these men, in the event of collective dissatisfaction on any project they should have the right to appear before this board, or the board should visit the project and hear and see the complaints on the spot.

The Minister has explained that the appeal board has been set up and has interviewed some allottee-designates. I would like the Minister to make certain that the appeal board does visit the districts concerned and not merely hold appeals in the city. It is only through the board visiting not only the districts but the properties concerned that the men can get satisfaction. The members of the board also gain better knowledge of the difficulties of the allottee-designates in the tasks they are performing, prior to becoming owners. I would like the Minister to make certain that these visits take place.

The league feels that this board can only function successfully if it visits the centres in which the cases are located, and should go, for instance, to Wagin if a complaint should be received from that town. The board could visit not only Wagin but the property of the allottee-designate; it could hear his complaint and inspect the property. By this means it will have a clear idea of the difficulties of the allottee - designate himself.

I support the Bill with certain reservations. I know it is not possible for us to make many amendments to it, if any at all, because, as the Minister explained, the Commonwealth is most insistent that this legislation be passed in its present form. I would like the Minister to make certain that this measure is not placed on the statute book to remain there for all time, without the opportunity of amendment if found necessary at a later stage. I can see the danger of this Bill which proposes to obliterate completely the two previous Acts; it must be able to stand up to the test of time; if not, it should be brought back to this Chamber for review.

The only way to do that would be to get the consent of the Commonwealth authority to this State altering the legislation to suit the conditions applying in Western Australia, and not in the other parts of the Commonwealth. Before the Bill is finally accepted, I would like the Minister, if it is possible, to make sure that the Commonwealth will give full consideration to any request from him in the future, or from his successor, to have the Act altered in this House if the conditions in Western Australia warrant further amendment.

The Minister for Lands: I would not agree to any alteration unless Parliament approved.

Mr. YATES: I support the second reading.

On motion by the Minister for Mines, debate adjourned.

House adjourned at 6.14 p.m.

Legislative Assembly

Tuesday, 31st August, 1954.

CONTENTS.

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

QUESTIONS.

RAILWAYS.

As to Use of Welded Rails.

Hon. C. F. J. NORTH asked the Minister for Railways:

(1) To what extent is welding of rails going to be adopted on the Western Australian Government railways?

(2) Is the programme imminent?

(3) Will a system of welded rails save money in the long run?

(4) What are the overall benefits?

(5) Is it a fact that in France welded rails have been effected of a length each of half a mile?

(6) What is the maximum length of welding per section to be adopted here?

The MINISTER replied:

(1) At present main lines laid with 80lb. rails are being relaid as welded track. It is as yet too early to say what the future policy will be.

(2) Last year 69½ miles of welded track were laid and it is hoped to lay a further 100 miles during the current financial year.

(3) Until operational data is obtained, it is too early to answer this point.

(4) Improved riding and increased life of rails with a decrease in maintenance and rail joints.

(5) Yes.

(6) The maximum length being laid at present is 270 ft.

ELECTORAL.

As to Albany and Kalgoorlie Districts.

Mr. HILL asked the Premier:

(1) What is the area of the Legislative Assembly electoral districts of (a) Albany; (b) Kalgoorlie?

(2) What is the number of electors on the roll for the electoral districts of (a) Albany; (b) Kalgoorlie?

The PREMIER replied:

(1) (a) Albany .... 2,288 sq. miles
(b) Kalgoorlie .... 1.2 sq. miles

(2) Enrolment as at the 30th June, 1954—

(a) Albany 6,592
(b) Kalgoorlie 3,739

It is interesting to learn that the area of the electorate of Eyre is 92,000 square miles, and that of the electorate of Murchison is 332,123 square miles.

Hon. Sir Ross McLarty: That was no part of the information asked for.

The PREMIER: No, but it is interesting information.

Mr. O'Brien: Just jealousy!

MILLEN ESTATE.

As to Building Programme and Enlargement of School.

Mr. JAMIESON asked the Minister for Education:

(1) Is he aware of the vast building programme being conducted by the State Housing Commission in the Millen Estate area?

(2) Has provision been made by the Education Department to enlarge the Millen school to cope with the large increase in pupils which will occur within the next year?

The MINISTER replied:

(1) Yes.

(2) A new six-classroom school is listed for erection in the Millen-Bentley Park area as soon as the necessary funds are available.

WORKERS' COMPENSATION.

As to Farmers and Contract Labourers.

Hon. V. DONEY asked the Minister for Labour:

(1) If a farmer lets a clearing contract on his farm to a contractor employing workmen on the contract and one of such workmen is injured while working, to what extent is the farmer liable for workers' compensation if the contractor has failed to insure?

(2) If the farmer is under any liability—

(a) under what section of the Act does it arise, and

(b) why does not the liability fall on the compensation fund provided by the Act to cover cases of failure to insure?

The MINISTER replied:

(1) To the same extent as the contractor would have been were he the sole employer and liable to pay compensation under the Workers' Compensation Act. The farmer would, however, be entitled to be indemnified by the contractor.

(2) (a) Section 16 of the Workers' Compensation Act.

(b) Under the Act insurance is compulsory. The payments from the fund are only to protect the worker where the employer has failed to effect insurance. The board has the right to recover from the employer any such payments made from the fund.

ROTTNEST ISLAND.

As to Personnel of Board's Sub-Committee.

Mr. HUTCHINSON asked the Minister for Mines:

(1) What are the names of the members who constitute the sub-committee appointed by the Rottnest Board of Control to allocate rental accommodation at Rottnest Island for the summer season?

(2) Is the board of control directly represented on the sub-committee by one or more of its own members?

(3) If it is considered that the names of the members of the sub-committee should be withheld, what is the number of persons who constitute the sub-committee?

The MINISTER replied:

The sub-committee appointed by the Rottnest Board of Control consists of a panel of two members of the board, who, in association with the managing secretary, review applications and submit recommendations to the full board. The sub-committee is appointed annually and rarely comprises the same members in consecutive years. Three members are appointed, any two of whom must be present when allocations are being considered.

The board is fully alive to the necessity of spreading the limited accommodation available to as wide a field as possible. Disappointment among a large percentage of applicants who fail to obtain accommodation is unavoidable. The average person, however, realises that with over 700 requests from all parts of the State for accommodation during each school-holiday period, and with a maximum of 56 premises available, the board is faced with a very difficult task in an endeavour to please, as 78 per cent. of the total number of applications must be rejected. Successful applicants would represent a very fair cross-section of the general public, and about 50 per cent. would hail from country areas.

HOSPITALS.

As to Regional Building, Bunbury.

Mr. GUTHRIE asked the Minister for Health:

As the Government has the site, and also the plans, for the regional hospital to be erected in Bunbury, will he state when it is anticipated a start will be made on the hospital?

The MINISTER replied:

No; it depends upon available loan moneys in relation to other urgent works. In the meantime, much has been done to make the present accommodation more adequate.

ASSENT TO BILLS.

Message from the Lieut.-Governor received and read notifying assent to the following Bills:—

1, Reprinting of Regulations.

2, Police Act Amendment (No. 1).

3, Stamp Act Amendment.

4, Companies Act Amendment.

5, Inspection of Scaffolding Act Amendment.

6, Public Works Act Amendment.

BILL—MATRIMONIAL CAUSES AND PERSONAL STATUS CODE AMENDMENT.

Message—As to Royal Assent.

Message from the Lieut.-Governor received and read notifying that he had reserved the Bill for the signification of Her Majesty's pleasure.

BILLS (2)—THIRD READING.

1, Crown Suits Act Amendment.

2, Mines Regulation Act Amendment.

Transmitted to the Council.

BILL—WAR SERVICE LAND SETTLEMENT SCHEME.

Second Reading.

Debate resumed from the 26th August.

HON. A. V. R. ABBOTT (Mt. Lawley) [4.41]: I am interested in that portion of the Bill which deals with land that is now vested in or has been acquired from the Midland Railway Co. I find this portion of the measure somewhat difficult to understand.

The Minister for Lands: You are not interested financially?

Hon. A. V. R. ABBOTT: Unfortunately, no; I am mainly interested as a member of Parliament. The definition of "mineral rights" seems to be involved. Apparently the term, for the purposes of the measure, applies only to land or to any grant, transfer or reservation which has been made to the company or to a person who has derived his title from the company in respect of all mines of copper, tin, lead, coal, ironstone, phosphatic rock and other metals except gold, silver and precious metals and all substances containing minerals or phosphates except substances containing gold, silver or precious metals, and, subject to the Petroleum Act, 1936, mineral oil in, upon and under the land.

The Bill goes on to provide that, after the coming into operation of this measure, those rights, whatever they may be and irrespective of whom they may be vested in, if the land is under the Transfer of Land Act and apparently only when under that Act, it will revest in the Crown free of any compensation. Then there is a provision with which I should like the Minister to deal in his reply, namely, that those rights shall be immediately revested in such person and for such estate or interest as, but for the operation of that provision, they would have continued to be vested, and the Governor may issue a title to effect this. The Bill states that this provision shall not affect any proprietary interest in the mineral rights or entitle any person to compensation from the Crown. If my reading is correct, this would mean that the land is to be resumed by the Crown without compensation and then regranted to the same person by the Crown, but what it really means, I do not know.

The Minister for Lands: You, being a lawyer, ought to know.

Hon. A. V. R. ABBOTT: It is difficult to understand. If the measure is intended to take from the Midland Railway Co. something granted to it by a Government a long time ago, I do not think those rights should be taken away without compensation.

The Minister for Lands: How would you assess compensation on a mineral oil issue when you do not know whether there is mineral oil there or not?

Hon. A. V. R. ABBOTT: I believe that could be done. If the provisions simply mean that the Crown has the right to revest the land and then will grant it back, I cannot see their object. All I can think of is this: With other land resumptions, I do not know whether the full interest in the land is resumed, thus making compensation payable under the resumption to the owner of the mineral rights. As the Minister has indicated, compensation would be extremely difficult to assess, and evidently to avoid that, it is provided, in effect, "Even if we have resumed it, we shall make quite clear that it is revested in the Crown, and if you wish to have it back, it will be returned immediately and so no compensation will be paid". That should be the meaning of the provision.

If it is intended to deprive the owner of a right without the payment of compensation, I do not think it is reasonable, and

the mere fact that it would be difficult for a court of law to assess the value would be no excuse for adopting that course. Consequently, I hope that the Minister, to whom I am sure this portion of the Bill is quite clear—otherwise he would not have presented it because he usually presents his Bills in a logical fashion—will explain it in simple form to the House.

Hon. Sir Ross McLarty: Perhaps the Premier would like to explain it.

THE MINISTER FOR MINES (Hon. L. F. Kelly—Merredin - Yilgarn) [4.49]: Like the member for Mt. Lawley, I am interested in the portion of the Bill that mentions mineral rights. My interest would not be necessary but for the legislation that was enacted in 1950 and 1951. That was designed purely as machinery legislation in order to permit of land belonging to the Midland Railway Co. being resumed for the purpose of war service land settlement and then to be again revested in the company after the transference of the properties to the individual owners.

It was necessary to do that at the time because otherwise a complication would have arisen as a result of which the prospective owners would have had certain equity in the land but would have been prevented by the company from carrying out their full intentions if, at some future time, minerals of any kind, other than gold, silver, precious metals and mineral oils, had been discovered. It appeared that it would have been difficult for the individual owner to assert his rights with regard to his agricultural pursuits if the company could come in and exercise some jurisdiction over these lands.

The only way of overcoming that difficulty, should it arise, was, apparently, first, to have the whole of the land as it then stood, and subject to the rights of the Midland Railway Co., transferred to the Government, and then for the Government to transfer to the individual owners—the farmers and settlers generally—their equity in the land, and for the Government to retransfer to the Midland Co. the mineral rights and the rights to other minerals that had, over a period of years, been in some form of dispute between the Government and the company, although there was nothing really specified.

Although there had not been any litigation, there had been a lot of examination, but no decision had ever been arrived at. So, right from the time when the Midland company first came to Western Australia there have been doubts as to what rights the original agreement really conferred on the company. That point has never been finally satisfied. In the 1950 and 1951 legislation, a new note altogether was introduced without any consultation with the Mines Department, which was the one most concerned about it. It is significant that during the preparation of this legislation, although the Mines Department, the chief one concerned, was not consulted, the solicitors for the Midland company were. They were called upon to assist in the drafting of that legislation.

