

# Legislative Council,

Thursday, 27th November, 1924.

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

## QUESTION—MINING INDUSTRY, ROYAL COMMISSION.

Hon. J. CORNELL asked the Colonial Secretary: 1, Do the Government propose to give effect to the following remarks, contained in the Governor's Speech of 24th July of this year, viz.:—"It is proposed to appoint a Royal Commission to consider conditions affecting the mining industry, and make recommendations with a view to improvements?" 2, If so, when?

The COLONIAL SECRETARY replied: 1 and 2, Negotiations have been proceeding for months past, and it is anticipated that finality will be reached within a few days.

## PRIVILEGE—LATE F. W. LAWSON.

Hon. A. Lovekin and Mr. George, M.L.A.

Hon. A. LOVEKIN (Metropolitan) [4.33]: Standing Order 106 provides that when a matter or question directly concerning the privileges of the Council or any committee or member thereof has arisen since the last sitting of the Council, a motion may be made, etc. I do not propose to take up the time of the House by making anything more than a formal motion under that Standing Order. I do think, however, I ought to draw attention to what seems to me one of the most despicable acts that in a long course of years I have ever heard of. Members know that the late Engineer for the Metropolitan Water Works came to an untimely end about a fortnight ago. Following upon that an inquest was held, and according to the report of that inquest it appears that a member of another place went out of his way to attend the inquest, to ask permission to put questions to one of the witnesses, who apparently was very loth to answer them in the circumstances, with a view to trying to connect

me with having contributed to the cause of the death by something which he himself admitted was of ancient origin. I must, if you will pardon me, read a short portion of that evidence to show members the nature of what was put up. I must preface the reading of this by saying that the whole thing is quite untrue and not warranted. When the evidence was concluded Mr. George asked permission to ask the witness, who was the father-in-law of the deceased, a few questions. When he was given permission to do so he proceeded in this way—

Mr. George: Did Mr. Lawson discuss with you the proceedings being held at Parliament House?—Yes. Every day.

And did he express any opinion as to the treatment he had been receiving from the members?—Yes, but I don't remember just what he said.

Did he make any reference to any particular member of the Commission?—I don't remember.

Did he make any reference to any papers?—No. He said the papers were very fair except the "Sunday Times." He took exception to the comparisons that were untrue.

Did he mention Mr. Lovekin?—Yes. He frequently mentioned Mr. Lovekin's name in discussing the committee of inquiry.

Did he ever refer to an ancient quarrel with Mr. Lovekin?—Yes; now you remind me, he did speak of a quarrel.

Was he regretfully sorry or bitter in his remarks about Mr. Lovekin?—(Witness did not reply to this question).

Did he say something about beating him in a law case about £100?—Yes. He said Mr. Lovekin had never forgiven him for beating him in a law case about £100.

He did say something about he beat him in a law case about £100?—Yes. Something like that, now you refresh my memory. He mentioned Mr. Lovekin on several occasions with reference to the Commission.

Mr. George was proceeding to ask further questions when Mr. Leake, who appeared for the widow, interjected that the evidence had no bearing on the inquiry, and that the witness had not been called for that purpose. Mr. George had been called to give evidence of identification. I do not propose to go into the details, but there was a question that arose in the year 1915 over a sum of £100. The full details appear on the papers I have obtained from the solicitors this morning. I have the file here. It appears that Mr. Lawson issued a writ against the proprietors of the "Daily News" concerning a paragraph, which is shown on the file. In the ordinary course of events Mr. Pilkington, K.C., put in a defence for us,

and in the usual way paid £100 into court, as lawyers always do in a libel case. This is the means by which costs are saved if it so happens that a small verdict is given against one. This was done in the ordinary way, and subsequently Mr. Lawson drew the £100 out of court and said he was satisfied. He paid our solicitors our costs after we had paid in the £100. It is concerning that that it is suggested I had borne ill-will against this unfortunate man over so long a period, and that I had it wrapped up in my breast to have vengeance upon him before the select committee. I had indeed forgotten all about the circumstances, and could not have related the facts until I obtained the papers. If I had had an equal opportunity with Mr. George at the inquest I could have shown that not only was there no harbouring of malice against this unfortunate man, but that since the period mentioned I had been a friend to him and had helped him. The last words Mr. Lawson used after leaving the select committee, when I asked him to lunch—this does not show any ill-feeling, for he had had lunch with us two or three times before—were that he had no complaint to make against the committee, and that we had all treated him very fairly. He could not stop to lunch that day because he said he felt ill and had to go away. Other members of the committee will bear this out. Upon this it is suggested by Mr. George in the public Press that I had borne malice against Mr. Lawson. The whole thing was so uncalled for. Mr. George had no right to be present at the inquest. He went out of his way to catechise the unfortunate father-in-law with a view to leading the public to believe that I had been a party contributing towards Mr. Lawson's death. I do not wish to say any more, but under the Standing Order I have quoted I move—

*That these papers do lie upon the Table of the House.*

The papers will then be there for anyone to read them.

Question put and passed.

#### SITTINGS, ADDITIONAL HOURS AND DAYS.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [4.42]: I move—

*That during the month of December the Council shall meet for the despatch of business on Tuesday, Wednesday, Thursday, and Friday in each week at 3 p.m.*

Before tabling this motion I consulted members, whom I found in accord with the step I proposed. It is my intention, if the motion is carried not to sit later than 10 o'clock in the evening. I think we shall

then be in a much better frame of mind to continue business on the following day.

Hon. J. DUFFELL (Metropolitan-Suburban [4.43]): It would be as well if we reminded the Leader of the House, as we did Mr. Colebatch on a similar occasion, when he was asking us to pass a motion of this kind, that the additional sittings are for the purpose of clearing up the Notice Paper. That being so, it can be taken for granted, and I hope the Leader of the House will give us that assurance, that no new measures will be introduced during the remainder of the session. The Minister will understand that business men have to make some sacrifice to meet at 3 o'clock in the afternoon, and to continue sitting on Tuesday, Wednesday, Thursday, and Friday. It is with the object of assisting the Leader of the House to clear up the Notice Paper that we are prepared to make this sacrifice. I hope he will be able to assure us that no new Bills will be introduced for the remainder of the session, if he wishes to clear up the business paper before Christmas.

Hon. J. CORNELL (South) [4.44]: I cannot subscribe to what Mr. Duffell is advocating, for he is asking an impossibility of the Minister. The Leader of the House is only representing the Government in this Chamber.

Hon. J. Duffell: This House refused to give Mr. Colebatch permission to introduce new business after such a motion had been passed.

Hon. J. CORNELL: If the Government as represented in another place send measures to us the Minister is in duty bound to submit them.

Hon. J. Duffell: We agreed to that. I refer to business emanating from this Chamber.

Hon. J. CORNELL: It would be new business if it came from another place.

Hon. J. Duffell: Not from this Chamber.

Hon. J. CORNELL: What does the hon. member term "new business?"

Hon. J. Duffell: It will be remembered that Mr. Colebatch asked the leave of the House to introduce a Bill at a time when we had partly cleaned up the Notice Paper, and the House refused permission. It is to that I am referring, not to anything emanating from another Chamber.

The PRESIDENT: What you mean, I take it, is that no fresh Bills are to be introduced in this Chamber, but that we can deal with measures coming from another place.

Hon. J. Duffell: No new Bills should be introduced in this Chamber to be sent on to another place for their consideration.

The PRESIDENT: That is what I said.

Hon. J. Duffell: I did not catch your remark.

The PRESIDENT: Of course we have to deal with measures that are sent to us from another place.

Hon. J. CORNELL: In view of Mr. Duffell's explanation we now understand what he meant. We do not wish to commit the Minister to anything definite. The business in this Chamber is in our own hands. It is within my recollection that on one occasion we refused to make this concession to Mr. Colebatch when, as Leader of the House, he asked leave to introduce a Bill in the circumstances that have been indicated. It would be better to adopt that course than to attempt to bind the Minister down to something definite now. Circumstances may arise that will make it necessary for the Minister to introduce new business. If he does so we are the judges as to whether we shall permit it to be done or refuse the permission if in our opinion the circumstances do not warrant the introduction of that new business. I do not subscribe to the references to the sacrifices that have to be made by members. I recognise the duties attached to my position.

The PRESIDENT: There are no conditions attached to the motion.

Hon. J. Duffell: None whatever.

