

in improving the measure, and to report on Tuesday next. That is the assurance given to me. Therefore it would be of very little use for me to attempt to reply to the debate in the usual way, for probably the select committee will bring back a Bill that will be quite different from the one before us.

Question put and passed.

Bill read a second time.

Referred to Select Committee.

The MINISTER FOR COUNTRY WATER SUPPLIES: I move—

That you do now leave the Chair and the House resolve itself into a Committee of the Whole for the consideration of the Bill.

Hon. V. HAMERSLEY: I move an amendment—

That the Bill be referred to a select committee consisting of Messrs. Drew, Cornell, Kempton, Sir Charles Nathan, and the mover, with power to call for persons and papers, to sit on days over which the House stands adjourned, and to report on Tuesday, the 16th instant.

Amendment put and passed.

House adjourned at 11.25 p.m.

Legislative Council,

Tuesday, 16th December, 1930.

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

ASSENT TO BILLS.

Message from the Governor received and read, notifying assent to the following Bills:—

- 1, Traffic Act Amendment.
- 2, Roads Closure.
- 3, Companies Act Amendment.
- 4, Hospital Fund.

QUESTION—MINING.

Sustenance for Prospectors.

Hon. A. LOVEKIN asked the Minister for Country Water Supplies: Will the Government pay over to the Mines Department portion of the amount of sustenance money now paid in respect of clearing at the National Park, for the purpose of aiding approved prospectors who are prepared to search for gold?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: The matter will receive consideration.

LEAVE OF ABSENCE.

On motion by Hon. C. H. Wittenoom, leave of absence for six consecutive sittings granted to Hon. W. T. Glasheen (South-East) on the ground of ill-health.

BILL—TENANTS, PURCHASERS AND MORTGAGORS' RELIEF.

As to Recommittal.

The MINISTER FOR COUNTRY WATER SUPPLIES: I move—

That the Bill be now read a third time.

Hon. J. NICHOLSON: I move an amendment—

That the Bill be recommitted for the purpose of further considering Clauses 2, 5, 15, and 24.

Hon. J. CORNELL: I do not oppose the motion for recommittal, but I desire to point out that as the result of the deliberations of the select committee the Bill has been materially altered. The schedule of amendments recommended by the select committee has been adopted by the Committee and is now embodied in a reprint of the Bill. There are

sufficient reprints to go along to another place, and so it will be easy for another place to follow the select committee's amendments, for each member of another place will have a copy of the schedule. But Mr. Nicholson now proposes to alter some of the recommendations of the select committee. If any amendments moved to-day are carried, altering the recommendations of the select committee, it may bring about confusion when the Bill reaches another place—and to-day, I understand, is to be the last day of the session. It may not jeopardise the fate of the Bill, but it may easily result in the Bill not getting from another place that just consideration which it would get if we allowed the third reading to pass and sent the Bill along merely with the amendments recommended by the select committee.

Hon. H. STEWART: Mr. Cornell is quite entitled to point out what may happen in another place; but to recommit a Bill is one of the rights and privileges of members of this House. If members hold that further amendments to the Bill are desirable, and those amendments are carried, the closing of the session will have to be further postponed in order that another place may consider those amendments. Certainly if the House desires that the Bill should be recommitted, it should be recommitted.

Hon. J. NICHOLSON: When previously the Bill was before the House the Minister, instead of reporting progress on a certain clause, suggested that the Committee stage should be completed, and that I should take opportunity to confer with the Parliamentary Draftsman and also the chairman of the select committee and, on the third reading, move to recommit the Bill. So I am doing no more to-day than was previously arranged in order to facilitate the passage of the Bill through Committee. The situation pointed out by Mr. Cornell arises from the fact that we are seeking to close the session as speedily as possible. If there were still a few more days, the recommitment of the Bill would not matter one iota. But, as Mr. Stewart has said, it is within the rights of the House to recommit any Bill, whether the recommitment creates confusion or does not create confusion. Even if this proposed action should lead to confusion, that is no reason why our undoubted right should not be exercised. Seeing that this was a matter that was arranged previously with

the Leader of the House, and we are only carrying out that arrangement, I hope members will agree that the recommitment of the Bill is justified.

Hon. J. CORNELL: I should like to make a personal explanation. I was merely referring to the confusion that may arise from an insufficient number of schedules of amendments being provided in another place.

Amendment put and passed.

In Committee.

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

Clause 2—Definitions:

Hon. H. STEWART: I am disappointed with the recommendation made by the select committee with regard to the definition of "dwelling." I had hoped that it would have been made wide enough to embrace mortgagors who are farmers, and who would have been included but for the restrictions placed on the definition. Much depends upon what happens in the case of the Farmers' Debts Adjustment Bill.

The CHAIRMAN: The hon. member is presupposing what will happen when the select committee's report comes down.

Hon. H. STEWART: Surely I can make a reference to that Bill. There is no logical reason why a person who is occupying the property he is purchasing should not enjoy the same protection as other persons during the period embraced by the Bill now before us.

The CHAIRMAN: There is no question of protection about Clause 2. It deals only with definitions. The hon. member must confine himself to that.

Hon. H. STEWART: If I knew what would happen with regard to the Farmers' Debts Adjustment Bill, I would know better what to do about these definitions. I would point out that a farmer may lose his income, and in a sense be just as unemployed as one of the unemployed in the city.

The CHAIRMAN: I hope the hon. member will indicate what amendment he proposes to move.

Hon. H. STEWART: The same protection should be given to the farmer who has lost his income as to the man who has lost his employment.

The CHAIRMAN: The hon. member is trying to work in remarks about the Farmers' Debts Adjustment Bill. It is not fair to the Committee that he should pursue that point.

Hon. H. STEWART: I know of a person who purchased a property for £6,000 and has paid off £1,283.

The CHAIRMAN: Order! That has nothing to do with the definition of a dwelling.

Hon. H. STEWART: I want to give an illustration.

The CHAIRMAN: I have given the hon. member a lot of latitude.

Hon. H. STEWART: I want to deal with mortgagors and tenants.

The CHAIRMAN: The hon. member has been speaking about everything else but a dwelling.

Hon. H. STEWART: I am saying it is desirable to amend the definition. It should have been allowed to remain as originally printed, with the exception that it might have been widened a little in scope.

The CHAIRMAN: If the hon. member will only roughly outline what he proposes to do, members will then be in a position to follow his argument.

Hon. H. STEWART: No harm will follow if the Minister will defer the consideration of the clause until a later stage.

The MINISTER FOR COUNTRY WATER SUPPLIES: The essence of what Mr. Stewart wants with regard to the definition of "dwelling"—

The CHAIRMAN: Order! The only question before the Chair is Clause 2.

Clause, as previously amended, put and passed.

Clause 5—Effect of protection order:

Hon. J. NICHOLSON: I am getting amendments typed and as they are not yet available I hope the Minister will report progress until a later stage.

The CHAIRMAN: As Chairman, I protest against the Committee being asked to delay the consideration of a Bill while members prepare their amendments.

Hon. J. NICHOLSON: I came here early to-day to get my amendments prepared, and Mr. Seddon will bear me out when I say that he, another member and I, were engaged discussing these matters until shortly before the House met. Then I was engaged on another Bill with the Leader of the

House, and I was prevented from getting the amendments prepared. I do not blame you, Mr. Chairman, for making the protest, but I am sure you are doing so without a knowledge of the facts. No disrespect is intended to you as Chairman.

Hon. H. SEDDON: The select committee considered every aspect of the Bill and did not feel justified in going beyond the recommendations that were made and set out in the report. It is for the Committee to take whatever action it pleases with regard to Mr. Nicholson's amendments.

The CHAIRMAN: I had no desire to rebuke Mr. Nicholson, but he did not indicate that there were exceptional reasons for not presenting the amendments to the Committee.

The MINISTER FOR COUNTRY WATER SUPPLIES: As members are aware, the Bill was referred to a select committee and that committee devoted considerable time to it. I have no objection to reporting progress to a later stage of the sitting.

Progress reported until a later stage of the sitting.

BILL—FINANCE AND DEVELOPMENT BOARD.

Recommittal.

On motion by Minister for Country Water Supplies, Bill recommitted for the purpose of further considering Clauses 12 and 33.

In Committee.

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

Clause 12—Certain funds transferred to the board:

Hon. J. NICHOLSON: I move an amendment.

That after "funds," in line 1, the words "(which shall include security for the time being representing the investment of such funds)" be inserted.

This will make the definition of "funds" clear.

The CHAIRMAN: Again the members of the Committee are asked to consider this clause blindly. I understand that I have the

only copy of the amendment that Mr. Nicholson has moved.

Hon. A. LOVEKIN: We should not be called upon to consider an amendment merely on its being read out by the Chairman. At least we should have a copy of it.

Hon. E. H. HARRIS: I protest against one typed copy of the amendment having to serve three members.

Hon. H. Stewart: I have not any copy.

The CHAIRMAN: I understand mine is the only copy of this amendment.

Hon. E. H. HARRIS: Other amendments are to be moved, and in this way we are asked to deal with a most important Bill. You, Mr. Chairman, referred to a new print of the Tenants, Purchasers and Mortgagees' Relief Bill, but I have not a copy of it.

The CHAIRMAN: I was referring to the copy as reprinted for the third reading. The Bill before the Committee has not been amended.

Hon. E. H. HARRIS: We should be supplied with copies of all the amendments.

The CHAIRMAN: It rests with members to say whether they are sufficiently enlightened by having the amendments stated from the Chair.

Hon. A. LOVEKIN: The only course open to us is to vote against the proposed amendments, regardless of whether they are good or bad.

Hon. J. NICHOLSON: I directed attention to Clause 12 previously, and the Minister promised to investigate the point I raised. He has conferred with the Crown Law Department, and the result is the amendment now submitted. The amendment was settled only a few minutes before we assembled, and a few copies have been typed. In the circumstances, it would have been difficult to furnish each member with a copy.

Hon. A. Lovekin: If we accept amendments in this way, they might recoil on us.

Hon. J. NICHOLSON: If members are going to adopt that attitude, we had better close up at once.

The CHAIRMAN: The only objection is that the amendment has not been placed before members, except orally.

Hon. J. NICHOLSON: I hope members will accept the explanation and appreciate the difficulty.

Hon. A. Lovekin: Is not there sufficient reference in the clause?

