Hon. G. B. Wood: Someone will go short.

The CHIEF SECRETARY: No one will go short. Provision is also made in the Bill for a formula, which will be determined by the Minister on the recommendation of the Commissioner of Main Roads, by which funds will be distributed. The formula will follow the existing method of distribution of funds as closely as possible. It is also provided in the Bill that the Commissioner of Main Roads may make progress payments where any local authority has actively undertaken, or is in the course of carrying out, certain works during any financial year. By this means, it will be observed, an objection which was raised during last session has been met, and the result will be that no delay will be occasioned in the financing of road works undertaken by metropolitan local authorities. I trust that members will agree to the proposals, the passing of which will not mean that expenditure on roads generally will be less than hitherto, nor will there be any reduction of the aggregate amount available to the local authorities under the present Act. Members will observe that I have placed on the notice paper an amendment for consideration at the Committee stage, the object being to make the position even more clear, if that be possible, than that I outlined when dealing with the Traffic Act Amendment Bill. I move—

That the Bill be now read a second time.

On motion by Hon. W. J. Mann, debate adjourned.

House adjourned at 9.21 p.m.

Legislative Assembly.

Tuesday, 15th October, 1940.

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

ASSENT TO BILL.

Message from the Lieut.-Governor received and read notifying assent to the Income Tax (Rates for Deduction) Bill.

BILLS (2)—FIRST READING.

1, Registration of Firms Act Amendment. Introduced by the Minister for Justice.

2, Builders Registration Act Amendment. Introduced by Mr. Needham.

BILL—SUPPLY (No. 2), £1,200,000.

Standing Orders Suspension.

On motion by the Premier, resolved:—

That so much of the Standing Orders be suspended as is necessary to enable resolutions from the Committees of Supply and of Ways and Means to be reported and adopted on the same day on which they shall have passed those committees, and also the passing of a Supply Bill through all its stages in one day.

Message.

Message from the Lieut.-Governor received and read recommending appropriation for the purposes of the Bill.

In Committee of Supply.

The House resolved into Committee of Supply, Mr. Marshall in the Chair.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [4.35]: I move—

That there be granted to His Majesty on account of the services of the year ending the 30th June, 1941, a sum not exceeding £1,200,000.

The purpose of this Bill is to grant further Supply pending the passing of the Estimates. No. 1 Supply measure appropriated from Consolidated Revenue £1,750,000, from General Loan Fund £400,000, and from Public Account for Treasurer's Advance £300,000, a total of £2,450,000. The expenditure for the first three months of the financial year has been—

	£
Consolidated Revenue	1,740,719
General Loan Fund	292,139

The amount now required from Consolidated Revenue is £1,200,000. There is still a balance under the Supply Act (No. 1) for General Loan Fund expenditure. The Estimates are now being discussed; members have had an opportunity to deal with various votes and will have further opportunities to discuss other votes during the next two or three weeks. Therefore it is not necessary for me to dilate on this Bill, except to say that the amount requested will carry us on for about two months. During that time we expect to pass the Revenue Estimates, the Loan Estimates and the Appropriation Bill.

HON. C. G. LATHAM (York) [4.37]: I have no intention of opposing the Bill; I realise that the Government must have Supply. The Estimates are under consideration and probably will be passed within a month, and then the Appropriation Bill will be brought down, but I should like to know what are the prospects of our getting the Auditor General's report. We have reached the middle of October and have passed portion of the Estimates, but the Auditor General's report will be of little use if it does not reach us before consideration of the Estimates has been completed. We might as well not have the report at all. The fact of our not having it places members at a great disadvantage. The Auditor General is the one officer over whom Parliament has control; he is an officer of Parliament, not of the Government. I should like to know what he has to say about the expenditure for last year, whether the Government has been keeping within the law in the matter of the appropriations already made. Only by having his report can we ascertain those facts. True, figures are published in the quarterly returns, and I check them carefully, but they have not been audited. They are merely a statement by the Treasurer and we have to accept the figures as such. I take this opportunity to protest against being asked to pass the Estimates without having information from our own officer as to what the exact position is and whether the money has been expended in conformity with the Estimates and the laws passed by Parliament. If we have the report, we are in a position to judge what has occurred.