Hon. H. STEWART (South-East) [4.47]: As one of the country members who will be affected by the motion, I would prefer to sit at an earlier hour on Friday, thus enabling the House to adjourn at a time that would permit of country members catching their trains. My own domestic arrangements are such that I shall not be able to be present on Friday evenings, but that is a personal matter and cannot influence the position. I am prepared to devote any hours that may be decided upon between Tuesday morning and 3 p.m. on Friday, whether it be necessary to sit after Christmas or not. The work to be done should be attended to properly, and I am prepared to sit as long as is necessary in order that our work may stand the test of time and that it may not be rushed through during the concluding stages of the session. I will support any move in the direction of sitting earlier on Friday and adjourning at 3 p.m. that day.

Hon. J. J. HOLMES (North) [4.49]: I welcome the change proposed by the Leader of the House. What I am concerned about is late sittings towards the end of the session, when business is rushed through at an hour when we cannot give adequate attention to it. That is not from any desire to shirk responsibility, but merely on account of the fact that there is a limit to our capacity. If the Minister desires to finish up the session before Christmas, I urge upon him not to overload the business paper. I am prepared to do all that is possible between the hours of 3 p.m. and 10 p.m., or even to sit earlier on Fridays and to adjourn at an earlier hour as suggested by Mr. Stewart. If we are to be overloaded with legislation addi-

tional to that which appears on the Notice Paper now, the task will be too much to expect us to conclude the session before Christmas. To put a limit on the Bills to be introduced, as has been suggested, would not be right. However, I ask the Leader of the House, if he desires to finish before Christmas, to see that the Government do not introduce any more contentious legislation here or in the Legislative Assembly. Such legislation might take us over the Christmas period and on into the new year.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central—in reply) [4.51]: I certainly cannot give the assurance desired by Mr. Duffell. There are several Bills before the Assembly now.

Hon. J. Duffell: I am not referring to them.

The COLONIAL SECRETARY: A Bill dealing with local option is to be brought down.

Hon. J. Duffell: You are not to introduce that here?

The COLONIAL SECRETARY: I cannot say; I have had no instructions regarding that matter. Apart from the Bills before the Legislative Assembly now, the only Bills to be introduced, so far as I am aware, are the Land Tax and Income Tax Bill and the Local Option Bill. I have not inquired whether the Government intend to introduce any further measures. For my own part, I do not welcome much additional legislation. I am in a far worse position than are hon. members and if the burden of legislation is increased much beyond the present stage, I shall not be able to handle it intelligently. It would be impossible for me to do so and the very fact that I am asking the House to sit earlier is some indication that I shall be able to deal with the legislation that will come before the House.

Question put and passed.

## CONDUCT OF DEBATES.

### *Remarks by the President.*

The PRESIDENT [4.53]: There is a matter to which I desire to refer. I have noticed during the debates that there is a great tendency on the part of members to refer to other hon. members as "my hon. friend" or "the hon. gentleman." However much hon. members may be entitled to those designations, it is neither customary nor Parliamentary to make use of such references. To my mind there are three ways in which references may be made to hon. members. One is "the hon. member," who, probably, has just sat down; another is "the hon. member Mr. So-and-so," while the third is "the hon. member for the West Province," or whatever place he may be representing.

Hon. J. Cornell: When it comes to a chorus what shall we say?

The PRESIDENT: I wish to draw attention to this matter, because when strangers come here and sit on the floor of the Chamber or elsewhere, they should not be allowed to think that we are ignorant of the customary and, I might almost say, the elementary rules of debate. I wish to point that out for the information of hon. members.

#### BILL—INSPECTION OF SCAFFOLDING.

Report of Committee adopted.

#### BILL—BILLS OF SALE ACT AMENDMENT.

Read a third time and transmitted to the Assembly.

#### BILL—ALBANY LOAN VALIDATION.

##### *Second Reading.*

The HONORARY MINISTER (Hon. J. W. Hickey—Central) [4.56]: The Bill is a short one and provides for the validating of a loan recently floated by the Albany Municipal Council. Some time ago the council raised a loan of £3,000 for the reconstruction of certain streets and for additions to the municipal crushing plant. They duly complied with the Act regarding the necessary advertisements and they also held a referendum. They proceeded, however, with part of the work in anticipation of the loan being raised. At the instance of their lawyers, the bank concerned pointed out that the terms of the Act had not been strictly complied with. It is in order to overcome the difficulty and validate the loan that the Bill is necessary. I move—

*That the Bill be now read a second time.*

Hon. A. BURVILL (South-East) [4.58]: I support the Bill. It is necessary merely to overcome an irregularity. I know nothing about the matter officially. In fact, there is what I regard as a second irregularity about the question, and that is that, so far as I am aware, the members for the district either in this Chamber or in the Assembly, have not been notified regarding the necessity for the Bill.

Question put and passed.

Bill read a second time.

##### *In Committee, etc.*

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

#### BILL—PREMIUM BONDS.

##### *Second Reading.*

Hon. A. LOVEKIN (Metropolitan) [5.3] in moving the second reading said: I will take up as little time as I can in moving the second reading of this Bill. I do not propose to go into the ethics of gambling, as we have had a very full discussion on that subject and I think we quite understand the various viewpoints. I may be permitted to read three or four lines written in the period of James on the subject of gambling, because they fit appropriately just now—

I cannot attribute it (gambling) to the principle of mere avarice of money, though in most I fear it is so, but rather think the contingency of winning and losing and the expectations therefrom are diverting. I conceive there would be no pleasure, properly so called, if a man were sure of winning always. It is the reconciling uncertainty of our desires that creates the satisfaction.

I think that applies to all of us, even when we play a harmless game of bridge. The Bill I am submitting will permit of the sale of premium bonds on the Starr Bowkett system. "Premium bonds" is a term that is synonymous with many others, notably "Tontine bonds," which have been issued from time immemorial in various forms, one of the earliest being an attempt to raise 25 millions for the French exchange by means of an association, the great prize going to the longest liver. Each share cost £300 and the subscribers were divided into 10 classes. In each class there was a drawing every year. This had the support of no less a personage than Cardinal Mazarin. In connection with one of these issues the sole survivor drew an income of £73,500 a year as the result of his investment of £300. I am not proposing anything of that kind. I have tried in the Bill rather to modify the general premium bonds system so as to provide not for a lottery, or a chance, or gambling in the ordinary sense of the word, but for an investment. By gambling I mean the practice of playing for a money stake.

Hon. T. Moore: It is a sort of shandy-gaff.

Hon. A. LOVEKIN: I am transferring this from the gambling aspect to the investment aspect, and that will appear to members as I proceed. In the first place one must look at the existing position of things in the State. As I said the other night, our hospitals and charitable institutions are in very great need of financial assistance. The State has a huge deficit and still requires more money. Next we have the taxpayers groaning under such a burden that they are unable to develop their businesses and so create further employment and prosperity. We have this factor, too, that although the

State may be in a position to borrow money in London for necessary public works and other purposes, the premium at the present time on sending money from London to Australia is so high that the money cannot be transferred except with great difficulty. Further than that there is an insufficiency of local money available to meet State needs. In these circumstances, it seems to me we ought to try to meet the position, especially when we find that tens of thousands, indeed hundreds of thousands of pounds are going out of the State every year for investment in Tattersall's sweeps and the lotteries in Calcutta, and in various other places, where people are inveterate gamblers, and where apparently they have money to burn. It seems to me that we ought to take the opportunity, if we can possibly do so, to divert that money into our own channels, so that it may be used for our needs. Hon. members are against gambling by putting in £1 and drawing for a prize, and the matter ending there. I have no complaint against them on that score, and especially when it is suggested that money should be raised for our hospitals and charitable institutions by those means. I have had the premium bonds scheme in mind for several years, in the hope of being able some day to divert in our direction the waste money which now flows elsewhere. Members will see that the Bill accomplishes what I have in view. In order to divert that money we must, as Dr. Saw has said, find "a better 'ole." I believe the Bill will do that. We can find "a better 'ole" than Tattersall's. Tattersall's has a reputation and depends for its success upon the scrupulous conduct of its consultations. If we are to succeed in any of our proposals, we must find something that will successfully compete with Tattersall's. It is perfectly true that under the Bill the prizes cannot be as much as those offered by Tattersall's, but, on the other hand, there will be many more chances. In Tattersall's there is one chance, after the money has been invested, and that is the end of it. Under the scheme I am propounding, a person will have from 60 to 80 chances of getting a prize, though the prizes may not be as large as those given by Tattersall's, and at the end of a period—this shows there is no gambling about it—the investor will get the amount he has invested returned to him intact. In other words, all he can lose under this scheme is his interest, and when he loses that he has the satisfaction, first of knowing that half of the interest has gone to the charitable institutions, and he will know also that he has been the means of providing money for the Treasury, which needs it. Another point I wish to mention, and this is where the weakness lies, is the fact that premium bonds will not produce very much money in the first few years. The reason is that we are concerned with the interest only, whereas in the other propositions the whole of the