The Minister for Housing: A nice state of affairs!

The MINISTER FOR MINES: Naturally, with an open sesame like that, they endeavoured to have included in the Bill whatever they could. Not only did they have rights to mineral oil and certain other minerals, but they had included in the legislation of 1950, and again in 1951, the specific mention of gold, silver and precious metals. So it can be seen that never at any time during the history of the State was it intended that this company should have any rights whatever to these three metals. It is surprising to me that legislation to take away from the State the right to these three metals—gold, silver and precious metals—should be contemplated without the Mines Department being consulted at all.

Hon. L. Thorn: Do you not think the Crown Law Department was consulted in the interests of the State?

The MINISTER FOR MINES: I do not think I would be far out if I said that the Crown Law Department was given a draft and told to model the Bill on that draft.

Hon. L. Thorn: Yes, you would.

The MINISTER FOR MINES: No, I would not.

Hon. L. Thorn: The Crown Law Department is there to be consulted in the interests of the State.

The MINISTER FOR MINES: I know that, and I also know that the Crown Law Department frequently models legislation as it is asked to model it; and sometimes it is given specific indications of what is expected.

Hon. L. Thorn: You do not think the Crown Law would allow private solicitors, or the solicitors for a company, to say what the State was to do in regard to a matter?

The MINISTER FOR MINES: One would not think it would be necessary for that to be done. One would imagine that when a Government was putting forward legislation, it would introduce something as a result of its own initiative, rather than call in the solicitors of the company concerned to draft a measure to cut completely across the legislation that had been on the statute book from time immemorial. Yet that was done!

Hon. A. V. R. Abbott: I think you are wrong in this respect, that when legislation affecting people is to be put through, naturally the people concerned are given an opportunity to put forward their views before the Minister makes his decision.

The MINISTER FOR MINES: Why did the Minister make his decision without, in any shape or form, consulting the Mines Department, which was singularly interested in the matter? There was not one reference to the Mines Department. Why? Simply because it would immediately have registered its contempt of the legislation and would have protested against the introduction of the new matter.

Hon. A. V. R. Abbott: Are you suggesting that these people were given something they never had before?

The MINISTER FOR MINES: Of course they were given something they never had before. Up to 1950-51, they had no control whatever over silver, gold and precious metals. It was not until legislation was introduced into this House by the previous Government that those metals were included.

Mr. Ackland: Was not a grant made to these people without reference to any hold-back by the Government of the day?

Hon. L. Thorn: Yes, by the Waddington agreement.

The MINISTER FOR MINES: The Waddington agreement has never been tested. The contents of the agreement do not make any mention of the Midland Railway Co. having any rights at all to gold, silver and precious metals. They were included in the 1950 and 1951 legislation.

Hon. A. V. R. Abbott: Did not the Waddington agreement cover all metals?

The MINISTER FOR MINES: No. They are not mentioned specifically at all. As far as the Mines Department is concerned, the rights to gold, silver and precious metals were excluded.

Hon. A. V. R. Abbott: Yes, but it had the right to all metals.

The MINISTER FOR MINES: It did not. We will deal with that point when we get into Committee. As I have already explained, these three metals were excluded at all times, yet they crept into the 1950 and 1951 legislation without reference to the department concerned and, regrettably, without being noticed in this Chamber.

Mr. Nalder: Who was responsible for that?

The MINISTER FOR MINES: Who was the Minister who drew up the war service land settlement measure in 1950, and repeated it in 1951?

Mr. Heal: The member for Toodyay.

The MINISTER FOR MINES: He was the man responsible for it, in consultation with the company's solicitors.

Hon. J. B. Sleeman: He looks pretty guilty, too.

The MINISTER FOR MINES: He is guilty, and cannot get away from it. I can produce more evidence later.

Hon. L. Thorn: I will take it. I do not want to draw anyone else into it.

The MINISTER FOR MINES: The hon. member will need to have fairly broad shoulders before he is finished. That is the position. This is one of those matters that will take a tremendous amount of explaining.

The Minister for Housing: I think we need a Royal Commission into this.

The MINISTER FOR MINES: There would certainly be some remarkable revelations if we had one, because this is the selling of the birthright of the State with respect to the three metals I have mentioned. I think the rest of the company's rights may be considered at the moment as being sub judice, because I understand that the Midland Railway Co. has cited the Wapet organisation in a law suit with regard to mineral rights. As I mentioned earlier, mineral rights were never contested by the Midland Railway Co. until after the success of Western Australian Petroleum Ltd. at Rough Range. Then the Midland Railway Co., without having expended one penny in regard to oil or having been interested in mineral oil rights, immediately became alive to what would be the possibilities if it could have its case upheld in the courts of the State.

Hon. A. V. R. Abbott: As you are making such an attack in this matter, I thought you would have taken the trouble to read your authorities and quote from this agreement, but instead of that you are making assertions without giving any authoritative quotations.

The MINISTER FOR MINES: Is the hon. member not jumping in too soon?

Hon. A. V. R. Abbott: I have waited a long time. I would like to hear a quotation from this agreement on which the title is based.

The MINISTER FOR MINES: Unfortunately, I have not the agreement with me.

Hon. A. V. R. Abbott: It is in an Act of Parliament.

The MINISTER FOR MINES: It is in an agreement, and I have good authority for the statements I have made here.

Hon. A. V. R. Abbott: I would have expected you to make an authoritative statement in a matter such as this.

The MINISTER FOR MINES: My statement is quite authoritative and emphatic.

Hon. A. V. R. Abbott: You are just making assertions.

The MINISTER FOR MINES: I would not be alone in that, in this House. I have often heard assertions made here with not as much substance in them as there is in what I have said this afternoon.

Hon. A. V. R. Abbott: It is not usual for Ministers just to make assertions.

The MINISTER FOR MINES: It is usual for them to state the facts as they see them, and that is what I am doing. I do not wish to be led astray in that matter by the hon. member. After a realisation that there was some doubt about the mineral rights of the Midland Railway Co.—and particularly mineral oil rights—when the legislation was enacted in this Chamber with relation to petroleum and the possibility of discovering it, we find that, so as to safeguard the future of the State in that respect, several provisions were made in that legislation which would allay for all time any doubt as to the likelihood of the Midand Railway Co. being able to assert a claim and prove any rights to mineral oils. In Part II of that Act we read—

> This Act shall be read and construed subject to the provisions of Section 4 of the Western Australian Constitution Act of 1890, Imperial, so far as the same may be applicable.

That was intended to dispel any doubt that existed as to the likelihood of the Midland Railway Co. having any claim to mineral rights. should the occasion arise.

At that time, as members know, there was no thought of mineral oils being discovered in this State. Although we were hopeful, there was at that time no guide and therefore the provision was inserted as a safeguard. In Part III, Section 9 of the Petroleum Act of 1936, we find—

> Notwithstanding anything to the contrary contained in any Act, or in any grant, lease, or other instrument of title, whether made or issued before or after the commencement of this Act, all petroleum on or below the surface of all land within this State, whether alienated in fee simple or not so alienated from the Crown is and shall be deemed always to have been the property of the Crown.

So the correction of wrongs done in 1950 and 1951 became essential and to correct the injustice then done and again place under the control of the State those precious metals—gold and silver—it became necessary to insert this provision. I feel there is no alternative for this Chamber but to agree to that provision in its entirety.

THE MINISTER FOR LANDS (Hon. E. K. Hoar—Warren—in reply) [5.5]: Before the Bill is read a second time I think I should reply to the opinions expressed by some members during the debate. I wish first to make a correction of what was said by the member for Katanning, who, I believe, opened the debate and made reference to some remarks which I was alleged to have made last year when introducing the war service land settlement measure. I feel that members should be acquainted with the actual position in that regard, because it is certainly not as the member for Katanning has stated.

During the course of his remarks he said that, when introducing the Bill of last year, I stated that if the measure were not agreed to we would receive no further money from the Commonwealth Government for the purposes of war service land settlement and that the men concerned would be thrown off their farms. That was not so. I have taken the trouble to consult "Hansard" and the only way in which I said anything along the lines suggested by the hon. member was in relation to a most outrageous statement he made in connection with what should be the policy of this Government in the matter of war service land settlement.

What he said was to the effect that we should sever our connection entirely from the Commonwealth Government and set up a scheme of our own, and it was on that basis that I criticised the hon. member in the exact terms which he read out to this House last Thursday afternoon. I feel that when a member seriously suggests that we should sever our connection with an authority that is providing £4,000,000 per year to finance war service land settlement in this State, he should offer no objection to any remarks of mine along the lines that he quoted.

That was the only occasion upon which I used such words. The portion which he read out was entirely correct, but my having uttered them was due to the fact that he said—

> If that is the case, I would like the Minister to tell the House whether he is prepared to abide by the agreement set down by the Commonwealth Minister or whether he will draft an agreement of his own to cover this State and then tell the Commonwealth Minister what he is going to do.

In reply I said—

> As the hon. member mentioned—

Mr. Ackland: But that was not advocating a breakaway from the Commonwealth Government. He asked you a question.

The MINISTER FOR LANDS: Yes, but he expressed clearly the view that we should do that.

Mr. Ackland: Nothing that you have read out has that implication.

The MINISTER FOR LANDS: There is no question but that he wanted me, as the responsible Minister, to state whether we would initiate a scheme of our own and sever our connection with the Commonwealth Government. He asked that in his own words, but that was the actual result—

Mr. Ackland: Was that not a fair question?

The MINISTER FOR LANDS: Was not this a fair answer?—

> I am serious when I refer to the stupidity of the member for Katanning in suggesting that the Government should violate the conditions imposed on the State and thereby cast all ex-servicemen, to some of whom he owes allegiance, off the land.

Mr. Hearman: That was what the select committee recommended.

The MINISTER FOR LANDS: It was a recommendation which was further amended in this Chamber.

Mr. Hearman: Yes, but that was what the committee recommended.

The MINISTER FOR LANDS: As from that moment the present Government had to take whatever steps it could to come to some agreement with the Commonwealth, if possible, along the lines suggested by the recommendations of the select committee. I am talking about the words quoted in this House last Thursday afternoon, and I have given the reasons why I spoke as I did last year. It is strange that a member can take out of one page of "Hansard" some particular words that a member has said and relate them to another statement on a different page of "Hansard." That is most dishonest and the only reason I made the remark I did was to give a direct reply to the hon. member.

If he wants to go further and argue about the effects of the Bill if it is passed, I am quite prepared to take it that far with him, and I shall refer him to a quotation from the latest letter I received, some two or three weeks ago, from the Commonwealth Minister who controls the war service land settlement scheme. In it he definitely lays down the law so far as this State is concerned; and unless the State agrees to that, it will not receive any money.

Mr. Nalder: As to future developments or as from the time the war service scheme began?

The MINISTER FOR LANDS: This is the quotation from the letter signed by Hon. W. S. Kent Hughes and dated the 22nd July, 1954. He says—

> My concern is that existing State legislation does not permit the entire implementation of the conditions I have determined. Unless this situation is remedied quickly, I shall have no alternative to referring to the Commonwealth's legal authorities the question of the validity of the Commonwealth making grants of financial assistance to Western Australia for war service land settlement.

Mr. Nalder: When did the Minister lay down the conditions?

The MINISTER FOR LANDS: The Commonwealth Minister?

Mr. Nalder: Yes.

The MINISTER FOR LANDS: He laid down those conditions about the middle of 1952.

Mr. Nalder: The legislation you have introduced here is to make it retrospective and will include all land settlement since the scheme began.

The MINISTER FOR LANDS: Of course.

Mr. Ackland: Is not that a repudiation of promises already made?

The MINISTER FOR LANDS: No, I am coming to that part in a moment. As one who has seriously criticised the scheme—and I still have objections to certain phases of it—

Mr. Ackland: That is why you are the subject of much dissatisfaction in the country today.

The MINISTER FOR LANDS: I will deal with what the hon. member has said in a moment. I have his remarks down here, too. If he knows as much about this subject as he does about a good many things, he knows very little.

Mr. Ackland: You are a good judge of that.

The MINISTER FOR LANDS: The point is that when this Government assumed office we had to make some effort to give effect, as far as humanly possible, to the recommendations made by the select committee. I would like to say, in passing, that this is one of the few reports of a select committee or a Royal Commission —certainly since I have been in this House —where the responsible Minister has made any endeavour to carry into effect the recommendations made. In this case, with the exception of one recommendation, all have been implemented.

