see dealing with the conglomerate are returns showing that there were 777 tons of ore, which returned less than 2½ dwts. of gold per ton. In the West Pilbarra district we have one mine, the Pilgrim's Rest, which in the same year, 1903, turned out more gold than all the gold mines in the Marble Bar district, or all the gold mines in the Nullagine district. I feel sure that this should weigh very considerably with members in discussing the Bill. I wish all the evidence that can possibly be obtained to be put on the table of the House, so that members shall not go astray. A peculiar thing that strikes one in dealing with this question is that, according to the same report, there are altogether 608 acres of gold-bearing country being worked at the present time, and of that 608 acres one company, the British Exploration of Australasia, holds 120 acres, and a mining magnate holds 320 acres, so that out of that 608 acres no less than 440 acres are practically owned by one syndicate. I feel sure this thing is being pushed on and that all the wires are being pulled to assist capital. It certainly looks significant on the face of it. With reference to the pastoral industry, that will also be a feeder in the West Pilbarra district, whereas if the line is confined to the other route, I do not think the pastoral industry in any way would feed the line. I have grave doubts whether, if the railway starts from Port Hedland, it will ever be remunerative. Of course I do not pose as a railway expert or mining expert, but it will have this effect, that if it be a failure, a second line will not be considered for a moment, because it will be used as an argument "Well, if one line will not pay, the second will not pay," and I think a very great injustice will be done to the district I represent.

DR. ELLIS (Coolgardie): I second the motion.

On motion by MR. ISDELL, debate adjourned.

ADJOURNMENT.

The House adjourned at seven minutes to 10 o'clock, until the next day.

Legislative Assembly,

Thursday, 10th August, 1905.

THE SPEAKER took the Chair at 3·30 o'clock p.m.

PRAYERS.

QUESTION—RAILWAY BRAKE VANS, TENDERING.

MR. F. F. WILSON asked the Minister for Railways: Seeing that the Tender Board are, by advertisement, calling tenders for 10 AJ brake vans, is it the intention of the Railway Department to tender for same?

THE MINISTER FOR RAILWAYS replied: The Railway Department do not tender; but an estimate of cost will be made, and if the prices offered by the contractors are considered excessive, the order will not be placed.

QUESTION—RESERVE (FLORA AND FAUNA), TIMBER CUTTING.

MR. NEEDHAM asked the Premier: 1, When will the report on the best means of opening up the Flora and Fauna Reserve be laid upon the table of this House? 2, What is the estimated quantity of jarrah on these reserves available for export or local consumption?

THE PREMIER replied: 1, About one month. 2, Information not available. To supply would necessitate classification.

QUESTION—JANDAKOT RAILWAY EXTENSION.

MR. NEEDHAM asked the Premier: 1, Has the Government, in accordance with the promise made to the Fremantle Chamber of Commerce, obtained a report on the Jandakot Railway extension, and

when will such report be laid upon the table of this House? 2, Will such report fully deal with—(*a.*) the settlement and prospects of farther settlement on both the Armadale and Mundijong routes; (*b.*) the effect on unimproved estates; (*c.*) the grades on both routes as far as they affect the heavy traffic to Fremantle in jarrah, coal, and produce from all stations south of Mundijong; (*d.*) the best route to be adopted, in view of the possible connection with the Narrogin-Williams Railway, and the consequent great utility of this line for facilitating export trade?

THE PREMIER replied: 1, Report will be ready about the end of the present month. 2, (*a.*) Yes. (*b.*) No; this can only be estimated. (*c.*) Yes. (*d.*) Yes.

BILL—WORKMEN'S WAGES ACT AMENDMENT.

IN COMMITTEE.

MR. QUINLAN in the Chair; the MINISTER FOR JUSTICE AND LABOUR (Hon. R. Hastie) in charge of the Bill.

Clause 1—agreed to.

Clause 2—Contractee on making a payment to require from contractor a statement of wages due, verified by declaration:

MR. RASON: This provision would be apt to inflict injustice on the contractor and contractee. Subclause 2, in its very essence, was inquisitorial. The Minister had stated that the Bill was the outcome of a motion in the House last session; but that statement was only partially true. The motion moved in the House, and the debate that followed, went much farther than this Bill; for the mover of the motion, the member for Leonora, now Minister for Works, in moving the motion last session said:—

> In the Workmen's Lien Act which was repealed it was obligatory on the employer, before paying over any portion or the entire cost of the work the contractor had done, to receive an attested declaration from the contractor to the effect that all the wages of the workmen had been paid. Unfortunately, the author of the Act that repealed the Workmen's Lien Act did not consider this very important proviso; and the result has been that the only means the workmen have now at their disposal to seek redress is to take advantage of the seven days provided by the statute in order to appeal to the local employer to obtain their wages. Workmen as a rule are very forgetful of what is enjoined on them by Act of Parliament, and the seven days slip by very easily before men are prompted to take advantage of the law; so that this proposal of mine is intended to bring under the special notice of the House the necessity for reintroducing that very salutary provision found in the Workmen's Lien Act which was repealed. I think it would be a wise thing also to extend the Act a little farther. I have in my mind a very clear recollection of a contractor who tendered for work, and before that work was completed got all the materials requisite to carry out his work to a successful consummation, but before the work was finished filed his schedule, with the result that all the traders concerned in supplying the stuff and confiding in him were done out of their money from that day to this. Therefore, while an effort is being made to insert adequate provision for the protection of workers against dishonest or incompetent contractors, it is also of importance that some measure of protection should be extended to confiding traders, the necessity for which has been in one instance prominently brought under my notice.

The same member went on to say that he knew of very few instances in which workmen had been defrauded of their wages at the hands of contractors; that all he desired was that the provision formerly in the Workmen's Lien Act of 1897 should be re-enacted. Clause 2 of this Bill went much farther than any provision contained in the Workmen's Lien Act. The Minister in charge of this Bill had referred to some remarks that fell from the member for Katanning (Hon. F. H. Piesse); but reading those remarks in full, they bore out the suggestion made by the mover of the motion. The desire of the member for Katanning was to protect the workmen certainly, but also the contractor and the supplier of material. In the clause now before us an effort was made to protect the workmen; but there was no manifestation of a desire to protect the contractor or the supplier of material. In this Bill and corresponding legislation, the Government seemed to desire to "kill the goose that lays the golden egg;" not all at once, but by a gradual process. If the clause were passed, there might be ideal circumstances for the worker. He might have short hours and high pay, and perfect security to receive the wages if there was any work to do; but it seemed ridiculous to pass legislation to secure ideal circumstances concerning a

worker if there was no work for the worker to do. The clause as it stood would have a tendency to prevent to a very great extent people from indulging in building operations. Subclause 2 could be of no benefit, as it provided no additional security to the worker, but harassed the contractor who had to supply a statement of the wages due; and the mere fact of having the three signatures of workmen to the statement did not give the worker an additional security. It was a means of harassing the contractor. Any workman employed on the building might demand to see the books of the contractor to satisfy himself whether all the wages either for the present or in the past weeks had been paid. Subclause 2 should be struck out.

MR. HENSHAW: The amount of £100 stipulated in this clause appeared altogether too high. The instance he referred to when the member for Leonora (Hon. P. J. Lynch) moved his motion last year was at Collie, where a number of men lost their wages, and the total amount was a good deal less than £100. The contract was for wheeling coal from the face of the mine to the roadway, the coal being carried at so much per ton. The amount was not sufficient to pay the workmen's wages. The men were on shift work. If the amount in this clause were reduced to about £25, that would be a fair thing. It would safeguard such a case as he had referred to. He moved an amendment—

That the words "one hundred" be struck out, with a view of inserting "twenty-five" in lieu.

THE MINISTER FOR JUSTICE AND LABOUR: It would be very unwise to adopt the amendment. He would not like the Bill to be jeopardised by adopting such a low sum as £25. One hundred pounds seemed rather high, and we might wisely agree to some amount between the two.

Question (to strike out words) put, and a division taken with the following result:—

Ayes	...	...	18
Noes	...	...	14
Majority for	...	...	4

Ayes.	Noes.
Mr. Angwin	Mr. Butcher
Mr. Bath	Mr. Carson
Mr. Bolton	Mr. Cowcher
Mr. Daglish	Mr. Diamond
Mr. Ellis	Mr. Gregory
Mr. Hastie	Mr. Hardwick
Mr. Heitmann	Mr. Hayward
Mr. Henshaw	Mr. Hicks
Mr. Holman	Mr. Isdell
Mr. Horan	Mr. N. J. Moore
Mr. Johnson	Mr. S. F. Moore
Mr. Keyser	Mr. Rason
Mr. Needham	Mr. Frank Wilson
Mr. Nelson	Mr. Gordon (*Teller*).
Mr. Scaddan	
Mr. A. J. Wilson	
Mr. F. F. Wilson	
Mr. Gill (*Teller*).	

Question thus passed, the words struck out.

THE MINISTER: We might compromise the matter and say that £50 would be a fair sum.

MR. HENSHAW accepted the suggestion.

Question (that "fifty" be inserted in lieu) put and passed.

MR. RASON moved an amendment—

That Subclause 2 be struck out.

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

Ayes	...	...	11
Noes	...	...	20
Majority against	...		9

Ayes.	Noes.
Mr. Carson	Mr. Angwin
Mr. Diamond	Mr. Bath
Mr. Gregory	Mr. Bolton
Mr. Hardwick	Mr. Butcher
Mr. Hayward	Mr. Cowcher
Mr. Hicks	Mr. Daglish
Mr. N. J. Moore	Mr. Ellis
Mr. S. F. Moore	Mr. Hastie
Mr. Rason	Mr. Heitman
Mr. Frank Wilson	Mr. Henshaw
Mr. Gordon (*Teller*).	Mr. Holman
	Mr. Isdell
	Mr. Johnson
	Mr. Keyser
	Mr. Needham
	Mr. Scaddan
	Mr. Taylor
	Mr. A. J. Wilson
	Mr. F. F. Wilson
	Mr. Gill (*Teller*).

Amendment thus negatived; the clause as amended agreed to.

Clauses 3, 4—agreed to.