Hon. J. NICHOLSON: No. Mr. Drew pointed out that no provision was made for sinking fund, which must apply to the funds raised by way of loan.

Hon. A. Lovekin: It is quite possible for the Crown Law authorities to be wrong.

Hon. J. NICHOLSON: They have carefully considered the matter. This amendment is necessary to make clear that the word "funds" includes securities.

Amendment put and passed.

The MINISTER FOR COUNTRY WATER SUPPLIES: I move an amendment—

That the following subclause be added:—“(2) Insofar as any of the said funds are represented by securities held by the Bank, or the Discharged Soldiers' Land Settlement Board, or the Industries Assistance Board, respectively, and are still subsisting, such securities shall be and are hereby declared to be so held in trust for and on behalf of the board constituted under this Act, and the rights of the security-holder thereunder, as and when they become enforceable, shall be enforced in accordance with and under the direction of the said board.”

This matter was referred to the Crown Law Department, but the Premier did not return from the country until this morning and it had to receive his approval. I regret the delay that has occurred.

Hon. A. LOVEKIN: I protest against the passing of the amendment.

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

Clause 33—Disposal of moneys received by bank:

The MINISTER FOR COUNTRY WATER SUPPLIES: I move an amendment—

That the following proviso be added:—“Provided that insofar as any of the funds vested in the board under section twelve of this Act and any moneys placed at the disposal of the board by the Treasurer under section twenty-three of this Act consist of loan moneys raised by this State under and subject to the provisions of the Financial Agreement Act, 1928, the board shall be liable to pay to the State out of the moneys from time to time in the hands of the board the amount of all sinking fund contributions payable by the State in respect of such loan moneys and which shall be paid by the State under and in accordance with the said Act.”

Mr. Drew raised the point that whilst the fund was protected, the security was not.

The Crown Law Department agree with Mr. Drew's contention, and consider the proper place for this proviso to be in Clause 33.

Hon. H. STEWART: Another portion of the Bill provides for the utilisation of moneys under the Industries Assistance Act. Personally I do not think Part 3 of that Act should apply to funds raised for this board. The part deals with advances to promote the development of mining and other industries.

The CHAIRMAN: Order! I cannot allow the hon. member to make a speech on Clause 33 generally. He must speak on the proviso. When the question is put that Clause 33 stand as printed or as amended, the hon. member can make his present remarks.

Hon. H. STEWART: The proviso deals with certain moneys, and the Minister would be well advised to consider whether certain limitations should not be inserted elsewhere.

Hon. E. H. HARRIS: During the second reading debate a question arose in the minds of some members whether this Bill was not an effort to get around the Financial Agreement. Do the clause and the proviso alter the purport of the Bill to any great extent? It was suggested on the second reading that to raise loan moneys by any means was an effort to get behind the Loan Council.

The MINISTER FOR COUNTRY WATER SUPPLIES: The Bill does not attempt to get behind the Loan Council in any way. The amendment is perfectly clear, and safeguards the position to which attention was called by Mr. Drew.

Amendment put and passed.

Hon. H. STEWART: The Minister in his second reading speech drew attention to the fact that this Bill deals with Part 3 of the Industries Assistance Act. That part applies to advances for secondary industries and other forms of development. The security would be greater if the possibilities I previously referred to were eliminated.

The MINISTER FOR COUNTRY WATER SUPPLIES: I am afraid there is not the slightest hope of any funds being utilised during the next few years for the purposes indicated by Mr. Stewart. Under the Bill the conditions for advancing are changed altogether. The proposed

board will impose conditions far more stringent than they have been.

Clause, as amended, put and passed.

Bill reported with further amendments, and the report adopted.

Third Reading.

Bill read a third time, and returned to the Assembly with amendments.

BILL—LOAN, £2,335,000.

Second Reading.

Debate resumed from the 10th December.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East—in reply) [5.48]:

Mr. Seddon's comments confuse the Loan Bill with the Loan Estimates. Before loan money can be spent, the authority of Parliament must be obtained in two separate ways: firstly, by a Loan Bill; secondly by Loan Estimates. The Loan Bill authorises the raising of moneys for the various purposes set out in the Schedule; and these purposes can be varied only by the authority of Parliament, given in a subsequent Loan Bill. The authority given in connection with a certain work may, from various causes, be sufficient to meet the expenditure on that work for several years. Instances are the Fremantle road and railway bridge and the Leighton-Robb's Jetty railway. Until the money raised under an authorisation has been spent or varied by Parliament, a further authority is not necessary. The Loan Estimates authorise the spending of money on specified works. This authority lasts for one financial year only. Although the amounts authorised on the previous year's estimates have not been spent, fresh authorisations are required at the beginning of each year for the estimated expenditure for that year. This explains the difference between the total amount of the Loan Bill and the total amount of the Loan Estimates. Items appearing on the Loan Bill may not appear on the Loan Estimates for that year. On the other hand, items appearing on the Loan Estimates will have appeared on the Loan Bills for earlier years. Any comparison between the Loan Bill and the Loan Estimates for the same year would, therefore,

be misleading. In addition, authority to raise money must always exist in advance of loan expenditure. Although such an authority to float may exist, the actual flotation must await a favourable opportunity. Should this opportunity arise whilst Parliament is not sitting, it would be lost. Therefore rather more than one year's expenditure is usually asked for on a Loan Bill.

Question put and passed.

Bill read a second time.

In Committee.

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

Clause 1—agreed to.

Clause 2—Power to raise money for certain purposes:

Hon. A. LOVEKIN: We are in a somewhat difficult position in discussing a matter of this kind, because if one refers to questions of finance it goes outside the State and perhaps does harm. Therefore one rather reserves what one thinks. In answer to a question I asked recently, the Minister said that the Government already had authority to borrow £4,500,000, which money had not so far been raised. We have now a Loan Bill before us for £2,335,000; the State has authority from the Loan Council to raise £1,760,000. The explanation given by the Minister regarding the difference between these two items was that the balance provided under the Loan Bill would be raised whenever an opportunity was available. The Government already have authority to borrow £4,500,000, and, with the additional authority sought, the total to be raised is brought to over £6,000,000. Surely, seeing that we are limited by the Loan Council regarding our borrowings, this savours rather of frenzied finance. We know that £4,500,000 has been illegitimately borrowed from trust funds, Savings Banks funds, Treasury bills, short-dated loans, and from other sources as well. None of the works for which the £4,500,000 was appropriated by Parliament has been carried out.

The CHAIRMAN: Order! If the hon. member does not shortly connect his remarks with the First Schedule, I shall be under the painful necessity of treating him as I did Mr. Stewart.

Hon. A. LOVEKIN: The money for which the authority of Parliament has already been given has not been legitimately raised, and that points to the fact that one of the greatest objections raised by financiers in London was that the Commonwealth and the States had been raising loans in London and had not expended the money on the works for which the funds had been raised, but had diverted large proportions of the loans for revenue purposes. It is that consideration that went a long way towards the present stoppage of our loan resources. I do not think the Committee should agree to the additional authorisation or £2,335,000. We should insist upon the Government making proper use of the authorisations already agreed to, after which we can think about granting the Government further authorisations.

Clause put and passed.

Clauses 3 to 6—agreed to.

First Schedule:

Item, Fremantle Harbour Works, £100,000:

Hon. H. SEDDON: Will the Minister answer the question I put to him during the second reading debate as to the purpose for which this money was required?

The MINISTER FOR COUNTRY WATER SUPPLIES: That money will be spent upon repairs. The Government received a report from the Engineer-in-Chief indicating the seriousness of the position, and the necessity for the expenditure of additional money on the Fremantle Harbour Works.

Hon. E. H. Harris: He asked for £400,000 and the Government said they could not afford it.

The MINISTER FOR COUNTRY WATER SUPPLIES: There was a heated conference on the question, and the Minister and several departmental officers made an inspection of the works. Finally, the Engineer-in-Chief agreed that with the expenditure of £100,000, the harbour could be made more safe for shipping. There is no doubt that unless the money is provided for the works required, there is a possibility of a calamity that may make necessary the expenditure of more than the £400,000 originally suggested by the Engineer-in-Chief.

Hon. J. J. HOLMES: Do I understand the Minister to say that the money will be

required to effect repairs in connection with the Fremantle harbour works?

Hon. E. H. Gray: It is really reconstruction work.

Hon. J. J. HOLMES: Surely repairs should be a charge upon the revenue of the harbour, and should not be paid for out of loan funds. Especially should that course be pursued in view of the large sums contributed by the harbour to Consolidated Revenue each year.

The MINISTER FOR COUNTRY WATER SUPPLIES: I understand that a considerable portion of the money is to be spent on the provision of extra berths, but I know that repair work has also to be undertaken. I am not sure on the point as to whether or not the payment for repairs will come under this item.

Hon. G. W. MILES: This is another instance of the high finance adopted by all Governments. It is just about time this sort of thing was stopped. The whole of the revenue from the Fremantle harbour is taken into Consolidated Revenue and instead of repairs being paid for from that source, loan funds are used for that purpose. The revenue from the harbour works is taken into Consolidated Revenue to balance the Budget on a fictitious basis, thereby hoodwinking the taxpayers. I hope one or two other members will join with me in recording our protest against such methods when the Bill is read a third time.

Hon. H. SEDDON: The objection raised by Mr. Holmes should be supported by the Committee. If the money were to be spent upon reconstruction, it would be all right, but if loan funds are to be used to pay for repairs, the position should be regarded seriously.

Hon. E. H. HARRIS: According to Press reports, the Engineer-in-Chief wanted to spend £400,000 and the Minister for Works nearly fell off his seat. Again, according to Press reports, the Government decided to spend £40,000, but now we find they are asking for £100,000.

Item, Agricultural Bank capital, £750,000:

Hon. A. LOVEKIN: We have this item before us and then we have Clause 3 of the Finance and Development Board Bill, which provides that after the commencement of that measure no money shall be raised by mortgage bonds as provided in the Agricultural Bank Act. Which

method will be used to raise money for the Agricultural Bank?

The MINISTER FOR COUNTRY WATER SUPPLIES: The item refers to the ordinary capital for the Agricultural Bank, which is raised every year.

Hon. A. LOVEKIN: I thought that the capital was raised on bonds or debentures, and we are told they are not to be issued in future! Apparently we may have two sets of borrowing, one under the Finance Board Bill and one under this Bill. Where are we getting to?