principal is dealt with. Therefore we cannot expect to get as much from the interest per centage as would be the case with the principal. Knowing as I do the success that has followed the premium bonds scheme in other places, I am satisfied that if I had the handling of the proposal, I should, in the course of five or six years, have no less than four or five million pounds invested in it. In connection with an ordinary lottery you put your £1 in; the lottery is drawn and that is the end of it; you have to begin again. Under the premium bonds scheme the £1 that is invested is like the snowball, it is always there; others come along and add to it. So it proceeds and, like the snowball, becomes of big dimensions in the space of a few years. The French and Germans and others are constantly promoting these lotteries. I could furnish hon. members with some data but for the fact that I handed the papers I possessed to the Honorary Minister in another place, who introduced the Lotteries Bill there. I know from my own knowledge that in places like Amiens and Brussels, they promote the premium bonds scheme on lines different from those foreshadowed in the Bill. They issue these bonds at a low rate of interest, and they draw for the interest that is paid. The municipality thus gets its money at a low rate. As an example, suppose the value of money at the time is five per cent.; then the municipality would pay three per cent. on the bonds, and would hold drawings for it. These bonds are very popular. Interest at five per cent. on £1 is 1s. per year, which is not worth any man's while to collect; but he may, by leaving it in the pool, draw a prize of some value to him. This morning I have received a letter stating—

It is with satisfaction I note that you are proposing to introduce a premium bonds scheme. I know that the Liverpool agent, Mr. Mason, does a very large business in connection with these issues. The agents are paid on a commission basis, similar to brokers' commissions on ordinary Government bonds. Western Australia could easily inaugurate this system, provided that agents were appointed in different towns of the State.

That, of course, would be done by the board which I propose under the Bill. The board would have to arrange the business. I think that if we give the scheme a few years, we shall have a permanent and steady income for charities, although during the first year or two, while we are breaking the ground, the results will not be very great.

Hon. J. DUFFELL: Can you give us some idea of what would be obtained in three years' time?

Hon. A. LOVEKIN: If I had the organisation of the scheme myself, in four or five years' time I would have four or five millions of money in it, because I would exploit the places where money is available

and where the people like their little flutters—where there is plenty of waste money. There is, in fact, plenty of waste money here, but not enough for my scheme. However, such a scheme would draw money from all parts of the world. Members of the House of Commons have sent to me to get tickets for them in Tattersall's; and I am perfectly certain that anyone who would take a ticket in Tattersall's would take a premium bond. And there are the vast hordes in the East who put hundreds of thousands of pounds into sweeps. They would come into a scheme like this, in which they cannot lose their money, and in which they would have 60 or 80 chances of winning a substantial prize during the 30 or 40 years' currency of the bonds. The money would come in in considerable amounts as soon as the scheme became known.

Hon. H. Stewart: How much are subscribers likely to get at a drawing?

Hon. A. LOVEKIN: It depends upon the amount of bonds subscribed. If there are £100 worth of bonds, the subscribers would get only a few pounds at a drawing; if there are a million pounds' worth of bonds subscribed, the subscribers would get £30,000 or £40,000 at a drawing. The prizes would vary from year to year, as the pool progressed. The Bill provides that the money shall be invested only in British or Dominion or State bonds. We shall have the use of the money, and if we can prevent the money from going out to Tasmania or Calcutta, we shall have done a very good thing. On the other hand we shall not be injuring the morals of the people by inaugurating a betting scheme. I have spoken to quite a number of clergymen regarding the proposal, and all of them have told me they see no objection to the scheme, because it is in the nature of an investment and not in the nature of gambling—the capital being always intact. If a man wants the pound he has put in, he can dispose of his bond to the next man and get the pound. Here I have some lottery tickets I received this morning, tickets in the Gosford art union. I have no idea what it is. I get dozens and dozens of these things, and I suppose other members get them too. I am asked to go around and sell these tickets, but I never keep one for myself. If the lottery is for a good charity, I generally send back the price of the tickets.

Hon. J. W. Kirwan: Does the hon. member ever win a prize?

Hon. A. LOVEKIN: I never have the tickets; I put them below. In my opinion, the man who invests his money in a sweep like that should have his head read, because the chances are utterly against him. Whilst I would not put a pound into Tattersall's, I would put two or three hundred pounds into the premium bonds scheme straight away, because I look upon it in this way, that every year I have

to give so much to hospitals, and so much to charities, and that I shall be giving the hospitals and charities something which is permanent if I invest a few hundred pounds in the premium bond scheme. We know that half the interest will go to hospitals and charities, and we know that the State will get the use of the money, and, further, we know there will be 40 per cent. of the interest distributed in prizes which the subscribers may succeed in winning.

Hon. J. J. Holmes: If your scheme is to succeed, you must prohibit the sale of all other lottery tickets.

Hon. A. LOVEKIN: I am coming to that. The scheme proposed by the Bill is this: First of all there is a board to be appointed. Instead of a Minister, as under the Government Bill, who had the sole control and distribution of the funds, under my Bill a board of five persons will be appointed for that purpose, and the Bill provides that one of those persons shall be the Under Treasurer. I am not wedded to that suggestion. I put in the Under Treasurer because I wanted to make sure that people would have confidence in everything being fair and above board. The board, having been appointed, may issue certificates to the value of not less than £1 each to any person who desires to take a bond; and any person who puts in his pound is deemed to have invested during the whole term of the bond purchased with that pound, so that he cannot interfere with the scheme by calling for his money. If he wants his money back immediately he must sell his certificate to somebody else. Whenever the proceeds of the certificates, the issue of which would begin almost immediately, reached the sum of £500—I put £500 so that money will not be kept in hand—that sum of £500 shall be invested in British Government bonds, or British Dominion bonds, or State bonds. I expect the board would be prejudiced in favour of buying State bonds. My reason for including the other two descriptions of bonds is that Western Australia might possibly have a niggardly Treasurer, who, if the board were limited to investment in State bonds, might refuse to pay more than 3 or 4 per cent. interest. The board would receive the interest on the bonds they bought, and they would have to apply it in this way: Fifty per cent. of the interest would go to the support and maintenance of such hospitals and charitable institutions within the State as the Governor may approve. Forty per cent. would be used towards making provision for interest for subscribers. There is a proviso that the board in their discretion, in lieu of making payments to individual subscribers, may consolidate the amounts so due, and cause the same to be drawn for by lot in such sums as the board may from time to time determine. That is, the board, instead of paying away the interest derivable from these securities, half to hospitals and charities and half to subscribers, may pool the 50 per cent. pay-

able to the subscribers, less 10 per cent. for expenses, and distribute it by ballot in such prizes as the board may determine according to the amount in the pool. I consider that 10 per cent. for expenses is quite sufficient, because Tattersall's do very well on 10 per cent. while spending a huge amount in advertising.

Member: Weren't we told that the Golden Casket expenses were only 5.6 per cent.?

Hon. A. LOVEKIN: Yes. We shall want some money for advertising this scheme. There are machinery clauses—one providing that when a drawing takes place, everyone shall be deemed to have received his interest. Clause 8 stipulates—

Should any subscriber be successful in drawing a sum in excess of the £1 subscribed by him plus £4 as accrued interest, he shall not further participate in any drawing and shall be deemed to have been repaid his principal sum together with all accrued or prospective interest thereon. The principal sum shall thereupon vest in the board and shall be added to its interest receipts at the next following period.