I wish to take this opportunity to impress upon the Government the need for keeping a careful watch upon expenditure. A Bill was passed in July granting the Government three months' Supply, and now we are asked to pass a second Supply Bill authorising the expenditure of £1,200,000. There seems to be no alternative to passing it; the Government must have money to pay its officers. Still, I hope the Government will watch expenditure carefully. I am concerned to know how the State is going to manage. I realise the extent of the demands that are being made upon the public. Of course it would be possible to introduce a measure to tax people still further. The Commonwealth Government, irrespective of who is Prime Minister, will extract the last penny possible from the people. Appeals are being made to the public to subscribe to war loans and buy war savings certificates. People are being asked to provide all the money they can spare, and rightly so. The Commonwealth has a grave responsibility in that it must obtain all the money forthcoming to bring the war to a successful issue. We in Australia are too far distant from the seat of trouble to realise fully our responsibilities, and I make an appeal to the Government to lead the way in bringing home to the people a realisation of those responsibilities. I want Ministers to lead the way in carefully watching expenditure and seeing that full value is obtained for it, that no money is spent unless great need exists for doing so. It is my duty to point out how we on this side of the Chamber feel in regard to expenditure, how strongly we feel that it should be watched carefully, so that the people will get such results as will enable not only the Federal Government but also the State Government to carry on effectively through the war.

MR. McDONALD (West Perth) [4.41]: This is, as the Premier has rightly said, the usual Bill, and the amount for which Sup-

ply is asked is the same as was asked for last year at this stage of the session. Of course there cannot be any opposition to the passing of the measure, which is essential to enable the services of the State to be carried on. At the same time, the Leader of the Opposition has mentioned a matter which had also occurred to me, and is occurring to many other people as well. We realise now that there is not going to be, so far as we can see, a speedy success for the British Empire's cause. We have to be prepared to achieve success only by a long and bitter war and the measure of success is going to be determined, to a large extent, by the employment of the resources on the respective sides. It does seem to me that in Australia we are fighting our war upon a very liberal scale of expenditure. I am not referring to any proper expenditure in the way of wages. I hold that all people, whether they are soldiers fighting in the field or whether they are workmen fighting in the industrial sphere or farmers fighting in the sphere of food production, should be assured of reasonable standards, such as we can afford to pay bearing in mind the obligations imposed upon the nation. But there is a feeling abroad, and we in Opposition have not the same opportunities of testing the validity of that feeling as the Government has—and this applies more particularly to the Federal Government than to the State Government—that there is still extremely high expenditure in many directions. There are—and this again is Federal—contracts being let, it is said, at the highest rates, or at least on very costly terms. There is huge expenditure going on in various directions in connection with the establishment of various activities associated with our war effort; and if we are to meet the test of endurance, largely financial, between the two opposing sides, then as regards countries like Germany and Italy it has to be remembered that they can supply their needs at a small fraction of our costs. There is naturally, a measure always of fairness and of standards which we must observe, and there are in the enemy countries standards that we do not want to come to, that we think it would be unwise to come to —let alone unfair. However, the Premier is in touch with the Federal Loan Council and with the Federal Ministers, and I think the Commonwealth Government will have public support in keeping a very watchful eye on expenditure and in calling upon people to do all they can at cost, or at very little above cost, for the war efforts of Australia. What I have to say applies largely to offices that are being created. In some cases very high salaries are being paid. What may be commented on in the Federal sphere applies also to the State sphere, within the limitations of the State Treasurer, who has frequently told us—and we know it—that to a large extent expenditure is beyond his control. A time may come when the Government will have to assume control over some of the expenditure. Where there can be control of expenditure without any unfair sacrifice of standards, the Government may be assured that it will receive the support of this portion of the Chamber in endeavouring to see that our finances are conducted in such a way that our share of the national responsibility will stand the test of endurance as long as we have to make that test.

THE PREMIER (Hon. J. C. Willcock—Geraldton—in reply) [4.47] I take no exception to the remarks which have been made. Indeed, I have expressed similar sentiments myself frequently. The position is not easy when importunate people suggest to the Treasurer to-day that this or that is a social necessity towards which the Government should show itself highly sympathetic, and that we should do that and this. It is hard for one who desires to see that social standards shall be maintained, and as far as possible improved, to refuse requests of that description. Again, with regard to expenditure there are many things which are well worth while in the ordinary sense and in the ordinary course of events, and which even in extraordinary times should receive the same serious consideration; but the paramount duty of the Treasurer and of Parliament is to realise that whatever we may wish to do in the way of improving standards, this is hardly the time to set out upon reforms which may be expected to cost money. While I feel most reluctant to turn down many proposals which are suggested by Ministers and here in this Chamber, still it has to be done. I am pleased to acknowledge that, generally speaking, members of this Chamber have voiced no complaints but have stood behind the Government when it has pleaded that for the sake of economy it is impossible to grant that request or this request, or other things which, though important in

principle, would run into large expenditure. Notwithstanding the fact that we are suffering a drought—which I am glad to say has improved to some extent during the last week or two—the financial position has not worsened during the first three months of the current financial year. I believe our deficit at this stage represents an improvement of £7,000 or £8,000 on what it was at the same stage 12 months ago.