Item, Land Settlement for Soldiers—Advances, improvements and purchases of estates, £50,000:

Hon. H. J. YELLAND: I understood that the system of purchasing estates had been abolished long ago. Why does the item appear in the schedule?

The MINISTER FOR COUNTRY WATER SUPPLIES: The item appears in the usual form; we are not likely to purchase any estate for a long time.

Hon. H. J. YELLAND: Then why does the item appear in the schedule?

The MINISTER FOR COUNTRY WATER SUPPLIES: The money is necessary in order to carry on the working of that branch of land settlement.

Hon. V. HAMERSLEY: I have not heard a reply by the Minister to Mr. Lovekin's question regarding the Agricultural Bank capital.

The CHAIRMAN: Order! We are dealing with a later item and the hon. member missed his opportunity when we were discussing the Agricultural Bank capital.

Hon. V. HAMERSLEY: We should have further information on that point.

The CHAIRMAN: Mr. Lovekin asked for information on Item 12, but the Minister sat silent, notwithstanding which Mr. Hamersley did not rise and query it.

Hon. V. HAMERSLEY: I suggest we postpone this schedule until the Minister can answer the question. Because the Minister sits silent, is no reason why we should pass the schedule. It is silly to be passing an amount of £750,000 for the Agricultural Bank, when only a few minutes ago we passed a measure providing that in future any money for the Agricultural Bank will be raised, not by the Government, but by a board.

The MINISTER FOR COUNTRY WATER SUPPLIES: I think Mr. Hamersley, representing the farming interests, should not ask such a question. The Bill just passed certainly gives power to a board to raise funds; but how far will that board be able to go, and will the funds the board raises be sufficient? This amount of £750,000 will help materially to carry on the farmers. If we cannot get it under the one head, we may get it under the other. We have to be prepared to meet emergencies.

Hon. A. LOVEKIN: This is quite a new method of finance, to bring in two Bills. If we cannot get the money on the merry-go-round, we shall hope to get it on the swings, and if we can get it both ways of course we will take it both ways.

Hon. J. J. Holmes: It is the worst form of inflation.

First Schedule put and passed.

Second Schedule, Third Schedule, Title, Preamble—agreed to.

Bill reported without amendment and the report adopted.

As to Third Reading.

The MINISTER FOR COUNTRY WATER SUPPLIES: I move—

That the Bill be now read a third time.

Hon. A. LOVEKIN: I move—

That the debate be adjourned.

The MINISTER FOR COUNTRY WATER SUPPLIES: By way of a personal explanation: Is the hon. member serious in his motion? I have already informed the House that it is intended to close the session at this sitting.

Hon. A. LOVEKIN: I will modify my motion, but we ought to hold this Bill so that we may finish the business in our own way. Once we pass this Bill, no matter what may be the state of business in this House a message may come down here from another place dispersing us.

The PRESIDENT: The hon. member cannot make a speech on his motion to adjourn the debate.

Hon. A. LOVEKIN: By leave of the House, I will modify my motion to read:—"That the debate be adjourned until after consideration of Order of the Day No. 6."

Motion put and passed.

FARMERS' DEBTS ADJUSTMENT BILL, SELECT COMMITTEE.

Report presented.

Hon. J. M. Drew brought up the report of the select committee.

On motion by Hon. J. M. Drew, report received and read, and a copy of the evidence ordered to lie on the Table.

Sitting suspended from 6.10 to 7.30 p.m.

HON. J. M. DREW (Central) [7.30]: I move—

That the report be adopted.

I regret very much the development that has arisen in connection with the submission of this Bill to the consideration of the select committee. I had hoped at one stage, before we took evidence, that we would be able to preserve the main features of the measure. In the face of overwhelming evidence against this, however, members of the committee came to a different conclusion, and decided we must narrow the sphere of the Bill very considerably. We had evidence, that was not contradicted by any witness, that the Bill would injure the credit of the farmer instead of assisting it. The inspector of the Bank of New South Wales, who was representing the Associated Banks, stated that it would not only injure credit but had already done so, not from the standpoint of the banks, but by reason of the fact that many business people had refused credit to their old customers, as they were afraid of what might happen under the Bill that had been announced. In consequence of that the banks had to finance these people, and for this season's crop had financed them to the extent of £900,000. Much of that advance, no doubt, would have been devoted to other purposes connected with agriculture had the normal advantages from the business people been open to agriculturists. It was also stated, and facts were given in proof, that it was unworkable owing to the intricate and involved machinery of the measure, and thirdly that it was too late to be of any service if there were any good in the Bill. The select committee has altered the main principle of the Bill, which was that it should remain in operation until the 31st March, 1932, and during that period it was to have been possible for any farmer to enjoy the advantages of the measure. We

have restricted that, and under our amendment the farmer, after he applies to the director for protection, will remain under the Bill until he has had a meeting with his creditors, and for 21 days afterwards. Subsequent to that date he will no longer be subject to the Act. This means he can only be about six weeks under its protection. While he is under the protection of the Act, he will enjoy the benefits of Clause 7, that is, the benefit of the stay order. This clause reads—

A stay order shall direct that no action, execution, distress for rent, proceedings on default or breach of covenant under any mortgage or other security for money, or other process or proceeding shall be commenced or proceeded with or put in force against the farmer or his estate or effects, except by the leave of a judge.

The committee have struck out the words "leave of a judge." The farmer will have that protection until he meets his creditors, who can decide, if they wish, to bring him under a scheme of arrangement which will afford him further protection, and it will be at the will of his creditors as to what further protection he shall receive. We made these amendments because we dreaded the effects of the Bill if it were provided that the farmer, who owed money and applied to the director to come under it, were to remain under it indefinitely except by reason of some action on the part of his creditors. The other amendments are consequential on the fact that the powers under the Bill are limited to a short period of time. Because of this, it was necessary to make many amendments which would not otherwise have been essential. It is necessary for the select committee to justify their recommendations. I therefore propose reading some extracts from the evidence to support the attitude taken up. Mr. Thomas Baker Heffer, Inspector of the Bank of New South Wales and representative of the Associated Banks, said—

Briefly, I consider the scheme embodied in the Bill to be unsound, unworkable and opposed to the interests of the farmers and the community generally for these reasons. It is well known to all who handle the financial affairs of farmers that it requires a highly experienced man to investigate the position of an embarrassed farmer, to arrive at the vital factors in his case, to decide what areas he can and should crop and fallow, and to arrange the necessary finance or credit to cover his operations for the coming year. It is possible that several thousand embarrassed wheat farmers may seek to come under the scheme,

either of their own volition, or at the instance of a creditor. Take, for example, the Agricultural Bank. That institution would be interested in a large number of farmers who would come under the scheme. Where is the director to find sufficient competent men to act as receivers? Assuming, however, for argument's sake that each farmer's affairs could be settled by a meeting in two hours, then mere arithmetic will prove to you that, say, 2,000 farmers' affairs cannot be settled in time to allow them to commence their farming operations before it is too late.

He contended it was too late for this Bill to be effective for this year's crop. He continues—

Time is the essence of the contract in farming operations; the seasons wait for no man. Beyond question, the scheme is unworkable, and if put into operation, the end will be chaos. You simply could not get through the meetings of creditors in time to enable the farmer to put in the next crop. When the Bill was first introduced it was the experience of the banks that it dried up credit, and had the very opposite effect to what was intended, that is, helping the farmer. Many creditors shut down with a bang as soon as the Bill was introduced, and the banks were forced to find an enormous amount of additional money, as compared with last year, for harvesting operations. We found tens of thousands of pounds more for cornsacks this year than we found last year. We found that farmers who formerly obtained their cornsacks on credit could no longer get credit, and the same applied to other harvest expenses.

The blame for that was cast on the Bill, or the announcement of a Bill about to be introduced providing for a limited moratorium. The witness continues—

The passing of this measure would tend to shut out the stream of credit which has flowed to this State from other parts of Australia. Would the banks be justified in continuing to find credit for this State, when, at any moment, their doubts might be frozen? What use is it to protect the farmer against past debts if he cannot obtain further credit for carry-on purposes?

No amount of tinkering with this Bill will improve it.

I do not think it is practicable that first mortgages should be appointed receivers. The load of work and responsibility would be too great. The branch managers of banks could handle the business but it would be an extra load of work and responsibility upon them at a time when they are already severely taxed and up to their eyes in work.

Mr. W. Grogan, Deputy Managing Trustee of the Agricultural Bank, said—

The provisions of the Bill are so far-reaching. They embrace every agriculturist in the State. There is no reason why the creditor

of a market gardener at Osborne Park or the creditor of a pastoralist in the Gascoyne should not receive the advantage of the machinery of this measure for the purpose of collecting his debts. Firstly, the Bill will be unworkable, and secondly it is a positive danger to every man engaged in agricultural pursuits. No man will really know where he is. A man will go to his bank and the creditors can wait. He will tell the bank that he wants to put in more crop, and the bank says, "All right, we will require to have a bill of sale over your crop," and he goes ahead. There is no limit to the time in which a stay order can be asked for. When the next crop is ready to harvest, he can apply for a stay order, and it is mandatory on the director to issue it. I do not see how any settler can expect credit at all from any bank or investor or lender. The only suggestion I can make to overcome the difficulty is to do away with the meetings of creditors altogether. I feel convinced that if you cannot eliminate that part of it you had better scrap the Bill.

It is intended that this measure should operate until March, 1932, about 15 months, and it appears to me that at any time while the measure is in operation, either in respect of this year's crop or next year's crop, a creditor for only 5s. could apply for a stay order, and under the provisions of the measure, the director must issue the stay order and the receiver must call a meeting of creditors.

I am afraid the effect of Clause 7 would be to kill all possibility of credit to men who may not be able to carry on without coming under the measure. To me it seems to be a matter for Parliament to direct its attention to the next seeding rather than try to deal with the whole of the present crop.

While the measure may assist the man in distress, I think it may possibly harass the man who is not in distress. The measure must affect the credit of such a man. I suppose that farm credit is pretty well dead at the moment, but it will revive where there is confidence. I believe this measure will make it difficult for any farmer to get credit.