Whenever a subscriber draws a £5 prize, he is taken to have received his principal back and also his interest, and the certificate then reverts to the board, and is used to augment the interest at the next drawing. Should any subscriber be unsuccessful in drawing any prize during the currency of his investment, but not later than 40 years—that stipulation prevents the board from investing for more than 40 years—he shall be entitled, on demand, to repayment in full, but without any interest. If within three years the interest is not claimed it goes back to the pool. Clause 13 provides that any bonds purchased by or on behalf of the board shall be lodged with the Treasurer for safe custody. Clause 14 provides that within 30 days after a drawing has been held the board shall distribute amongst approved hospitals and charitable institutions such sums and in such proportions as in its discretion may seem to be most beneficial, having regard to the whole State. But there is a proviso that any approved hospital or charitable institution that has been instrumental in procuring subscribers or in promoting the sale of certificates shall be entitled on such distribution to a grant equal to at least 50 per cent. of the full interest that has accrued to the board by reason of such procurement of subscribers or promotion of sale of certificates. Then it is provided that it shall be obligatory upon every registered newspaper to publish, without charge, the results of any drawing received from the board. This will mean a little free advertising for the scheme. As a newspaper man, I say that these results will be of distinct value to papers. The newspapers will be receiving a good deal of advertising for the scheme, and the least we can ask them to do is to publish the

results of the drawings. That can be regarded as their contribution to the scheme.

Hon. A. J. H. Saw: Have you consulted the newspapers about this?

Hon. A. LOVEKIN: No, but I have been so long connected with newspapers that I have a pretty good idea of what is of news value and what is not.

Hon. T. Moore: Do you not believe in the freedom of the Press?

Hon. A. LOVEKIN: Certainly I do. Clause 16 will meet with the approbation of Mr. Holmes. It provides that it shall be unlawful to purchase or sell any ticket in a lottery or sweepstake promoted for the distribution of money prizes.

Hon. J. A. Greig: Would you make any exception in respect of trade unions?

Hon. A. LOVEKIN: I would make no exception whatever. It is further provided in the clause that it shall be unlawful to be in possession of any such lottery ticket, to be concerned or connected with the drawing of any such lottery or sweepstake, or to take part or engage in the collection of money in any public street for any purpose whatever. If the supporters of the charitable institutions want to collect money from people they will still be free to go to the homes or offices of those people, but will not be allowed to stand in the street and bail up passers-by.

Hon. J. W. Kirwan: Does this Bill appropriate money?

Hon. A. LOVEKIN: No.

Hon. J. W. Kirwan: It distributes money?

Hon. A. LOVEKIN: Yes.

Hon. J. W. Kirwan: How can it distribute money without first appropriating money?

Hon. A. LOVEKIN: This is not imposing a burden on the people, nor is it appropriating money. It is merely for the distribution of voluntary funds.

Hon. T. Moore: What about advertising and other petty costs before the money comes in?

Hon. A. LOVEKIN: The board will find that money out of its 10 per cent. The board must have some discretion. However, this has nothing whatever to do with the Government.

Hon. J. W. Kirwan: Will the hon. member justify the Bill in accordance with Section 46, Subsection 8 of the Constitution?

Hon. A. LOVEKIN: This has nothing whatever to do with the appropriation of money. It is a Bill to enable people to run these lotteries and distribute the money.

Hon. J. W. Kirwan: How can the Government distribute money if they do not first appropriate it?

Hon. A. LOVEKIN: The Government are not going to distribute the money. The board will do that.

Hon. J. W. Kirwan: But the money must be appropriated by someone on behalf of the Crown.

Hon. A. LOVEKIN: No, nothing of the sort. The Crown is not in it. This is to be an ordinary board, with power to sell these certificates. And we say to the board, "If you sell these certificates, you shall dispose of the interest thereon in a certain way." There is no appropriation of Government funds.

Hon. J. Nicholson: Where is the board to find money for initial advertising?

Hon. A. LOVEKIN: That will be for the board. It is simply a matter of petty cash. There are plenty of people in the community who will be prepared to lend the board £10 or £100 to go on with before the board sell some certificates. But the Government have not to find a single sixpence, nor have they to tax anybody. Therefore the Bill is quite in order.

Hon. J. J. Holmes: Are you providing that newspapers shall not publish Tattersall's advertisements announcing weekly communication with Hobart?

Hon. A. LOVEKIN: No. Hon. members can tighten up the Bill as much as they like without any objection from me. The more we tighten it up the better.

Hon. J. J. Holmes: It would be well within the scope of the Bill to prohibit newspapers from advertising Tattersall's sweeps.

Hon. J. W. Kirwan: Is the hon. member proposing that money shall be raised but shall not be within the custody of the Crown?

Hon. A. LOVEKIN: That is so.

Hon. J. W. Kirwan: Does he know of any similar Bill in this or in any other State?

Hon. A. LOVEKIN: If in Committee the hon. member asks me that question, I shall be able to give him a definite reply. I have yet to learn that such a Bill has been introduced in any other State.

Hon. J. W. Kirwan: It means raising money by Act of Parliament, yet the money is not to be in the custody of the Crown.

Hon. A. LOVEKIN: We are not raising money by Act of Parliament. It will be a voluntary act by those people who take up bonds.

Hon. A. J. H. Saw: Who shoulders the responsibility if the board defaults?

Hon. A. LOVEKIN: Who shoulders the responsibility if the hon. member's accountant runs off with his money? The same risk applies in any business.

Hon. J. A. Greig: Will members of the board be responsible if their treasurer runs away with the money?

Hon. A. LOVEKIN: I have not provided for that.

Hon. J. Nicholson: You would require to make them an incorporated body to meet that objection.

Hon. A. LOVEKIN: If the hon. member were a member of the board I do not think I should trouble about insuring him,

for I would be prepared to give him the keys of my money box. However, I might feel disposed to insure somebody else. Still, that is a matter for the board.

Hon. A. J. H. Saw: Are the French premium bonds run by a board or by the Government?

Hon. A. LOVEKIN: Generally by a municipality. I cannot distinguish between the honesty of a board administering a measure of this kind and the honesty of another board sitting as a municipal council or the honesty of a number of Ministers sitting as a Cabinet. There is no difference. In all spheres of life one must trust somebody, so there is no real point in that contention. Another clause that ought to satisfy members is No. 17, which imposes upon the Commissioner of Police for the time being the duty of causing to be prosecuted every person who, to his knowledge, has offended as against the provisions of Clause 16. We have criminal codes and police Acts and other laws, but apparently the legislature has not ordered any specific person to give effect to those Acts, and I propose that the onus shall be placed upon the Commissioner of Police. Then if a Minister goes along and says, "You wink at this lottery or that lottery," the Commissioner will be able to say, "I cannot wink at it because the legislature has imposed upon me the duty of taking the necessary steps." The concluding clause in the Bill gives the board power to make regulations for the purposes of the Act, with the approval of the Governor. Similar regulations, made under other Acts, have to be laid on the Table of the House, and if they are not satisfactory, they may be disallowed. I hope members will give the Bill that measure of consideration which I think it deserves. I move—

*That the Bill be now read a second time.*

Question put and passed.

Bill read a second time.

## BILL—CLOSER SETTLEMENT.

*In Committee.*

Resumed from the previous day. Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

Clause 7—Acquisition of land:

Hon. H. STEWART: I move an amendment—

*That after "land" in paragraph (a) of Subclause 3, the words "increased by ten per cent" be inserted.*

My proposal is to adopt the method of compensation laid down in the New Zealand Act.

The CHAIRMAN: Has not Mr. Holmes a prior amendment on the Notice Paper?

Hon. J. J. HOLMES: I understand Mr. Stewart's amendment is similar to the provision in the New Zealand Act. If that is so, I am prepared to withdraw in his favour.

Hon. H. STEWART: My amendment is in keeping with the first proviso to the clause and will simplify the clause. I have conferred with some other members, not in a meeting, but in the lobby, and the general impression is that my proposal will give better results.

Hon. A. LOVEKIN: I do not wish to oppose the amendment, because Mr. Stewart and Mr. Holmes probably know more about this matter than I do, but I point out for their consideration that the amendment will limit the unimproved value of the land to that value plus 10 per cent., whereas the proviso states that the amount at which the unimproved value is assessed under the Assessment Act, with 10 per cent. added, shall be *prima facie* evidence of the unimproved value. If the reference to *prima facie* evidence be retained, the owner might get more than 10 per cent. In the interests of the owner whose land is to be resumed, the words should be retained.

The COLONIAL SECRETARY: I should like Mr. Stewart to explain his amendment more fully. Provision is already made for the addition of 10 per cent. to the unimproved value.

Hon. H. STEWART: I propose that the unimproved value shall be as laid down in the Bill. A proviso sets out that the amount at which the unimproved value is assessed under the Assessment Act of 1907, with 10 per cent. added, shall be *prima facie* evidence of the unimproved value. I do not wish it to be left to chance as to what the owner shall get. In New Zealand, if the Government want land for settlement purposes, they can, if necessary, compulsorily acquire it, but they leave the owner 400 acres of first class land and 1,500 acres of second class land. That land is unassailable. When the land is thus taken compulsorily, the Government say the owner is entitled to compensation based on the unimproved value, plus 10 per cent. The owner is then paid on the fair value of the improvements, plus 2 per cent. on the total sum for disturbance. That is a fair way of dealing with the matter, and one that we might well follow. It is not unreasonable to ask that on an equitable definition of the unimproved value the owner should get an additional 10 per cent.