Hon. C. G. Latham: The Commonwealth grant has yet to come.

The PREMIER: Yes. We have not yet received the increased Commonwealth grant. We are waiting for the Bill to be passed by the Commonwealth Parliament. With the instalment of the grant to come, I think we should be £20,000 better off than we were last year. In view of adverse climatic conditions and for other reasons, the State many possibly slip a little financially; but it is my constant endeavour, as it is of every member of the Government—and I am sure of every other member of Parliament—to make sure that every possible economy is effected. Sometimes requests are made to the Government which it is impossible to grant. I am pleased that the Leader of the Opposition is in accord with this statement. It is easy for the Leader of the Opposition or for the Leader of the National Party to say to the Government, "You should be able to do this or that." The Leader of the National Party might have some project dear to the heart of people he might more particularly represent, but nevertheless he fully appreciates that it is impossible to accede to such requests at the present time. I am grateful to every section of the House for the way in which they accept such refusals, especially when they are told plainly, frankly and without equivocation that such expenditure cannot be incurred now, although in other circumstances the money could have been made available. As a matter of fact, many requests would not be at all unreasonable if circumstances were more propitious; but this is a time when the States must endeavour to curtail their expenditure. This year it will be necessary for the Commonwealth Government to raise £100,000,000 in Australia for defence works. That money must be found; and if every one kept to his ordinary rate of expenditure we might find ourselves in dire financial difficulties. The policy of the Commonwealth Government, backed up by the efforts of the Loan Council, is sound. There is this difference between the present war period and the last war period, that then interest rates were rising considerably and there was doubt as to whether Australia could raise sufficient money for war purposes. We have cause to congratulate ourselves now upon the liquidity of the bank's resources and upon the manner in which loans for war purposes are being raised, with the assistance of the Loan Council and of all shades of political opinion. Interest rates are being kept at a low level; they are lower now than at the commencement of the war. I do not care to hazard a guess at the rate at which the next loan will be floated, but probably it will bear interest at 3¼ per cent., which is considerably below the rate paid during the years immediately preceding the outbreak of war. With interest rates reduced and our volume of production kept up, we shall be able to overcome difficulties which would have been almost insurmountable in the days of high interest rates and difficulty in raising money. I repeat I am grateful to all sections of the House for their decision firmly to resist increased expenditure. Unfortunately, we have to meet statutory charges for interest and sinking fund and exchange on remittances. Such charges must be met; and, as we are spending more loan money each year, our interest bill must become higher. This prudent financial policy, backed up by all the Governments throughout Australia, will prove of the greatest possible assistance to the Federal Government in carrying out its defence work. The position is such that there is little to cavil at. I have no objection to anybody telling the Government that it should curtail expenditure at this stage. My constant desire is to do so. I have no wish to be a party to increased State taxation; rather do I desire to leave a free field to the Commonwealth Government to raise all the money it possibly can to prosecute the war. I take the opportunity to express my approval of the action of members of Parliament in journeying to various parts of the State to impress upon the public generally the necessity for saving in order to contribute to war loans. As I said, if we all spent the same amount of money as we have been accustomed to spend, Australia would soon find itself in

serious financial difficulties. It is the duty of every person to set aside as much as he can from his income for war loans.

I have nothing but gratitude for the way in which this Supply Bill has been received. I repeat also that I am grateful for the right spirit in which the refusal of the Government to provide money for various projects is received. It is this spirit that will pull us through in this war. We have also reason to be thankful for the introduction of price-fixing legislation and for the strict control that is exercised with regard to the raising of further capital for private enterprise. A most rigid test is imposed upon every proposal for increase of capital to be used in projects not directly concerned with the war effort. We must submit to regimentation in matters of finance; it may be unpalatable and unpleasant, but it is our paramount duty, and when we have a duty to perform which falls alike on every member of the community, it does not become as hard as it would in other circumstances.

I have little to add. The Leader of the Opposition asked when the Auditor General's report would be available. I spoke to the Auditor General a few days ago and he expected then that the report would be ready shortly. It has been held up because of information required as to balances of State trading concerns and remittances to London. We have not the same regular postal service now with England and consequently there is delay in receiving reports from the Agent-General. As Leader of the House, I have endeavoured to put forward as much legislation as I possibly can at this stage and to hold back consideration of the Estimates. I intend to follow that course, as I am not anxious that the Estimates should come forward for further consideration until the Auditor-General's report has been tabled. Of course, we wish to proceed with the business of the House, but I desire legislation to be dealt with now, so that when the Estimates are further considered members will have had an opportunity of making themselves thoroughly acquainted with the Auditor General's report. They will then be in a better position to criticise the Estimates.