As to whether the exigencies of the circumstances demand any departure from the usual procedure, no one can view the present position with any degree of satisfaction, but what you have to mind is that you do not get out of one trouble by creating a bigger one. As to whether you should recommend the rejection of the Bill or endeavour to improve it, I think at this late stage I should feel inclined to scrap it, and throw the responsibility on the business sense and goodwill of the community.

I trust the House will not adopt that course, because of the fact that the Bill, as amended, does give a measure of protection that is really necessary. The witness continued—

The business community are the people most concerned. Then you should direct your legislative energies to devising means to carry on in the following season. It would probably be

necessary to seek assistance from the Rural Credits Branch of the Commonwealth Bank.

If this Bill had a bank behind it with heavy funds, it could successfully be operated. Mr. Bickford, representing the Perth Chamber of Commerce, said—

Owing to the delay which has taken place in the passing of the Bill, members are of opinion that the Bill, if passed, will be too late to effectively handle this season's crop proceeds. The proposals set out in the Bill will more likely tend to restrict than to promote the flow of credit; this will be detrimental to the farming and commercial community of this State. Members are of opinion that the Bill should be amended to enable a farmer to apply to a director for a temporary stay order to bring the farmer and his creditors together.

That is what we propose to do. He goes on—

The stay order would protect the farmer against action by individual creditors and similarly protect the creditors by stopping the farmer disposing of his crop proceeds and assets or incurring fresh liabilities. The creditors could then meet and investigate the position and if warranted come to some arrangement which would enable the farmer to meet some of his obligations and at the same time carry on; or if the creditors decide that the farmer is unworthy of further assistance, he would then automatically be wound up under the Bankruptcy Act.

Mr. M. T. Padbury, President of the Primary Producers' Association, was also examined, and he said—

I am well acquainted with the agricultural districts. Of the 10,000 wheat farmers in the State I should say that 50 to 60 per cent. would require to come under the measure. . . I believe some of the banks have increased farmers' overdrafts to enable them to carry on. In other instances I should not be surprised if they were waiting to see what form this proposed legislation will take. . . I am afraid that the Bill as it stands is proving rather detrimental to the farmer because mostly everyone is waiting to see what the result of it will be. We thought it promised great help, but I fear it has not been of any help so far, and I am doubtful if it will be of any help to the farmer now. It is late and it is preventing people from advancing in many directions, because they do not know whether they would get their money back. A farmer doing business with a bank might be able to carry on at present with a small overdraft, but if the depression continues he might require further assistance from the bank. I am afraid he would not get that further assistance unless some alteration were made to the measure.

At another stage Mr. Padbury said—

This Bill will seriously affect those who at present can get credit and have no desire to

come under the Bill, but who later on may want financial assistance. People who deal in supplies, machinery, etc., will be reluctant to dispose of anything except for cash. The Bill is too late for the current season, and the general opinion is that the farming community would be better off without it. All I have heard refer to it have said the same thing.

That is the opinion of Mr. Padbury, who, I think everyone will admit, represents a large number of farmers in Western Australia. He is in close touch with the position and is able to ascertain the views of all. Mr. J. S. Teasdale, vice-president of the Primary Producers' Association, also gave evidence. He said—

In the main I agree with the evidence tendered by Mr. Padbury. If it were possible and expedient to grant some stay of proceedings until there has been an opportunity for farmers and their creditors to get together, we should try to prevent an unreasonable creditor from stepping in and doing an injury to a farmer and the future production to be expected from that farmer's property.

That is what the select committee now propose to do. Mr. Teasdale continues—

One of the primary reasons for the Bill is to find credit for the farmer for the ensuing season. It is the creditors themselves who are to be called upon to find the credit. Other than by the issue of a stay order no practical assistance could be rendered a farmer until a meeting of his creditors had been held.

Mr. John Peter Stratton, Treasurer of the Primary Producers' Association, was also examined. He said—

I fail to see what good the Bill can do, particularly at this late juncture. It is impossible to do anything unless some money can be got from somewhere to add to what the farmer may have left to enable him to carry through. . . . Personally I hope that at this late stage the Bill will not find its way on the statute-book. I am positively certain there are only two interested persons on a farm—the mortgagee and the farmer himself. If you divide those people and bring the medium between them it cannot possibly be for good.

Later on Mr. Stratton said—

If this Bill does not find its way on the statute-book a working arrangement can be arrived at between the debtor and the first mortgagee who realises that nothing will injure the farmer more than the taking away of his individuality. If a farmer has conducted his estate on a business basis, he can be given freedom without interference and supervision. You have seen little or no success under supervision, and that is mainly because individuality has been interfered with.

Towards the end of his evidence Mr. Stratton said—

I am sorry I cannot offer some little hope for the Bill. My colleagues have watched it closely and have hoped that something might be accomplished. When the Bill was introduced we realised that the task was practically superhuman. I do not think the efforts made have been in vain, because there is a better feeling in existence to-day between creditor and debtor. If the Bill be voted out in the Council, much will have been done to help the farmer, because a better understanding will prevail when his affairs are dealt with.

Before concluding, Mr. Stratton said—

There is more danger of the creditors resorting to the Bankruptcy Act if the Bill were passed than if it were thrown out. A majority of the creditors are hostile to the measure. They can see little or no virtue in it. One of the leading creditors has announced that his firm is going to use the Federal Bankruptcy Act.

I have quoted at some length from the evidence, and I hope I have not wearied hon. members.

Hon. J. Nicholson: The evidence you have quoted supports you; it is well worth hearing.

Hon. J. M. DREW: If we amend the measure I have no doubt that the Legislative Council's action will be open to criticism. I think I have quoted sufficient to justify what the select committee has done. The position is narrowed down to this, that the farmer applies to the director and a stay order will operate only until the farmer has had an opportunity to meet his creditors, and for 21 days after; he then is no longer subject to the Act. It is some measure of protection; it is what has been advocated by witnesses who gave evidence and who were hostile to the Bill as it stood. Some protection will be afforded to the farmer and he will be able to meet those to whom he owes money and who will be prepared to assist him out of his difficulty.

HON. A. LOVEKIN (Metropolitan) [7.55]: Our thanks are due to the select committee who have simplified the measure by suggesting means of overcoming the difficulty without injury to the farmer himself. It is in the interests of the farmers, too, that the proposal to appoint receivers should not be put into effect. We have heard of St. George's-terrace farmers, and we know that farms cannot be worked from St. George's-terrace. I tried it myself once and it cost me £8,000 before I gave it up. Now

it is proposed by the Government to put in eight or ten people—that is about all it would be possible to secure—to handle the accounts of the farmers, in fact to take in hand the guidance of between 5,000 and 6,000 farmers. That in itself is ridiculous.

Hon. E. H. H. Hall: The select committee's report does not propose to do away with the receivers.

Hon. A. LOVEKIN: The great advantage of adopting the select committee's report is that it proves how important it is to strive to get a round-table conference between the farmer and his creditors, and that is what the Bill achieves. The farmer will go to the director, and the director, without any expense practically, will call a meeting of the creditors. There will be a discussion. The farmer will produce a statement of affairs and the creditors will consider it and decide whether they will carry on the farmer for another season, or whether he is not worth carrying on. I think the amendments are a step in the right direction, and I will support them.

HON. H. STEWART (South-East) [7.58]: I congratulate the select committee on the work that they have carried out in so short a space of time, and though I have some doubt as to whether all the conclusions they have arrived at will be accepted, I cannot but be impressed by the evidence that was collated. There is one thing that requires explanation and it is that with regard to the South Australian Act, which has been in force for some 12 months, we are told that only 216 certificates were issued and in this State it is estimated by one witness that the number of applications is likely to be 2,500 whilst another estimate is that the number will be 3,000. South Australia has experienced a very bad time for a number of years. Yet that is the result of the operation of legislation there and apparently much good has been done. It seems to me that further information is required. It cannot be obtained now. The measure will provide for bringing the farmers and their creditors together, and the provisions that would have restricted credit will be largely removed from the Bill. Between now and our next meeting further information should be obtained and, if necessary, additional legislation should be introduced. I hope the Government will not lose sight of that suggestion, but will seek to

get the fullest information. The subject might well be discussed at the Premier's Conference. As Mr. Heffer pointed out, if one State introduced legislation that would have the effect of freezing loans, it would restrict accommodation in that State relatively to the accommodation available in other States. This is a problem not only for Western Australia, but for other wheat-growing States to consider.

HON. J. NICHOLSON (Metropolitan) [8.2]: I join with other members in congratulating the select committee on the work they have performed. They have established a record in dealing with a Bill that is undoubtedly of the greatest importance to our chief industry. The problem necessitated a close study, and it is satisfactory to know that the select committee were able to accomplish the task in the brief space of time at their disposal. The recommendations, based on the evidence adduced, clearly demand drastic alterations to the Bill. The amendments will enable the credit of the farmers to be maintained and will prevent the chaos that must have arisen had the Bill been passed in the form in which it reached us.

HON. E. H. H. HALL (Central) [8.4]: The select committee should be congratulated on the expeditious manner in which they have reported to the House. At the same time, this House should not be a party to anything that will inflict an injustice upon the farmers. One of the principal recommendations is the amendment proposed to Clause 5, Subclause 3, which I should like the Chairman of the select committee to elaborate. The select committee propose to delete Subclause 3 and to insert the following in lieu:—

The receiver shall forthwith after his appointment take possession of such farm, chattels, effects and property and shall retain possession thereof so long as the farmer is subject to this Act.

The PRESIDENT: When the report is adopted the House will resolve into a Committee of the Whole and each of the recommendations may then be discussed in detail. I do not wish to prevent the hon. member from dealing generally with the report, but the detail can best be discussed in Committee.

Hon E. H. H. HALL: The one idea underlying this measure is that every effort should be made to enable the farmers to carry on. If I read that subclause aright, the receiver will be empowered to take possession. Will it mean that the farmer will be dispossessed?

Hon. J. M. Drew: No, the receiver will take control for the benefit of the creditors.

Hon. E. H. H. HALL: The Bill was considered by a select committee of another place, whose inquiry extended over some days. No doubt a conference between managers of the two Houses will be necessary and probably it will be a lengthy conference. We should not lose sight of the fact mentioned in my second reading speech—a fact emphasised by more than one witness before the select committee—that this legislation has been introduced at a very late stage. The select committee's inquiry was rushed and they were able to hear, with one exception, only witnesses from the city. True, three of them represented farmers' organisations, but it would have been advisable had there been sufficient time to obtain the evidence of some practical farmers.