Clause 5—If money is not so appropriated, workmen may sue contractee:

MR. RASON moved an amendment—

That all the words after "workmen," in line 7, be struck out, and the words following inserted in lieu: "provided that in no case shall the contractee be liable for a greater amount than the amount remaining due from the contractee to the contractor at the time of the delivery of the statement of wages appearing to be due as aforesaid."

By the clause as drafted, if the con-

tractee, after receipt of the statement of wages due, inadvertently paid any sum, however small, to the contractor, the contractee thereupon became liable for the full amount of wages due by the contractor to the workmen, though such amount might far exceed the amount due by the contractee to the contractor. The amendment, while fulfilling to the letter the intention of the clause, would protect the contractee from liability for a greater sum than was due by him to the contractor at the time the statement of wages owing was handed in.

THE MINISTER FOR MINES (Hon. W. D. Johnson) opposed the amendment. The contractor had to supply the contractee with a statement certifying that the former had paid wages due. The latter, on receipt of the statement, would know how the contractor was paying the workmen, and would pay the contractor accordingly. If the contractor were not paying wages, the contractee must keep back a sum proportionate to the sum not paid to the workmen. If the contractee did this, he was absolutely safe. If he were foolish enough to pay the contractor, well knowing that the contractor was not paying wages, it was right that the contractee should be liable to the workmen. The mover of the amendment seemed to think that if after receipt of the statement of wages due the contractee paid a small sum to the contractor, the former would lose that sum owing to the workmen not being paid.

MR. RASON: The preceding speaker had not touched the point. Suppose the contractee, when he received the statement of wages due, owed £100 to the contractor, and the statement showed £200 due by the contractor to workmen. By the clause, though the contractee owed only £100, yet if he paid the smallest sum, even £1, to the contractor, the contractee would be liable for the £200 due to the workmen. The amendment would not relieve the contractee of his liability to pay the workmen the full amount due by him to the contractor, but would relieve him of liability to pay more than that amount. Surely none wished the liability of the contractee to be unlimited.

THE MINISTER FOR JUSTICE AND LABOUR: Since the second reading, he had consulted the Crown Solicitor, who pointed out that the Bill would not impose any fresh liability on the contractee, provided he kept back from the contractor money known to be due for wages. Should the clause be struck out, the whole object of the Bill might be defeated. The illustration given by the member for Guildford did not go far enough. Should a sum of £100 be due to the contractor and he received £95 from the contractee, and should the wages sheet come in showing a liability for £100, the member for Guildford would say that all the money available to meet that liability of £100 was £5. The hon. member claimed that the contractee, whether he carried out the provisions of the Bill or not, should only be liable for the total amount of the contract.

MR. RASON: The amendment provided that the contractee should be liable for every penny of the amount remaining due to the contractor at the time the statement of wages was received by him. The clause as it stood also provided for the same thing.

THE MINISTER FOR MINES: The contractee might previously have paid more than he was liable to pay; and so the object of the hon. member would be defeated. Under the clause the contractee was absolutely safe. The only point the Leader of the Opposition made was that at the end of the contract the contractee should not be liable for more than was due to the contractor at the time the last statement was handed to the contractee. That was perfectly right, but the contractee might be in collusion with the contractor and might pay the latter more than was justly due to him; because the contractee was not always an expert and might not know how much labour was required to finish the contract. Therefore, when the final payment came along, it might disclose the fact that £50 was due to the workmen, while the contractee might only hold £40 that was due to the contractor as a final payment. The Leader of the Opposition desired that the contractee should not be liable; but the clause made the contractee liable in such a case, because he had not adhered to the provisions of the law and had paid more than the contractor was entitled to as the contract proceeded.

MR. RASON: The Minister seemed to talk all round the clause without coming to the point at issue. What the Minister outlined might be possible under the amendment, but it would also be possible under the clause as printed. Nothing in the clause would prevent a contractee in collusion with the contractor paying more than the sum he ordinarily would pay. There was no desire to press the amendment; but it was his desire to make the law a good one in the interests of the workmen and employers. If members absolutely refused to see the point he (Mr. Rason) was endeavouring to make, the fault lay with them. The clause provided that the contractee was liable to the extent of the amount due by him to the contractor at the time the statement of wages was rendered to him. No one desired that to be altered; but it was questionable whether by the last few words of the clause he (Mr. Rason) sought to amend, the contractor by making a mistake of £1 over-paid, would not be liable for £200. The contractee should not be made liable for more than the sum due by him to the contractor. But members evidently thought it was right that the contractee should have a risk thrust on his shoulders of paying more than was due by him to the contractor. Members should not endeavour to do that in a roundabout manner. The amendment would relieve the Bill from conveying any doubt as to the risk to be on the shoulders of the contractee. It in no way affected the liability, but restricted it.

MR. KEYSER: The clause was not quite clear. The contractee should be fully protected so that in no circumstances could he be called upon to pay more than the contract price. If Smith took a contract for £100 to supply labour only, and through some miscalculation found that the wages cost £120, would the contractee be called upon to pay the extra £20?

THE MINISTER: No.

MR. KEYSER: The last statement from the contractor to the contractee might show that there was £30 due for wages, when only £10 would be due from the contractee to the contractor.

MR. H. BROWN: The contractee, according to the Bill, would then be liable.

THE MINISTER FOR JUSTICE AND LABOUR: If the contractee carried out the regulations required by the Act, he would not be called upon to pay more than the total sum due on the contract; but in order to protect the contractee, we might adopt an amendment providing that if the contractee carried out the requirements of the Act he should not be liable for more than the total amount of the contract. He (the Minister) was assured by the Crown Solicitor that the contractee's liability was in no way increased so long as he carried out the requirements of the Act. The clause might be passed, and reconsidered on recommittal.

MR. RASON: The Minister now appeared to agree with the amendment suggested. If an amendment on the lines suggested were drafted and inserted in the Bill on recommittal, he (Mr. Rason) would withdraw his amendment.

MR. HOLMAN: There was no necessity for the amendment.

THE MINISTER: The matter would be inquired into and farther discussed on recommittal.

HON. W. C. ANGWIN: There was a possibility of the contractee taking over certain liabilities of the contractor in the shape of orders, and thus doing the workmen out of wages. These orders in building contracts were sometimes made by the contractor immediately the work commenced.

MR. H. BROWN: The Bill would wipe out the small contractor straight away.

HON. W. C. ANGWIN: Far better to wipe out the small contractor than to wipe out the chance of workmen getting food for a week.

Amendment by leave withdrawn.

Clause put and passed.

Clause 6—agreed to.

Clause 7—Workmen to give receipt for payment on account of wages appearing by the statement to be due:

MR. RASON: Why should it be open for a man to refuse to sign a receipt, and then be able to sue the contractor in a court because a man had refused to sign a receipt? He moved an amendment—

That after "shall," in line 3, the word "thereupon" be inserted.

MR. H. BROWN: Had the Minister forgotten to exempt receipts from stamp duty?

MR. F. F. WILSON: While in accord with the Leader of the Opposition in re-

gard to striking out the latter portion of the clause, he was surprised at the argument used by the Leader of the Opposition, who evidently held a brief for the contractor as against the workmen.

MR. RASON: That was a most unfair statement to make. It was objectionable, and he asked that it be withdrawn.

MR. F. F. WILSON withdrew the statement, and said that the Leader of the Opposition took a deep interest in protecting the contractor. A workman was compelled to give a receipt for wages to prevent farther proceedings. A workman might be guilty of sharp practice just as an employer might be, and refuse to give a receipt; in the absence of a receipt the workman could take proceedings for the recovery of the money.

MR. BOLTON: A receipt was required from the workman, so that the contractor would be able to produce to the contractee a statement showing that the workman had been paid in full up to date. There might be a balance of £50 or £100 as a final payment, and it would be necessary for the contractor to have a receipt from the workmen to be able to produce before the final payment was made. If the amendment were carried, the contractor could demand a receipt on each payment from each workman.

THE MINISTER FOR MINES (Hon. W. D. Johnson): The first line of the clause said, "Upon receiving payment in whole or in part." There was no objection to the amendment if the words "or in part" were struck out. In a dispute between a contractor and his men, the contractor might produce a certain sum of money, and urge that it was in full payment of the amount due. The workman might argue that it was only part payment. If an amount was tendered, the workman, according to the amendment, must thereupon sign a receipt. A workman should have the right to refuse to sign a receipt.

DR. ELLIS: The penal portion of the clause should not appear; because if a workman was paid £50 for wages and refused to sign a receipt, the contractor could promptly go to the court and penalise the workman for the whole of the £50. If a penalty were required, then a definite amount should be stated; but it was not necessary to have a penalty at all.

MR. RASON: No penalty was required. In any transaction, if a man paid money he was entitled to a receipt. The Minister stated that it would be unjust for a workman to give a receipt. No penalty was needed; for if a man would not give a receipt, he would not get his money. A workman was entitled to give a receipt for what money he received; if necessary, on account.

THE MINISTER FOR JUSTICE: At first it was thought the clause was an unusual one, and he tried to find a precedent for it, but could not do so in the Workmen's Lien Act of 1897. The reason given in the debate on the Workmen's Lien Act of 1897 was that it was absolutely necessary that the contractee should show to the contractor a receipt for the wages. It had been found by experience that in every case a receipt was not given for wages paid. Sometimes wages were paid weekly; and it was not always convenient for workmen to sign a receipt at the time. Whenever he could, a workman would give a receipt; but if a workman at the time of payment did not give a receipt, there was nothing to compel him to give a receipt afterwards, and a man could not be sued for a receipt. If a workman received money and refused to give a receipt, that workman should be compelled to give a receipt or give the money back. It would not make any difference if the latter part of the clause were struck out. If the member for Guildford would withdraw the amendment, he (the Minister) promised that the matter should again be considered and settled on the recommittal of the Bill.

MR. H. BROWN: The clause could be safely struck out. Before getting a receipt there must be a dispute between the workman and the contractor; and would any sane contractor, with a dispute going on, pay wages to a worker without receiving a receipt? On those grounds he thought the clause absolutely unnecessary. [THE MINISTER FOR MINES AND RAILWAYS: On the Peak mine there was not one receipt given.] Supposing a dispute occurred between the workers and a contractor, was it likely that while such a dispute was going on any contractee would be so foolish as to pay any worker unless he got a receipt?