Mr. Hearman: Which one is that?

The MINISTER FOR LANDS: We have endeavoured to implement that, too, but we have been refused permission by the Commonwealth Government.

Mr. Hearman: Have you pulled out of the scheme? That was the first recommendation you made?

The MINISTER FOR LANDS: We have a fair way to go before I finally sit down and I do not want any member to have any doubt about the whole situation. If I did not say in debate, I have said, in answer to questions or in some other way, that financial assistance could not be granted unless the Bill was passed. That applied to the debate last year, and I said that, unless the measure was passed, we had no legal basis on which we could issue leases. I have argued that consistently and I have never varied that argument. That is the position today and unless this Bill is passed, all that we can hope under the scheme is that two-thirds of the applicants who are now on the land will be able to receive their leases under the old legislation.

In reply to the member for Moore, that is no repudiation because all the Commonwealth Government attempted to do in the first place was to embark on a leasehold scheme. At no time did it contemplate making the land freehold. Until we in this Parliament agreed to an alteration in that respect there was no argument over valuations. But I submit to the member for Moore, and others, that the original scheme was a leasehold one. The Commonwealth Government at this stage is prepared to grant a leasehold scheme, and all the conditions appertaining to it, back to 1947, and the regulations which were made lawful under the 1945 Act. But the two-thirds of the settlers concerned will never be able to purchase their farms. The Commonwealth Government does not call that repudiation; it says that it is giving due consideration to the requirements of the scheme as originally laid down.

No argument arose about this question until we made provision for the freeholding of farms. We have now reached the stage where two-thirds of the men who have accepted farms under this scheme up to a certain date—I cannot remember what the date is, but I will mention it later on—will be able to retain their farms in perpetuity, on a leasehold basis and under conditions laid down in the original agreement. There is no repudiation about that. This question has developed over the last 12 months and I consider we have been successful and honest to that extent at least, in endeavouring to implement a recommendation made by the select committee of which I was chairman.

But beyond that two-thirds it is impossible to go for the simple reason that the Commonwealth has altered its own arrangements for financing this scheme and it has laid down certain conditions. They are the conditions which now appear before the House. It does not matter how much we argue; if a person wants to purchase his property under this scheme and make it freehold, he must comply with the conditions. We cannot get away from that fact, no matter how much argument takes place. If those already settled on land—with the exception of 80 who come under the new conditions—wish to retain their farms on a leasehold basis in perpetuity, they can do so under the old conditions. That answers both the member for Moore and the member for Roe.

I want members clearly to understand, before they vote on this Bill, that there has been no repudiation on the part of the Commonwealth Government. I think the member for Nedlands wanted some further information regarding details of valuation. I have taken the trouble to bring along the relevant file, from which I propose to quote, and this will give the hon. member the exact method used today. But I submit, in passing, that it is rather unusual to have to do this sort of thing in general debate because most of information that has been sought at the second reading stage—with the exception of the remarks of the member for Katanning—could have been dealt with in the normal way by asking questions. A Minister cannot be expected to be an expert on administrative angles as well as policy.

The position regarding valuations has been clearly explained in this House previously and the record appears in "Hansard," but probably the member for Nedlands was not here at that time. For his benefit, therefore, if not for the benefit of any other member, I propose to quote from page 94 of the file which I have in front of me. It reads as follows:—

> The Commonwealth-State Agreement provides that a valuation shall be made of each holding (land and all improvements), having regard to the expectation of prices and yields for products over a long term, and that any excess of the total costs of acquiring and developing the holding over this valuation shall be "written off."
>
> The valuation shall be accepted for determining the rental to be charged, and the structural improvements acquired or leased by the settler according to the current practice in the State.
>
> Procedures to put these provisions into effect have been agreed upon by Commonwealth and State as follows:—
>
> Structural Improvements.
>
> 1. Settlers will be required to purchase structural improvements in accordance with the practice in Western Australia. Structures on a property at the time of purchase will be charged at cost of acquisition; structures added after acquisition will be charged at a price representing their estimated cost as at July, 1946, subject to paragraph (2) hereunder.
>
> Rent.
>
> 2. Rental shall be 2½ per cent. of the valuation of the land and non-structural improvements, and this valuation shall not exceed the total cost of acquisition and development including structures, less the sale price of structural improvements.
>
> 3. A budget analysis shall be used to determine whether it is reasonable to expect commitments on this valuation at a total cost to be borne, or whether and to what extent it is necessary to "write off" cost to comply with the provisions of the Agreement.
>
> Determination of Costs.
>
> 4. Costs shall be determined on a project or estate basis for holdings into which the project or estate is subdivided.
>
> 5. The total cost of acquisition and planned development of an estate or project, less the sale price of structures and unimproved capital value

will be averaged between the holdings into which the estate or project is to be sub-divided when the developmental programme is completed.

6. Prices conservative compared with current prices will be considered as complying with the "conservative estimates over the long term period of prices for products" referred to in the Agreement.

7. Lessees will be given credit for work done at their own expense, which is part of the approved developmental programme.

8. Valuation will be undertaken when the holding has been developed to within a reasonable degree of the proposed planned works.

Valuation in actual practice is done by adding the total cost of acquisition and development to date to the estimated cost of additional development and improvement to be done to complete the developmental programme, then deducting the sale price to settlers of structural improvements and the unimproved land value of each holding, and averaging the balance between each of the holdings when development is completed.

A budgetary check is made to ascertain whether the prices necessary to bear the commitments on this valuation comply with Item 6 above.

If the prices for products required to meet commitments on costs are not conservative compared with current prices, costs are "written off" to the extent necessary to bring the capitalisation of the holding to a value which will comply with the economic test required by the Agreement.

The valuation of each holding in the case of sub-divided estates is then taken as the sale price of structure, thereon, plus the cost of land on an unimproved basis, plus a share of the balance of cost of the estate, less the agreed cost of planned development or improvement effected by the settler himself; and the adjustment of cost necessary for the completion of planned works by agreement with the individual lessee.

There is, I think, a misconception of what is actually done under the averaging system. It is generally assumed, by some members at any rate, that after the improvements on the farm have been completed and the department knows what they have cost in the money sense to develop the farm to that stage, then any loss that might normally occur—perhaps as a result of bad contracts being made or extra contract costs as against having the work done by day labour, or mistakes being made in bulldozing, and all the other incidentals that can happen in a scheme of this magnitude in excess of what is actually required—is spread evenly over the cost of the project.

But that is not so. They are added proportionately to the cost of the work each settler has had done. For example, suppose that one settler had 100 acres cleared and another had 200 acres cleared, and over the whole work, because of some miscalculation or bad management, there is a loss, then those two men would share only the cost of so much per acre. So that the settler who had 100 acres cleared would have less money to find than the one who had 200 acres cleared.

Hon. A. V. R. Abbott: What about the man who had no development done?

The MINISTER FOR LANDS: He would have no cost to bear for clearing. Each man bears the cost proportionately to the amount of work that has been done on his own place.

Mr. Nalder: Do you say that the amount spent on each farm is kept separate from any other amount? In other words, would each individual know the cost of the development on his own property?

The MINISTER FOR LANDS: The department would know.

Mr. Ackland: Why has the department not been giving the information to the soldier settler? That is nearly all your trouble.

The MINISTER FOR LANDS: No, not quite. What I propose to point out in speaking to this Bill is that the general averaging over a project is not the same as a number of people think, namely, that all the settlers do not share these excess costs. If, for example, one man had more fencing done than his neighbour, he would have to pay the excess cost, according to the chainage of fencing that had been done on his property.

Hon. L. Thorn: Some of the allottees have got the idea into their heads that the cost of other projects are loaded on to their project.

The MINISTER FOR LANDS: They are definitely not. Every project is a business arrangement on its own and whatever is spent on one project is never distributed over other projects. A question was asked last week, I think, on the cost of dairy farms and the amounts written off. I think the member for Katanning showed some interest in this matter. I have taken the trouble to obtain some figures in respect of that question, which I think will indicate clearly that the State does bear its share of the amount written off. I did not know exactly how much had been used in this regard until I commenced making some inquiries.

The member for Moore was wrong respecting the amount that he gave in regard to dairy farms. I do not know whether he corrected it himself at a later stage, but that part of his speech seems to be entirely

incorrect. When I said that the cost of dairy farms was assessed on a basis of £70 per cow, I meant that when a farm reached the stage when it was carrying 40 cows, the total cost to the settler of land development would be £2,800. The hon. member looked at it the opposite way. I said it was the maximum and he thinks I said it was the minimum. It is nothing of the kind. That is the maximum the dairy farmer is expected to pay under the scheme for that section of land development. But it does not include structures, stock or machinery. On the basis of the Commonwealth bearing three-fifths of the excess and the State two-fifths, it is interesting to know that a considerable sum of money has already been used by the State in paying its share of the writing off. I would like to show that this is actually being done.

Mr. Ackland: In answer to a question in another place, it was said that the Government made no loss.

The MINISTER FOR LANDS: I would like to see that question and answer. The fact is that the Commonwealth Government bears all the cost up to the final valuation, then any excess costs beyond what can reasonably be charged against settlers in a project, over the economic value of the farm, is written off on the basis of three-fifths Commonwealth and two-fifths State.

Members will be interested to know that in very few instances have dairy farmers been asked to meet the total cost of development and acquisition, and that up to the 30th June, 1953, an amount of £244,596 0s. 4d. had been written off with respect to 69 dairy farms, the State's contribution towards which amounted to £97,838 8s. 3d. This sum has actually been paid to the Commonwealth from Consolidated Revenue. Members can see for themselves, therefore, that the argument I developed on Thursday on this question was strictly true.

Mr. Ackland: The answer given in another place had quite a different interpretation.

The MINISTER FOR LANDS: As I have said, I would like to have a look at that question and answer, because I know that the department does not give wrong information. It is possible that a different line of argument was developed in the question, which brought the reply to which the hon. member refers.

Mr. Ackland: Could you clear up one point? After developmental work has been done on a project, some people go on doing their reconditioning at their own expense and others have it done by the soldiers' land settlement scheme. Those who have done it for themselves are fearful that they will not only have to pay for the work they themselves have done, but that under the averaging scheme they will have to pay for that done on other properties.

The MINISTER FOR LANDS: Any work that is done by a settler is credited to him and allowances are made to him in the final valuation. If the hon. member would read the details of valuation I have just quoted, he would see the allowances made to a settler who undertakes work on his own account. After all the work has been done on the farm, and the settler is in occupation and is a farmer in the true sense of the word, from then on he is on his own and it is not taken into account. He has already received his valuation, and that is the amount he must pay. The developmental work done up to that time is allowed for when the final valuation is made, irrespective of whether the work has been done by contract labour or physically by the settler himself.

Hon. Sir Ross McLarty: Some of them claim that it is not being done.

The MINISTER FOR LANDS: If there are any complaints, I would like to hear of them, for I would examine the cases personally. The system used today has developed a very favourable situation for farms in wheat and sheep areas. I believe that the old 1945 Act followed by the 1947 regulations would have been the fairest way to have undertaken this scheme, because that was the agreement arrived at in the first place after a great deal of thought. I must confess it is due entirely to the high inflation on the world market, which has boosted prices for agricultural products, that this position has been arrived at.

Up till now, the Commonwealth Government need not have looked for any writing off in the wheat and sheep areas because it is laid down clearly that any price that is conservative by comparison with the current figure, is deemed to be suitable under the scheme set out in the agreement. I forget the exact legal verbiage, but that is the sense of it. The result is that with the information the department has at hand, namely, the cost of development—so much for fencing, so much for clearing and building and so on—it has arrived at a cost for a farm, which, on today's prices for wheat and wool, will be ample to enable a farmer to meet all his commitments and to maintain his family at a desirable standard, and yet keep the value of that property at £2,000 to £3,000 lower than the market value.

That is the position as it relates to wheat and sheep. I think the Government has been very lucky to reach an agreement with such favourable conditions. In the dairy areas the opposite is the case, and that is why the large sum of money I mentioned has had to be used in the writing off on those 69 properties.

Mr. Court: Do I understand that most of the former settlers have their valuations and that they will not be altered upwards again?