Question put and passed.

Resolution reported and the report adopted.

In Committee of Ways and Means.

The House resolved into Committee of Ways and Means, Mr. Marshall in the Chair.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [5.1]: I move—

That towards making good the supply granted to His Majesty for the services of the year ending 30th June, 1941, a sum not exceeding £1,200,000 be granted out of Consolidated Revenue.

Question put and passed.

Resolution reported and the report adopted.

All Stages.

In accordance with the foregoing resolutions, Bill introduced, passed through all stages without debate, and transmitted to the Council.

BILL—FREMANTLE GAS AND COKE COMPANY'S ACT AMENDMENT.

Third Reading.

THE MINISTER FOR WORKS (Hon. H. Millington—Mt. Hawthorn) [5.4]: I move—

That the Bill be now read a third time.

HON. W. D. JOHNSON (Guildford-Midland) [5.5]: All efforts having failed to get this Bill somewhat into shape so that it might protect the interests of the people, I intend to oppose the third reading. The Bill as presented for the third reading displays a callous disregard for the interests of the people and by it the value of a private monopoly of what is always regarded as a public utility is enormously increased. In viewing a measure of this kind it is no use going back to 1886. In defence of the measure hon. members stated that they were not responsible for what happened in 1886, but the point is not what happened in that year. The point is that we must not endorse what was done in 1886. We are adopting the 1886 provisions and to a large extent we are extending the scope of those provisions. Therefore I appeal to hon. members to appreciate that we are not concerned about 1886; it would be foolish to worry about that. But when we are asked to endorse in 1940 what was done in 1886 the question is a totally different one. Labour did not exist as an organised body,

if it existed at all in any organised form, in 1886, but the Labour Party has been created since 1886 and it was created to make measures of this kind unpopular and, as far as it was able, to make them impossible. By the Bill the provision of the 1886 Act enabling re-purchase by the people is made very difficult, if not impossible. While such a provision exists in the 1886 Act that provision and the full significance of it has been totally disregarded in the preparation and presentation of this measure, by which we are linking up the administration of the Labour Party and the policy of that party with the politics of 1886. We are showing no advance at all. We are adopting a vital clause inserted in 1886 and put there at that time for the protection of the people; but the subsequent experience, already recorded in "Hansard," of the city of Perth in regard to this matter demonstrates that some measure of investigation and clarification is absolutely essential before we pass a Bill of this description. If we neglect to make such an investigation, that neglect will be due to something worse than what people to-day call the apathy of Labour, because apathy can be overcome by more intensive organisation. That neglect will amount to definite retrogression. We are taking the Labour policy of 1940 back to the conditions of 1886 and we are practically declaring by a measure of this kind that we have made no progress at all and that the conditions of 1886 must prevail in 1940. Consequently the introduction of Labour as a reformative influence preventing the monopoly of public utilities for private gain has failed and all the organisation is as naught.

I am not prepared to subscribe to that. I know too much of the Labour movement. For many years I have played a part in that movement and I know of its progress and its healthy ambitions. For the Government to disregard the principles of the Labour movement by associating that movement with a measure of this magnitude is wrong. Since its early association with the public life of this State Labour has made an enormous advance. The statute book records many monuments to its achievement. The condition of the people of Western Australia has been enormously enhanced and a great amount of credit for the uplift of the standard of living must be attributed to the entry of Labour into the direction of the general affairs of the State. The Bill puts us right behind scratch. It is true that Labour has made advances, but by sponsoring this measure it is retrogressing so far that it might just as well not have existed. In 1886 this private company was granted a concession enabling it to control a public utility. By means of the Bill the Minister for Works had a unique and ready-made opportunity for a clarification of the vital repossessing clause that was inserted in 1886 to give the people of Fremantle an opportunity to acquire the asset. When the section was inserted in the Act for the protection of the people, so that we should not perpetuate the control of a public utility by a private company, it was recognised that a wrong was being done. Evidently, however, the circumstances influenced the powers that be, and to an extent justified what was done then. The result demonstrated that it was recognised at the time that a section should be inserted in the Act to give the people an opportunity to repossess the public utility. The Minister was in a position to clarify the vital sections dealing with repossession. The Bill really makes it more difficult for the people of Fremantle to take advantage of the repossession provisions of the parent Act. The section was put in to make it simple and clear that the structural value of the asset should be the basis upon which it could be acquired after a given number of years. That given number of years has long since passed. The opportunity was there to do this. The Privy Council declared that the provisions of the 1886 Act were not clear. They were extended beyond what the average person read into them, and it was declared that in addition to the structural value goodwill had to be taken into consideration. That was vitally opposed to the best interests of the Fremantle people, and when a unique and ready-made opportunity was presented to the Minister to right a wrong he should have grasped it with both hands. He should have said to the company, "You want an extension of your area, and will require an extension of capital, but before one move is made in that direction, it is only fair to the people of Fremantle that we should have a clarification of what is really an interpretation by your company of the acquisition section of the 1886 Act." Such a course