Amendment put and passed.

MR. RASON moved an amendment—

That all the words after "payment," in line 4, be struck out.

MR. H. BROWN: If we were going as far as that, we might strike the clause out altogether.

Amendment passed; the clause as amended agreed to.

Schedule:

MR. RASON referred to a manifest error in the schedule, to which he had previously called the Minister's attention.

THE MINISTER replied that it could be dealt with on recommittal.

Schedule passed.

Title—agreed to.

Bill reported with amendments.

BILL—PUBLIC EDUCATION ACT AMENDMENT.

DISTANCE FROM A SCHOOL.

IN COMMITTEE.

MR. QUINLAN in the Chair; the MINISTER FOR LANDS AND EDUCATION (Hon. T. H. Bath) in charge of the Bill.

Clause 1—agreed to.

Clause 2—Compulsory attendance:

MR. RASON: The clause sought to insert after "nearest road" in the parent Act the words "or other reasonable means of access." He would like the Minister to define what "other reasonable means of access" would be.

THE MINISTER: In a number of instances where children had not been attending school, the parents pleaded that the residences of those children were more than two or three miles (as the case might be) from the school by the nearest road. Whilst, however, the distance by the road might be more than two or three miles, they had other means of getting to the school within the two or three miles, as the case might be. The parents, however, had been able to evade the intention of the Act through the Act specifying by the nearest road, and we had not been able to bring them to book for so doing. [MR. GREGORY: What about the train service?] It said a suitable train service, and in his opinion the officers of the department should be the judges. He did not think anyone could point to any cases of hardship inflicted by the officers of the department. Where there were reasonable facilities for children going to school, they should attend the regulation number of days, unless they had a good excuse provided by the Act.

MR. BOLTON: The Railway Department ran trains which picked up and set down children at certain points. The officers of the Education Department, being those who decided what was a suitable train service, would necessarily take into consideration the railway timetable.

Clause put and passed.

Clauses 3, 4—agreed to.

Schedules (2)—agreed to.

Title—agreed to.

Bill reported without amendment, and the reported adopted.

MOTION—PILBARRA GOLDFIELD MAP.

Resumed from the previous day.

THE MINISTER FOR MINES AND RAILWAYS: I have no objection to the motion.

Question put and passed.

BILL—METROPOLITAN WATERWORKS ACT AMENDMENT.

MOUNT LAWLEY RETICULATION.

SECOND READING.

Debate resumed from the previous day.

MR. C. H. RASON (Guildford): I have not had a great amount of time in which to study this Bill and the circumstances that have rendered the measure necessary; but I have no hesitation in saying that the circumstances, so far as I have been able to gather them, disclose a condition of affairs somewhat discreditable to the Metropolitan Waterworks Board, and also, I submit without offence, to the Government of this State. The Minister kindly supplied me with the file, and upon that file I find a *précis* of the circumstances, prepared by the secretary of the Metropolitan Waterworks, which sets out as follows:—

Negotiations were commenced by Messrs. Haynes, Robinson, and Cox on behalf of Mr. Copley in May, 1901, requesting the board to reticulate a portion of Location Z (Mount Lawley Estate), and during the same month the board, which then consisted of Messrs. Traylen, Craig, and Rennick, agreed to reticulate the estate upon payment by Mr. Copley of the cost, conditionally that he was recouped this expenditure upon the amount of annual revenue derived from rates being equal to 10 per cent. of the full amount expended, a two-

years limit being allowed for completion of the work.

Farther correspondence ensued. Executive approval was applied for in October, 1901, for the expenditure of £1,300, but refused unless the conditions previously agreed upon were cancelled and the necessary funds handed over to the board unconditionally.

The board entered into a temporary arrangement for supply in December, 1901, and executive approval was obtained in March, 1902, for the reticulation of the estate to the amount of £1,300 on the conditions before mentioned: 1, that the owners pay the entire cost; 2, that the board shall derive income from the imposition of fees, meter rents, etcetera; 3, that when the water rates, if imposed, amount to 10 per cent. on the outlay, the board will repay the original cost to the owner. An amount of £1,071 2s. 6d. was then handed over, and the work put in hand.

In October, 1904, when the board consisted of Messrs. Traylen, Hargrave, and Villiers. Mr. Hargrave brought up the question of refunding the cost of Mt. Lawley mains, and it was decided that he should interview and consult Mr. Robinson, the solicitor in the matter; and at the last regular meeting of the board, on November 3rd, 1904, it was agreed to write to Messrs. Haynes, Robinson, & Cox, and offer £500 on account of the £1,071 2s. 6d. and balance out of first moneys voted by Parliament, in consideration of the board obtaining possession and exercising absolute control over these mains.

The board was superseded on the 10th November by the hon. the Minister, Mr. Johnson, and the whole matter was placed before him. As Messrs. Haynes, Robinson & Cox were urging the matter, he decided, before anything was done, to refer to the board's solicitors. Messrs. James & Darbyshire, who then advised that the board had borrowed money illegally, and that Mr. Copley had no power to recover; also that they could not repay without the sanction of the Legislature. The hon. the Minister suggested a conference with a view to a compromise. On the 23rd March the Minister had an interview with the owner, Mr. Copley, and made an offer of £500 in full settlement of claim for the cost of reticulation. On June 16th, the matter was finally arranged and an agreement was completed by the Minister instructing the secretary to hand over a cheque for £500 in full settlement of all claims, and providing for the expenditure of a sum of £832 in farther reticulation before December, 1907, on the understanding that the board has available moneys.

In considering this question, I submit we have only to decide what is right and what is wrong; that the individual with whom these negotiations have been conducted should not enter into our consideration at all. If Mr. Copley be, as is urged, a very smart man of business, that does not render him any the less entitled to justice. And when an agreement has been entered into—[DR. ELLIS: It was not stamped, was it?]—we shall not discuss the stamping; when an agreement has been entered into between two parties, in all good faith, when one of those parties carries out that agreement to the letter, then I submit that the other party, be it a waterworks board or be it a Government——

DR. ELLIS: Even if the agreement is illegal?

MR. RASON: The illegality does not enter into the question.

DR. ELLIS: Does it not?

MR. RASON: We will deal later on with the question of illegality. First let us look at the facts from the point of view of equity. Surely everyone in this House is with me when I state that an agreement being entered into between two parties, if it is faithfully carried out by one party, it ought to be faithfully carried out by the other. That is undoubtedly what would have happened in this case. But when the papers were referred by the ex-Minister for Works (Hon. W. D. Johnson) to the solicitors of the Metropolitan Waterworks Board, that firm for the first time discovered that the board, though they had borrowed the money in all good faith and spent it in all good faith, yet had borrowed it illegally, and that Mr. Copley could not succeed at law in recovering the money which he had lent in all good faith.

THE MINISTER FOR MINES: Make it clear to the House that this was the first time the question was submitted to the solicitors. It was then discovered for the first time; and that was the first time they knew of it.

MR. RASON: I said it was then discovered for the first time; hence that must have been the first time they knew of it. The board had done that which they had no legal right to do. The opinion of counsel (Mr. Pilkington), which is on this file, is that the money was agreed to be borrowed by the board on the one part, and was agreed to be lent by Mr. Copley on the other.

THE MINISTER FOR MINES: Does counsel say "by the board" or "by the chairman"?

MR. RASON: Counsel's opinion states:—

There is nothing in the agreement between the board and Mr. Copley which makes the mains laid at Mount Lawley the property of the latter. The sum of £1,071 2s. 6d. paid by Mr. Copley to the board is in my opinion simply a loan. I desire, however, to add that in my opinion the most serious aspect of the matter is that the board had no power whatever to borrow the money which was borrowed from Mr. Copley. The board is a corporation created by statute, and can have no powers except those which are conferred by statute. The only power of borrowing given to the board is that given by Section 13 of the Metropolitan Waterworks Act 1896, and extended by the Metropolitan Waterworks Act 1898. I understand that all the powers conferred by these two Acts have been exhausted; and I am of opinion that the board has no power to borrow any farther moneys. If I am right in this view, not only can Mr. Copley not successfully sue for the money which he has lent, but the board would be doing wrong in repaying him without the Legislature's sanction.

Counsel has never taken the objection that the money was not borrowed and that it was not spent, or that it was spent for Mr. Copley's own advantage. He rightly states the legal position that Mr. Copley could not successfully sue at law to recover the money, and that neither it nor any portion of it could lawfully be paid to him without legislative sanction. I should like here to point out that in the opinion of counsel no compromise could be effected without legislative sanction. But a payment has been made in direct contravention of that opinion; a payment of £500 has been made to Mr. Copley on the 16th June. Counsel's opinion, on the file, says not only that the principal sum cannot be repaid without the sanction of the Legislature, but that no portion of it can be repaid. Portion of it, £500, has been repaid. Let us see how the Minister (Hon. W. D. Johnson) regarded this transaction. He regarded it as any honest man would regard it. Here on the file is his minute, dated the 1st December, 1904:—

Kindly instruct our solicitors to meet Mr. Copley or his representative with a view to settling this matter. It is a rather peculiar position, the board borrowing money illegally; and while now the lender has no legal claim to recover, I must say he has a moral claim; and by leaving the matter to our solicitors we can come to a satisfactory settlement.

Undoubtedly the man who lent this money has a moral claim to repayment. True it is he has no legal claim. But will a Government of a State take advantage of a legal technicality in order to avoid the payment of money admitted to be due? I trust not. I should like to see this Bill, if it is to go any farther, submitted to a select committee of this House, so that the committee may go thoroughly into the whole of the facts, at greater length than I can to-day, and make a recommendation to this House as to what in the opinion of that committee should be done. The whole file discloses a condition of affairs not creditable to Western Australia. If the news goes abroad that, taking advantage of a technicality, the Government has avoided payment of, after all, an insignificant sum of money to a person who is morally entitled by the agreement he entered into to recover payment, the result will not be advantageous to this State. Messrs. James & Darbyshire write on the 5th December to the secretary of the Metropolitan Waterworks Board:—

We are in receipt of your letter of the 1st instant. As counsel has advised that the borrowing of the £1,300 was illegal, and that the board has no power to repay the amount or any portion of it without legislative sanction, we must point out that no compromise with Mr. Copley will in any way remove the difficulty, unless such compromise is sanctioned by Act of Parliament. We would suggest that the terms to which the board is prepared to agree should be reduced to writing in an agreement between Mr. Copley and the board; and that agreement should be sanctioned by a special statute.