The MINISTER FOR LANDS: They have their valuations. Those who have their final valuations number about 697, less about 80 who will have their valuations based on the old agreement and the 1947 regulations. But they will be leasehold propositions only and the settlers concerned will never be able to purchase their farms because the Commonwealth Government says that at the date of valuation it is not only the valuation of their farm, but the option price for purchase that apply. On a rental basis, however, they come under the provisions of the agreement that existed many years ago and it will be strictly a leasehold basis. The settlers will have no opportunity of buying those properties unless they agree to the new conditions that exist today just as future settlers will have to do—and there will be some 300 that come under this scheme.

Of the 1,100 or 1,200 settlers that will eventually come under this scheme and occupy their farms, about two-thirds will, if they wish, have their farms assessed under the old system, and remain leasehold farmers only. The other one-third will automatically come under these conditions. That is why it is necessary for us to pass this Bill. This scheme cannot be completed unless the measure is passed. If they want to change their minds and make their properties freehold, the two-thirds, to whom I have referred, will have to come under these conditions from the point of view of sale. That is the set-up between the Commonwealth and the State as it exists today.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Moir in the Chair; the Minister for Lands in charge of the Bill.

Clauses 1 to 5—agreed to.

Clause 6—Granting of tenures:

Mr. NALDER: I move an amendment—

That at the end of Clause 6, page 4, the following proviso be added:—

> Provided that nothing contained in this Act or in any regulations made pursuant to authority granted by this Act shall in any way alter, prejudice or affect or permit the alteration of the terms or conditions of any perpetual lease heretofore granted or the terms or conditions upon which the Minister has heretofore approved of the granting of any perpetual lease or has otherwise agreed to grant leasehold rights to any applicant within the meaning of the repealed Acts or render any such applicant liable to pay rental or purchase money for land and/or non-structural improvements in excess of that rental or purchase money which he would have been liable to pay if this Act or any such regulation had not been passed or made.

My only reason for moving this amendment is that I consider an agreement made between the Minister and the settlers on war service land settlement properties should hold. The conditions as outlined by the Minister, which existed up to the period in question and were laid down by the Commonwealth Government, should bind the Minister and the lessees. If lessees go on to properties after the Federal Minister has laid down the conditions, then they do so having full knowledge of the facts. The Minister has stated that this legislation will be retrospective to 1952, and it will bind all lessees from the time that the land settlement agreement was reached between the Commonwealth and the States or, in other words, it will bind all men who have been placed on land in Western Australia.

Where an agreement has been made between two parties, it should be carried out, but in this case it has not been carried out. I am taking this action so that men who have been placed on the land prior to this period can be safeguarded. If settlers had been told that these conditions would prevail, I doubt whether many of them would have taken up the land. Many of them would not have taken up leases if they had been told in the first place, "We do not know the conditions which will prevail in future. All the risks will be taken by you. You might eventually pay £5,000 or £20,000 for your property." To pass legislation to enable one party to an agreement to break it would be a retrograde step to take, and that is what the passing of this clause will amount to. If, as the Minister stated, the Commonwealth Government insists on this legislation, then I contend that men who took up land prior to 1952 should be safeguarded.

There are one or two points I would like cleared up. Each lessee should know his exact position. When some of the settlers applied for detailed statements of their accounts, they did not get them. The Minister has agreed that this might have occurred recently, but not formerly. I ask the Minister to explain what has happened respecting the two or three cases where lessees applied for details of their accounts and the department did not supply them. Writs were issued out of court, but those cases have not been proceeded with. The Land Settlement Board invited those applicants to appear before it and in every case, as far as I am aware, the board reduced the valuations to what those lessees considered fair.

The Minister for Lands: Can you give me the names?

Mr. NALDER: I can give the Minister two cases that I know of. I understand there is a third. The Minister knows the cases very well.

The Minister for Lands: Give us the names.

Mr. NALDER: He knows the cases I refer to very well.

The Minister for Lands: Wait a minute; you might be talking about something else!

Mr. NALDER: I hope the Committee will agree to the proviso, because it is dishonest to suggest that an agreement reached between two parties should be broken by an Act of Parliament.

The MINISTER FOR LANDS: This amendment is exactly identical with one that the hon. member moved to a similar Bill last year.

Mr. Nalder: No.

The MINISTER FOR LANDS: I have a copy of the notice paper before me.

Mr. Nalder: It is not so.

The MINISTER FOR LANDS: I would like to know where the two amendments differ. I have read both closely.

Mr. Nalder: Last year's amendment was introduced in another place; not by me.

The MINISTER FOR LANDS: Is that the only difference? The amendment is the same as that which was introduced last year—exactly the same; and for the same reasons I advanced then, I will have to disagree with it now. I cannot understand why the hon. member worries about this sort of thing, because the situation he most fears will never occur—that is, the breaking of an agreement between the State and the Commonwealth. All the conditions he said would be thrust on the early settlers do not apply now.

Hon. L. Thorn: Unless a man wants a freehold.

The MINISTER FOR LANDS: Yes; but the member for Katanning said that the agreement had been broken. I say it has not, because freehold had never been promised. What the Government of the day promised was leasehold in perpetuity—a complete leasehold agreement; nothing else. I have already explained that the number of lessees approved under the 1947 regulations was 687, and the number of allottees in occupation of farms to whom leases cannot be issued until the Bill has been approved by Parliament is 80. To that we have to add another 300 whom we hope to put on the land under this scheme. So it can be seen that the hon. member's objections have been completely wiped out during the last eight months.

The Commonwealth Government now says that the lessees to whom I have just referred are entitled to a valuation under the original agreement. That is no breach of faith. But they will be leasehold properties. That also is no breach of faith, because that is all the original measure provided for. What is the objection to the Bill?

Mr. Ackland: What is the objection to the amendment?

The MINISTER FOR LANDS: The amendment is not warranted. What the hon. member is asking for, in effect, is that all those who have already been placed under this scheme should be given the conditions laid down in the original agreement.

Mr. Ackland: That is all this provides for.

The MINISTER FOR LANDS: Why include it in the Bill when the policy is to do that? It was not so before, but that has been agreed to over recent months.

Mr. Yates: How many freehold properties would be affected?

The MINISTER FOR LANDS: Freehold properties would not be affected if the hon. member had his way. All going on the land under this scheme, plus 80, will automatically come under the conditions that have been laid down by the Commonwealth to be fulfilled before it will issue money. But when this scheme is completed, should the earlier settlers decide they want to buy their farms, they, too, will have to come under these conditions. So long as they like to remain leasehold farmers, they can have their properties on a leasehold basis, subject to the earlier conditions provided for in the 1947 regulations.

Hon. L. Thorn: If they want the freehold, they will come under this Bill, and it will be retrospective.

The MINISTER FOR LANDS: That is the only time the Bill will be retrospective —when the earlier leaseholders want to purchase their farms. The member for Katanning referred to two or three settlers. I wanted him to mention a name so that I would be sure I did not have the wrong group in my mind.

Mr. Nalder: There would not be another group.

The MINISTER FOR LANDS: I take it the hon. member was talking of Mr. Leggoe.

Mr. Nalder: He was one.

The MINISTER FOR LANDS: I can tell the hon. member what happened to him. He put the matter in a lawyer's hands to make certain that he would enjoy all the provisions laid down in the original agreement, as far as was humanly possible. But the case never went to court.

Mr. Nalder: Because the board agreed to his figures and wrote down the valuation from £1,800 to £200.

The MINISTER FOR LANDS: Yes; but he could still take it to court if he wanted to.

Mr. Nalder: There is no need to because the department agreed to the reduction.

The MINISTER FOR LANDS: All right. He has done very well.

Mr. Nalder: Which proves that the board has not kept details of each individual farm.

The MINISTER FOR LANDS: His argument was a pretty loose one.

Mr. Nalder: The Minister knows the circumstances, because evidence was given to the committee of inquiry.

The MINISTER FOR LANDS: I am not so much worried about that. I am pleased to know that we have achieved something of what we attempted to do. If the men want to purchase their farms voluntarily, they will have to put up with the conditions laid down.

Mr. HEARMAN: The Minister becomes more confusing the longer he talks on this Bill. I cannot see any particular objection to the amendment, and neither can the Minister. He says it is redundant. If that is so, is there any harm in having it incorporated in the Bill? If it does not apply, surely there can be no harm in agreeing to it. As a matter of fact, there is a very good reason for its inclusion. As the Minister knows, quite a number of settlers under this scheme have considerable mental reservations as to its fairness and the treatment they are getting. The Minister knows that perfectly well. He was chairman of the select committee that investigated the whole business and submitted a report with recommendations which the Minister now says are stupid. This sort of thing does not build confidence in the scheme.

The Minister for Lands: What sort of thing?

Mr. HEARMAN: When we get a Minister who submits a report from a select committee; and then, when he becomes Minister, repudiates the lot, and justifies what was done before.

The Minister for Lands: That is a lie.

Mr. HEARMAN: It is nothing of the sort.

The Minister for Lands: I say it is.

Mr. HEARMAN: I take exception to the Minister's suggestion that it is a lie.

The Minister for Lands: I never suggested it; I said it was a lie.

Mr. HEARMAN: If the Minister suggests that the Bill is completely consistent with the report he submitted as chairman of the select committee, and with the spirit of that report, he has made out a very poor case.

The Minister for Lands: I never said it was.

Mr. HEARMAN: I am prepared to quote the report if the Minister wishes me to.

The Minister for Lands: I do not care if you do.

Mr. HEARMAN: If the Minister wants me to quote from the report, very well. Here is an extract—

> In view of the foregoing, the Committee recommends:—
>
> (1) As the current Commonwealth - State arrangement, referred to above, can have no legal standing, and is improper in a parliamentary sense, the State should immediately withdraw its support to such an arrangement. Any amendment desired by the State Government to any Act of Parliament governing war service land settlement should be effected by legislation.

That is contrary to the statement made by the Minister when replying to the second reading debate and I should like to know what is what. The Minister's action does not inspire confidence in the scheme. The proviso represents an endeavour to set at rest the minds of settlers who have a doubt as to how they are being treated. It seems evident from the Minister's speech in 1952 and the report of the select committee that he must be in agreement on that point. For this reason, the proviso, if it does no other good, will set at rest the minds of these settlers who are anxious to know the extent to which this legislation might be retrospective and are worried to know where they stand. They can interpret it to mean that the conditions will be altered and that the Government will not be bound by the previous agreement.

What is the Minister's objection to the proviso? I see no objection to including it because it will inspire confidence in the scheme—a confidence that the Minister knows is lacking. I suggest that the Minister should take action to restore the peace of mind of these men and I am satisfied that the proviso would be a step in that direction. The Minister said the proviso was redundant in that provision was already made for what it contains. That may be so, but its inclusion would give satisfaction to a lot of settlers.

Hon. L. THORN: Has the amendment been submitted to the legal advisers of the Government? The Minister has told us that it is redundant. I believe it would permit of imposing conditions on an allottee who wished to make his property freehold, and for that reason the proviso needs further examination. I am not satisfied that the amendment expresses in so many words what the Minister has told us he proposes to do.

I wish to be quite clear about this legislation. I believe in the averaging system and that those men who were fortunate enough to secure properties in the early

stages of the scheme should bear their fair share of the cost of development. I cannot see any reason why the member for Katanning, when asked by the Minister, did not mention the names of the settlers referred to. What does it matter who they were? They got their properties under just terms. However, there would be nothing dishonest about mentioning their names.

Mr. Nalder: The Minister knows them.

Hon. L. THORN: I suppose he does. Still, the member for Katanning would not be committing a breach of faith if he gave the names. The Minister should consider the amendment carefully with a view to determining what effect it would have.

Mr. PERKINS: The Minister's only objection to the amendment appears to be that it is redundant. That may be open to question. I do not know what the legal complications are, but I believe that members in this Chamber have some responsibility to the settlers concerned. In a previous clause we repealed the earlier Act. If the settlers had some safeguards under that Act, or even if they thought they had some, I submit that there cannot be much objection to including the proviso suggested by the member for Katanning to give them the maximum safeguard possible.

The settlers have expressed some misgivings about the way the Land Settlement Board has handled the question of final valuations. The Minister has admitted that the board has written down the valuation, in the case of one settler, from £1,800 to £200. Surely that is an extraordinary position! Why did the board make a valuation of £1,800 and then after some objections by the settler, be prepared to admit that £200 was a fair valuation for the improvements?

The Minister for Lands: Do you expect me to know the answer to that at this stage?