would have been so simple. All the records were available so that the Minister could ascertain exactly what happened in regard to the first repurchase exercised by the Perth City Council, and he could have applied that knowledge to protect us against a Bill of this kind. After he had made those representations, which would have been in accordance with the directions of the Labour movement, the company might have said, "We are not prepared to discuss the intentions of the repurchase section of the 1886 Act. What we want is an extension, leaving a clarification of those provisions for future determination." Had the company made a declaration of that kind, the Minister should have said, "Well, gentlemen, you are a private company controlling what appears to me to be a public utility; I cannot sacrifice my principles by extending the Act of 1886 to cover an increased area unless we first ascertain what is intended by the Act of 1886." Had the Minister adopted that course he would have done no harm to the company, but would have prevented it from using a Labour Government for the enactment of a Bill of this kind. He would have directed the company to use Parliament as it was used in 1893, when an extension of the powers of the company was asked for. At that time the company went to its solicitors and presented to Parliament a request for a private Bill. It made use of the machinery of our Standing Orders for that purpose. All that the Minister for Works was called upon to do was to declare, "I cannot make this a public Bill. I cannot be associated with an extension of private control over a public utility. You must use the ordinary channels of parliamentary procedure and ask for a private Bill. You are a private company operating in a limited area. You must accept all the responsibility of presenting a Bill to Parliament in such form that, after close investigation, it will satisfy Parliament that the measure is in the best interests of the State and that the people are being fully protected." The fact that this has been declared a public Bill makes the Labour movement responsible for its introduction. We are attacking all precedent. Precedent made this a private Bill. It was a private Bill at the time when the company wanted the Act amended. The Minister would have found it easy to direct that the course previously and properly adopted should be adopted again, unless he had inserted in the public Bill some measure of protection for the people of Fremantle on the basis of the conception of responsibility in public matters such as would be found in 1940, as distinct from the views held in 1886. By neglecting to do this and bringing this down as a public Bill, the Minister has made the Labour Party responsible for the measure. It is a blot. I want protection for the movement with which I am so closely associated, and about which I am so deeply concerned. I have devoted too much of my life to its cause to allow a retrogressive measure of this kind to be a blot on the accomplishments of the past, to allow it to appear in the eyes of the Labour people throughout the world that we in Western Australia have forgotten our principles, that we are not maintaining the rights of the people up to the standard organised Labour is called upon to stand up for inside and outside of Parliament if it is fulfilling its proper functions. I tried, and a few other members assisted me, to have the matter reconsidered. I tried to have this made a private Bill and to have a select committee appointed, but I failed. I have done all I can. Having failed in all my efforts, I appeal to the House not to pass the Bill. I also thank the one or two members who assisted me. The measure should not be passed in this form. The company should not be given this present of an increased area and increased capital. The measure will so enormously increase the value of the asset that it will become extremely difficult, if not impossible, for the people of Fremantle to acquire it at any reasonable time in the future, if at all. I have done all I can. Without hesitation I declare that this matter must be taken into consideration by the Labour movement, as administered in this State. We cannot disregard it. With a knowledge of the significance of the words, I say that unless an immediate, thorough and searching inquiry is made into the introduction of this Bill, its fashion, its ramifications and its ultimate effect upon the people, the Labour movement will suffer in the eyes of those whose welfare we are supposed to protect. We cannot allow anything like this to go without a vigorous protest. I hope we shall seal that protest by defeating the Bill on the third reading.

HON. C. G. LATHAM (York) [5.28]: Since the Bill was last before the House, I have given it further consideration, more than I gave it when it was at the second reading stage. Had I then possessed all the information now before me, I would have supported the member for Guildford-Midland in his effort to have an inquiry made. It is only right I should tell the House what I have discovered. We are all agreed that we should be prepared, even in respect of the purchase of a monopolistic concern such as this, to give a fair deal to all concerned. I find that in 1886 the gas then produced by the company was used almost entirely for lighting purposes, but very little was used at all. We laid down the standards of gas that should be supplied for lighting purposes, and fixed the price at which it should be sold. That provision has not been altered. All this occurred a long time ago. New scientific ideas now have general application to the extraction of gas. On investigation I have ascertained what occurred when we laid down what the price of the gas was to be, both in regard to the Act governing the operations of the Fremantle Gas and Coke Company, as well as the Act governing the Perth Gas Company. Both Acts were passed in 1886. It was laid down that the price at which the gas should be supplied was not to exceed £1 per thousand cubic feet. I do not know whether that price is charged to-day. The fixing of the price would, however, have been useless had not the quality of the gas been specified. That was set out in Section 29 of the Act of 1886, and was as follows:—