Hon. H. Seddon: There was a practical farmer on the select committee.

Hon. E. H. H. HALL: The select committee did not have time to examine practical men who are working their farms. Last week most members of this House had an opportunity to meet three practical farmers who had come to Perth to find out what was likely to happen to the Bill. They assured us—I do not say whether they were right or wrong—that they were perfectly satisfied with the Bill as amended by the select committee of another place. Since then, the Bill has been hurriedly revised and, if it be rejected, as most witnesses asked that it should be, there will be great dissatisfaction with this House.

HON. J. CORNELL (South) [8.11]: Mr. Hall inferred that the limited time at the disposal of the select committee caused the inquiry to be rushed. I assure him that we were not rushed and that we did not turn a hair. In addition to the witnesses we examined, we had the benefit of reading the whole of the evidence given before the select committee of another place. I should like Mr. Hall to read that evidence. If he does so, he will wonder why another place did

not do what the select committee of this House have done. He said that no practical farmer was called. I presume he is referring to Mr. Mulqueeny and Mr. O'Leary. Mr. O'Leary gave evidence before the select committee of another place, and I think he condemned the Bill horse, foot and artillery. Other farmers from Lake Grace and Karlgarin did likewise. There were two courses open to the select committee. There was need for something to be done in view of the Bill having passed another place and having been read a second time in this House. If any member reads the evidence—

Hon. H. Stewart: We are going for our lives to get through it.

Hon. J. CORNELL: He must conclude that had the select committee desired to take the easy road, to ignore the question of principle and be guided by the weight of evidence, they would have made one recommendation, namely, that the Bill should be rejected. The select committee decided to tread the hard road and bring in something of a practical nature.

HON. H. J. YELLAND (East) [8.16]: I consider the work of the select committee deserving of our highest praise. The members of the committee had a most difficult problem to solve. It is recognised that the general condition of the farmer to-day is not due to any internal fault of Western Australia, or of Australia, but has resulted from world-wide depression. Therefore the problem is much more serious to deal with than any local problem would be. The drought of 1914 restricted the difficulties to Australia, was purely an Australian problem.

Hon. J. Cornell: In 1914 the Government had money, or could get money.

Hon. H. J. YELLAND: That is the difference. To-day's world-wide problem debars us from bringing oversea capital into this country. I am not so much concerned about the present financial position of the farmer and his possibilities of coming through, because I believe that the pendulum will swing and that our commodities will shortly be produced under profitable conditions. I estimate that there will be a big set-back to every wheat grower in the coming harvest. In my judgment, the average loss will be about £500 per farm, based on a return of 3,000 bushels of wheat. From

that we can estimate fairly accurately what will be the total loss to our wheat growers.

The PRESIDENT: I would remind the hon. member that the question before the House is the adoption of the select committee's report.

Hon. H. J. YELLAND: The adoption of the report means that we are trying to get out of a difficulty which is not really of our own making, but is much greater than a similar difficulty we experienced previously. I am greatly concerned about the evidence given by various experts. The representatives of the farmers included members of the executive of the Primary Producers' Association, two of them practical farmers themselves. They looked at the problem not only from the financial and political aspect, but also from the standpoint of the practical farmer. Then we have the banking experts, and the Government experts who have done administrative work under measures of a similar nature to this. After considering the present Bill, the Government experts have with one voice declared it to be unworkable. The adoption of the report would indicate that we are going to force on those men the administration of a measure which has been described by them as unworkable. Nothing will be gained by placing the Bill on the statute-book. We shall be doing a service by simply allowing the financiers of the State to carry the farmer over until better times come, and I believe the financiers are prepared to do this. The individual farmer's view is that he wants to take his own financial position out of the hands of the Associated Banks, and out of the hands of the merchants, who are his principal creditors. He feels that he would get a better deal from independent persons, as proposed by the Bill. Perhaps he is rather short-sighted in not realising the effects as regards the tightening-up of his credit and the assistance he is likely to receive during the coming year. The trouble is not so much the possibility of being deprived of finances for this year; the question is how we are to provide for cropping next year. That must be done if we are to supply to the world the commodity with which we pay our overseas commitments. Australia cannot for the time being slacken down in her production as regards either wheat or wool, irrespective of prices.

The PRESIDENT: I must remind the hon. member that this is not a second-

reading debate. The question is the adoption of the select committee's report.

Hon. H. J. YELLAND: As the report suggests something which will deal with the present condition of the farmer instead of looking forward to the future production of Western Australia, thus enabling her to meet her commitments, I think the adoption of the report will not be of so much benefit as allowing the present state of affairs to continue.

Hon. J. Cornell: The Bill merely proposes to deal with impecunious farmers; not with the lot.

Hon. H. J. YELLAND: But the Bill does not provide for the production of our next crop.

The PRESIDENT: It is the report of the select committee that is under consideration. I must ask the hon. member to confine himself to the report now before the House.

Hon. H. J. YELLAND: I submit to your ruling, Sir. I feel that while the committee have made a fine effort to put the Bill into commendable shape and workable form, the task has been impossible, and that the better course would be to let the whole measure go by the board.

Question put and passed; the select committee's report adopted.

In Committee.

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

Clause 1—agreed to.

Clause 2—Interpretation:

Hon. J. M. DREW: I move an amendment—

That the following definition be added to the clause:—" 'Director' includes any deputy director."

This amendment is self-explanatory.

Amendment put and passed.

Hon. J. M. DREW: I move an amendment—

That in the definition of "Farmer," before the word "person," there be inserted "individual."

Hon. W. H. Kitson: What is the meaning of this amendment?

Hon. J. M. DREW: "Person" in law includes a company. The Bill contains no provision for a company to operate under it.

A company does not go bankrupt, but goes into liquidation. All the procedure contemplated under the Bill is based on the Bankruptcy Act.

Hon. W. H. Kitson: Would this affect farmers working in partnership?

Hon. J. M. DREW: It would not affect a farming partnership, or men engaged in share farming.

Amendment put and passed.

On motions by Hon. J. M. Drew, in the definition of "Machinery" the word "implements" was inserted after "machinery"; and the definition of "Resolution" was struck out.

Clause, as amended, put and passed.

Clause 3—agreed to.

Clause 4—Director:

Hon. J. M. DREW: I move an amendment—

That the following be added to Subclause 1:—“and also to appoint any person or persons to be the deputy or deputies of the director.”

Hon. H. STEWART: What are the views of the select committee regarding this amendment? The various paragraphs do not correlate well.

Hon. J. M. DREW: The director is a highly important officer, and he is to be appointed by the Governor in Council. Then the director will appoint receivers who are not such highly important officers. I do not think it could be wisely suggested that the receivers should be appointed by the Governor in Council. To do that, would be still further to clog the machinery of the measure.

Hon. H. STEWART: As the director is to have power to appoint his officers, I should think the provision for the appointment by the Governor in Council of anyone to act as a deputy was superfluous.

Hon. J. M. DREW: The deputies will carry the responsibilities of the director who may appoint some responsible and highly qualified person at Albany, for instance, to perform his duties, summon meetings of creditors, and so forth. The provision is necessary.

Amendment put and passed.

Hon. J. M. DREW: I move an amendment—

That in lines 4 and 5 of Subclause 4 the words “or out of contributions made by credi-

tors of such farmer as hereinafter provided and not otherwise” be struck out.

Hon. H. STEWART: I do not see the necessity for striking out the words. They may be necessary if creditors are prepared to make such contributions as those contemplated.

Hon. J. M. DREW: The words would be necessary if it were intended to carry farmers under the measure for a long period. It is not proposed that the receiver shall handle any of the money necessary for the purposes of this measure.

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

Clause 5—Application to board to call meeting of farmer's creditors:

Hon. J. M. DREW: I move an amendment—

That in line 3 “his” be struck out and the words “the farmer's” be inserted in lieu.

Mr. Hall said that Clause 5 was one of the clearest in the Bill. We thought it so clear that we submitted it to the Parliamentary Draftsman, with the result that we propose this amendment. As it stands, the creditors referred to could be either those of the farmer or of the director! The amendment will make the position clear.

Hon. J. J. Holmes: And the clause was reviewed by the select committee in another place!

Hon. J. M. DREW: Yes.

Amendment put and passed.

Hon. J. M. DREW: I move an amendment—

That Subclause 3 be struck out and the following subclause be inserted in lieu:—“(3) The receiver shall forthwith after his appointment take possession of such farm, chattels, effects and property, and shall retain possession thereof as long as the farmer is subject to this Act.”

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

Clause 6—Meetings of creditors, how called:

Hon. J. M. DREW: I move an amendment—

That in line 2 of Subclause 1, the words “the receiver appointed by” be struck out.

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

Clause 7—Stay of proceedings:

Hon. J. NICHOLSON: I move an amendment—

That in line 3 of Subclause 1 after "money" the words "or under an agreement of sale and purchase of land" be inserted.

The stay order will be operative only in case of default or breach of covenant under any mortgage, but it would not give the relief the select committee intended to those who have purchased under an agreement of sale and purchase. Subclause 2 of Clause 18, which deals with secured creditors, is to be struck out, and, unless my amendment be agreed to, no protection will be provided for the unfortunate man who has bought under the conditions I have indicated.

Hon. A. Lovekin: What about the phrase "or other security for money"?

Hon. J. NICHOLSON: That is not security for money at all. I am trying to safeguard the position of a man who may make default under an agreement of sale and purchase, in which event the vendor may jump in, and the director will have no power to grant a stay order to protect the farmer.

Hon. Sir CHARLES NATHAN: Unless Mr. Nicholson regards the amendment as absolutely essential, I hope he will not press it. Will he advise the Committee whether a stay order, under the conditions outlined in Subclause 1, will not cover the position to which he has referred? The subclause is fairly wide.

Hon. J. NICHOLSON: I can assure the hon. member that the words in the clause would not cover a man who was purchasing land under an agreement of sale and purchase. Such documents provide that payment shall be made at certain times, and if the purchaser should default, then after due notice the agreement is rescinded, all moneys paid are forfeited and the vendor repossesses the land. There is at present nothing in the clause to protect the unfortunate purchaser.

Hon. J. M. DREW: Personally I see no objection to the amendment.