THE MINISTER FOR MINES: That was not done.

MR. RASON: It was done, with this difference—a compromise has been effected without the sanction of the Legislature; and this Parliament is asked to sanction something which has already been done. In the opinion of counsel it was necessary to obtain the sanction of Parliament before anything of the sort was done, instead of after.

DR. ELLIS: The preceding Government were responsible.

MR. RASON: Is not this *tu quoque* argument almost worn threadbare? No matter what is done now-a-days, we are told, "You did the same thing;" and that is held to be at once a sufficient excuse and a justification. I submit that the

facts I have quoted from this file show it is at least reasonable that a select committee should be appointed to inquire thoroughly into this matter, and to recommend to this House what should be done. I submit that no Government is entitled to do that which no individual could do, and still claim to be honest—take advantage of a legal technicality to avoid payment of a sum admittedly due. I hope, therefore, that someone will move that this Bill be referred to a select committee, if the Bill goes any farther. I am not prepared to move such an amendment. [A laugh.] Members are ready to laugh at anything. The reason why I am not prepared to move for a select committee is that if I did so I should perforce be on that committee; and I have no desire to be on it. That is the only reason which restrains me from moving an amendment. I make the suggestion; and I trust someone else will move in the matter.

POINT OF ORDER, MONEY.

MR. RASON (continuing): I should like to go farther. It will be noticed that the schedule provides that—

> Before the 31st day of December, 1907, the Minister shall expend a sum of £832 in constructing three-inch water mains along the metalled roads running through the property of the proprietors, known as the Mount Lawley Estate.

This Bill is not an amendment of the Metropolitan Waterworks Act, but is a Bill to confirm an agreement entered into between the Minister for Works, his successors and assigns, and someone else. It is not between the Minister for Works as chairman of the Metropolitan Waterworks Board and someone else, but between him as Minister for Works and someone else. It commits the present Minister, his successors and assigns, to the expenditure of £832 on the laying of farther mains; and I submit that this being so, it is a Bill which can only be considered when accompanied by a Message from His Excellency the Governor. It may be urged that the money proposed to be expended will not be taken from Consolidated Revenue, and that it will be taken from the funds of the Metropolitan Waterworks Board, though I believe I am correct in saying that the borrowing powers of that board have already been exercised to their limit. If that should not be so, I submit there is a liability involved on the Consolidated Revenue. I submit there is a prospective liability; because this is an agreement between a Minister of the Crown and someone else to carry out certain work; and if the funds of the Metropolitan Waterworks Board are not sufficient for the purpose, recourse will have to be had to the Consolidated Revenue. On this point, with your permission, Mr. Speaker, I will quote from *May* on the subject. *May* says on page 530:—

> Examples may be given of matters which need recommendation from the Crown; namely, advances on the security of public works, when funds in addition to the funds already available to such purposes must be provided to meet such advances; advances to landlords or tenants beyond the scope and objects of the Public Works Loans Acts; Bills relating to savings banks which create a charge upon the consolidated Fund or other public liability; the imposition of stamp duties, etc. . . . . For compounding or relinquishing any debts due to or other claims of the Crown; or for remission of duties or other charges payable by any person; or for a charge upon the revenues of India, will only be received if recommended by the Crown; and, in case of debts due to the Crown, on proof of the steps taken for the recovery of such debts. . . . . Contingent or prospective charges upon the public revenue, and upon the revenue of India, come within the purview of these standing orders. Therefore, before clauses in a Bill can be considered which apply the Consolidated Fund —money to be voted by Parliament—or the revenues of India as a guarantee for sums to be raised, paid, or borrowed for any purpose, such clauses must receive the preliminary authority of a Committee resolution, founded upon the recommendation of the Crown; and the guarantee clauses in the Bill must be printed in italics.

I submit there is contained in the schedule of this Bill a prospective liablity on the Consolidated Revenue. Should the funds of the Metropolitan Waterworks Board be found to be insufficient the Minister will have to fall back upon the funds of the State to carry out an agreement which is absolutely binding upon the Minister for Works, his successors and assigns. At this stage I should like your ruling, Mr. Speaker, on this point. It seems to me that in any case it would have been far better if a Bill such as this had been accompanied by a Message from His Excellency the Governor. It does seem to me that it is

absolutely necessary this Bill should be so accompanied.

DR. ELLIS: This money is not taken out of Consolidated Revenue. It comes under the Metropolitan Waterworks Act, and consequently is not money coming under the Crown and requiring a Message. The money is not taken from Consolidated Revenue. It is an entirely separate thing. By looking at Sections 14, 15, and 16 of the Metropolitan Waterworks Act, we see that the moneys of the board are formed into a special fund.

MR. RASON: But should those moneys be insufficient?

DR. ELLIS: Then we must pass another Act to get a larger amount. The money has to be got by Act of Parliament. The Act limits the amount; but if the moneys available are insufficient they would be acting illegally in raising farther funds, and we would need to pass an Actaugmenting the funds of the board. It would be exactly on all-fours with the Savings Bank Act. If we wish to lend money out of the Savings Bank we do not bring down a Message from the Crown every time a loan is made. It is the same with the Metropolitan Waterworks Act. The fund does not come out of Consolidated Revenue, and the matter does not come under the Message sections, nor under the Loan Bill sections which would require a Message. The money comes under a special Act, and consequently does not require any expenditure from Consolidated Revenue or Loan Funds. It comes out of moneys borrowed on debentures authorised by a special Act. Consequently, while I am always anxious to rigidly safeguard Money Bills in this House, so far as I can see there is no reason to consider this a Money Bill any more than any Bill which would give the right to borrow from the Savings Bank. I personally hold that this does not come under the Consolidated Revenue directly or indirectly. The surplus of the board is not paid into Consolidated Revenue, and the funds of the board do not come out of it, consequently this would not require a Message from His Excellency the Governor.

THE MINISTER FOR MINES: I do not wish to argue the point raised by the Leader of the Opposition; but I desire to draw attention to Clause 4 of the schedule, which says:—

> Notwithstanding anything contained in Clause 2 hereof, the Minister intends to construct the said mains as speedily as possible out of his first available moneys. It is understood that this clause (No. 4) is not intended to impose any legal liability upon the Minister, or confer any legal right upon the proprietors, but is intended only as a record of the Minister's intentions, and as creating a moral obligation upon him and his successors and assigns.

I realised the point that it was quite possible the funds of the board would not be sufficient to carry out the work in the time specified; but I also realised that there was a just claim on the part of the Mount Lawley Estate to have certain streets reticulated; so I got the cost of the work run out, and I found that it would cost the sum stated in the agreement to lay the main along these streets. I simply said that if I had the money I would do the work, and that I was prepared to submit in the agreement that there was a moral obligation on our shoulders providing we had the money.

THE MINISTER FOR LANDS: I submit that the procedure of the House of Commons only applies in motions of this kind providing there is nothing in the Constitution Act or Standing Orders particularly applicable to the matter in question. The section in the Constitution Act under which it is necessary to bring down a Message before a Bill is considered is Section 67, which says:—

> It shall not be lawful for the Legislative Assembly to adopt or pass any vote, resolution, or Bill for the appropriation of any part of the Consolidated Revenue Fund, or of any rate, tax, duty, or impost, to any purpose which has not been first recommended to the Assembly by Message of the Governor during the session in which such vote, resolution, or Bill is proposed.

MR. RASON: It says "any rate."

THE MINISTER FOR LANDS: It says, "the appropriation of any part of the Consolidated Revenue Fund."

MR. RASON: Or "any rate."

THE MINISTER FOR LANDS: I am now dealing with the first part. The hon. gentleman did not raise the question of a rate. I am dealing with the question that indirectly this Bill involves an appropriation and must be preceded by a Message. The hon. gentleman said that in an indirect way this might ultimately

involve an appropriation. But the section of the Constitution Act is very specific. The meaning is clear. The proposal must involve a direct appropriation. Even regarding the imposition of any "rate, tax, duty or impost," the meaning has no application to a municipal rate. It is not necessary to have a Message from the Governor to impose a rate on a municipality or roads board. This is simply another reading of the word "tax." The words "rate, tax, duty or impost" are necessary in order that there may be no quarrelling or division as to the real meaning of the word "tax." The idea of putting in the four words is because the meaning might be limited if there was only the word "tax." There might be some impost or duty that would not be involving any tax. So to amplify the meaning and include any other possible meaning that might be included in "impost," these four words are employed. I submit that this Bill does not involve any "rate" or impost on the Consolidated Revenue, nor the appropriation of any part of the Consolidated Revenue. Even supposing Section 67 of the Constitution Act does not cover the case in point and that it is necessary to have resort to *May*, the portion of *May* referred to by the hon. member shows that the main object of a Bill must be "the creation of a public charge," and not "a possible or a contingent charge," and that in the case of the creation of a public charge, resort must be had to the procedure of having a Message from the Governor before the Bill is introduced. *May* goes on to say on page 528:—

> If the charge created by a Bill is a subsidiary feature therein, resulting fom the provisions it contains, the Royal recommendation and preliminary Committee are not needed in the first instance, and the Bill is brought in on motion.

So even if we admit that there is a subsidiary charge it would not be necessary to have a Message from the Governor on the introduction of a Bill, because the Bill would be brought down on motion. But it would only be when we come to the time that the clause or provision involving that subsidy or charge is considered that it would be necessary to have a Message from the Governor. I submit that the points raised by the member do not bear on any clause contained in the Bill, and it is not necessary to have a Message from the Governor. It would be straining the meaning of the provisions of the Standing Orders to a ridiculous extent to say that there ought to be a Message to enable the Bill to be proceeded with.