> All the gas to be supplied by the company shall be of such minimum quality as to produce from an argand burner, having fifteen holes and a seven-inch chimney and consuming five cubic feet of gas per hour, a light equal in intensity to the light produced by 12 sperm candles of six in the pound, burning 120 grains per hour; and the company shall provide the necessary apparatus for testing the illuminating power of the gas, which apparatus shall at all reasonable times be available for use by the local authority, or any of its officers, for the purposes of testing such illuminating power.

I suppose there have not been any tests made of the gas. It would be unfair to ask the Minister to give the information offhand, but if he has any knowledge on the point he could perhaps, when the Bill is being considered in another place, allow the public to know whether any such tests have been made in the past. This difficulty does not apply to the Fremantle people only; it applies equally in the metropolitan area where residents are served with gas under a somewhat similar agreement.

Gas is just as important in England as it is in Western Australia, and it is interesting to note that in 1920 the authorities in England found it necessary to introduce a new system because the purpose for which gas was originally extracted no longer obtained, and present-day conditions are totally different. As I mentioned previously, it was at one time used purely for lighting, whereas gas is now used for heating and other domestic purposes. What we should ascertain at this juncture is whether the people are to-day receiving good-quality gas at a reasonable price for the purposes for which it is now used.

Hon. W. D. Johnson: If this had been a private Bill, we could have obtained that information.

Hon. C. G. LATHAM: I admit that, and I agree it was my responsibility to have gone into this matter more thoroughly, and then I could have pointed out this phase earlier. However, on investigation I ascertained that the British Parliament passed the Gas Regulation Act in 1920 and dealt with the price and quality of gas, and power to substitute a new basis upon which charges were to be made. The Act required the Board of Trade to carry out certain requirements before making any order under the Act and Section 7 of the Act contained this provision—

> The calorific value of gas means, for the purpose of this Act, the number of British thermal units (gross) produced by the combustion of one cubic foot of the gas measured at 60 degrees Fahrenheit under a pressure of 30 inches of mercury and, except as otherwise prescribed by the gas referees, saturated with water vapour.

I believe that in the metropolitan area, where gas is supplied under somewhat similar legislative provisions to those applicable at Fremantle, the consumers are not being supplied with the quality of gas that they should receive. In fact, I have been informed that the quality of the gas in Perth is very low indeed. While we have a responsibility to the suppliers of gas, we also have a responsibility to the people.

Mr. North: Do you say this applies equally in Perth?

Hon. C. G. LATHAM: Yes, it applies in Perth just as it does in Fremantle.

Hon. W. D. Johnson: We could improve that position.

Hon. C. G. LATHAM: That is so. It is not my sole responsibility to point out these matters, for the duty rests equally upon every other member of this House. However, it is our duty to ascertain whether the consumers are being supplied with good quality gas for the price paid, and particularly should we do that in view of the advances made by science in extraction methods. We should bear in mind that when the original Act was passed, gas was used solely for lighting purposes, whereas to-day it is used almost wholly for heating purposes. If we were to make a search throughout the metropolitan-suburban area, I suppose we would not find one house where gas was used for lighting and therefore we should give some consideration to this question. It is too late for us to do that now, but perhaps the members of the Legislative Council may consider that phase.

Hon. W. D. Johnson: Is it not rather a reflection upon this House?

Hon. C. G. LATHAM: I admit that, but the responsibility is not solely mine nor does the responsibility attach to Country Party members, seeing that people resident in the metropolitan-suburban areas are more affected by this class of legislation. I know that large profits have been made by the Perth City Council out of the sale of this commodity, which is to-day used for purposes other than those for which the consumers originally paid the prescribed meter rates. I do not consider it fair to charge the consumers of gas with the expense of building roads and footpaths. I agree that that is wrong in principle. In the circumstances we are indebted to the member for Guildford-Midland (Hon. W. D. Johnson) for raising the points he has dwelt upon. He at least took sufficient interest in the matter to find out what had been done elsewhere. Members will find it worth while to peruse the English Gas Regulation Act, which was framed in 1920. That measure is of quite recent date compared with the Western Australian Act of 1886. If they do that, they will ascertain what has been done in the Old Country to ensure consumers receiving better quality gas at reasonable prices.