Hon. H. STEWART: The amendment is a valuable one, for without it grave hardship might be imposed by the clause. I know of such a case. A perfectly reputable man bought a property for £6,468, of which he has paid one-fifth. He owes his store-keeper practically nothing, and what he owes to the stock agents is all covered by the

stock on the place. Unfortunately there have been arrears of interest and instalments amounting to £1,405. Even his liabilities there are fully covered by the stock, and he has 638 acres of crop worth £1,010 at present prices. However, under pressure he has signed a transfer. Under the proposed amendment he would have had protection and the foreclosure would not have been made.

Amendment put and passed.

On motions by Hon. J. M. Drew the following amendments to Clause 7 were agreed to:—

Subclause 1, delete the words "except by the leave of a Judge" and insert in lieu "during the operation of such stay order."

Subclause 2, delete the words "subject as hereinafter provided."

Subclause 2, insert the words "the expiry of 21 days" between "until" and "after"; strike out all words after "thereof" and insert in lieu "whether any resolution be passed at the meeting or not, and on the expiry of the order the farmer shall cease to be subject to this Act."

Delete Subclauses 3 and 4.

Clause, as amended, put and passed.

Clause 8—Powers and duties of receiver:

On motions by Hon. J. M. Drew, the following amendments were agreed to:—

Subclause 2.—Delete and insert in lieu thereof a subclause as follows:—"(2) The receiver shall be deemed to be the agent of the farmer."

Subclause 3—strike out the words "or disbursed or disposed of," and also all words after "office."

Clause, as amended, put and passed.

Clause 9—strike out the words "has been discharged or".

Clause 10—In Subclause 3 strike out the word "receiver" and insert in lieu thereof the word "director."

Clause 11—Strike out all words after "advantage" and insert in lieu thereof "and the creditors may, by a majority in value and number of those present or represented at the meeting or any adjournment thereof, pass any resolution for the adjustment or arrangement of the farmer's affairs which may appear to them to be expedient."

Clauses, as amended, put and passed.

Clauses 12 and 13—Put and negatived.

Clause 14—Farmer not to encumber or part with his property:

Hon. J. M. DREW: I move an amendment—

That Subclause 3 be struck out.

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

Clauses 15 to 18—put and negatived.

Clause 19—Hire purchase agreements:

Hon. J. M. DREW: I move an amendment—

That the words “without the leave of a judge” be struck out.

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

Clause 20.—Bank account:

Hon. J. M. DREW: I move an amendment—

That the words “which is under administration by him” be struck out and “in respect of which he has been appointed” be inserted in lieu.

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

Clauses 21 to 23—put and negatived.

Clauses 24 to 28—agreed to.

Title:

Hon. J. M. DREW: I move an amendment—

That the words “and the equitable distribution of crop proceeds and other money derived from the businesses of such persons” be struck out.

Hon. H. STEWART: I wish to take this opportunity to express the fear that this Bill will be lost in another place, and to compliment the select committee upon their work. We have not all the information that might be available concerning the operations of a similar measure in South Australia. If this Bill does become law, a considerable service will be rendered to farmers and their creditors. It will tend to re-establish confidence and put the relationship of the two parties on a better basis. I am, however, very much afraid it will not become law.

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

Sitting suspended from 9.10 to 9.30 p.m.

Bill reported with amendments and an amendment to the Title, and the report adopted.

Third Reading.

Bill read a third time and returned to the Assembly with amendments.

BILL—TENANTS, PURCHASERS AND MORTGAGORS' RELIEF.

Recommittal.

Resumed from an earlier stage of the sitting.

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

Clause 5—Effect of protection order:

Hon. J. NICHOLSON: A question was raised with the Parliamentary draftsman whether additional words were not necessary to make the position clear, and he agreed to the insertion of certain words. I move an amendment—

That after “meaning of” in line 2 of the new Subclause 5, the words “or as defined by” be inserted.

Hon. H. SEDDON: I see no objection to the amendment, but I should like to know how the Government view it, seeing that they accepted the whole of the select committee's recommendations.

The MINISTER FOR COUNTRY WATER SUPPLIES: The Bill as it stands is quite clear, and nothing will be gained by inserting the amendment.

Amendment put and negatived. Clause, as previously amended, agreed to.

Clause 15—Protection orders and orders for relief not to be a general bar to enforcement of covenants:

Hon. J. NICHOLSON: I move an amendment—

That the following subclause be inserted:—“(2) Whenever a mortgagee would (but for the existence of a protection order or order for relief made under this Act) be entitled to enforce his mortgage by sale or to take measures for that purpose, then if the mortgage comprises property in addition to a dwelling, any order made under the provisions of this Act shall be limited to the property comprising the dwelling, and such mortgagee shall (notwithstanding anything to the contrary in this Act) be entitled, without being required to demand payment of the moneys secured, to

sell such additional property and to assure the same to the purchaser by transfer or conveyance or otherwise as the circumstances may require."

It was intended that the protection should apply to a dwelling house. The definition of "mortgagor" refers, among other things, to the person who is in occupation of the dwelling. Many mortgages exist that include not only a dwelling but business or other premises, and if the main security were other property, the mortgagee would be precluded from moving in any way because there happened to be a minor security in the form of a dwelling included in the mortgage.

Hon. A. Lovekin: If you sold the surrounding land, would not you depreciate the value of the land on which the dwelling stood?

Hon. J. NICHOLSON: A house is usually built on land with definite boundaries, but there may be land on which businesses or other premises are also built. Under Clause 6 the commissioner may make a protection order in respect of a dwelling comprised in a mortgage. The dwelling should be protected, but the rest of the property should be available to satisfy the amount owing. The Parliamentary draftsman suggested an amendment worded slightly differently.

Hon. A. Lovekin: Great injustice might arise under the amendment.

Hon. J. NICHOLSON: I do not think so. It would give effect to the obvious intention of the Bill. An injustice will arise unless a provision such as I now submit is made. Many mortgages held by institutions comprise not only dwellings, which would be protected under the Bill, but also various other properties not associated with a dwelling as defined in the Bill.

Hon. A. LOVEKIN: I still suggest that great injustice might arise under the amendment. Mr. Holmes will permit me to refer to his house. If this provision is confined to the dwelling, the land alongside Mr. Holmes's house might be taken away and sold.

Hon. J. Nicholson: The hon. member has not read the definition of "dwelling."

Hon. A. LOVEKIN: Yes, I have.

Hon. J. Nicholson: Mr. Lovekin is under a complete misconception.

Hon. A. LOVEKIN: As I read the amendment, the dwelling would be exempt but the land adjoining could be sold.

Hon. J. Nicholson: That is not so.

Hon. Sir CHARLES NATHAN: I feel diffidence in discussing a legal point with Mr. Nicholson, but there is also in this Bill a definition of "mortgage." The only document known as a mortgage by this Bill is a mortgage to secure the repayment of a loan granted on the security of a dwelling. The first thing a judge would require to know is that the mortgage is a mortgage within the terms of the Bill. As other property might be included in the same instrument, which would not be a mortgage within the definition in the Bill, it seems to me that Mr. Nicholson's point is completely covered by the definition in the preliminary.

Hon. H. SEDDON: Would the commissioner issue a protection order in the case described? That would be an extension of the scope of the Bill which is certainly not intended by the Government, and which, had it been presented to the select committee, we would not have felt justified in recommending.

Hon. W. H. KITSON: The first part of Clause 15 seems to me to cover, to some extent, the case raised by Mr. Nicholson. The clause as it stands seems wide enough in its scope. I can hardly imagine that there would be many cases where a mortgage would include other property and where the individual would be entitled to protection or relief on the ground of unemployment. Thus Mr. Nicholson seems to me to be catering for a highly unusual case, which we can leave to the discretion of the judge or commissioner.

Hon. J. NICHOLSON: Mr. Lovekin obviously was under a misapprehension as to the meaning of "dwelling."

Hon. A. Lovekin: The meaning is affected by the amendment.

Hon. J. NICHOLSON: Not one iota. I use the word "dwelling" in the sense in which the interpretation applies, and not otherwise. Land alongside a dwelling could not be disposed of, because it is appurtenant to the dwelling. The meaning given to "dwelling" in this schedule of amendments makes the matter clear.

Hon. A. Lovekin: Suppose there were a thousand acres around the house.

Hon. J. NICHOLSON: Even that case would be doubtful.

Hon. H. Stewart: But such a case surely does not come within this restricted definition?

Hon. J. NICHOLSON: "Premises appurtenant" would necessarily be the garden and the premises associated with the house.

Hon. A. Lovekin: Would the land around a farm be appurtenant thereto?

Hon. J. NICHOLSON: That is no doubt the interpretation the judge or commissioner would be asked to put on it. In the case of a farm a question may be raised whether a business is being conducted on the land. Mr. Lovekin need not have the slightest doubt as to the meaning in the case of the house which he instanced. I wish to make clear to Sir Charles Nathan that the definition of "mortgage" really does not apply. Everything refers to the dwelling. Clause 6 also shows clearly that it is intended to refer to the dwelling. I fear I did not make plain to the Committee that many mortgages have been granted which include as security not only a dwelling house and the land immediately surrounding it, but also the title deeds of property elsewhere.

Hon. A. Lovekin: I was speaking of lands appurtenant.

Hon. J. NICHOLSON: In the same mortgage, not in a separate mortgage, there is the title deed of another property. Sometimes dozens of deeds are included in the schedule to one mortgage. When mortgages were drawn up in that way, no one contemplated that we would pass through such times as the present, when legislation of this description would be presented to Parliament. If anything of that sort had been anticipated, the dwelling house and other securities would have been covered by separate instruments. In these circumstances, surely the position must be made clear, and that is all my amendment is aimed at.

Hon. W. H. Kitson: In how many of these cases would the question of unemployment be involved?

Hon. J. NICHOLSON: That phase could crop up in certain directions. As the clause stands, the Commissioner will not have power to separate the dwelling from other securities included under the mortgage.

Hon. A. Lovekin: Why not give the Commissioner that power?

Hon. J. NICHOLSON: That is what I am striving to do. Until the Commissioner

is given the power I suggest, the Commissioner cannot possibly do justice.

Hon. A. LOVEKIN: Mr. Nicholson has admitted that if a dwelling is surrounded by a farm, the dwelling is protected, but the farm is exempt.