Hon. J. J. HOLMES: The least we can ask is that the land owner in this State should be placed in the same position as the land owner in New Zealand, where the population amounts to about one-thirteenth of that of Western Australia. In New Zealand a certain area is reserved for the owner, but here there is not reserved to the owner even the burial place

of his ancestors. There has been no valuation of land in this State except by the Taxation Department on the zone system. The individual who accepts that valuation is likely to be hard hit. The landowners in certain zones were called upon to send in returns showing the unimproved value of their land. Some placed the value of 10s., some £1, and other 30s. an acre upon it. The Taxation Department, I understand, then created zones, and without inspecting the respective properties, adopted a general unimproved value of £1 an acre. That is all right for the man who placed a value of 10s. an acre on his land, from the point of view of resumption, but the man who was prepared to pay tax on 30s. an acre has been brought down to £1 and may have his land taken from him by the Crown at that figure, plus 10 per cent. In this respect the board may be misled as to the meaning of adopting the taxation returns as *prima facie* evidence as to value. Dr. Saw thought it necessary to explain to members the meaning of the term, and this seems to suggest the advisability of having someone to explain it to the board. I hope the Committee will follow New Zealand in this matter. It must be understood that the 10 per cent. applies to the land and not to the improvements.

Hon. H. Stewart: That is so.

The COLONIAL SECRETARY: I cannot see much objection to Mr. Stewart's amendment, but he wishes subsequently to strike out the proviso. Mr. Holmes seems to think that the Government would resume land for the amount appearing in the assessment.

Hon. J. J. Holmes: The Bill says so.

The COLONIAL SECRETARY: Nothing of the kind. The assessment would merely be the starting off point. Provision is made for the owner of the land to go to arbitration, but it devolves upon him to prove that the land is worth more. The Government can also say that the assessment is too high, and the burden of proof would be upon them to show that it was not worth the amount at which it was assessed.

Hon. J. J. Holmes: Or vice versa.

The COLONIAL SECRETARY: That is so.

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

Hon. J. EWING: The amendment appeals to me because it assesses 10 per cent. upon the fixed value which has to be determined in the proper way on the unimproved value. I understand the amendment is taken from the New Zealand Act and it seems to embody a fair and explicit definition of what is meant by the unimproved value of land. I agree with Mr. Stewart that some compensation should be added for displacement.

Amendment put and passed.

Hon. H. STEWART: I move an amendment—

*That a new paragraph to stand as paragraph (c) be inserted as follows:—*  
*(c) "In every case there shall be added to the total amount of compensation payable under the foregoing provisions a sum equal to 2 per centum thereof, by way of compensation for the compulsory taking of the said land, and by way of compensation for any loss or injury that may be suffered in consequence of such taking, whether in respect of the land so taken or in any other respect."*

This amendment will attain the completion of my objective to secure a fair and definite basis so as to secure settlements without the necessity for arbitration.

Amendment put and passed.

Hon. H. STEWART: I move an amendment—

*That the first proviso be struck out.*  
 If the amendment be agreed to I intend to move for the insertion of the definition of the unimproved value of land as appearing in the New Zealand Act.

Hon. J. CORNELL: If the definition is to apply to the Bill as a whole, it will be inserted in the wrong place. If that is the position it should be inserted in the definition clause. If it is intended to apply only to the clause under discussion, it should appear at the end in a new sub-clause which would indicate that for the purposes of this clause the unimproved value of land means what is set out in the New Zealand definition.

Hon. J. J. HOLMES: I understand that the Bill has to be recommitted and that we shall have a clear print of the measure as amended. If it is found that the amendment is in its wrong place, we can then make the necessary alteration. The Minister has shown some concern about the 12-mile limit. For my part I think it should apply to estates any portion of which come within the 12-mile limit.

Amendment put and passed.

Hon. H. STEWART: I move an amendment—

*That in lieu of the proviso struck out the following be inserted: "The unimproved value of any land means the sum which the owners of an estate or interests therein, if free from any mortgage or incumbrances, may be expected to realise if offered for sale on such reasonable terms and conditions as a bona fide seller might be expected to impose, and if no improvements had been made on the land."*

Amendment put and passed.

Hon. J. NICHOLSON: I move an amendment—

*That in the first line of the second proviso after "that" the words "subject as otherwise provided in this Act" be inserted.*

Amendment put and passed.

The COLONIAL SECRETARY: I move an amendment—

*That the following subclause be added to stand as Clause 4: "Where a claimant for compensation is a lessee or tenant under the owner of the land, the compensation for such interest shall be assessed at the probable and reasonable price at which the claimant's interest in the land and improvements might have been expected to sell at the time when the land was taken under this Act: Provided that where the land of the owner is encumbered by a lease, the arbitrator in determining the amount of compensation to be paid to the owner shall take into consideration the depreciation (if any) in the value to the owner of the land and improvements by reason of the existence of the lease."*

Under the Bill we can take leasehold as well as freehold land, and in some cases long leases may have been given. The lease may have the effect of depreciating the value of the land from the owner's standpoint and the amendment will give the arbitrator power to decide not only what amount the leaseholder shall receive but also the amount that shall be paid to the freeholder.

Hon. J. NICHOLSON: The amendment will meet the position. There is one point that we must bear in mind and I hope that the position of the conditional purchaser holder will not be in any way prejudiced. I agree with the Leader of the House in saying that if an owner has leased his property for five or ten years, that owner's interest in the property is not as great as it would be were he in actual occupation himself. Accordingly there should be deducted from the compensation to be paid something for the tenant for any loss he may sustain.

Hon. J. A. GREIG: The amendment is only fair and proper, and I shall support it.

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

Clause 8—agreed to.

Clause 9—Notice that land is taken:

Hon. J. NICHOLSON: I move an amendment—

*That after "taken" in the second line the words "or resumed" be added.*

Amendment put and passed.

Hon. J. NICHOLSON: I had intended providing for persons receiving notice whose names did not appear on the register. A

man may not trouble to register a document, but the owner himself knows who the party is, and it is right that the owner should give notice to the Minister or to the board of the name of any person when that name does not appear on the register. On recommitment I shall move an amendment in that direction.

Clause, as amended, put and passed.

Clause 10—Owner may require the whole to be taken:

Hon. V. HAMERSLEY: I have an amendment on the Notice Paper making this clause apply specifically to land whether freehold or held under conditional purchase lease. A landholder frequently has freehold land and also conditional purchase leases of lighter land, possibly a few miles away. The conditional purchase land would be of no use to him if his homestead was taken for closer settlement purposes. The Government should take none, or else take the lot.

Hon. T. Moore: Read Clause 16.

Hon. V. HAMERSLEY: Probably Clause 16 covers the whole position. However, I submit the amendment for the consideration of the Committee.

Hon. J. NICHOLSON: Clause 16 gives a meaning to "land," but not to "holding." That clause defines "holding" as meaning both freehold and leasehold land, but it might be argued that "holding" was to be given a different meaning from that placed on "land." Under the Land Act of 1898 "holding" does not include freehold land, which does not come within that Act. Mr. Hamersley's amendment appearing on the Notice Paper would probably cover the position, but it reads rather irregularly with the clause. I therefore move an amendment—

*That in Subclause (1) after "1898," in line 3, there be inserted "or land under this Act."*

Hon. H. J. YELLAND: I agree with Mr. Nicholson, whose amendment is essential. How would the Government deal with a case where a man and his sons each held land in their own names, working the combined area practically as a company? Under this clause the Government could step in and take land from one of them, and a grave injustice might result. There are scores of cases in which the land held is as I have stated.

The COLONIAL SECRETARY: I see no objection to Mr. Hamersley's amendment, but neither do I see any necessity for it. "Land" means any land except pastoral leases. Under the Bill the Government would be forced to take the whole of a holding and any adjoining holding.

The CHAIRMAN: Mr. Hamersley's amendment has not been moved. Mr. Nicholson's amendment is before the Chair.

Amendment put and passed.