MR. SPEAKER: It had been my intention, before allowing the Bill to go into Commitee, to ask the Minister in charge to explain one or two clauses, to make it clear to the House exactly from what fund the moneys authorised to be paid under the schedule were to be drawn. The Minister is described in the Bill in his capacity as the Waterworks Board, but it appears to me that the amounts authorised to be paid may be paid from any funds the Minister may have at his command, not necessarily funds of the Waterworks Board. It appears to me necessary that it should be stated that the money authorised to be paid under the schedule shall be paid from funds of the Waterworks Board. A recommendation is required from the Crown in certain cases other than those referred to in the Constitution Act. Constitutional practice always governs the Assembly in this matter as well as provisions in the Constitution Act. Where any Bill authorises or creates a contingent liability or in any way guarantees by the Consolidated Fund any payment that may arise under the Act, it is the constitutional practice to have a recommendation from the Crown. It appears to me, therefore, that unless it is directly stated to the contrary in the Act, the funds to be paid are to be paid solely and only from funds of the Waterworks Board, that these funds, whatever the amount to be paid may be, are liable to be drawn from the Consolidated Revenue Fund. In that case I should have to rule that a recommendation from the Crown was necessary. If the Minister would amend, or the House direct that the schedule be amended, so as to say that amounts to be paid by the Minister are to be paid from the funds of the board there would be no objection to the Bill being proceeded with.

THE MINISTER FOR MINES: I desire to point out and make clear to the House that by Clause 4 of the Bill the term "Minister" means the Minister

for Works for the time being authorised and appointed to exercise the functions of the board under the provisions of the Metropolitan Waterworks Act 1904. The board is a separate organisation, and has absolutely no connection with the State other than that the Minister for Works exercises the functions of the board. The Minister has no power to draw on the Consolidated Revenue Fund: he is limited in the expenditure of funds to loan moneys authorised to be drawn by Act of Parliament from the Savings Bank. It is only from the fact that we are limited to draw through the Colonial Treasurer that we come in contact with the Government. The funds of the board are absolutely separate and distinct. The board is a distinct organisation, and in no way connected with the Government, and in no circumstances whatever are we allowed to touch the Consolidated Revenue Funds. The only Government funds that can be called Government funds that we are allowed to operate on are the Savings Bank funds, and that is only done by borrowing and paying the necessary rate of interest and sinking fund to the Government. Therefore, the board is not in any way connected with the Government, and in no shape or form is money drawn from the Consolidated Revenue Fund. Therefore I submit the point raised by the Leader of the Opposition will not hold good. I inquired into this question before submitting the Bill, and I am confident of the position I took up. It does not in any way conflict with the Standing Orders. This is not my opinion, but that of the Crown Law Department. Supposing we give in, and say that there is reason for doubt, which there cannot be, let us turn to paragraph 2 of the schedule, which says, "It does not create a legal obligation to spend the money," but it says, if we get the money in the time we can spend it. The only way is to get the money from the Savings Bank, or use it from the general savings or profits out of the operations of the board. There are two funds we can draw from, the surplus from the general working of the board, or loan funds borrowed from the Savings Bank.

MR. SPEAKER: It appears there is a legal point here. If the House is satisfied that the authority given in the Bill to the Minister to act as the Waterworks Board and not as Minister, I shall offer no objection, but it is for the House to decide.

MR. H. BROWN: It would simply mean that we would have to increase the loan expenditure of the Waterworks Board. There are a number of extensions badly required; therefore, it would be desirable to extend the borrowing of the board.

THE PREMIER: That would not validate the agreement.

MR. H. BROWN: It would be desirable to extend the borrowing power and pay out of loan moneys, and then refer the Bill to a select committee for a report whether Copley was entitled to it or not. Then we could bring in a short Bill increasing the funds by £10,000, giving the board the money required to make farther extensions.

MR. SPEAKER: If the House is satisfied that the Minister will act as the Waterworks Board and in no other capacity under the Bill, I have no objection to the Bill being considered in the ordinary way. But this is for the House to decide before the Bill goes farther.

THE MINISTER FOR LANDS: I submit there can be no doubt in the minds of members on that point; because Clause 4 of the Bill says, "The term 'Minister' in this Act shall mean the Minister for Works for the time being authorised and appointed to exercise the functions of the board under the provisions of the Metropolitan Waterworks Amendment Act 1904." That means that the Minister only means the Minister in his capacity as the person authorised to administer the functions of the board, not that Act. The interpretation is absolutely clear, limiting his capacity.

THE MINISTER FOR MINES: In order to make the matter clear I will move——

MR. SPEAKER: The hon. member should state his intention to move, before committal, an instruction to the Committee to amend.

THE MINISTER FOR MINES: It is my intention, if the second reading be agreed to, to move an amendment in paragraph 2 of the schedule, that after "expend" the words "from the funds of the board" be inserted. The paragraph now reads: "The Minister shall, before

the 31st day of December, 1907, expend the sum of £832." I intend to move an instruction before committal, to amend paragraph 2.

MR. GREGORY: Will not that be necessary in paragraph 1 also?

THE MINISTER: The amendment will be made consequentially throughout the Bill.

MR. RASON: Briefly touching again on the point of order, if that meets the case, in the Speaker's opinion, I have no farther objection to raise. I understand then the matter will be put right at a later stage.

DEBATE RESUMED.

MR. RASON (continuing): I should like to refer to a letter from the Treasurer to the chairman of the Metropolitan Waterworks Board. It has been urged that the chairman of the Metropolitan Waterworks Board did something which he was not authorised to do; that he was guilty of some improper action. Here is a letter from the Treasurer dated March, 1902, to the chairman of the Metropolitan Waterworks Board; and it says:—

I have the honour to inform you that His Excellency the Governor in Executive Council has been pleased to approve of the £13,000 for your board for the reticulation of Mount Lawley estate on the conditions mentioned in your letter of the 18th October last.

So that the chairman of the board, if he did something that was illegal, still acted in good faith; he did something he was authorised to do. We have two people, Copley—however objectionable he may be to some members he is entitled to justice—and we have on the other hand——

DR. ELLIS: No one has said he is objectionable.

MR. RASON: It has been insinuated. I understand that gentleman has been referred to as one of the sharpest business men to whom no sympathy was due, and if he had made a bad bargain, that was his fault. Other members of the House are under the same impression as I am. That is by the way. Each party is entitled to justice. That, I contend, is best likely to be obtained if the matter is referred to a select committee. There is just one more point before I conclude. It is provided in the schedule of this Bill that a 3in. main shall be laid down for a farther distance on this state. This is what the secretary of the board, writing on the 30th March, this year, regarding that proposal, says:—

To my mind there is one difficulty which presents itself, and that is that when consumers in Perth and suburbs in populated districts, who are only supplied by tube mains, know that we are reticulating practically vacant ground with 3in. mains, there will probably be an outcry, and I take it that no other reticulation will be extended in Mount Lawley unless the buildings are actually in course of erection and the revenue will justify the expenditure.

I have nothing more to say, except that it is the duty of this House and the duty of every Government to see that justice is done to individuals, and that no shelter is taken under legal technicalities to avoid payment of what is due.

MR. J. E. HARDWICK (East Perth): I do not wish to take up time by discussing this question, farther than to remark that the disclosures made from the file by the Leader of the Opposition have impressed me with the idea that there is a possibility of an injustice being done to a citizen. All I wish to do is to move for a select committee to take evidence and report upon this question.

MR. SPEAKER: The hon. member cannot move for a select committee until after the second reading is passed.

Question put and passed.

Bill read a second time.

SELECT COMMITTEE.

DR. ELLIS moved that a select committee be appointed.

MR. GORDON: Anyone would think it was a Royal Commission, from the way members were after it.

Question passed.

Ballot taken, and a committee appointed comprising Mr. H. Brown, Mr. Butcher, Mr. Hardwick, Mr. F. F. Wilson, also Dr. Ellis as mover; with power to call for persons and papers, and to sit on days over which the House stands adjourned; to report this day fortnight.

PERSONAL INTEREST—QUESTION RAISED.

MR. NEEDHAM: Seeing that the member for Perth (Mr. H. Brown) was a member of the Metropolitan Waterworks Board, is he entitled to sit on this select committee?

MR. SPEAKER: The Standing Order dealing with this matter provides that no

member shall sit on a select committee who shall be personally interested in an inquiry before such committee. Unless the hon. member is personally interested in the inquiry, there is no reason why he should not take his seat.

MR. H. BROWN: If there is any fear that I shall not do my duty on this committee, I am quite prepared to resign. It is better that no innuendos should be thrown out. I am quite prepared to take over any liability that I incurred whilst on the Waterworks Board. It is well known to the hon. member (Mr. Needham), and to other members, that my connection with that board ceased a considerable time ago; and when I was a member I practically never attended, feeling that my attendance was absolutely useless.

MR. SPEAKER: It is absolutely for the House to decide whether the hon. member is interested. I understand he disclaims any personal interest.

MR. H. BROWN: I say I am not directly interested at all. I had nothing whatever to do with the matter. But I am in the hands of members.

MR. NEEDHAM: I hope the hon. member does not understand that I cast any innuendo against him personally?

MR. H. BROWN: Then why bring up the matter?

MR. SPEAKER: There appears to be no reason whatever why the hon. member should not act on the committee.

BILL—LICENSING.

CONSOLIDATION AND AMENDMENT.

SECOND READING.

THE PREMIER AND TREASURER (Hon. H. Daglish): I beg to move the second reading of this Bill; and in doing so I think a perusal of the first schedule to the Bill will indicate to hon. members who were not previously aware of the fact that there is a great need of a consolidation of the law relating to the sale of liquors in this State. It will be found that this measure proposes to repeal no less than 14 Acts dealing with this question, and at the same time to consolidate what are regarded as the more important features of those Acts, and to amend a number of other provisions that are to be found within their covers. I think, too, that hon. members will generally agree with the opinion that circumstances fully warrant some attempt to amend the laws relating to licenses for the sale of intoxicants.