Hon. J. Nicholson: I did not admit anything of the sort.

Hon. A. LOVEKIN: If I grow vegetables in the land surrounding my house, why should I be in a different position from the farmer whose dwelling is protected as I have indicated?

Hon. H. STEWART: Why should you be, if you owe rent? Mr. Nicholson's amendment seems to me to protect the mortgagor. I am afraid that in seeking to provide legal protection for a hypothetical case, Mr. Nicholson misses the moral obligation upon the person who owes rent.

Amendment put and negatived.

Clause, as previously amended, put and passed.

Clause 24—Costs:

Hon. J. NICHOLSON: I move an amendment—

That after "Supreme Court" in line four, the words "but a Commissioner shall have no power to award or allow costs in connection with the granting or refusal of any protection order or any application for such an order" be struck out.

As the clause stands it seems to be contradictory. In the first place, costs are to be in the discretion of the judge or commissioner, but in the part that I seek to delete, the Commissioner is not to have power to award or allow costs. Frivolous applications may be made, and the Commissioner will be precluded from awarding costs against an individual.

Hon. W. J. Mann: What is the good of awarding costs against a man who is an unemployed?

Hon. J. NICHOLSON: Although a man may be unemployed, he may be deriving an income from other sources. Such an individual would not be justified in putting somebody else to expense, unless the court had discretionary power to award costs against him.

Hon. H. SEDDON: Although Mr. Nicholson's amendment may be aimed at frivolous applications, the fact remains that it might impose a hardship on the very persons it is intended to protect.

The **MINISTER FOR COUNTRY WATER SUPPLIES**: The chief purpose of the Bill is to assist the unemployed. The Government desire to allow them to approach the court without any unnecessary expense. Indeed, Clause 25 provides that no fees are to be taken. The whole object of the Bill is to give protection to those deserving protection. I hope the Committee will not agree to the amendment.

Amendment put and negatived.

Clause put and passed.

Bill again reported without further amendment, and the report adopted.

Third Reading.

Bill read a third time and returned to the Assembly with amendments.

BILL—LOAN, £2,335,000.

As to Third Reading.

The **MINISTER FOR COUNTRY WATER SUPPLIES**: I move—

That the Bill be now read a third time.

Hon. A. LOVEKIN: I understood this Bill was to be the very last to be finally dealt with. Early this afternoon it was agreed that this motion should not be taken until after consideration of Order of the Day No. 6, but the Minister has succeeded in carrying another motion to bring it on now. The Minister ought not to adopt such tactics. It was clearly understood that this Bill was to be the last to be dealt with. From the moment this Bill is through, this House may be sent about its business, and all other business between the two Houses may be, probably will be, scrapped. It matters nothing to the Minister whether this motion is taken now or at the very conclusion, but it matters a great deal to members who want to see the business of the House carried to its best fruition. Personally, I resent the action of the Minister and I hope it will not recur. In the circumstances I will be compelled to divide the House on the motion for the third reading.

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

That the motion be taken after the final message has been received from another place.

It has always been the custom to deal with the Appropriation Bill and the Loan Bill at the very last. The Appropriation Bill was taken in a thin House, and the Minister did not even have the decency to reply to the debate. He took advantage of a thin House.

The **MINISTER FOR COUNTRY WATER SUPPLIES**: I ask for a withdrawal of that statement. It is not my fault if the hon. member is not in his seat when business comes on.

The **PRESIDENT**: The hon. member will withdraw.

Hon. G. W. MILES: I withdraw. Always these two measures are held over until all other business is completed. I cannot see why the Minister wants this to pass now. In my opinion the House should be adjourned until to-morrow if there is no other business coming forward from another place to-night.

Amendment put and passed.

MOTION—FINANCE COMMITTEE.

Debate resumed from the 11th September on the following motion by Hon. A. Lovekin:—

"1, That in view of the existing economic position, it is desirable to appoint a non-party committee to assist the Government in matters of finance and to consider and co-operate with Ministers as to the best means of affording relief to our primary industries and of alleviating unemployment.

2, That such committee be composed of eight members, six to be chosen by the Legislative Assembly and two by the Legislative Council.

3, That such committee have power to call for papers and persons, and to report to the Premier from time to time as occasion may require.

4, That the foregoing resolution be transmitted to the Legislative Assembly and its concurrence desired."

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [10.27]: This is a most appropriate motion, following on the discussion we have just had. I have been accused of trying to rush business through the House. Necessarily, I desire to put the Government's business through. The Loan Bill is Government business. I deny that it is customary, as one member said, to keep back the Loan Bill until after all other business of the session has been concluded. Nor is

it likely that any business of importance is going to be scrapped, for the Government want all their measures finalised if possible. This motion moved by Mr. Lovekin is like a good many more of his extraordinary motions. The proposal is so attractive that in centuries of British Government it has never been tried, except during the Great War; and it resulted in the defeat of the Government and the emergence of the Labour Government. The representative committee suggested by Mr. Lovekin would be a stagnation committee because it would need to discard all proposals that did not meet with the approval of all parties. Therefore it would be a mark-time committee. In our present circumstances courage and determination are essential qualities. They could not be exercised by a committee trying to meet the wishes of all parties. If such a committee were formed it would be politically damned, and would be deserted from the moment of its establishment by those disagreeing with its view, if it ventured to put forward something, say, on the lines of the Industrial Arbitration Bill. A Labour member of such a committee in those circumstances would be thrown out of public life. The same remarks apply to all other questions which may be approved of by the committee. Mr. Lovekin's ideas of the wheat problem are vague, and his proposals for a State price for wheat were shattered by Mr. Hammersley's interjection—"The Eastern States would ship wheat to our area." Mr. Lovekin maintains that he is not suggesting that the committee will do anything but offer advice and investigate. We are getting a lot of advice and very little assistance in our proposals from Mr. Lovekin himself. He stated, "I have little else to do at present but to read, mark, learn and inwardly digest the papers, and information that comes to hand." That is well known and is one of our difficulties. Mr. Lovekin's views are not always acceptable. He seems to think that he is always right. The other day he fought for the spending of two and a half millions at Collie, and since then he has been criticising Mr. Taylor because of his advice that the State should not consider it a commercial scheme in the present circumstances. The committee suggested by Mr. Lovekin could not be of any service. How would it be possible to get the three factors in politics together? How could any alteration be

effected in our present position with a committee of that kind?

Hon. J. J. Holmes: Some of your colleagues have suggested some such thing.

The MINISTER FOR COUNTRY WATER SUPPLIES: That may be so, but I am not suggesting anything of the kind. My own opinion is that the whole thing is unworkable. No one could expect to make any improvement in the present position with such a combination. I trust the House will see the wisdom of treating the motion as they did another that followed on much the same lines.

HON. H. SEDDON (North-East) [10.37]: There is one aspect of Mr. Lovekin's proposal that should commend itself to the House. The committee he suggested could inquire into a number of important problems that confront the Government of the day. It could work entirely along non-party lines and need not in any shape or form be regarded as constituting a composite Ministry. Mr. Lovekin has pointed to the necessity for alleviating the problem of unemployment, and suggested that this is one of those matters which could be attacked on non-party lines. This is a problem that is not confined to any particular country but applies to every country in the world. Certain factors operate in certain countries. Possibly there may be adverse factors which exist peculiarly in this country which a non-party committee could bring to light. I cannot conceive of anything but good as the outcome of an investigation by the suggested committee. We know it is indicated by the Commonwealth report on unemployment that a considerable amount of research work could well be undertaken. Such work could be undertaken by this committee. In the circumstances I have pleasure in supporting the motion.

HON. A. LOVEKIN (Metropolitan—in reply) [10.35]: This is not the first occasion on which I have received the cane at the hands of the Minister. But it does not follow that the punishment is always deserved. I had a severe caning when I put up a case against the Anatomy Bill. I was very severely handled. When we came to investigate the matter we found without exception the witnesses were opposed to the Bill as drafted. Those who prompted the Bill, and the Parliamentary draftsman who

drawn it at the instance of the Government, all repudiated it, and said it was unthinkable that such a measure could be passed without the amendments that were subsequently made to it. We have had several select committees of this House, and I have always tried to constitute them on a party lines, so that we might have the views of all sides sitting around the table. I need only point to the useful work done in this session by these committees of investigation. The Minister says such a committee as I have suggested would connote stagnation and mark-time. In certain cases that might be a good thing. I could point to instances where a colossal sum of money has been wasted through the need for investigation and inquiry. I need refer only to the Peel Estate and the Wyndham Meat Works.

Hon. J. J. Holmes: And the group settlements.

Hon. A. LOVEKIN: Yes, and other things into which money has been thrown as if it had been tossed into the sea, and with as much good result. We had a select committee which reported against the continuance of the Churchman's Brook and other schemes in the endeavour to save the country money. The party system, however, stepped in against the wishes of the select committee, which was made up of all parties, and the authorities declared that we must proceed with the works regardless of cost. That is the sort of thing which happens under a party system. There are no great principles in this country that are dividing parties. We have no free trade and protection issue.

Hon. G. W. Miles: But we should have.

Hon. A. LOVEKIN: The matters we deal with are purely domestic and we all should strive to get the best results possible. In the Federal sphere there is an accounts committee formed of all parties. In principle there is no great difference between that committee and the one I suggest. Such a committee would be the means of saving the country a great deal of money. It would permit of legislation being given effect to that cannot be given effect to on its merits under a purely party system, established on the parties exist in office only by a narrow majority. We all must realise that for the next decade or two there must be

small differences between members on one side or the other. With regard to the Collie power scheme, the Minister states that Mr. Taylor does not commend it as a commercial proposition. There must be some reason why Mr. Taylor has changed his views. We had it printed in evidence before a select committee that he said as soon as the consumption reached 50,000,000 units per annum he would immediately advise the Government to go to Collie and spend 1½ millions on a power scheme there, where the coal is. Now that 88,000,000 units were sold last year and the output is increasing, the proposition is not a commercial one. It is, however, a good commercial proposition to spend £300,000 of the 1½ millions on a new unit at East Perth to perpetuate that system, and do so at a time when there is plenty of labour on the market, when copper and machinery are cheap, and the machinery is being subsidised by the British taxpayer. If ever there was a time to go to Collie, it is now. Why are we not going there? I leave members to answer that question for themselves. I hope the motion will be carried and sent to another place. Already three members of the Government can be counted on as supporters of it in another place, and, when the motion reaches it, we shall see what attitude is adopted by members.