Mr. PERKINS: I think the Minister has given consideration to some of these cases, and he obviously knows something about the one I have mentioned, because he was able to quote the figures in the Chamber. I admit that he cannot have examined all the cases that the board has been dealing with, but he has obviously given some attention to this one.

The Minister for Lands: I would like to see that man carry on with his case, because I do not think he is game to.

Mr. Nalder: He did not want to go on with it.

Mr. PERKINS: The point I am making is this, that the fact that the board has been prepared to reduce the valuation from £1,800 to £200 is an indication to the other settlers that either the board has not been very careful about keeping separate accounts with regard to these properties, or else the board has considerable latitude under the legislation which enables it to fix these valuations. The fear I expressed when speaking to the second reading of the Bill was that the policy and methods adopted by the Land Settlement Board were somewhat open to question. Some of the work done by the board is very expensive. In the debate on another Bill, the Minister indicated that the market value of the work done by the Land Settlement Board in the North Stirling area was considerably less than what it cost the board. That being so, the same thing could conceivably have happened with respect to some of the work performed by the board in developing portions of properties which needed further development before settlers were placed on them. If that is the position, then it appears that a proviso such as the one proposed by the member for Katanning will give some added protection to those settlers who have taken up land pursuant to the earlier terms that were stated to them by the Land Settlement Board; and it should enable them—if there is an argument between individual settlers and the board—to have some firmer ground to stand on than they otherwise would have. If we simply repeal the earlier legislation and pass this measure as it stands, the settlers will be relying practically entirely on the goodwill and fair dealing of the Land Settlement Board in arriving at a final valuation. I think the Minister must agree that the soldier settlers concerned will be in a much stronger position if this proviso is included.

The Minister for Lands: Why will they?

Mr. PERKINS: Because they will have whatever protection is provided in the Bill, plus the rights they enjoyed under the earlier legislation.

The Minister for Lands: I have already told you that they have a choice. If they want to be leasehold farmers, they can.

Mr. PERKINS: I think this, perhaps, is where I am at cross-purposes with the Minister. My main concern is for the man who wants to get a title to his property. If he is prepared to remain under leasehold conditions, I agree with the Minister that possibly this proviso is not necessary.

The Minister for Lands: You are wasting your time. If he wants to get a title to his property, he has to come under the conditions.

Mr. PERKINS: As I read the proviso, it also gives them some protection in these circumstances.

The Minister for Lands: No, it does not.

Mr. PERKINS: I shall be interested to hear the Minister give the legal interpretation, as he sees it, of the proviso. I do not think he has yet given it

The Minister for Lands: You can see it deals with leasehold.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. PERKINS: In conclusion, I consider that unless the Minister can show clearly that the proviso which the member for Katanning seeks to insert in the clause will place an unreasonable liability upon the Crown, the Committee should accept it. Those members who have in their electorates many soldier settlers know that they have considerable misgivings as to the protection of their rights under any legislation such as this. Having given the subject considerable thought and having taken legal advice, they believe such a proviso is necessary to give them reasonable protection. It might not give them absolute protection, but in the event of arguments with the board developing, the settlers should be reasonably safeguarded. The Minister told us that when an argument arose as to the final valuation of one property, the board agreed to scale it down from £1,800 to £200.

The Minister for Lands: I did not tell you that.

Mr. PERKINS: I understood the Minister to say that, and I think some other members on this side of the Chamber are under that impression also.

The Minister for Lands: I did not hear about it myself, until this afternoon.

Mr. PERKINS: At all events there was a considerable scaling down in the sum claimed by the board as the value of the improvements effected. In such circumstances, the settlers should be given a reasonable legal standing, as otherwise they will have to take whatever the board offers. In a measure like this, which repeals an earlier Act and gives the Minister wide powers, I think he should agree to the proviso unless he can show that it would place an unreasonable liability on the Crown.

Mr. ACKLAND: I support the amendment. As I said during the second reading debate, I doubt whether ever before there was such a generous conception as that envisaged in this scheme for the settlement of Australian returned soldiers. Most of them entered the scheme with high hopes, but now feel that the promises made to them prior to 1952 are likely to be repudiated and that they have been let down. I have met two sections of the settlers, those on Tootra, in my own electorate, who are particularly fortunate in the class of land they have and their possibility of making good, and those at Mt. Many Peaks in perhaps the most southerly land settlement scheme in the State.

In both instances they appreciate what was in the minds of the instigators of the scheme, but they are concerned at the repealing of the Act unless there is inserted in the legislation a proviso such as the member for Katanning has suggested. The Minister harps about the freeholding of these holdings. The amendment has nothing to do with that, but deals entirely with the leasehold of those who came under the scheme in the early days. The Minister has spoken with three voices on the soldier settlement question over the years. When he spoke in 1952 he blackguarded the scheme and the then Minister for Lands for the treatment meted out to the returned soldiers.

Last year he spoke in a different strain and went further than did the Minister for Lands in the previous year. If he had stated then some of the things he has told us today, I do not think the soldier settlers would be so apprehensive as they are. He has told us that the averaging system will work out along the lines that the soldier settlers expect and that none will pay more than his just share under any averaging system. He also said there is a loss on the dairying properties and an answer given on his behalf to a question asked in another place was to the effect that the Government was not called upon to make up any loss in that industry.

The Minister for Lands: Did you look at that question?

Mr. ACKLAND: Yes.

The Minister for Lands: Then let us hear it.

Mr. ACKLAND: It was asked in another place on the 18th August last. I cannot give the exact words as I am not permitted to quote from "Hansard," but Hon. H. L. Roche asked, in effect, what amount of loss had the State Government asked the Federal Government to meet in connection with the war service land settlement scheme, under the three-fifths contribution for writing off, and the answer was to the effect that all finance is provided by the Commonwealth and that under the conditions under which finance is made available, the State is responsible for two-fifths of the Commonwealth losses on acquiring and developing farms. The answer continued that the State land settlement authority would not receive any recoup whatever from the Commonwealth Government.

The Premier: The hon. member has a good memory.

Mr. ACKLAND: Yes, it is pretty good. The question and answer were something along those lines. The Minister for Lands asked if I could give him some indication of the question asked.

The Minister for Lands: That explains itself.

Mr. ACKLAND: The position is that even if this amendment is not necessary, it will still do a tremendous amount of good because it will give these people a sense of security which they do not have at the moment.

The Minister for Lands: You have almost got me!

Mr. ACKLAND: After what the Minister has said, I feel it would be wise to agree to the amendment because the soldier settlers are fearful that they will be treated

badly. If that is not so, why not advise them of the fact by agreeing to an amendment such as this?

The MINISTER FOR LANDS: The hon. member made a mistake in regard to the question asked in another place. Mr. Chairman, am I permitted to quote the question and answer?

The CHAIRMAN: From memory.

The MINISTER FOR LANDS: My memory is as good as that of the member for Moore. The question asked was, speaking from memory —

> What amount of loss has the State Government asked the Federal Government to meet in connection with the war service land settlement scheme . . . .

That is different altogether to what the hon. member said when speaking. He said that the answer in another place had been that the State Government had not paid anything in connection with its two-fifths responsibility. The hon. member in another place wanted to know what sum of money had been recouped from the Commonwealth Government.

Mr. Ackland: Can you remember what was in the second part of the question asked by Mr. Roche?

The MINISTER FOR LANDS: It was an entirely different question to the one discussed by the hon. member this afternoon. If the hon. member wants to make a point, I cannot understand why he does not make sure of his ground. I listened with a good deal of attention to members who have spoken on the amendment, and I disagree almost entirely with everything the member for Blackwood said, because he did not keep to the truth.

Hon. Sir Ross McLarty: That is a serious statement.

The MINISTER FOR LANDS: I do not mind fair and honest criticism and I accept my responsibility as chairman of the select committee which inquired into this scheme. But I object to the argument used by the member for Blackwood; there is no truth in it. Any discontent in this State with regard to the scheme was stirred up by somebody two years before the select committee was appointed. Had there not been that feeling of discontent and frustration, there would have been no need to move for the appointment of a select committee. All the discontent that the member for Blackwood and the member for Moore still think exists, was brought about as a result of the conditions under which these fellows were compelled to live in the earlier days of settlement. There came a time when I knew for sure that the earlier conditions as laid down had been discarded and I found out that Parliament had not had an opportunity of agreeing or disagreeing with them. So I took umbrage and moved that a select committee be appointed.

As a result of the committee's appointment, there have been alterations to the scheme and they would not have been brought about had the committee not made its report. Useful alterations which the men scattered throughout the State desired, for their own protection, have been introduced. The point on which the member for Katanning and others think there has been repudiation has now been overcome to a great extent since the Bill was introduced into the Chamber last year. As a result, I was able to tell the House much more this afternoon.

Mr. Ackland: You have told us a lot more.

The MINISTER FOR LANDS: Last year that position had not arisen; but it has now, and that is why this amendment is unnecessary. I do not know of one person who could get any more if the amendment were agreed to than he would if the measure were passed in its present form. But if members feel that, apart from the assurance I have given, they need something in the Act, I am prepared to agree to the amendment, subject to a slight alteration. I want to make the amendment subject to Clause 5 of the Bill which lays down the power under which the Minister obtains authority for the receipt of funds from the Commonwealth Government and its sponsors and makes legally possible the carrying out of the conditions in respect of this measure. These are the conditions which the Commonwealth Government says are essential before the scheme can be completed in the manner it desires.

If members opposite are honest in saying that they require this amendment only to make certain that the settlers know there is something in the Act that will enable them to obtain their leasehold properties, under conditions which they expected to apply when they entered the scheme, they will accept my alteration. If we include after the word "that" in line 1 of the amendment the words "subject to Section 5," I shall be quite prepared to agree to it. Sufficient protection is given to all those hundreds of chaps who have the right, under leasehold conditions, to have the provisions of the earlier Act applied to them and at the same time it will give the Commonwealth Government the right—which is its right—to issue fresh leases under the new set of conditions provided. All parties ought to be satisfied with that arrangement, and it is now up to the members who require this assurance to be included in the Bill to accept my amendment, or unfortunately, for them, I will be forced to object to the proposal holus bolus. I move—

> That the amendment be amended in line 1 by inserting the words, "subject to Section 5" after the word "that."

Mr. NALDER: I thank the Minister for his courtesy in informing me of his intention prior to the tea suspension which afforded me the opportunity of studying his amendment. However, I cannot agree to it. It nullifies the whole intention of the proviso. The Minister might as well oppose the whole proviso rather than accept it subject to his amendment.

Mr. HEARMAN: I find myself in the same position as the member for Katanning. The Minister has become more confusing than ever.

The Minister for Lands: I am not confused, and I never have been.

Mr. HEARMAN: The Minister has said that what the proviso deals with is already covered in the Bill and that the words contained in the proviso are redundant. Then he went on to say that he could not accept the proviso unless the Committee agreed to the amendment he now proposes. Why is it necessary to qualify the proviso further? Why cannot he accept it as it is? With his qualification it cannot be as redundant as he would lead us to believe. I have noted that last year, when a similar measure was being considered by Parliament, an almost identical amendment to this one was moved by the Minister for the North-West in another place.

The Minister for Lands: Would you move to delete the whole amendment, or would you move to have my amendment incorporated in it?

Mr. HEARMAN: The Minister should either vote against it or leave it as it is. All the Minister has said is that it is already covered in the measure. If it is not redundant, why does the Minister now seek to insert a further provision which I believe, in common with the member for Katanning, would nullify the whole proviso. What is the object of the Minister's amendment? He should tell the Committee instead of abusing the members by saying that they are telling lies. The Minister should explain why he cannot accept the proviso as originally moved. He should make himself clear because he has been far from clear up to date, apart from making personal remarks.

Mr. Heal: You would make a good double.

Mr. HEARMAN: The member for West Perth has said that I would make a good double. I have not suggested that the Minister is telling lies. I have merely said he is inconsistent.

Mr. Heal: I think he is very consistent.

Mr. HEARMAN: The hon. member obviously has not read the report by the select committee on war service land settlement. All I ask is that the Minister explain what difference the proviso makes. The only argument the Minister for the North-West advanced in another place last year on a similar amendment, was that it enabled the Minister to continue with the scheme. There is nothing in the amendment proposed by the member for Katanning to prevent the scheme from continuing. If there is, the Minister has not mentioned it.

