—HIRE PURCHASE AGREEMENTS.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—(East) [8.0] in moving the second reading said: In the majority of cases the methods of persons and firms engaged in the dis-

posal of certain articles under hire-purchase conditions are unquestionable, and more often than not they sympathetically strive to meet the circumstances of purchasers in regard to overdue payments, but unfortunately in recent months there has been undeniable evidence of a proneness on the part of some vendors to repossess machinery and articles on which considerable payments have been made, without any equity whatever to the purchasers in the transactions. For the latter reason it has become urgently necessary that legislative action should be taken to ensure that the scales of justice shall be equally poised between vendors and purchasers, and that is the object of this Bill for the amendment of the law relating to hire-purchase agreements and other incidental purposes. The Bill is comprehensive in scope, and perusal of it will show that it extends to almost every article sold under hire-purchase conditions.

Under the existing law a hire-purchase agreement is merely a letting and a hiring of a chattel. It is true that if the person to whom the chattel is let continues to pay the rent for a specified time, the chattel will become his; but until that time arrives his payments are rent only, and give him no more property in the chattel than payment of rent of a house gives the tenant any property therein. The amounts paid under such an agreement are in fact instalments of purchase money, with interest and perhaps expenses and charges added; but in law what is paid is rent, and rent only, until the last instalment has been paid. Consequently if all but the last instalment has been paid and the hirer, or purchaser, then makes default even owing to circumstances over which he has no control, the chattel can be seized and the hirer will lose not only the chattel but also all that he has paid on account thereof, and the vendor or owner will take the chattel as well as the money which has been paid to him, and which may constitute nearly the total price thereof.

That liberty of action has been exercised to the full by some vendors in the present depression, and as a result of many repossessions a great deal of dissatisfaction has been expressed in regard to all classes of business covered by hire-purchase agreements. In legislating for the easement of the purchasers' disabilities in this system of purchase of machinery or articles the Government are not desirous of interfering unfairly with business people who legitimately provide machinery or chattels to people who wish to purchase under such conditions; but we are in duty bound to recommend to the House that action should be taken to remove the cause and effect of the dissatisfaction associated with this system of purchasing. At present, if a person to whom a chattel has been let continues to pay the rent for a specified time, the chattel becomes his; but until that time arrives, his payments are purely rent, and if he should fall into arrears in his rent the chattel may be repossessed without the purchaser retaining any equity whatever in the chattel. That is a most inequitable state of affairs, and there is no doubt that it operates very harshly on people who have had recourse to hire-purchase agreements.

To correct the injustice referred to, the Bill provides that on repossessing a machine or other chattel the vendor must, if required by the purchaser, render an account crediting the purchaser with the value of the machine or other chattel at the place where and the time when seized or taken possession of, and debiting him with—1, Any instalments overdue and unpaid plus interest thereon at 8 per cent. per annum from the due date; 2, 90 per cent. of the future instalments payable under the agreement; 3, any additional sum required to complete the purchase; 4, any damages not otherwise allowed for in the account suffered by reason of breach of agreement by the purchaser. The balance will be a debt due from the vendor to the purchaser or the purchaser to the vendor, as the case may be.

The transaction will thus be treated as if it were in form as well as in substance a sale on credit and not a mere hiring, and the purchaser will consequently be credited in the account with the value of the chattel at the time when and the place where it was seized, but he will be debited with overdue instalments, with interest, and 90 per cent. of future instalments. The reduction of future instalments in the manner stated is not a mathematically exact amount, but it will result in substantial equity. The allowance for damages is for such loss as the vendor may have suffered by any breach of agreement on the part of the purchaser and which may not be reflected in the reduced value placed on the chattel in the account.

Thus the purchaser generally covenants to keep his rent duly paid up, and a failure to do so may have necessitated the payment by the vendor of something to the landlord in order to prevent the chattel being seized under a distress for rent. Power is given under Subclause 4 of Clause 5 of the Bill to the purchaser to have the account reviewed by the local court, and the magistrate of such court will have power to review the agreement in favour of or against either party, and to decide all questions at issue between the parties in connection with the agreement, and to give judgment for either party for such amount as shall be just.

It will be observed that the measure will be limited in its application to agreements concerning such chattels as are enumerated in Clause 2. Subclause (1) of Clause 3 provides that it shall be the duty of every vendor under a hire-purchase agreement to have the agreement forthwith reduced to writing, and Clause 4 declares that any statement contained in a hire-purchase agreement to the effect that the vendor is not responsible for any representations, promises, or terms made or held out by any agent, representative, or servant of the vendor shall be void and of no effect. That useful provision will prevent vendors of goods on the hire-purchase system from escaping responsibility for statements and representations made by their agents.

Clause 6 of the Bill has been copied, with modifications, from the South Australian Money Lenders Act. It gives the court very wide powers to review and revise hire-purchase agreements, when the interest included and directly or indirectly charged on the purchaser or the amount for expenses, etc., charged on him is excessive or unreasonable, or where the agreement is harsh and unconscionable, or contains provisions intended to deprive the purchaser of the benefits which it is the purpose of this Bill to confer on him. The powers of the court in that connection are of a wide character, and they are set out in paragraphs (i) to (iv) of Subclause 1 of the clause. The jurisdiction under that clause will in general be exercised in a local court, and any person resorting without due cause to the Supreme Court will be liable to be deprived of a proportion of of his costs as stated in Clause 7. The latter provision will no doubt warn vendors against rushing into Supreme Court actions in the hope of bluffing purchasers against defending cases.

The measure ought to result in many of the objectionable provisions that now appear in hire-purchase agreements being eliminated. If this Bill becomes law there will be no hire-purchase agreements in the future unless they embody the provisions of the Act. Agents, in travelling the country, frequently make all sorts of claims for a machine and its capabilities. Most hire-purchase agreements provide that the vendor accepts no responsibility for representations made by his agents. Under this measure, as previously stated, the vendor will not be able to contract himself out of responsibility in that way. There has been a demand for this legislation for a long time. Many people would like to have it made much harsher than it is, but Parliament must take into consideration the useful purposes served by people who sell machinery on hire-purchase agreement or time payment, for it can be claimed that at least 70 per cent. of the farmers purchase their machinery requirements on that basis, and the Government have no desire to deprive them of the opportunity to buy their machinery in that manner.

The Bill will render a considerable measure of justice in a direction where it is badly needed. The present law is being greatly abused by some vendors. There have been many instances of moral injustice on the part of vendors, and something must be done to cope with the position in fairness to purchasers, who surely are justly entitled to some consideration for the payments made on account of a chattel seized by the vendor. When the Bill is in Committee I shall move the deletion of all words after the word "appliance," in the second line of paragraph (5) of Clause 2. As it stands at present, the Bill is restricted to farmers, pastoralists and graziers. Originally it was intended that the measure should have a general effect, and that object will be attained if the House approves of the amendment. I move—

That the Bill be now read a second time.

On motion by Hon. V. Hamersley, debate adjourned.

House adjourned at 8.10 p.m.