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

Ayes	..	..	..	..	9
Noes	..	..	..	..	15

Majority against 6

AYES.

Hon. F. W. Allsop	Hon. H. Seddon
Hon. V. Hamersley	Hon. H. Stewart
Hon. J. J. Holmes	Hon. C. B. Williams
Hon. A. Lovekin	Hon. E. H. Harrie
Hon. G. W. Miles	(Teller.)

NOES.

Hon. C. F. Baxter	Hon. J. M. Macfarlane
Hon. J. M. Drew	Hon. W. J. Mann
Hon. J. T. Franklin	Hon. Sir C. Nathan
Hon. G. Fraser	Hon. E. Rose
Hon. E. H. Gray	Hon. C. H. Wittenoom
Hon. G. A. Kempton	Hon. H. J. Yelland
Hon. W. H. Kison	Hon. E. H. H. Hall
Hon. Sir W. Lathlain	(Teller.)

Question thus negatived.

MOTION—UNEMPLOYMENT RELIEF TAX.

Debate resumed from the 12th December on the following motion by Hon. H. Seddon:—

That this House hereby expresses its emphatic protest against any attempt by the Government to close the present session before it brings down a tax to provide funds for the relief of those who are unemployed.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [10.45]: There is nothing in this motion to which one can object. It is the intention of Parliament to adjourn for a short period, and when we meet again it may become necessary to do what the motion suggests. As the same time, reading of the happenings in the world in general, we must realise that taxation will not get us out of our difficulties. As far back as 1886 unemployment was rife in England, and heavy taxes were imposed for provision of relief. The position, however, was not improved, and it remained practically unaltered until the taxes were wiped out. From that period on there was progress and work was found for all. Unemployment then was a thing of the past. I really cannot see how taxation will help us to any great extent, but at the same time we may find ourselves in the position of being obliged to impose a tax in the form suggested by the hon. member's motion, in which case the Government will expect to receive support.

HON. J. NICHOLSON (Metropolitan) [10.47]: It must have been welcome to the hon. member who submitted the motion to hear the words of encouragement from the Minister. His words must carry the conviction that there was a necessity for the motion. Whilst it is true, as the Minister told us, that circumstances rendered it necessary for those in control of affairs in Britain to impose certain forms of taxation to meet the conditions which arose there, we cannot but recognise that there is a great necessity for all to share properly proportionately and adequately to meet the position that confronts us here. The only way in which a private member could direct the attention of the Government to the position was by means of a motion. Exactly as to how the motion would be given effect is a matter which must be

dealt with by the Government, but I direct the attention of the Leader of the House to the fact that the motion asks the House to express its emphatic protest at any attempt to close the present session before bringing down a tax to provide funds to relieve those who are unemployed. There is a possibility that there may be no other special session, and accordingly it will be impossible for a measure to be brought down to meet the position of a serious nature which exists and which must grow. The motion should be carried, and if it is carried we should ask the Government to bring down the measure. The Government would then have the opportunity of mapping out those works of a useful nature which possibly would relieve unemployment, without introducing the system of doles, or carrying out work more ornamental than useful. If we devise means whereby works can be started we shall be doing something to relieve a situation that is growing intensely each day.

HON. H. STEWART (South-East) [10.51]: I thought Mr. Nicholson intended to suggest an amendment to the motion. He contends that taxation is the only solution for dealing with the unemployment difficulty. A tax for the relief of unemployment such as is suggested has been in operation in New South Wales, Victoria and South Australia. The latest figures of the Government Statistician show that the cost of living has fallen by 17.65 per cent. Consequently those people who are still enjoying the basic wage of a few months back are getting relatively higher remuneration than what should be the standard. The House would not be wise to pass the motion in its present form without declaring that something more is necessary for effectively dealing with unemployment. There are two matters that could receive the attention of Parliament, and they are the suspension of the Arbitration Court awards and the repeal of the Workers' Compensation Act. But for the latter many farmers would be able to provide some employment for people in the country and so prevent them from drifting to the city where they are so likely to lose their independence. But under existing conditions a farmer would be foolish to engage a person on his farm knowing, as he does and as we all know, the extent to which the Workers' Compensation Act has been misapplied.

Hon. E. H. Gray: All because of the employment of foreign labour.

Hon. H. STEWART: No; what has happened in the past under the Workers' Compensation Act exists to-day. Not only the worker, but others, seize the opportunity to benefit indirectly through the operation of that Act. Even some members of the medical profession have imposed upon the intention of Parliament, and the Act is having a boomerang effect. Surely it would be better for a man to be engaged in the country instead of doing a couple of days' work of a non-productive nature around the city. It is not fair to ask the people to submit to taxation for the relief of unemployment unless we can show that the results are going to be beneficial. One way in which the problem could be more easily dealt with would be by the issue of a certificate by the Government Employment Bureau or by police magistrates for a period subject to renewal. Any unemployed person in possession of such a certificate could apply for employment and accept it at any rate and on conditions agreed upon with his employer, and such employer should not be under any legal liability, notwithstanding the provisions of any award of the Arbitration Court. If legislation to that effect were passed, I am sure there would be far more work and considerably fewer unemployed. Another method which would have a beneficial effect would be, as a corollary to taxation, for payment to the unemployed at the rate of not more than 10s. per day, eliminating the present system of restricting work to indigent unemployed. Anyone who gets financial assistance from the Government has to show that he has no reserves; he has to be indigent. If the investigator finds that an unemployed person applying for relief is not indigent, he is summoned and punished with imprisonment.

Hon. E. H. Gray: That is imprisonment for making a false statement.

Hon. H. STEWART: Yes. But a person must have exhausted all his reserves before he can get work. It would be better if people who had been thrifty and had some assets could be assisted from a fund raised by taxation, not at the basic wage rate, but at a rate not exceeding 10s. per day. We do not want to reduce people who have been thrifty and to insist upon their being absolutely indigent before they can get relief. The position of married people is a little

better, but not much better. The men at Blackboy get two days work per week at 15s. per day. For their keep 25s. a week is deducted, and they receive 5s. a week pocket money.

Hon. G. W. Miles: And they are not satisfied with sausages and polony.

Hon. H. STEWART: They are paying for their food. They would be better off if they could be paid 10s. per day, without restrictions, rather than be limited to the basic wage, get only two days' work a week, and have to be indigent before they can receive it. I move an amendment—

That all the words after "down" be struck out and the following inserted in lieu:—"legislation to provide for (1) the payment of unemployed at the rate of not more than 10s. per day without restrictions instead of the present system restricting the work to indigent unemployed and to two days per week at 15s. per day, and (2) a tax to provide funds for the relief of those that are unemployed.

HON. A. LOVEKIN (Metropolitan) [11.7]: The object of the motion is rather to administer a caning to the Government for having wasted the whole of the session while a large army of unemployed are unprovided for and having taken no steps whatever to relieve them. When I say "relieve them" I do not mean that they have not been handed out doles to exist upon, but no proper scheme for employing them and allowing them to live as they ought to live has been devised. We have had a few miserable little Bills that will raise practically nothing, instead of a proper and adequate scheme by which necessary economies could be effected and the necessary budgeting made to meet requirements including those of the unemployed. It is very reprehensible on the part of the Government that they have done practically nothing for the unemployed. I am sorry I cannot support the amendment, because it commotes a reduction of wages from 15s. to 10s. per day. I have been thinking over the cost of production for some days and it dawned upon me that probably the Labour Party know more of this matter than we do. They must realise that the production of Australia cannot be carried on at the present cost. They say to their people, "We are no party to reducing wages," but they propose a method of finance that will have the effect of reducing wages. They propose to issue £20,000,000 or £50,000,000 of notes. There will be two notes where

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one existed before and, while payment will still be made to the workers in notes, the purchasing power of them will be only 10s. instead of £1. Still, they will hold up their heads and say, "We have not reduced wages; you are still getting your pound." But they will not tell the workers that the pound will not buy as much as it did before.

Hon. J. Cornell: Did you say two notes where only one existed before or where none existed before?

Hon. A. LOVEKIN: I hope the motion will be carried, if for no other purpose than as an instruction from this House to the Government that at the earliest moment some provision must be made to employ the workless and not allow them to sit about Blackboy receiving doles as they are doing at present. The other day I asked a question in the House. I am told that a couple of hundred good bushmen are known to the Mines Department officials who wish to send them out looking for gold, and that those bushmen would be quite satisfied to go out, with the lure of gold before them, and could exist on the money that is now paid as a dole to the men at Blackboy. They want little more than flour and meat. Yet because of some red tape, circumlocution or departmental disability, the money that is spent at Blackboy, 30s. per man for picking up twigs and timber in the National Park, cannot be made available to the Mines Department to send out those bushmen under supervision to the auriferous areas where they might discover something good. The Minister told us the matter was under consideration. The Government are taking a long time to consider it, because it was mooted months ago. Apparently nothing has been done. The State has to find the money, and it seems to me it could be applied to better uses than paying it to men to herd together at Blackboy.

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

ADJOURNMENT—SPECIAL.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [11.13]: I move—

That the House at its rising adjourn till Wednesday, 17th. December, at 2.30 p.m.

Question put and passed.

House adjourned at 11.14 p.m.

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

QUESTION—SOLDIER SETTLEMENT.

Mr. DONEY asked the Premier: 1, Why were the losses of £145,000 on the Peel Estate and £9,000 on the Herdsman's Lake drainage scheme charged against the £1,490,000 advance by the Federal Government to cover losses on soldier settlement in this State? 2, Will the Government make available from public funds the total of those two amounts to assist in relieving distress among soldier settlers? 3, How many soldier and civilian settlers were on the Peel Estate at the time the action was taken? 4, How many soldier settlers are on the Peel Estate at present?

The Premier replied:—1, The losses referred to were not charged against the £1,490,000 advanced by the Commonwealth. 2, The fund has already been disbursed (including liabilities provided for). 3, See answer to No. 1. 4, Thirty-eight.

ASSENT TO BILLS.

Messages from the Governor received and read notifying assent to the following Bills:—

- 1, Vexatious Proceedings Restriction.
- 2, Stipendiary Magistrates.