Mr. YATES: I think the Minister has acted in a spirit of compromise. He went in great detail to explain to the committee that the proviso has little bearing on the Bill itself. If the Committee accepts the Minister's amendment, it is completely nullified by the wording in paragraph (c) of Clause 5 (1), which reads, "to comply with conditions if any so determined." Those conditions are made by the Commonwealth and not by the State. Therefore, the amendment proposed by the member for Katanning would not have any great bearing on the Bill itself, if the Commonwealth decided to alter the conditions, which it may do at any time.

When any alteration is made in those conditions, the State introduces a Bill to effect the alterations accordingly. For the past eight years I have been a member of committees which have discussed the many and varied problems of ex-service soldier settlers and throughout that period none of the committees on which I have served has had any complaint from men on war service land properties. The R.S.L. generally has been happy with the scheme and nothing we can do will alter it in any way to the satisfaction of the settler and the Commonwealth, because we are bound by the conditions laid down by the Commonwealth. When the previous Minister for Lands introduced a similar Bill—

Mr. Nalder: He did not introduce the Bill.

Mr. YATES: No, that is correct, but he was present in the House when a similar Bill was introduced, and the conditions in that measure were much the same as those in this Bill. I would say on behalf of the R.S.L.—and I act as its spokesman in this Chamber—that the league is happy about present conditions. I can see no purpose in the amendment or in the Minister's proposed amendment.

Mr. Ackland: What does the R.S.L. know about the amendment? You have not discussed it.

Mr. YATES: This was brought up and discussed, and I am sure there have been no approaches made to the Minister in the matter.

Mr. Court: The R.S.L. favoured the amendment.

Mr. YATES: They did so because they were approached in the matter; they were not dogmatic about it. They did not force the issue. The chairman of the land committee was in this Chamber and he made no approaches to me. He was the man who should have known.

Mr. Ackland: You have just said, firstly, the amendment was not necessary and, secondly, the executive of the R.S.L. favoured the amendment. What do you mean?

Mr. YATES: I did not say the executive favoured it. The land committee and the executive are two different bodies. They both support anything which tends towards the betterment of the settler. I am sure the member for Katanning is on the wrong track.

Mr. Nalder: Some of your members will not be too pleased to hear what you are saying.

The Minister for Lands: The trouble is that some of you do not like the truth.

Mr. YATES: If there was anything wrong concerning freeholding of properties, we would have had a far greater outcry. I forwarded two copies of the Bill to the secretary of the R.S.L. and it went before the land committee and the chairman of that committee, although he visited this Chamber, made no reference to the freeholding of properties, and he would have done so had there been anything wrong. The Minister has given an assurance that the right is not denied the settler to apply under certain conditions.

Mr. Nalder: This repeals the old Act.

Mr. YATES: Of course it does, but the Minister gave an assurance that settlers, who took up their properties, under the old Act, could still apply to purchase their properties and be certain of getting a sympathetic hearing.

The Minister for Lands: Only if they agreed to present conditions.

Mr. YATES: Yes.

Mr. Ackland: This amendment merely makes that assurance doubly sure.

Mr. YATES: The Minister has compromised, but I think the Bill in its present form would be acceptable to ex-service settlers because of the assurance given by the Minister. I know of no case to the contrary, although the member for Katanning has mentioned one or two from his district who have had some difficulty about freeholding their properties. However, I think he was mainly concerned with the valuations, and they have not yet been satisfactorily concluded.

The MINISTER FOR LANDS: I thought I was trying to help members of the Opposition in accepting without alteration practically the whole of the proposed amendment. I cannot understand their attitude; it is perhaps done in a spirit of fun or with the idea of embarrassing the Government.

Mr. Nalder: The Minister knows about that fun.

The MINISTER FOR LANDS: I thought members opposite would realise we were trying to help them.

Mr. Nalder: It is not done in a spirit of fun.

The MINISTER FOR LANDS: I am surprised that responsible people opposite should adopt the attitude they have. There is no reason for the amendment and I should have thought that any fears that existed would have gone completely by now, as a result of the assurance I gave this afternoon. The conditions being applied are exactly similar to those asked for last year.

Mr. Hearman: Is there any harm in the amendment?

The MINISTER FOR LANDS: The member for Roe said, "You may be right in saying that the conditions you want are being given effect to today. If that is right, why not put it into the Bill?" I am prepared to do so, but I will not take the risk of upsetting the Commonwealth Government and losing the scheme for the sake of the views of a few members. If they are not prepared to accept my co-operation, they will have nothing at all. If members are reasonable, they will accept my further amendment. If they think it will have a moral effect on certain settlers to have their properties valued under the old Act, then they can, if they like, include it. But I will not jeopardise the scheme and the relationship between the Commonwealth and the State to satisfy a few disgruntled people.

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

Ayes	19
Noes	18
Majority for	1

Ayes.

Mr. Andrew	Mr. McCulloch
Mr. Graham	Mr. Norton
Mr. Hawke	Mr. Nulsen
Mr. Heal	Mr. O'Brien
Mr. W. Hegney	Mr. Rhatigan
Mr. Hoar	Mr. Rodoreda
Mr. Jamieson	Mr. Sleeman
Mr. Johnson	Mr. Styants
Mr. Kelly	Mr. May
Mr. Lapham	*(Teller.)*

Noes.

Mr. Abbott	Mr. Nimmo
Mr. Ackland	Mr. North
Mr. Brand	Mr. Oldfield
Mr. Court	Mr. Owen
Mr. Doney	Mr. Perkins
Mr. Hearman	Mr. Thorn
Mr. Manning	Mr. Wild
Sir Ross McLarty	Mr. Yates
Mr. Nalder	Mr. Hutchinson
	(Teller.)

Pairs.

Ayes.	Noes.
Mr. J. Hegney	Mr. Mann
Mr. Guthrie	Mr. Bovell
Mr. Tonkin	Mr. Watts
Mr. Sewell	Dame F. Cardell-Oliver
Mr. Brady	Mr. Hill
Mr. Lawrence	Mr. Cornell

Amendment on amendment thus passed:

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

Clause 7—agreed to.

Clause 8—Protection of certain mineral rights:

Hon. A. V. R. ABBOTT: I referred to this provision during the second reading. I listened to the Minister for Mines with interest, but he made no effort to explain what the clause meant. I thought he would have done so before indulging in criticism of a somewhat similar provision in another Act.

The Minister for Mines: If you do not know what it means, you are pretty dull.

Hon. A. V. R. ABBOTT: The Minister left members in complete confusion. I think the Minister for Lands did that also. He failed to accept my challenge to explain what this clause meant.

The Minister for Lands: I thought the Minister for Mines made a good job of explaining it. He told us exactly what was in his mind.

Hon. A. V. R. ABBOTT: I was anxious to clarify the meaning of the clause before its merits were discussed. It firstly defines the meaning of "company," and then it defines "mineral rights." The latter includes all minerals other than gold, silver, precious metals, gems and precious stones.

The Minister for Lands: If you keep on reading, you will make it clear.

Hon. A. V. R. ABBOTT: I am trying to. Subclause (2) deals with the revesting of mineral rights in the Crown. As everyone knows, the Midland Railway Co. also transferred land with a reservation of the mineral rights to itself. It is perfectly entitled to do this. So if the State purchased any land from the Midland Railway Co. or from any other party which had previously purchased the land from that company, the mineral rights would remain vested in that concern. On the other hand, if the Government resumed the land, then the whole interest would be vested in it. Subclause (3) refers to the revesting of mineral rights in the company. First of all, the Crown acquires these rights, and immediately thereafter they are revested in the persons from whom the Crown took those rights.

The Minister for Lands: What is wrong with that?

Hon. A. V. R. ABBOTT: That is my understanding of this subclause. The Minister for Mines voiced a great complaint because a similar provision, with one exception, was inserted elsewhere. In the definition of minerals in the 1951 Act, gold was not included. Where the section vested the mineral rights in the Government it did not revest rights in gold. What it did not have it could not give back, so what was the difference?

The Minister for Mines: Why did it make specific mention of gold, silver, and precious metals?

Hon. A. V. R. ABBOTT: It did not.

The Minister for Mines: Yes, it did. You read the Act.

Hon. A. V. R. ABBOTT: Gold was not mentioned. I admit that the provision would have covered gold; but what is the distinction? In our Act the gold would have been vested in the Government and immediately revested in the owner. Under the Government's measure the gold is not taken, so it cannot be revested. It is purely a question of drafting. I am not going into the question of whether the Government should deprive—by any Act that has been passed—the Midland Railway Co. of all mineral rights; because there is not the slightest doubt that when the contract was made between the predecessor of the Midland Railway Co.—Mr. Waddington—and the Government of that day, he was given the mineral rights.

Mr. Jamieson: Why was it not written into the title?

Hon. A. V. R. ABBOTT: It was.

Mr. Jamieson: It was not.

Hon. A. V. R. ABBOTT: I am afraid I shall have to be more explicit. Unfortunately the hon. member has not had the advantage of studying law—

The Minister for Lands: He is to be congratulated!

Hon. A. V. R. ABBOTT: —so he does not know what is meant. The actual words used in Clause 49 of the contract were—

> In consideration of the premises the Government agrees to grant in fee simple—

which is the most absolute ownership of land anyone can be granted under our jurisdiction—

> —to the contractor by Crown grants in the form prescribed by the land regulations of the colony a subsidy in land for and in respect of each section.

Let us find out what "land" means. I shall quote from "The Laws of England" by Halsbury. He is an authority on legal language and the laws of the land; he was quite a lawyer. He states—

> The term "land," in its legal signification, includes any ground, soil, or earth, such as meadows, pastures, woods, moors, waters, marshes, and heath; houses and other buildings upon it; the air above it; and all mines and minerals beneath it.

So it will be seen that when the grant of land was made to the Midland Railway Co. in fee simple, the company was contracted to be given all the mineral rights in the land. There was no reservation of the minerals; nor was there any reservation of oil, which, after all, is a mineral. The argument which is being put forward by the company, and which will be tested, is that when Western Australia was given

responsible government, the statute that provided for it reserved to all contractors the rights they had previously. So the question to be decided by the court is: Could the State legislature, under any circumstances, overrule this English Act? That is a matter for the Privy Council.

The Minister for Justice: In what year was that contract made?

Hon. A. V. R. ABBOTT: It was 1886. We have had an interesting debate. The Minister for Lands talked a lot of hot air without any backing. I do not believe he talked about the Mines Department being consulted—a very wise provision, too. Where the Mines Department is likely to be affected, it should be consulted. It would be very wise of the Minister, if he is going to argue legal technicalities and about the drafting of Bills, to obtain advice from the Minister for Justice—and that would mean that the advice would come from the Solicitor General. If he had read something from the Solicitor General—

The Minister for Mines: Do you think he would know all about these things?

Hon. A. V. R. ABBOTT: I think he is quite a wise person. It is quite clear to me that both these measures actually provide for the same thing. One takes all minerals and gives back all minerals. The other takes all minerals, except gold, and gives back all minerals except gold. Under the Bill gold is not being vested in the Crown, so it cannot be given back.

Hon. L. Thorn: I do not think he understands it now.

The Minister for Mines: He certainly does not!

Hon. A. V. R. ABBOTT: I think it is quite clear.

The Minister for Lands: Yes; that clears everything up!

Hon. A. V. R. ABBOTT: I think it does. I shall be very interested to hear any comment that would make my argument incorrect. I think the Premier has fully appreciated the position.

The CHAIRMAN: Order! The hon. member's time has expired.

The MINISTER FOR LANDS: While I have not the legal brilliance of the member for Mt. Lawley, this is perfectly clear to me, strangely enough.

Hon. L. Thorn: It was not too clear to the Minister for Mines.

The MINISTER FOR LANDS: I thought he explained the position very well indeed.

Hon. L. Thorn: He was only peeved because the Mines Department was not consulted.

The MINISTER FOR LANDS: Under the previous measures of 1950 and 1951 provisions were included which gave certain rights to the Midland Railway Co.

Hon. A. V. R. Abbott: What rights were given to the Midland Railway Co. under the 1950 Act?

The MINISTER FOR LANDS: All rights without reservation. In previous Acts of Parliament in this State there was a reservation regarding gold, silver, and precious metals; but, for some reason or other, it was left out of the 1950 and 1951 Acts. We think it could have been omitted by mistake, and so we are endeavouring to reinsert that provision. The rights to minerals of any kind, except the three I have mentioned will be retained by the company.

Hon. A. V. R. Abbott: They are still retained by the company. That is the point.