Existing Licenses.

I think it is generally recognised that we have in Western Australia far too many licensed houses; and as at present there is no check whatever upon the issue of new licenses, except such check as the judgment or discretion of licensing benches may impose, it is necessary to make some change in the existing conditions under which licenses are granted. In order to give hon. members some indication of the number of licenses we have, I will quote from a return prepared last year in the Registrar General's office, showing the number of licensed houses which exist; and in dealing with licensed houses, this return relates only to publicans' general licenses and wayside-house licenses. There were last year in the metropolitan area, with its population of 84,000, 114 of these licensed houses, the average number of hotels to every thousand of population being 1·36, the average number of people to each hotel in the metropolitan district being 737. That district extends from Fremantle to Midland Junction, including these municipalities. In this section of the State there has been undoubtedly a great deal more attention paid to the conditions under which licenses have been issued than has been paid to this subject in most other licensing areas. In the Eastern Goldfields, which for the purposes of this return include Dundas, Yilgarn, Coolgardie, East Coolgardie, North Coolgardie, North-East Coolgardie, Broad Arrow, and Mt. Margaret, with a population of 63,000, there were 310 licensed houses, the average number of hotels per thousand of population being 4·93, and the average number of people to each hotel 203. In the central goldfields, which include Yalgoo, Murchison, East Murchison, and Peak Hill, there was a population of 9,500. There were 100 licensed houses, the average number of hotels to each thousand of population being 10·53, and the average number of people to each hotel being 95. The total for the two goldfields areas, whose population was 73,500, was 410 licensed houses, average number of hotels per thousand

5·66, average number of people to each hotel 177. The balance of the State, outside the three areas I have specified, had a population of 73,500; there were in it 209 licensed houses, representing 2·84 per thousand of population, and one hotel for every 352 inhabitants. The totals for the whole State were: population, 230,000; number of licensed houses, 733; average number of hotels per thousand of population, 3·19; and average number of people to each hotel, 314. In addition to those licensed houses, there was a number of other forms of license, such as the colonial wine license, gallon license, two-gallon license, spirit merchant's license, wine and beer license, and other licenses to sell liquor in one form or other. Taking, however, the argument that in the population of Western Australia there is, as compared with the other States, a large preponderance of males, I have a return which indicates the proportion of licensed houses to our male population. In the metropolitan area there was last year an adult male population of 27,500, 114 licensed houses, the average number of hotels per thousand of adult male population being 4·15, and the average number of adult males to each hotel 241. On the Eastern Goldfields, with an adult male population of 32,500, there were 310 licensed houses, the average number of hotels per thousand being 9·54, and the average number of adult males to each hotel 105. On the central goldfields the adult male population was 6,000, licensed houses 100, average number of hotels per thousand 16·67, and average number of adult male population to each hotel 60. The balance of the State had an adult male population estimated at 28,000, with 209 hotels; the average number of hotels per thousand of adult males was 7·46, and the average number of adult male population to each hotel 134. Total for the State: 94,000 adult males, 733 licensed houses, 7·80 hotels per thousand of adult male population, and 128 adult males to every licensed house. These figures, I think, indicate very clearly that there has been in the past an undue issue of licenses.

Inducements to Drinking.

The extent to which the issue of licenses encourages the undue use of intoxicants is, of course, open to some degree of argument. We have, however, side by side with this information, the fact that Western Australia is a very heavy consumer of intoxicants—a far heavier consumer than any other State in the Commonwealth; and I do not think that is solely attributable to our preponderance of adult males, although that is, undoubtedly, a contributing factor. I am reminded that, unfortunately, the consumption of liquor is not always confined to males. Statistics of the consumption of wine, beer, and spirits in Australia during 1903 are as follow:—New South Wales: spirits, 1,482,786 gallons, an average per inhabitant of 1·04 gallons; wine, 1,244,572 gallons, an average per inhabitant of 0·87; beer, 14,897,359 gallons, an average of 10·1. Victoria: 640,653 gallons of spirits, average 0·53; 2,198,195 gallons of wine, average, 1·80; beer, 15,617,294, average 12·9. Queensland: 498,581 gallons of spirits, average 0·97; wine, 101,030 gallons, average 0·20; beer, 5,026,378 gallons, average 9·8. South Australia: 157,515 gallons of spirits, average 0·43; wine, 2,027,467 gallons, average 5·54; beer, 3,116,869 gallons, average 8·5. Western Australia: spirits, 297,961 gallons, average 1·35 per inhabitant; wine, 213,611 gallons, average 0·97; beer, 5,466,988 gallons, average 24·7. Tasmania: 96,711 gallons of spirits, average 0·54; wine, 28,539, average 0·16; beer, 1,719,225 gallons, average 9·6. The averages for the Commonwealth are, in spirits, 0·81, in wine, 1·49, in beer, 11·6. The average for Western Australia in spirits is 1·35, as against that of the Commonwealth, 0·81; in wine it is ·97 as against that of 1·49; and in beer it is 24·7 as against that of the Commonwealth, 11·6. Those are the figures for 1903 as supplied to the British Board of Trade. The figures for 1904 for the other States of the Commonwealth are not available, but those for Western Australia are very little different from those of 1903. They show the consumption of spirits was 308,913 gallons, an average of 1·31 as against 1·35 for the previous year; the consumption of wine was 198,370 gallons, an average of ·8 as against ·97 in the previous year, and the consumption of beer was 5,874,645 gallons, an average of 24·8 as against an average of 24·7 for 1903.

Local Option Proposal.

I think these figures show that if there be a tendency in the existence of licensed houses to encourage drinking, it would be advisable for us to consider whether it would be worth while taking some legislative action to prevent an undue increase of licenses in the future. The proposal now before the House embodies with that object a provision for local option to the people of the State. In doing so, we recognise that, while the Legislature should make rules in regard to the management of the liquor traffic, it may fairly be left to the people of each individual district to decide to what extent licenses are required for their convenience. These licenses are supposed to be granted solely to serve the convenience of the people residing in the localities for which they are issued. As a matter of fact, frequently they are granted without due consideration to the wishes of those people; and although the main Act attempts to provide in a certain fashion for local option, the provision is thoroughly ineffective. The provision is that when an application is made for a license, it shall be within the power of the persons living in the immediate vicinity of the premises or of the place for which the license is sought to present a petition to the licensing bench praying that it shall not be issued; but there has never yet been a satisfactory definition given to the meaning of that section in the Act by any bench. Several benches have made rules of their own, and the most satisfactory I know of is the rule made by the bench in Perth, which held that any person living within half-a-mile of the licensed house was within its immediate vicinity. The section in the old Act recognises the right of people in the locality to have a voice in regard to the issue or non-issue of a license; and this Bill proposes not only to recognise the same right, but also to carry it a little farther. We propose to provide machinery to enable that right to be exercised by the residents in the locality. It is no use having an Act like the present one, which says that the people of a locality have a right to an opinion in this matter, and that their opinion must be respected by the licensing bench (because that really is the purport of our existing law), while at the same time no machinery is provided to enable the people to exercise that right. In this Bill the difficulty is got over by providing machinery to enable local option polls to be taken; and in proposing that these local option polls shall be taken, we likewise propose that every person in the district interested, or in other words every elector in the district, shall have the right to express an opinion, or that the right shall not be confined solely to property-holders in the district. It is recognised that the granting of the license has a possible effect on everyone living within the range of the license; so we propose that in local option polls every elector on the Assembly rolls shall have the right to an opinion; and we are following the example already set by New Zealand, where the licensing law has, so far as I am able to ascertain, given satisfaction to the people of that Colony, and where, after it has been fairly tried for the last few years, there has been no change except in the direction of making the law more stringent. However, we do not propose in these local option proposals to go as far as New Zealand has gone. We could not do it without the risk of working an injustice to some of the persons who are interested in the liquor trade.

Right to Renewal.

Our present law in regard to the renewal of licenses gives a very definite legal right to persons who have once obtained licenses, to have renewals unless they forfeit by any misconduct or breach of the law on their part. The words of the section provide—

> Every licensee shall be entitled, subject to the proviso hereinafter mentioned, to demand and obtain from the licensing magistrates a certificate authorising the renewal of his license on producing such license, and upon payment to the proper officer of the annual fee due in respect of such license: provided such license has not been allowed to expire or has not become void or liable to be forfeited from any cause whatever: provided also that no objection to such renewal as is hereinbefore mentioned shall have been taken and established in manner by this Act provided to the satisfaction of the licensing magistrates on the application for such renewal.

The Act has conferred a certain right upon all those who obtained licenses under it, and that right is morally bound to be recognised. If it were attempted to abolish licenses, without any failure of

his obligations on the part of the licensee, without some monetary compensation, it would be regarded as an act of extreme unwisdom on the part of the State to propose the principle of buying out licenses without paying compensation. Therefore, in introducing local option conditions, we provide in the Bill to limit local option polls to the granting of new licenses or the refusal or withdrawal of licenses which may be granted after the passing of this Bill. Should this Bill become law, any license granted under it will carry with it no right whatever except the right to trade for a year under the provisions of the Bill.

Compensation by time limit.

So with regard to new licenses there can be a full and complete local option; but in regard to old licenses, recognising the right that exists on the part of the licensees, it is proposed in the Bill to give them a time compensation, that is, to give them a right of renewal for 10 years on the understanding that at the expiration of that 10 years no rights exist under the section of the old Act I have already read, and that they will have been compensated by the amount of trade they have been enabled to do and the amount of profit they have been enabled to get during the 10 years. Therefore, time compensation is adopted instead of monetary compensation; and the Government regard time compensation as likely to be more satisfactory to the State and to work very much more to the advantage of the people of the State than monetary compensation would. At the end of the 10 years it is not proposed in this Bill that any license shall necessarily be lost. It is not proposed by one clean sweep that licenses shall be swept out of existence; but it is proposed that at the end of the 10 years all old licenses shall come under the control of the people in the districts where licensed houses exist, just as if from the outset there were no licenses granted under the provisions of the Bill now under discussion; and it will then be open to the people of any district to vote on the same principle as at present the people of New Zealand are voting, either for an increase, a reduction, or no license at all. However, until that 10-years notice has expired, the possibility of introducing what is known as the "direct local veto" cannot be recognised. I wish to be thoroughly emphatic in regard to the views of the Government on this point. We recognise that the State has entered into an obligation under the existing Act to certain licensees, and that the State must carry out the obligation to the uttermost letter. Farther, we recognise that, even supposing some good were likely to result from dispensing with this notice and with compensation, it could only be as the result of a direct act of repudiation on the part of the State, an act which I believe this House would never dream of entertaining, and which this Government at all events would not be prepared to propose.