Hon. J. NICHOLSON: I move a further amendment—

*That in Subclause (1) after "adjoining holdings," in the last line, there be inserted "or lands."*

The COLONIAL SECRETARY: Would the passing of the amendment mean that the Government would be compelled to take all the lands of an owner, wherever situated?

Hon. J. NICHOLSON: No. It would be well to redraft the clause.

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

Clause 11—agreed to.

Clause 12—Application of Agricultural Lands Purchase Act:

Hon. H. STEWART: I understand that Mr. Lovekin will not move the amendment he has on the Notice Paper. Speaking on the second reading, I said that this clause, incorporating in the measure the Agricultural Lands Purchase Act, involved the possibility of grave complications. The clause should be further looked into, with a view to its modification. The Agricultural Lands Purchase Act, as amended in 1919, constitutes boards and gives them wide powers. Some amendment on the lines of that which Mr. Lovekin has placed on the Notice Paper should be embodied in the clause.

Hon. A. LOVEKIN: If I were to move the clause standing in my name on the Notice Paper I would have to make reference to the speech made by Dr. Saw on the second reading, in which he suggested that I had put Sir Howard D'Egville's paper before hon. members and, in doing so, had misrepresented its contents. At that time I was prevented by the President from replying to Dr. Saw. I regret the hon. member should have suggested that I had misled the House in that way; because if he really thought that, he should have got one of his professional colleagues to come along and certify me as fitter for Claremont than for the House; for, according to him, I read the paper to the House and immediately laid it on the Table—where hon. members, by perusing it, could have detected my alleged misrepresentation! I have since had this paper analysed, and I had intended to thoroughly expound it to the Committee. However, I do not wish to take up time in that way. Sir Howard D'Egville refers to this clause as being most unfortunately worded. Members can see the force of that for themselves by reading the clause. I move an amendment—

*That all words down to and including "and," in line 2 of Subclause (1), be struck out.*

If the amendment be passed, I will move the complementary amendment standing in my name on the Notice Paper.

The COLONIAL SECRETARY: There are good reasons for the subclause. It will enable the Government to purchase land under the Lands Purchase Act and to sell it under that Act. If the amendment be carried, the Government will be unable to dispose of such land under the Agricultural Lands Purchase Act.

Hon. H. Stewart: Already lands can be purchased under that Act.

The COLONIAL SECRETARY: Of course so, but under the clause such land can also be sold under that Act. The amendment is not necessary.

Hon. H. STEWART: The Minister's statement bears out my contention that, with a slight amendment of the Agricultural Lands Purchase Act, the Government could get all the land they require to resume for closer settlement. That would be an easier and better method than is contained in the Bill to achieve what is required. In the Agricultural Lands Purchase Act of 1919 the board were given power to compulsorily acquire any estate the unimproved value of which is over £5,000. If we incorporate the Bill with the Agricultural Lands Purchase Act, much confusion will arise. It would be better if the position were limited, as it would be under the amendment.

Hon. A. LOVEKIN: The same clause was in the Bill of last session. But there was also in that Bill another clause that gave rise to all the controversy, and led to the obtaining of the opinion from Sir Howard D'Egville. That clause purported to bring under the Bill members of Parliament who contracted to sell land. The amendment improves the reading of the clause before us, yet it does not take away any of the rights to acquire land under the Agricultural Lands Purchase Act.

Amendment put and negatived.

Hon. J. NICHOLSON: If we pass the clause we must have a proviso providing for the payment of compensation under the Bill, instead of leaving it for assessment under the Agricultural Lands Purchase Act. I doubt whether we ought to pass the clause at all. I do not think it wise to include in the Bill any reference to the Agricultural Lands Purchase Act.

Hon. J. CORNELL: On the Minister's own showing there is no necessity to incorporate the Bill with the Agricultural Lands Purchase Act. If we do this, the board contemplated in the Bill may operate under the Agricultural Lands Purchase Act, while the Lands Purchase Board may operate under the Bill. One board could step in and exercise the functions of the other.

The COLONIAL SECRETARY: There is no question of one board exercising the functions of the other. The function of the agricultural lands purchase board would be to deal with a property which could not rightly be brought under this measure.

Hon. J. Nicholson: This Bill covers everything.

The COLONIAL SECRETARY: It cannot cover everything. There is no good ground for destroying the effect of the clause.

Hon. J. NICHOLSON: We are giving the Government power to resume any land within a certain distance of a railway. Under Clause 12 we are asked to extend the powers of this measure so that the Government may take land which a board is capable of taking under the provisions of the Agricultural Lands Purchase Act. Thus we are exceeding the powers we intended to give under this measure. I move an amendment—

*That Subclause 1 be struck out.*

Hon. J. EWING: Will the Minister explain why he requires Subclause 1? Do the Government desire to resume land under the Agricultural Lands Purchase Act?

The COLONIAL SECRETARY: If steps be taken to resume a certain estate, the owner may suggest coming to terms. If the terms were accepted the board could then act at once as a lands purchase board and come to a decision. Probably some amendment might be necessary in consequence of the 12-mile limit that has been imposed, but beyond that the subclause should be retained.

Hon. A. J. H. SAW: I take it the incorporation with the Agricultural Lands Purchase Act is limited to certain purposes. Sir Howard D'Egville, in the opinion presented to the House early this session, said—

*Prima facie, therefore, save where there is a manifest discrepancy, every section of the Agricultural Lands Purchase Act (including Section 6) is to be read into the Closer Settlement Bill. An analysis, however, of the sections of the Closer Settlement Bill (especially Sections 12 and 13) reveals several indications that no such general incorporation could be held to be the intention of the legislature, and, in my view, these indications taken together are sufficient to restrict the incorporation of the Agricultural Lands Purchase Act to those sections dealing with the "disposal" of the land by the Government and the powers of the land purchase board.*

That is exactly what is given under this clause. I do not think there is any general incorporation of this measure with the Agricultural Lands Purchase Act, any more than there was in the Bill that preceded it, and I do not anticipate that any of the dangers alluded to can arise. We are giving power only to dispose of land after it is acquired under the Agricultural Lands Purchase Act, and the board has only the same power as would be possessed by a board under the Agricultural Lands Purchase Act.

Hon. J. J. HOLMES: I am concerned about the two boards operating. I know the jealousy that exists between such boards. For the Peel Estate there was a board at-

tached to the Lands Department, but the development of the estate was purely a matter for the Department of Agriculture. The Director of Agriculture, Mr. Sutton, should have been on the job to see whether the land was suitable, but when we held our inquiry, he had only casually looked at it. The dairy expert, Mr. Hampshire, had not been officially consulted and had visited the estate only for his own information. Here we are asked to provide for two boards, and similar confusion will probably arise. The two boards will be at loggerheads and nothing will be done. The Government have all the power they require under the Agricultural Lands Purchase Act, and all the power they are entitled to in order to resume land under this measure. If the board have not power to resell the land under this measure, we can provide for it.

Hon. H. STEWART: Our object is to prevent misunderstanding. Dr. Saw gives cogent reasons why we should so outline the Bill that it will fulfil the opinion of Sir Howard D'Egville, and there will be no chance of some other lawyer putting a different construction upon it. If the clause were amended as desired by Mr. Lovekin it would do away with that possibility. It is not advisable that the whole of the Agricultural Lands Purchase Act should be applicable to this Bill with respect to the disposal of land. The position would be made more clear if the subclause started with the words "any land." Prior to 1919 land had to be "likely to be immediately selected for agricultural settlement," and it had to be proved that there was not "sufficient Crown land in the neighbourhood suitable for same." But that was amended and the words "it is likely to be immediately selected for agricultural settlement, etc." were struck out. The words "where land is to be surrendered to the board under the Agricultural Lands Purchase Act," were also struck out, and "acquired" was inserted. In the Act dealing with soldier settlement there appear the words "notwithstanding anything contained in the principal Act to the contrary the selling price of the land selected thereunder after the commencement of this Act, with interest, shall be payable by half-yearly instalments extending over a period not exceeding 30 years." There also appear these words "if selection by a discharged soldier or dependant, by half-yearly instalments extending over a period not exceeding 40 years." The Government might be placed under a disability if these were to be the bases of acquiring land. The land acquired under this Bill should be made available without the restrictions imposed under the Agricultural Lands Purchase Act.

The COLONIAL SECRETARY: There is no other political or legal machinery except the Agricultural Lands Purchase Act under which this land can be sold after it is resumed and subdivided. If there is any defect in the Act it can be amended. If it

is good enough to put that Act into operation in order to sell to selectors large estates that have been repurchased, and if the Act operates well now, I do not see why it should not operate well when this Bill becomes law.