The MINISTER FOR LANDS: No.

Hon. A. V. R. Abbott: But they are.

The MINISTER FOR LANDS: The provision in the Bill is to revest the land in Her Majesty for the purpose of removing it from the operation of the Transfer of Land Act and bringing it under the operation of the Land Act.

Hon. A. V. R. Abbott: You are not suggesting that you are vesting gold, silver and precious metals in the Crown by this measure? They are excluded.

The MINISTER FOR LANDS: The clause provides for the company's mining for copper, tin, lead, etc., and all minerals whatsoever except gold, silver and precious metals. Further on, provision is made for the company to have full liberty at all times to search, dig, mine and bore for and carry them away, and for that purpose to enter upon the land or any part of it without paying compensation therefor. That is the position of the Midland Railway Co. in respect of all minerals with the exception of gold, silver and precious metals.

As I have pointed out, that provision appeared in the Act many years ago. The only difference between the earlier Act and this measure is with respect to mineral oil. The hon. member was wondering why it should be necessary for the Government on the one hand to take something and on the other to give it back. There is sound legal reason for further activities proceeding under the Land Act and not under the Transfer of Land Act, after which the land will be immediately revested in the owner.

Hon. A. V. R. Abbott: That is done by the Crown grant.

The MINISTER FOR LANDS: It is a question whether the State should have the right to grant prospecting areas for oil with respect to 90,000 to 100,000 acres of land which we have resumed for war service land settlement.

Hon. A. V. R. Abbott: If the Midland Railway Co. has that right already, this measure will not affect it.

The MINISTER FOR LANDS: That is exactly what we say. There were three alternatives, and this is the one the Government selected, because it places the company in a position in no way prejudicial to the one it occupied before. That is all the Bill seeks to do.

Clause put and passed.

Clauses 9 and 10, Schedule, Title—agreed to.

Bill reported with amendments.

BILL—LOTTERIES (CONTROL).

Second Reading.

Debate resumed from the 25th August.

MR. McCULLOCH (Hannans) [8.37]: It is with great pleasure that I take the opportunity to speak on this Bill. I recall that about four years ago, when supporters of the present Government were sitting on the other side of the House, certain propositions were made regarding the duration of the lotteries. The member for Fremantle moved to extend the Act till 1965, and the member for Mt. Marshall proposed 1999. Finally an amendment by the then Leader of the Opposition was carried providing for the lotteries to continue till 1955.

Strangely enough, members on the Opposition side are now showing a little foresight by supporting this measure. The member for Mt. Marshall, when lotteries legislation was previously before us, said that we were shilly-shallying and tiddly-winking with the Bill, and unfortunately he was correct. However, members are of opinion now that the commission should become a permanent institution. It is not my intention to dwell upon what was done some years ago. Several speakers have criticised what was then done when we spent three or four nights in considering the question of war service land settlement.

The Lotteries Commission was brought into being in 1932 and, at the time, church people and various organisations were quite opposed to the idea of setting up a lotteries commission in this State. However, I believe that all of those people have more or less changed their minds, because the commission has done good work. It has operated on business lines, and has proved a worthy organisation in providing assistance for charities.

Hon. D. Brand: I would not say that all of them have changed their minds.

Mr. McCULLOCH: I have not noticed many of them raising objections to the lotteries in recent years.

Hon. Sir Ross McLarty: The Salvation Army still objects.

Mr. McCULLOCH: It may do so, but there has been no public outcry against the commission, notwithstanding that lotteries represent a form of gambling, just as does the two-up school or s.p. betting. However, there will be no outcry against the Lotteries Commission. I also remember that at that time the then Speaker, the member for Claremont, ruled that this commission could not, for some reason or other, become permanent. I see now that we have a new Bill, so the commission could be permanent or its life could be extended. I consider the Lotteries Commission has done some very good work. On occasions I have approached it to render assistance to some of my constituents, and it has never refused its help. I think that goes for other members, too.

Over the years the commission has collected close on £1,000,000 a year, a portion of which is absorbed in the cost of selling the tickets, administration, prizes, etc. I believe that about 25 per cent. of the takings are needed to cover various administrative expenses and the commission on sales.

Mr. SPEAKER: Order! There is too much conversation in the Chamber.

Mr. McCULLOCH: Then the prizes have to come out of the remainder. I do not agree with one or two of the provisions in the measure, but it may be possible to have them altered when we are in Committee. The Bill provides that no dates need be specified as to when a drawing is to take place. Any lottery that I have had a ticket in has always stated when the drawing was to be held, but under this measure the commission will not be bound to say when the lottery will close or when the drawing will be made.

Another clause provides that any outside organisation that is given permission to run a lottery must clearly set out the closing date as well as the date of the draw. But the Lotteries Commission itself can carry on a lottery, if it does not fill in one or two months, and hold the draw when it so desires. If it is fair for one to have the right to do that, then it is fair for the other—the smaller organisation—to do the same thing.

I am glad to see that the members of the commission, instead of being appointed from year to year are to have a three-year term. I can remember the then Chief Secretary, now the member for Narrogin, say four years ago, when he was speaking to a previous measure, that although he knew the then members of the commission were good and honest men, he was not sure that the same situation would always continue in the future. We can say that in connection with all organisations that deal with money. However, I have not heard the member for Narrogin objecting to this Bill. The member for North Perth has an amendment on the notice paper—I think it is a fairly recent one—asking that Legacy be permitted to be included as one of the organisations to receive assistance from the commission. What is provided in the Bill may be all right, but if it is made clear that Legacy is to be

one of these organisations, everyone will be satisfied and no harm will be done to anyone.

The Bill also provides for the number of lotteries to be drawn and when they will be drawn. I consider what is being done by the Lotteries Commission is good work, and the Minister controlling the commission should have no objection to running a lottery at least once a month; and not a 2s. 6d. lottery. Times have changed, and the 2s. 6d. of 1932 is worth only about 1s. today. The time is not far distant when, instead of running a 2s. 6d. lottery we should have a continuous 5s. lottery. I feel certain it would fill just as the 2s. 6d. lottery has filled in past years.

I would have liked the member for Mt. Marshall to be here to give his views on this proposition because he should be complimented on his idea of four years ago. On that occasion all the sheep came to this side in a division, and left the two black sheep—or himself and me—on the other side. I support the Bill.

MR. MOIR (Boulder) [8.47]: I support the Bill. Like the member for Hannans, I believe that when a drawing is to be made, the date should be given.

The Premier: I thought that for many months the lotteries were drawn as they filled.

Mr. MOIR: They have been drawn at fairly regular intervals, and if that course is to continue, as no doubt it will, the result should be quite satisfactory. I would like the Minister to give some thought to the hospitals that can be assisted by the commission. I have in mind the position at Kalgoorlie where there are two hospitals—the State Government hospital and the St. John of God Hospital—both of which take in and care for quite a few old people.

Having been an inmate of St. John of God Hospital for a fortnight, I had brought to my notice the number of old people that the hospital is attending to. Some of them are suffering from various complaints and others simply from old age. In many instances these old people have no relatives to give them assistance or pay for their hospitalisation, and all that the hospitals concerned receive is a portion of the old-age pension. As members know, the Lotteries Commission can and does make donations to Government hospitals, and does a wonderful job in that regard. As an instance, I feel that the Royal Perth Hospital will for all time be a monument to the Lotteries Commission and the people who have contributed to it through that organisation.

But it seems to me to be an anomaly that the hospital in Kalgoorlie to which I have referred can care for aged people and receive recompense that is entirely inadequate and yet cannot, under the terms of this legislation, receive any assistance from the Lotteries Commission. The St. John of God Hospital is put to considerable expense in caring for aged people. In fact, I believe it is more expensive to look after them than the ordinary type of patient. I do not doubt that in other parts of the State a similar position exists, but I know that at St. John of God in Kalgoorlie there are about 18 elderly people receiving care and attention.

It is impossible for many elderly females to obtain admission to the Mt. Henry Home and, apart from that, there are many old people who are reluctant to leave their surroundings on the Goldfields and for those reasons there is nowhere else for them to receive attention apart from the two hospitals I have mentioned in Kalgoorlie. I would like the Minister to examine further the provisions of this measure. Although under it a wide variety of institutions could be helped by the Lotteries Commission, there is no provision for assistance to be given to the organisation that I have mentioned as providing a most worth-while service for a section of the people who cannot help themselves. In all other respects I support the Bill.

MR. O'BRIEN (Murchison) [8.54]: I support the Bill because I know that over the years a great many organisations have received generous assistance from the Lotteries Commission. Among them are the St. John Ambulance Association and other bodies. In addition to that, the commission has supplied playgrounds and swimming pools, kindergarten equipment and so on. The Mt. Henry Home for aged ladies is of great value to elderly women from all parts of the State and the Sunset Home cares for a great many aged men, among whom are a number from my electorate. Swimming pools, kindergartens and playgrounds, financed by the Lotteries Commission, help to lay the foundation of a healthy State.

The administrative clause of the measure is a worthy one. I feel that it would be very hard to find a better man for the job than the present chairman of the Lotteries Commission, Mr. J. J. Kenneally. The many approaches made to the commission by various organisations have always received sympathetic consideration, and the bodies concerned have had a fair deal. It is true that many religious bodies are opposed to gambling of any kind but, in my opinion, the will of the majority must prevail. In my electorate, I stand strongly for the Lotteries Commission.

HON. A. V. R. ABBOTT (Mt. Lawley) [8.56]: This is rather a difficult subject to discuss and I believe that all members of the House feel that gambling, as a principle, is not something that should be encouraged for the good of the community —even gambling in the form of a lottery—

The Minister for Housing: Or the Stock Exchange?

Hon. A. V. R. ABBOTT: Yes, that is worse, because the gambling there is done in far larger amounts. However, it must be admitted, at this stage of our social development, that people will gamble, both on the Stock Exchange and by means of lotteries.

The Minister for Health: It is only a gamble whether we continue to live.

Hon. A. V. R. ABBOTT: I do not think so. I believe it is by the grace of God. Legislation similar to that with which we are dealing exists in most of the other States of the Commonwealth, but I believe that when our original Act was introduced it was clearly intended that, if people would gamble, they should contribute to some extent to charitable causes. I feel that that was a worthy suggestion and I believe that one of the intentions was that our hospitals should be helped, as sick people have always been the subject of charitable assistance.

The Minister for Health: The Lotteries Commission has done a marvellous job in relation to our hospitals.

Hon. A. V. R. ABBOTT: Yes. I do not complain about what it has done in that regard. I do not complain about any particular Government because that of which I was a member was just as much to blame as any other. I do not think the original Act ever intended that money collected by means of a lottery should be considered by the Grants Commission as taxation, but it is so considered because it is used for purposes which otherwise would have to be satisfied from taxation.

I do not believe that the Lotteries Commission should provide money for permanent buildings, like the Royal Perth Hospital, as I do not feel that the construction of such buildings is of the nature of a charity any more than would be the erection of school buildings, which should be provided out of loan moneys or taxation. The Lotteries Commission should provide amenities in avenues to which the duty of the taxpayer does not extend. There are many little comforts that could well be supplied to the hospitals.

The Minister for Health: The commission does provide them.

Hon. A. V. R. ABBOTT: Yes, but still more such amenities could be supplied by the Lotteries Commission. At present that cannot be done, and the reason given by the commission is that there is not sufficient money available. That is true, but only because the commission spends countless thousands of pounds on structures which should be built by the Government.

The Premier: I think you will find that they will count the thousands; they are not countless.

Hon. A. V. R. ABBOTT: They count them very carefully.

Mr. Jamieson: Is not this a fairly socialistic idea of yours?

Hon. A. V. R. ABBOTT: No. I think the Government should carry out the duties imposed upon it. Under the conditions prevailing in our existing civilisation, I think it is the duty of the Government to provide reasonable hospital accommodation.

The Minister for Health: But for the commission we would not have had the Mt. Henry home.

Hon. A. V. R. ABBOTT: That may be a little different, but I did not bring the case of the Mt. Henry home forward. Perhaps the Mt. Henry home is a type of institution that would not be a cost to be borne by the taxpayer.

The Minister for Health: It is a marvellous home.

Hon. A. V. R. ABBOTT: Yes, and probably would come within the definition of "charitable purpose" as defined in the Act. It has been the custom of every Government over the years to utilise money collected from lotteries for purely governmental purposes. So much is it used for what can be termed governmental purposes, that the Grants Commission recognises them as such and makes allowance for them as if the money used for such projects had been raised by taxation. I do not know that that is a good idea.