I again express my regret that I did not go more closely into this matter at an earlier stage. One person cannot do everything. I am neither infallible nor are my capabilities beyond those of others who can just as easily go into such matters. However, while we have this class of legislation before Parliament, I trust members of another place will take steps to see that the people of the metropolitan-suburban area get a fair deal in connection with their gas supplies. I apologise to the member for Guildford-Midland who asked that the Bill should be referred to a select committee, for not having been in a position earlier to support his move.

Hon. W. D. Johnson: If we reject the Bill now, we can have a private Bill introduced.

MR. J. HEGNEY (Middle Swan) [5.35]: Before the third reading of the Bill is taken to a vote, I wish to record my protest against the measure. Last week I listened to remarks by the member for North-East Fremantle (Mr. Tonkin) in whose electorate this company operates. He conveyed to the House an intimation that he had had an interview with the manager of the Fremantle Gas and Coke Company, and that that gentleman had given him various assurances regarding what it was proposed to do with the fresh capital, the raising of which is authorised by the Bill now before us. While those assurances may have been given to the member for North-East Fremantle, we must remember that once the Bill becomes an Act we shall have no guarantee whatever that this or that will be done. No such stipulations appear in the Bill. Practically speaking, we are asked to give the company a blank cheque, with no guarantees at all.

Hon. W. D. Johnson: Not "practically," but absolutely.

Mr. J. HEGNEY: That is so. Having regard to the knowledge that the company has accumulated reserves from undistributed profits representing over £46,000, earned in past years, and further that an asset value attaches to the shares, which are now quoted at 28s., we should hesitate before passing the third reading of the Bill. The member for North-East Fremantle stated definitely that the Bill would provide shareholders with a gift of

8s. on each £1 share, consequent upon the fresh capitalisation. Should the time come when the Fremantle municipality desires to take over the gas company's undertaking, it will be confronted with the necessity to pay for the shares at a much increased valuation. The shares will probably be quoted at a much higher figure in years to come than they are to-day. We made a mistake last year in passing legislation authorising an extension of the area over which the Fremantle Gas and Coke Company was permitted to operate and, having made one mistake, we shall not rectify it by making another. Had the Bill been referred to a select committee, a probing could have followed and information of value would have been gained. The Leader of the Opposition has gone further and has suggested that there should be an inquiry regarding the quality of gas and prices charged to consumers in Perth as well as in Fremantle. Members are aware that gas is used in these days by many workers. Wood stoves are becoming fewer and fewer and to-day gas is used primarily for heating purposes. Not only are there gas stoves, but gas bath-heaters and other conveniences; in fact, the use of gas has outstripped that of electricity in some respects. If the Bill is passed, we shall give the Fremantle Gas and Coke Company an opportunity to raise fresh capital to the extent of £60,000. At present the company is paying 8 per cent. on its present £60,000 investment and has set aside in reserves undistributed profits amounting to £46,000. If given the opportunity to extend the share capital by another £60,000, I have no doubt that the company will make increased profits, even comparable, perhaps, with those made by gas companies in the United States. Some provision should be made in the Bill dealing with that phase. If the Fremantle municipality should ever desire to take over the company's undertaking, some safeguard should have been included in the Bill with that object in view. A diversity of opinion exists as to whether the Bill should be regarded as a private or a public measure. The merits seem to suggest that it should have been a private Bill.

Mr. SPEAKER: Order! A ruling has been given that it is a public Bill.

Mr. J. HEGNEY: I beg your pardon, Mr. Speaker. As the Bill is now before the House for its decision, I hope members will not agree to the third reading. As supporters of the Labour movement, we have striven to see that public utilities are controlled in the interests of the people themselves, and from that standpoint alone we should not pass this legislation. It has been suggested that as we passed the Act originally, the company should receive consideration at this juncture. While we passed the original Act in 1886, we subsequently amended that measure as a result of which the company's assets have been greatly improved. As a Labour Party we tackle problems as they confront us to-day, not as they existed 20 or 30 years ago. We find that the people suffer from certain disabilities to-day and we endeavour to remedy that state of affairs in the interests of the community generally. Because of that attitude of the Labour movement, I think we should have an inquiry. The member for South Fremantle (Mr. Fox) referred to the quality of gas, and mentioned the means by which the consumption is measured. No doubt an inquiry by a select committee would result in useful information being obtained in that regard. In my own home gas is used extensively and I have often heard my wife complain that the bill is high. Perhaps other members have had a similar experience and will know that it is very difficult to arrive at any conclusion about the account in the light of the details that appear on the back of the bill. No doubt substantial profits have been made both by the Fremantle company and by the City Council, and I believe those profits should have been availed of to reduce the prices charged to consumers. No such provision appears in the Bill, and so the company is to be permitted to go on paying its dividends at the rate of 8 per cent. or more, accumulating profits, appropriating money to reserves, and improving the value of its assets. Is it reasonable that the company should be allowed to continue doing that, and the consumers receive no consideration at all? Because of the issues I have mentioned, I propose to vote against the third reading of the Bill.