Licensing Committees, Elective.

Side by side with the local option proposals is the proposal to establish licensing committees to replace the licensing benches, and to make these licensing committees elective except so far as the chairmen are concerned. It is proposed at the outset that each electorate shall be constituted a licensing district. Power is given under the Bill for the Governor to divide these electorates into smaller licensing districts; but we propose in the first instance to take the electorate as the starting-point. Of course, we recognise it would be absurd to make some of our electorates, such as Mt. Margaret, Dundas, Kimberley, and Gascoyne, licensing districts. Although power is taken in the first instance to proclaim all electoral districts as licensing districts, it is only in order that they may for convenience be divided, so that the will of the people immediately affected by any license sought may be expressed at a local option poll, and in order that those who have a direct interest one way or the other, may have a vote in the decision as to whether licenses should be granted or withheld. When these licensing districts have been proclaimed, it is proposed that there should be an election of licensing committees. The chairmen will be the magistrates appointed by the Governor. There will be four members elected to each committee by the people in each licensing district, and the elections will take place at the same time as local option polls dealing with

the issue of any new licenses that may be applied for.

MR. GREGORY: Will any publicans be allowed on the committees?

THE PREMIER: There are limitations as to who may serve on committees. Any elector living in the district who is not subject to disqualification may serve on a committee, but the disqualification is:—

> Any person who is a brewer, spirit merchant, maltster, or importer for sale of or dealer in intoxicating liquor, or in partnership with any such person, or a shareholder in an incorporated company carrying on any such business, or who is the owner or part owner of any licensed premises.

At 6·30, the SPEAKER left the Chair.
At 7·30, Chair resumed.

THE PREMIER (continuing): When the sitting was suspended, I was dealing with the question of the election of licensing committees. The member for North Coolgardie had asked a question, whether it was proposed from these committees to exclude teetotallers. I had given the disqualifications, and the fact of a man being a total abstainer is not one of those provided in the Bill: in fact it is provided that any person, no matter what his opinions may be in regard to the licensing law, in spite of the fact that he may have publicly spoken on one side or the other, shall not on that account be disqualified; and this is but reasonable seeing that after all the adoption of total abstinence is a personal practice, and the object of getting licensing committees is to get a committee that is in accord with the views of the electors of the particular licensing district. If therefore the electors wish to reduce as far as possible the number of licensed houses in a district, they will do their best to get a number of persons on the committee whose opinions are in accord with theirs, and it would be wrong to disqualify a man because of his opinions on one side or the other. The only disqualification in the Bill is that of personal interest, because it is recognised that if any person has a financial need to serve, he may endeavour to advance his own position of committeeman, and it would be extremely unwise to allow him to do so. It is proposed that these committees shall be elected at the same time as the local option polls are held. It is proposed that any elector residing in a district shall be eligible to serve on them.

Poll to be taken, three years.

It is likewise proposed that the polls for the election of the committee shall be taken every three years. It has been suggested that these local option polls should be taken at the same time as the parliamentary elections are held; but the difficulty in regard to this matter is that if we adopt this practice, as the life of a Parliament is very uncertain, there may be two local option polls occurring within a comparatively short period.

DR. ELLIS: That was before payment of members.

THE PREMIER: Even now I can assure the hon. member the life of a Western Australian Parliament is not certain to last for three years.

DR. ELLIS: It looks like it now.

THE PREMIER: The member may discover that a little later. It would, however, be a distinct disadvantage to have these polls occurring with unnecessary frequency; it would cause a certain amount of unrest and lead to a certain amount of unnecessary expense. The proposal therefore is that the poll shall be held in November every three years, on a date to be determined by the Government; and this opportunity for the Government to determine will enable the Ministry of the day, if they think it desirable—probably they will—to hold the local option polls and licensing committee elections on the same day as municipal elections are held, and it will thereby give another cause for voting at the election. A greater proportion of the electors will have another cause to go to the election ballot. If that practice be adopted we can expect a fair amount of interest to be shown at the polls. Apart from that, I have been present in places where local option polls have been held on days when no other election has been proceeding, when there has been nothing but the local option polls to draw the people to the polling booth, and as far as my experience goes there was nothing to indicate a want of interest in the elections. If the electors desire an increase or a decrease of licenses, we shall no doubt find here exactly the same as has been experienced in other places: people will

readily and eagerly take the opportunity of having their views expressed at the ballot-box, so that later on they may be translated into practice.

New Districts, fresh poll.

But it may be urged that in Western Australia there is a liability that at any time new districts may spring into existence, population may be suddenly concentrated within a very short period in places where, at the time of the local option poll, there was practically no settlement. In order to meet that difficulty power is given in the Bill to enable persons in any district specially to petition for an extraordinary poll. It is provided that the Government may authorise the holding of such a poll provided that satisfactory evidence is given to show there has been a sudden increase of population, and that therefore the decision given at a previous poll may be expected to be reversed. In other words, if it be shown that some new requirement has grown up the Government shall have power to enable that requirement to be met. These proposals, bringing as they will the authority that issues licenses thoroughly into touch with the will of the electors of the district, will give a second guarantee that the will of the people of a district shall be carried out.

Monopoly, how it operates.

It might be urged against the proposals in regard to local option accompanied with a proposal to give 10 years' notice to existing licensees, that by taking this action the House will be building up a very powerful monopoly, will be building up a monopoly which will make a few individuals wealthy in the community at the expense of the great majority. In reply to that statement I want to put before the House this view: wherever you have a licensing system, wherever you have anything but free trade in the sale of liquor you must necessarily have a monopoly. Already in this State as in all British-speaking communities there has been built up a powerful and wealthy monopoly, built up by the Government of each State, and a few individuals are making an enormous profit out of it. That monopoly exists in Western Australia as everywhere else at present, and the mere question whether it shall be confined to 700 persons or whether another 200 or 300 may be permitted to share in the profits of the monopoly is not an important consideration from a State point of view. Unfortunately the State after building up the monopoly has received no return whatever. The State receives from every person to whom a publican's general license is granted £50 per annum, and when this license is granted it confers a greatly added value to the price which was paid. I will give the House a few figures in regard to what has been done in the Perth licensing district itself. There have been during the past twelve months or so a number of leases let for different public-houses in the city or the immediate suburbs, and I will give members a few figures in regard to these leases. The first I have on the list is the Governor Broome hotel, the lease of which was let at a rental of £22 10s. a week for a term of eight years, with an ingoing of £8,000 for the lease. Members will readily understand that neither this £8,000 ingoing nor the £22 10s. per week rental or anything like them could have been got but for the fact that a license existed for the premises; yet the State has given that license, has created that goodwill, and has received in return £50 a year. Another hotel, the Royal, is let at £31 10s. a week on a seven-years lease, for which there was an ingoing of £8,000 paid. The Bohemia brings in a rental of £22 10s. a week on a seven-years lease, with £6,000 ingoing.

MR. GREGORY: You ought to try and attach some of these goodwills.

THE PREMIER: I shall say a word or two on that point directly. His Majesty's hotel, £40 a week rent, with lease for eight years, £6,000 ingoing, and in addition the premises were let unfurnished and the licensee or lessee undertook to do the furnishing, which represents a very substantial increase on the £6,000 paid for the ingoing. The Kensington hotel, £15 a week rent; ingoing £1,500 for a five-years lease. Globe hotel, £20 a week; £5,000 for a lease of five years. Federal hotel, £20 rent; £4,000 for a lease of four years. Great Western hotel, £25 rent; £5,000 for a lease of seven years. Railway hotel, £20 rent; £7,000

for a lease of seven years. Court hotel, £15 rent; £6,000 for a lease of seven years. Subiaco hotel. £20 rent; £3,500 for a lease of five years. These figures will indicate that already a very substantial monopoly has been built up by the State, from which the State itself is getting no return. In other words, the State is at present making a present to a small number of persons of a very handsome monopoly, and those persons are giving practically no return for the gift they have received. I have mentioned hotels that have recently been let on new leases. There are a number of the principal hotels of Perth the existing licenses of which will shortly expire. Members will see, therefore, that in the near future, if the law remains as it is, a repetition of what I have indicated will occur. Some of the leases that will fall in within the next eighteen months are those of the Shamrock, the Criterion, the Grand, the Cremorne, the United Service, the Beaufort Arms, the Imperial, and the Brisbane. And good as are the results of the prices given for those I have already quoted, undoubtedly some of those on the list likely to fall in shortly can be expected to be substantially better.

MR. MORAN: Who pays for those goodwills?

THE PREMIER: The public pay for them in the profits that are earned by reason of a license granted by the State.

Licensing Fees, on annual value.

That brings me to another portion of this Bill, dealing with the license fee; but before going to that I wish to mention that the same condition exists in Great Britain as well as in all the other States, and has existed for years. As far back as 1880 Mr. Gladstone expressed the opinion that the value of public-houses throughout the country had been largely augmented of late years by legislation, and that Parliament should lay some tax on the additional value which the property had acquired. Mr. Chamberlain, speaking on the 14th October, 1901, on the same subject, stated that the market value of the licensed houses in Birmingham in 1876 was £900,000, and that now (in 1901) six times that sum would not buy them. If the State built up a monopoly of this description, which results in such large profits being made by reason of the mere fact that a license is possessed for certain premises, then the State should get some return at all events larger than the £50 license fee, for the concession given to the owner or lessee of those premises. In order to deal with this question, the Bill before the House proposes that the license fee should be based on the annual value of the premises, and that the annual value of the premises should be determined by the licensing committee; that the committee should base that determination upon the rent likely to be paid for the licensed house.