Hon. J. J. HOLMES: If there is no provision in this Bill for the resale of repurchased estates I hope it will be made. We understand that many people are coming here with money who want to acquire land. The Government propose to pay the present holders in cash, and to sell land to these other people with cash, for cash. If the Government are brought under the Lands Purchase Act they will have to give 30 years terms in one case, and 40 years terms in another. Provision must be made for the sale of the land upon such terms as will enable the Government to get their money back within a few years.

Amendment put and negatived.

Hon. J. NICHOLSON: We must safeguard the rights of lands which have been resumed under this Bill, so far as the method of acquisition and the payment of compensation are concerned. The powers given under the Agricultural Lands Purchase Act must not be read into this Bill. If it is intended to resume any lands under this Bill, the board must pursue the methods laid down in it. To that end I suggest the addition of these words—

Subject to the provisions of this Act relating to the acquisition and payment of compensation for land taken or resumed under the provisions hereof, such of the provisions of the Agricultural Lands Purchase Act, 1909, as are necessary to enable the board to dispose of land purchased under this Act, shall be deemed to be incorporated herein.

I would also suggest striking out the words "this Act is incorporated with the Agricultural Lands Purchase Act 1909."

The CHAIRMAN: Such an amendment would be out of order, for the Committee have already decided that these words shall not be struck out.

Hon. J. NICHOLSON: These words could be placed at the beginning of the clause.

The CHAIRMAN: Such an amendment could better be dealt with on recommitment.

Hon. J. NICHOLSON: I shall deal with the matter in that way.

Hon. J. J. HOLMES: Once more in an endeavour to facilitate the business of the Committee, I draw attention to the fact that the Minister admits it may be necessary to re-draft the Bill. Surely we can pass the clause and come back to it later!

Clause put and passed.

Clause 13—Power to discharge land from operation of Act:

Hon. H. STEWART: The clause provides that if it be proved to the satisfaction of

the board that any land declared to be subject to the Act, has been so utilised that it should no longer be subject to the Act the Governor may, on the recommendation of the board, discharge that land. I move an amendment—

*That in line 4 the words "the Governor may, on the recommendation of the board," be struck out.*

Amendment put and passed.

Hon. H. STEWART: I move an amendment—

*That the words "the Minister shall" be inserted in line.*

The COLONIAL SECRETARY: In Clause 5 we provide that the Governor may declare land to be subject to the Act and it is equally necessary to provide that the Governor shall take action to secure the discharge of land from the operations of the measure.

Hon. H. STEWART: In view of the Minister's intimation, I ask leave to withdraw the amendment with a view to moving a subsequent one to the effect that "the Governor shall."

Amendment by leave withdrawn.

Hon. H. STEWART: I move an amendment—

*That the words "the Governor shall" be inserted.*

Hon. J. EWING: I think it is unwise to insert a provision setting out that the Governor shall do something under the Act. I is not usual to make provisions mandatory under such circumstances.

The COLONIAL SECRETARY: The Governor really means the Government and the word "may" is used simply because the Governor is mentioned. The word "may" has the same effect as "shall."

Hon. H. STEWART: If it is found impracticable, we can alter the amendment when the Bill comes before us again.

Hon. A. J. H. SAW: I do not know why we should not say that the Governor "shall" do this. We have already provided that the Government shall do certain things under the Bill.

Amendment put and passed.

Hon. J. NICHOLSON: I move an amendment—

*That the following subclause, to stand as Subclause 2 be added:—"When a notice is annulled, any claimant who would otherwise have been entitled to compensation shall be paid by the Minister, as the case may be, compensation for any actual damage done to the land, and such reasonable costs incurred to the date of the notice whereby the notice taking the land was annulled, to be agreed upon, or determined by the Court of Arbitration, or a judge."*

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

Clauses 14 and 15—agreed to.

Clause 16—Interpretation:

Hon. A. BURVILL: I move an amendment—

*That after "contract" in line 3 the words "Wherein the term fixed by such lease or other contract has expired" be inserted.*

People may take up land under conditional purchase provisions and it is not right to compulsorily acquire such land from them until the expiry of their lease. If we did so, it is probable that hardships would be experienced by people with small holdings.

Hon. J. J. HOLMES: I tell Mr. Burvill frankly that I will not support him in his proposal. If we are prepared to take land from the man who has complied with all conditions, completed his purchase and secured his title, surely it is unreasonable to expect that the man who has not complied with the conditions shall receive this protection. If we looked into the position it would be found that the people who have caused all the trouble are those who have grabbed a lot of conditional purchase land and have not put it to reasonable use. They have gone out in advance of railways in anticipation of the construction of those railways. The suggestion that speculators shall be exempt while those who have secured their title shall be penalised, is not one that I can endorse.

Hon. J. CORNELL: When a man receives his freehold he has completed his contract. I warn members that what is proposed will be a violation of contracts entered into, and we should pause before we pass an amendment that will take away a right granted under an agreement with the Crown. I refuse to be a party to taking away from an individual the right that an Act of Parliament has conferred upon him, whether the amount involved be 5s. or £5,000,000.

Hon. J. A. GREIG: I agree with Mr. Burvill that this is a contract between the conditional purchase landholder and the Government, and I maintain it is not right to compel a man to sell his freehold if he does not want to sell it. We seem to have got into the way of legislating in the direction of doing what is wrong. The unimproved land that it is proposed to take, was bought and paid for. I shall not support the amendment.

Hon. A. J. H. SAW: Both Mr. Burvill and Mr. Cornell have upset one of the axioms of Euclid by maintaining that a part is greater than the whole. They maintain that a person who has fulfilled only a part of his contract shall be entitled to greater consideration than the man who has completed his contract and obtained the freehold. The argument will not hold water.

I cannot see why land cleared in this way should be held to be more sacred than land acquired as freehold, and for which the purchaser has paid straight out.

Hon. J. CORNELL: There are numerous holders of freehold land who bought that land for speculative purposes.

Hon. V. Hamersley: There is more C.P. land than freehold land held for speculative purposes.

Hon. J. CORNELL: There are many more who have bought freehold land and who have never fulfilled any of the original conditions.

Hon. A. BURVILL: Whoever takes up land under C.P. conditions has to carry out certain improvements. At the end of his term, when he has paid up, an inspector declares that he has properly carried out the conditions and the individual then gets the title. It is optional with him, however, having got the title, whether he allows the land to go back to its original state or not. If he does allow it to fall back into a state of neglect, the land should be resumed as being unutilised.

The COLONIAL SECRETARY: A purchase may be made of a freehold estate and included in it there may be an area of C.P. land. Unless power is given in the Bill, it will not be possible to resume the conditional purchase portion. It would be possible to resume the freehold land, whilst the other would be left in the hands of the holder.

Amendment put and negatived.

Clause put and passed.

New clause:

Hon. V. HAMERSLEY: I move—

*That the following new clause be added to the Bill: "No property which, in the opinion of the board, is used principally for the breeding of stud sheep, cattle, or horses for sale, shall be declared subject to this Act."*

There are many people who are breeding stud stock, and that is an industry that is of the utmost importance. There is a strong feeling that all the lands alongside railways shall be brought under the plough, and the board may possibly overlook the necessity that exists to constantly bring a particular strain of blood stock in from the outback areas. My desire is that those people who are engaged in this industry shall be permitted to continue their operations.

Hon. J. A. GREIG: The amendment will be acceptable if Mr. Hamersley will substitute the word "essential" for "principal."

The COLONIAL SECRETARY: The whole clause, properly speaking, requires to be redrafted.

New clause put and passed.

New clause:

Hon. J. A. GREIG: I move—

*That the following be inserted to stand as Clause 17: "Any person applying for land forming portion of any land purchased by the Government under this Act shall, on lodging his application, pay to the Government one-half of the total purchase money agreed upon."*

To-day many people are coming here prepared to buy estates. If they buy from the Government, they should put down at least half the purchase money and make arrangements with a bank for the remainder. Under those conditions the Government would run little risk of losing on repurchased estates. We have lost heavily on every estate repurchased in years gone by, and I believe there will have to be writing down in connection with estates recently repurchased.