Hon. J. B. Sleeman: The next thing the Grants Commission will be taking button-days into consideration.

Hon. A. V. R. ABBOTT: Maybe. I would have preferred some limitation on the funds from lotteries, so that they could not be used for the provision of permanent structures the building of which is a duty imposed upon the Government.

The Minister for Health: The point you raised about the Grants Commission is a revelation to me. Are you sure about it?

Hon. A. V. R. ABBOTT: It would not be a revelation to the Premier; he would know. There is one other point. Where duties are imposed on any board or other organisation it is usual to make such bodies subject to the Minister concerned. Why was not the Lotteries Commission made subject to the Minister? Under our system today it has been the custom to make the Government responsible for all governmental and semi-governmental instrumentalities. In the case of the abattoir, there is a board which is subject to the Minister, and the Railways Commission, which is charged with running the railways, is subject to the responsible Minister. The Lotteries Commission is not subject to the Minister and yet it has in its hands large sums of money which are used for governmental purposes. That is something to which I think the Minister should have given some consideration. However, with those comments I propose to support the Bill.

Mr. McCulloch: You think that hospitals should not get the money?

MR. JAMIESON (Canning) [9.5]: I think the proposal to place the Lotteries Commission on a permanent basis is a wise move. It has been given a reasonable trial over the years and has done a vast amount of good work. All other States, with the exception of South Australia—the views of which in regard to gambling or gaming are unpredictable—have found it necessary to institute some form of lotteries, such as the Golden Casket and so on, in order to provide money for charitable purposes. The good that is done with the money collected must far outweigh any evil associated with it. The grants vary from the provision of money for kindergarten equipment to the provision of hospitals and similar institutions which are spread throughout the metropolitan area.

Even though the Grants Commission may take into consideration the money provided by the Lotteries Commission, it only lessens the burden of taxation on members of the community. The people will willingly subscribe to this form of taxation because they have a chance of getting some return, whereas if the same amount were deducted from their pay envelopes, they would not be so happy about it. This measure deserves the full support of the House to enable the commission to carry on its good work. In the future, as our population increases, and the sums of money made available by the commission continue to increase, we will see new institutions being built and old hospitals and so on being improved. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Moir in the Chair; the Minister for Housing in charge of the Bill.

Clauses 1 to 3—agreed to.

Clause 4—Interpretation:

The MINISTER FOR HOUSING: On the second reading, you, Mr. Deputy Chairman, raised a point which is covered by this clause. You were concerned about a private hospital which catered for pensioners and persons of an indigent nature. A close scrutiny of the Bill will reveal that adequate provision is made for the Lotteries Commission to make finance available in such cases. Paragraph (b) reads—

> Any free ward at any private hospital in the State.

If it is felt that that does not go far enough, the final paragraph, which is a blanket one, reads—

> Any object which in the opinion of the Minister may be fairly classed as charitable.

If a private hospital were rendering a service to persons of humble circumstances, at a nominal figure, and it was not receiving assistance, I think a word from the Minister to the Lotteries Commission would probably result in the desired response.

Mr. COURT: I move an amendment—

> That in line 26, page 2, the words "substantially maintained" be inserted before the word "for".

I refer members to paragraph (f). The last three words could have the effect of excluding the Home of Peace if the definition were strictly applied. The present members of the Lotteries Commission have been extremely considerate towards this institution and I have no reason to doubt that they will continue to be so in the future. However, there could be a change in the personnel of the commission at a later date, and it might be that some of them might wish to interpret this provision strictly in accordance with the law. The non-indigent people in this institution are few and for all practical purposes the home is established to cater for people who are incurable and in indigent circumstances.

The MINISTER FOR HOUSING: I have no objection to the inclusion of these words. I do not know that there is any real need for them because the Lotteries Commission has been exceedingly generous to the Home of Peace in the past and I am quite sure that in the future it will continue to give patronage to that institution and others of a similar nature. However, perhaps the amendment indicates more clearly the intentions of the provision.

Amendment put and passed.

Mr. LAPHAM: I move an amendment—

> That after paragraph (h), page 3, a new paragraph be inserted as follows:—
>
> (i) any body incorporated under the laws of the State which provides relief or assistance to the dependants of deceased ex-servicemen.

This amendment will enable the Lotteries Commission to carry on as it has done in the past and also will ensure that the organisation known as Legacy will benefit from any contributions made by the Lotteries Commission. There is no need for me to outline the activities and objects of this organisation again, because I have already done so during the second reading debate. Some members have queried the necessity for the amendment in view of the drag-net provision in this clause, which would embrace Legacy. However, rather than leave it to chance, I prefer to move this amendment.

The MINISTER FOR HOUSING: I have no objection to the amendment. This paragraph would result in organisations such as Legacy having the right to be regarded as charitable bodies rather than their having to make approaches to the Minister for his support.

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

Clauses 5 and 6—agreed to.

Clause 7—Applications by Commission to conduct lotteries:

The MINISTER FOR HOUSING: I am taking the opportunity, during the Committee stage, to deal with several points raised during the second reading debate. The member for Hannans considered that there was an anomaly in that different treatment was accorded the Lotteries Commission in respect of lotteries conducted by it as against those conducted by certain organisations, and he particularly referred to the closing date of lotteries. On page 7, commencing from line 13, the following words appear:—

> The Commission shall publish once in a daily newspaper published in Perth the date of drawing . . .

In other words, an advertisement is published in the daily Press indicating the date of drawing a day or so beforehand. Instead of there being a fixed period for the conduct of a lottery, it is proposed that as soon as the lottery is filled it will be drawn.

Hon. D. Brand: The point was raised that there should be a limited period for lotteries conducted by outside persons.

The MINISTER FOR HOUSING: I merely made that point to show that the public will have some advance knowledge of when a drawing will take place. In regard to lotteries conducted by other organisations, I refer members to paragraph (c) at the top of page 13 which reads as follows:—

> The Commission may at any time and from time to time permit the permit holder to postpone the closing date of the lottery for such period as the Commission may determine . . .

From those words it will be seen that private lotteries are well covered.

Clause put and passed.

Clause 8—Provisions relating to lotteries conducted by Commission:

Mr. McCULLOCH: The Minister has referred to an advertisement that will appear in the Press in regard to when a drawing will take place, but that does not apply to private lotteries. On page 12, in Clause 15, in respect of a lottery conducted by a person other than the commission, these words appear—

> The closing date shall not be more than three months from the opening date.

It goes on to say—

> Notwithstanding that on the closing date the lottery is not filled or fully subscribed, the lottery shall be closed on that date—

The Minister for Housing: Read the next paragraph.

Mr. McCULLOCH: Very well. It reads—

> The Commission may at any time and from time to time permit the permit holder to postpone the closing date of the lottery for such period as the Commission may determine and the permit holder shall postpone the date of drawing in accordance with the determination.

Nevertheless, that provision does not free such persons from the obligation of making public the closing date of the lottery conducted by them. Paragraph (c) of Clause 15 surely does not override paragraphs (a) and (b). Paragraph (a) of Clause 8 states—

> Conduct a lottery without fixing or specifying either an opening date or a closing date or a date of drawing.

After receiving permission to run a lottery, if a private organisation is compelled to do it within three months of the opening date and the closing date, surely the Lotteries Commission should also specify a certain date on its tickets. To test the feeling of the Committee, I move an amendment—

> That in line 4, page 7, the word "without" be struck out.

The MINISTER FOR HOUSING: I ask the Committee to reject the amendment. It would serve no purpose and would merely embarrass the Lotteries Commission in having to decide on a date in the future when a lottery should close. The time fixed might be too long, that is to say, the lottery might have been filled days before; or it might be too short, in which case the lottery would not have been filled.

Mr. McCulloch: The same applies in Subclause (4) of the previous clause.

The MINISTER FOR HOUSING: Provision is made for a lottery to be conducted on a pro rata basis in certain circumstances. That is not particularly satisfying to anybody. The Lotteries Commission is a body corporate set up under statute, with Parliament casting an eye of surveillance over its activities. It is necessary that the Lotteries Commission should have some form of control. That is why limitations and requirements are laid down in the Bill, as indeed they are in the old Act.

From my experience—and I have been associated with many organisations that have conducted lotteries from time to time—on no occasion has any of them expressed opposition to this provision or indicated that it interfered with its activities in any way. Even if that were so, surely there is no reason—and certainly none has been advanced—why the Lotteries Commission should be compelled to follow a process which achieves exactly nothing. This Bill re-enacts the provisions in identical terms of the legislation under which the Lotteries Commission has been operating for 21 years.

Hon. D. BRAND: I support the Minister. The amendment will not achieve anything except to make it difficult for the commission to carry on its business. Having clothed the commission with the powers outlined in this measure, surely we can leave it to that body to conduct a lottery within a reasonable time and to make a decision as to when it should be opened and closed. I oppose the amendment.

Amendment put and negatived.

Clause put and passed.

Clauses 9 to 15—agreed to.

Clause 16—Matters to be observed in connection with lottery conducted by a person other than the commission:

The MINISTER FOR HOUSING: I move an amendment—

> That in line 18, page 13, the word "disposal" be struck out and the word "disposed" inserted in lieu.

It is an obvious error, and I move accordingly.

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

Clauses 17 to 24, Title—agreed to.

Bill reported with amendments.

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Second Reading.

Debate resumed from the 24th August.

HON. L. THORN (Toodyay) [9.31]: I oppose this Bill—

Hon. J. B. Sleeman: What is wrong with it?

Hon. L. THORN: A lot is wrong with it.

Hon. J. B. Sleeman: Then let me take notice.

Hon. L. THORN: This is a real taxing measure. The fees mentioned by the Minister for Labour are to be increased by about 230 per cent. It is a shame, as the member for Fremantle mentioned, that this will be done. The main object of the Bill is to get complete registration of all those concerned—shops and factories. The fee is imposed by compelling everyone to register. To increase the fee to the proposed amount is most unfair. What is asked, not so much of factories but of shops, is to provide the finance to police this legislation.

The Minister for Labour: The Government does that in the case of the Police Force.

Hon. L. THORN: Yes, and the taxpayers find the money.

The Minister for Housing: Does that not happen with fruit tree registration fees?

Hon. L. THORN: No.

Hon. Sir Ross McLarty: Nowhere near that.

The Minister for Railways: What about the fees for motor drivers' licences being doubled?

Hon. D. Brand: What about the gun licences which the Government wanted to double?

Hon. Sir Ross McLarty: And the railway freights the Government put up by 35 per cent.

The SPEAKER: Order! The cross-fire exchanged across the floor of the House must cease.

Hon. L. THORN: Much of the shops and factories legislation is irritating. It is laid down that shopkeepers may sell certain articles, and they are put to the expense of erecting screens which they must put up so as to section off the goods that cannot be sold after 6 p.m. I have no desire to tax big businesses. After all, they have a tremendous turnover and do not suffer as a consequence. But the smaller shopkeepers in the suburbs are making just enough to pay all expenses, yet they are forced to screen off all their grocery lines after 6 p.m.

Hon. A. V. R. Abbott: But they can sell fish at Melville after that time.

Hon. L. THORN: Fish is a perishable commodity. These restrictions are growing to such an extent that today there is too much policing of the small shopkeepers. To increase the fees to the extent proposed by the Government is very unfair indeed.

Hon. Sir Ross McLarty: Savage!

Hon. L. THORN: Yes, and brutal. Without a doubt, the Treasury is full. I would be correct in saying that the Government does not want this extra money.

Hon. Sir Ross McLarty: It does not.

Hon. L. THORN: By reading the newspapers one can see that the Government is giving thousands of pounds away daily. It will also be noted that the Government agreed that if the Arbitration Court granted the quarterly adjustments of the basic wage, it was prepared to pay the amount awarded. This would have cost the Government over £1,000,000. So the Government cannot be too short of cash, and the proposed increase of these fees is certainly unnecessary. I repeat again that we are merely asking the shopkeepers to pay for policing themselves. I strongly oppose the measure.

Hon. J. B. Sleeman: You have not told us what the increases are.

Hon. L. THORN: Surely the hon. member knows. I said the increases amounted to about 230 per cent.

On motion by Mr. Norton, debate adjourned.

House adjourned at 9.37 p.m.