MR. GREGORY: The goodwill comes in so much there.

THE PREMIER: In considering the rent likely to be paid, they would take into account any ingoing, any premium, any fine paid or likely to be paid for the lease for a given term. In order that this may be arrived at as fully as possible, it is proposed in the Bill that the Colonial Treasurer should have the right to be represented before the licensing committee when any such annual value is being assessed, and that he should have the right by his representative to cross-examine witnesses, and to produce evidence in order to enable the licensing committee to arrive at a decision. Then when that annual value has been determined, it is proposed in the schedule of the Bill that the license fee should be 25 per cent. of the annual value as assessed by the licensing committee, for a publican's general license, for a hotel license, for a wayside-house license, and a wine and beer license; but that in the case of a publican's general license the minimum fee should be £50; in the case of a hotel license the minimum should be £20; in the case of a wayside-house license the minimum should be £10; and in the case of a wine and beer license the minimum should be £10. This, I think, would be a far better principle to adopt than the principle at present prevailing of charging a fixed license fee, independent altogether of the value of the license; and it would have this effect, that it would reach, in my opinion, the person who gets the profit out of the business.

MR. GREGORY: You put the penalty on the better-class hotel, and the small shop would have to pay a smaller sum.

THE PREMIER: I think the hon. member hardly realises my argument. My argument is that it is not a penalty at all, but that it is a return given by the private individual who gets a benefit conferred on his premises. The argument is that as the State has built up this profitable business for the individual, the individual should, out of the profits received, contribute more substantially than he does at the present time to the revenue of the State; and of course the contribution would be purely based on a proportion of the profits. I do not think there could be any fairer method of dealing with these license fees.

MR. MORAN: Only with income tax. Then you would get the exact income.

THE PREMIER: At the present time the license fee usually, I believe, falls on the licensee. If this method of assessing were adopted, it would, I believe, ultimately fall on the holder of the house; because, after all, it is the owner of the house and not the licensee—who may be here for one term and gone the next—who gets the great advantage of the monopoly conferred by our licensing laws.

MR. MORAN: Not at all; but the man who gets the long lease. In many cases it is the licensee who gets the good times and the owner gets nothing. Goldfields hotels, for instance.

THE PREMIER: The way in which these hotels and leases of these hotels are usually disposed of is by tender.

MR. MORAN: That is the exception and not the rule.

THE PREMIER: It has become a very common rule nowadays.

MR. MORAN: It has not been so in the past.

THE PREMIER: I admit it is comparatively new, but at the same time it is the existing rule in the principal cities of Western Australia, and a rule which has proved so satisfactory in its operation to those who have the premises to let that it is very likely to be continued. In arriving at the price that he can pay, a tenderer will naturally have to be guided by the amount of license fee he contributes, and if he finds that quarter of the amount of rent he pays is to be paid to the State as a license fee, then naturally he will have to reduce his offer to the landlord by that fourth. But the permanent value of a license attaches not to the man who temporarily holds it, but to the building in which the business is carried on, and I think, therefore, that the person who gains the rents and the profits earned by the building should be fairly required by the State to contribute from his earnings in the shape of a substantial license fee. That is the proposal at all events embodied in the Bill before the House.

MR. MORAN: Not to interfere with existing leases.

THE PREMIER: The hon. member raises the point that existing holders of leases will have to be protected by any Government; and if they are not protected under the Bill as it is, I am quite willing, anxious I may say, to see that before the Bill emerges from this House due protection is given to them.

Wine and Beer Licenses.

Another amendment proposed is the abolition of wine and beer licenses. There are not a great many of these licenses now existing, the number throughout the State being 47. These licenses have been got rid of in a great number of instances, being changed in some places by the licensing benches into publicans' general licenses; and I think it would be far better to have the whole of these changed in the same fashion. There can be no special reason why these wine and beer licenses should be issued in future. While the rights of any person holding them are protected by this measure, it is proposed that in future no new licenses of that description should be granted.

MR. GREGORY: You are making them a nice little present.

THE PREMIER: There is no proposal to make them any present in the Bill at all. The proposal is that they shall stand on the same footing as the holders of publicans' general licenses; that they shall get their ten years' notice, and that at the end of that time their licenses shall be liable to be dealt with as the licensing committee think proper. There is provision in the Bill to enable occasional licenses to be granted by the licensing committee in order to provide for special affairs, say like agricultural shows or any special event seldom occurring in the district, during the term of which it might be desirable to afford opportunities to a licensee to trade some-

what longer than the normal hours. There is also provision for the issue of theatrical refreshment-room licenses, which are available only for the sale of liquor during the time the concert or public performance of some description is proceeding.

State Hotels, priority.

In regard to the State hotels, the proposal is made that when any district, on a local option poll, expresses the desire for a new license, it shall be at the option of the Government to notify the licensing committee within six months that it intends to open a house in that district. Upon that notification being given, if it relates to the full increase authorised by the local option poll, the licensing committee shall refuse to issue any new license to any private applicant, and the Government is empowered by this Bill, without applying to any agent of the licensing bench, to open a State hotel where a local option poll has demanded a new house. But it is proposed that these houses shall, where opened, be subject to the same conditions as those by which any privately-owned establishment is governed, except in regard to license fees. The Bill contains provisions as to Sunday trading. It is proposed to vary the law on that subject, to the extent that no licensee need necessarily supply even a *bona fide* traveller on Sunday; in fact, on that day a licensee can entirely shut up his house, on the one condition that he must have on the front of his hotel a printed notice that it is closed on Sundays. If he complies with that requirement, then he can refuse to serve any *bona fide* traveller on Sunday. If, on the other hand, a hotel does not adopt that practice, the licensee may require any person claiming to be a *bona fide* traveller to sign his name in a book kept for the purpose, and to write therein the name of the place where he spent the preceding night, so as to prove the genuineness of his representation.

Club Licenses.

There are provisions relating to clubs. The present law regarding clubs is highly unsatisfactory. A club certificate can very readily be obtained. It is mandatory with the licensing bench to grant a certificate when certain very mild conditions are complied with; and when that certificate has been granted there is no need whatever for its renewal. No supervision whatever is exercised over clubs which come into existence. However, in this Bill are provisions embodying principally the sections of an Act passed two years ago in Great Britain, dealing with the same subject. These sections provide not only for an application to be made in the first instance by the members of the club, but provide also for any person living in the district the same right of objection to the issue of a license as such person would have to object to the issue of a publican's general license. They provide that in the first instance a fee of £5 shall be charged on the original application for a club license, and on every renewal a similar fee of £5, with the addition of £1 per cent. for every £100 of revenue received by the club over the first hundred, thus making an attempt to charge the club to some extent in accordance with its revenue.

MR. MORAN: What about club Sunday trading?

THE PREMIER: There is no provision as to that, save that one of the grounds of objection to the issue of a club certificate may be that the place is intended to be used mainly for the purpose of drinking or of gambling. That will be a legitimate objection to the issue of a club certificate, or, if issued, to its renewal. There is also power given to the licensing committee, on an information being laid, to authorise an inspector to visit a club, and in certain contingencies to seize the books; and power is given to cancel the club certificate, or if there be a reasonable case proved at the outset, to suspend the certificate until the allegations made have been inquired into by the committee. The clauses give full power of supervision, full control over clubs. In addition, these clauses taken from the sections of the British Act have been introduced into the Queensland law, and are at present working very satisfactorily there. I believe they will do much to remove a number of complaints made here as to the ease with which club licenses are obtained, and with which such licenses, once having been issued, are retained when the club has perhaps ceased to serve the purpose for which it

was formed. One of the provisions regarding clubs is that when applying for renewal of license, a book of the rules and a list of the members, certified to under a statutory declaration by the secretary, must be supplied; and whenever any additions or alterations are made to or in the rules, notice of such additions or alterations must immediately be given to the licensing committee, and a copy of the same supplied to their clerk. This will enable the committee to satisfy themselves that the purpose of the club has never changed; and such change will not be permitted, unless there be a very good reason to justify it, without interfering with the club certificate.

Adulteration of Liquor.

As to the adulteration of liquor, the existing law is practically re-enacted. A new provision is made in respect of the supervision and control of licensed premises, in that inspectors may be appointed to undertake this work. Inspectors have, I think, been appointed in every State but this; and there can be no question that here we need more rigid inspection of licensed premises than has been given them in the past. The report made by the recently-appointed inspector of liquor of his first half-year's work proves this; for he mentions that although a number of hotels are very well kept, on the other hand there are many in which the premises, and even the bars, are in a dirty and unsatisfactory condition. The duty of the inspectors will be not only to report on applications for licenses, not only to report on the first application, but likewise to exercise from month to month a reasonable supervision, in order to see that the Act is enforced, that the obligations of the licensees are observed, and to report to the committee from time to time when applications for renewals of licenses are made.

Barmaids.

Another important proposal in the Bill is that women shall not be employed to sell liquor in bars. The Bill, however, contains a limitation of this general prohibition, and the limitation is in favour of any person who has been *bona fide* employed for a period of at least five months prior to the 31st December next; in other words, no one is prohibited who was employed on the first day of this month. That period has been fixed in order to prevent any injustice to those already earning their livelihood by this means, and at the same time to prevent any persons being introduced to bars with the object of gaining the protection of this Bill, until Parliament has had a chance either to confirm or to reject the measure. The reason for the prohibition is that the associations of an hotel bar are in some cases not suitable for female employees; and it is thought it will be to the advantage of the women themselves to encourage them to seek some more suitable avenue of employment. I think I have explained the principal departures from the existing law proposed to be made by the Bill. I hope it will receive the favourable consideration of this House; and I believe that if it be passed, or if its main provisions be adopted, they will make a substantial improvement on our existing licensing measures. I beg to move the second reading.

MR. C. H. RASON: I move that the debate be adjourned till this day fortnight, and I trust that considerable time will be given in order that the Bill may be carefully threshed out. It is a somewhat voluminous measure.

Motion passed, and the debate adjourned.

ADJOURNMENT.

The House adjourned at thirteen minutes past 8 o'clock, until the next Tuesday.