The COLONIAL SECRETARY: I cannot allow the statement to go forth that the administration of the Lands Purchase Board has been unsuccessful. There is a profit on the whole administration of the board from the commencement. It is true that six or seven estates had to be written down, and that the total loss on paper, in respect of these, amounts to about £30,000. In some cases, however, a large profit was made on resale. Mr. Greig's amendment is not practical. Nobody could be found to put down a deposit of half the purchase price. Moreover, we have already passed a clause providing for the disposal of these lands under the Agricultural Lands Purchase Act. The new clause might be redrafted so as to provide that notwithstanding anything contained in the Agricultural Lands Purchase Act the deposit should be substantially increased beyond the amount required by that Act. The Government intend that these estates shall be financed practically outside the Agricultural Bank. The purchasers must be people who can develop the land without having recourse to the Agricultural Bank. Mr. Greig's new clause, however, goes too far; and I would ask him to postpone it until recommittal. Meantime I would go into the matter with the Minister for Lands.

Hon. J. A. GREIG: I ask leave to withdraw the new clause.

Hon. H. STEWART: Before the new clause is withdrawn, I would like to say that it is all very well to make provision for people who have no money, but that I have been astonished to see how some men very strong financially got all they could from the Agricultural Bank to develop their holdings, meantime using their own funds for other purposes; or possibly their object was to save ½ per cent.

Hon. T. MOORE: I am not in favour of land settlement as we have had it in the past. In too many cases the Government's commitment has been too heavy. To require the putting down of a deposit might not get us where we want to get. What we

want to ensure is that people who have had properties given to them shall not afterwards come on the Agricultural Bank for funds to work those properties. The Government should make doubly sure that the men put on these lands, which will be given to them, do not come to the Agricultural Bank for working capital. However, we do not want them to put up large sums of money for a start.

Hon. H. STEWART: In reply to Mr. Moore, the man who puts up a substantial deposit will have created an asset on which he will be able to borrow working capital. Thus Mr. Greig's new clause would serve a double purpose.

Hon. J. EWING: I fail to understand some of the statements made just now, and particularly Mr. Moore's statements. Mr. Greig's suggestion that a purchaser should be asked to put up a deposit of 50 per cent. is quite impracticable. From the trend of the remarks made subsequently to Mr. Greig's request for leave to withdraw the new clause, it seems the repurchased estates are to be sold only to men with money. The statement that the Agricultural Bank should not lend money to these men for development purposes is quite in opposition to Western Australia's policy hitherto. A good settler should be permitted to go to the Agricultural Bank for assistance. The present Government are carrying out loyally the land policy of the previous Administration. Only recently a committee was formed by Sir Talbot Hobbs and others for the purpose of inducing men with money to come here and develop our lands. If we can get them to come, it will be quite right to let them use their own money to develop lands.

The CHAIRMAN: I think the hon. member is straying beyond the matter of the new clause.

Hon. J. EWING: Hon. members who have spoken since Mr. Greig asked leave to withdraw his clause, have enunciated a policy which I hope the Government will not carry out. It was stated that in the event of a man securing some land repurchased under this measure, that was to be the end of him as far as the Government were concerned. I say, on the contrary, let the land development policy of the past be continued.

Hon. J. J. HOLMES: The Minister said some amendment was necessary to ensure a substantial deposit being paid. The policy enunciated by Mr. Ewing has never provided for men with money. Past Governments have not had much time for anyone who paid his passage out to Western Australia.

The CHAIRMAN: The hon. member is exceeding the scope of the amendment. Moreover, the mover of the amendment desires that it should be withdrawn.

Hon. J. CORNELL: I object to the withdrawal of the amendment. It provides that 50 per cent. of the upset price shall be paid as a deposit. I am more than ever con-

vinced that I did the right thing in opposing the second reading. Under the proposed amendment only moneyed men need apply for land taken under the Bill. If our land settlement had been based on such a provision we should not be nearly so far ahead as we are.

Hon. A. BURVILL: I object to the withdrawal of the amendment. These lands to be resumed must be repurchased, and without some such amendment it will be impossible for the Government to repurchase more than one or two estates.

New clause by leave withdrawn.

Title—agreed to.

Bill reported with amendments.

## BILL—DIVIDEND DUTIES ACT AMENDMENT.

### *Second Reading.*

Debate resumed from 20th November.

Hon. J. NICHOLSON (Metropolitan) [9.55]: I wish to offer a few observations, particularly in relation to the mining industry. Mr. Harris traced the marked decline that has taken place since 1914 in the returns from that industry. It is deplorable that an industry that was in one sense the means of discovering this State and bringing it into prominence is not producing as much as it did in former years. It is an instance of the effect of the wrong policy pursued in the past by overlegislating and so causing a decline in the industry. Overlegislation in respect of any industry will operate to the prejudice of that industry. That principle applies, not only to mining, but to every other industry or activity. The Bill can be regarded as something in the nature of a deathbed repentance. A past Government decided that mining companies should be subject to certain pains and penalties, and that given sums should be regarded as profits and rendered subject to taxation. The result has been that former activities in the development of mining have ceased. The Government now see the folly of extreme legislation and, by way of a deathbed repentance, are trying to revive the industry by repealing ill-advised sections of past legislation. The Bill affords certain relief. To my mind that relief should be carried even further, and I will be prepared to support an amendment extending it. The day has passed when we should have a Dividend Duties Act at all. It should be repealed in its entirety and brought within the scope of the Income Tax Act.

Hon. E. H. HARRIS: We shall be lucky if we have any dividends at all shortly.

Hon. J. NICHOLSON: That is so. It is a very confusing statute and is so intermingled with the Income Tax Act that one has to read both statutes together. It is

bad to have statutes that create confusion in the minds of the public, but difficulties are also created. If certain returns made are not in accordance with the Dividend Duties Act or the Income Tax Act, the party making the return may be guilty of an offence under one or both Acts. A party might easily make a mistake quite innocently, and yet be penalised for an offence. The sooner the Government embody the two statutes in one Act, the better it will be for the community. I could refer to various sections in both Acts and show where improvements could be made. One wonders whether some of the provisions in the Dividend Duties Act would not be better in the Income Tax Act and vice versa. However, I shall not weary members with a recital of those matters. Under the Federal law, the whole of the tax is dealt with under the Income Tax Act, but here companies are dealt with under both Acts. I do not intend to oppose the second reading, but I hope the Minister will convey the sentiments I have expressed to the Government, and let them know it is wise that enactments that have got into such a tangled condition should be straightened out as soon as possible.

Question put and passed.

Bill read a second time.

#### BILL—NOXIOUS WEEDS.

##### *Assembly's Further Message.*

Message from the Assembly received and read notifying that it no longer disagreed to the amendment insisted upon by the Council.

*House adjourned at 10.5 p.m.*

## Legislative Assembly,

*Thursday, 27th November, 1924.*

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

#### QUESTION—JARNADUP-PEMBERTON RAILWAY.

Mr. TAYLOR (for Mr. J. H. Smith) asked the Minister for Railways: 1, Will he state a definite time for taking over the railway between Jarnadup and Pemberton? 2, Is it a fact that the State Sawmills have neglected this railway on account of a proposal for its taking over by the Working Railways, and that the road is in a bad state of maintenance? 3, Is he aware that settlers and others are suffering great inconvenience and loss from pilfered and damaged goods on account of no officer being in charge and no sheds or other conveniences being provided at Pemberton? 4, Will he honour the promise of the late Government, and also fulfil the promise to provide an officer and sheds, thus satisfying a long-felt want?

The MINISTER FOR RAILWAYS replied: 1, A definite date cannot be fixed for the taking over of the railway from the State Sawmills by the Working Railways. 2, 3, and 4, The whole of the matters referred to in these questions are under the consideration of the two departments concerned, and an inspection of the line has been made, but the line does not conform to the required conditions at the present time.

#### QUESTION—CUSTOMS, STATE PAYMENTS.

Mr. LINDSAY (for Mr. Thomson) asked the Premier: Is it his intention to lay on the Table of the House a return showing the amount of duty paid under the Customs tariff by the State to the Commonwealth Government during the past five years?

The PREMIER replied: Inquiry is being made as to whether this information can be compiled. If so, it will be laid on the Table.

#### QUESTION—WILLIAM-STREET REPAIRS.

Mr. MANN asked the Minister for Railways: 1, How long is it intended to leave William-street in its present unfinished and dangerous condition? 2, Will he take the necessary action to have the work completed before the beginning of the busy traffic during the coming holidays?

The MINISTER FOR RAILWAYS replied: 1, The work of laying the tramway line is proceeding as fast as is possible, but it is expected that six weeks will elapse before its completion. In the meantime all possible precautions are being taken to guard against accident. 2, Answered by No. 1.