MR. MARSHALL (Murchison) [5.45]: There is no intention whatever to attempt to deprive the people of Fremantle of the services rendered by this company. I hope the

people will get the increased service. At the same time, I would be more satisfied if the service given to the people by the company were made a little easier. Hon. members do not appear to have paid any attention to what the ultimate results will be. The desire of the members representing the Fremantle districts is that their electors shall be supplied with the commodity produced by the company, and that seems to be their only viewpoint; they pay no regard to what may yet prove to be a costly proposition. As I have said, there is no intention to deprive the people of the service rendered by the company, but here is the position: If the Bill goes through we give to the company an improved commercial activity: we increase the company's business. I take no exception to that, but I do not forget that we are expanding the business without any cost whatever to the company; in other words, the company is being granted the goodwill free.

Hon. C. G. Latham: You must protect the consumer.

Mr. MARSHALL: I do not wish to deal with the consumer just now; my desire is solely to clear up an obvious misunderstanding on the part of one hon. member. We are granting the company, by passing this measure, an extended business, we are improving the size of it and without any cost to the company excepting the cost of the necessary material. If the Bill goes through there will be no possible opportunity to pass legislation to protect the ratepayers of Fremantle in the event of their desiring at any time to take over the business. The member for North Perth (Mr. Abbott) told us that the Parliament of the day could have protected the Municipality of Perth, but did not do so, and I agree with him that the Parliament of to-morrow should protect the people of Fremantle. From my own experience here I suggest that any attempt to get a further amending Bill through another place to prevent this company exploiting the ratepayers by charging them the commercial value of the proposition, a value we are giving to that company for nothing, would receive very brief consideration at the hands of that Chamber. If the Bill goes through our only chance of assisting the people of Fremantle will go with it. What I mean by that is that the only chance of doing anything to protect the ratepayers of Fremantle will vanish. That is the position as I see it. Those who framed the parent Act had considerable foresight as compared with present-day members of Parliament. It will be found to be a rare occurrence to fix the maximum amount of capital a company shall have. Very often the minimum amount is fixed, but rarely the maximum. So I repeat that when the maximum of the Fremantle company was fixed those who were responsible for doing so displayed considerable vision. I desire it clearly to be understood that I have no objection whatever to the extension of the company's business provided there are safeguards. So it is not fair to say that we are trying to deny the people of a service to which they are entitled. What we are doing is to prevent them from being exploited, and the Government would be wise in giving consideration to that aspect of the matter. We should give it further consideration at the present juncture before our last chance disappears. The Leader of the Opposition raised an important point and it should be thoroughly investigated. The other, however, is more important because while we may get the legislation through to protect the people in respect of the quality of the gas they will receive, once the Bill becomes law our opportunity to safeguard the people's interest will go with it.

MR. FOX (South Fremantle) [5.52]: I had no intention of taking part in the third reading debate, but I do so to correct some of the statements made by previous speakers. I do not think the assets of the company will be increased. The proposal is merely to raise additional capital; but that is not the point, because the company has the territory, and that constitutes the asset. Therefore it does not matter twopence whether we give them permission to increase the capital or not. The company has already spent about £100,000 of which amount coal and other necessary materials have accounted for £40,000. The Fremantle City Council is composed of business men, some of whom represent the Labour Party. I have no doubt that they gave this question close attention when the matter was in process of being considered by the Minister. I am perfectly sure that if it had been possible for the municipality to raise sufficient capital to enable it to take over the company's business it would have done so. Personally I consider it would be

a good thing for Fremantle to take over the concern, but in the present state of the money market, and bearing in mind the existence of the National Security Act, it is doubtful whether it would be possible to give the matter any consideration at all. But whether the concern is taken over now or 20 years hence, I do not believe there will be any difference in the value of the security. The reason I am supporting the third reading is that factories in the district are badly in need of gas, more in fact, that the company is at present able to supply. If additional gas can be supplied, that will mean more employment, and as the member for North-East Fremantle (Mr. Tonkin) pointed out the other night—and I did so also—whether or not the company receives the assistance it is now seeking from Parliament, extensions will be made as they have been made in the past. I do not know, however, whether the company would not be in a position to raise a further overdraft at the bank and go on with the work. My personal belief is that all public utilities should be owned by the municipalities or the Government, but at the present time there would be no possibility of the Government taking over a concern such as this because it would be necessary for Parliament to sanction the purchase, and I know that members on the Opposition side of the House do not believe in State control of enterprises.

Mrs. Cardell-Oliver: I believe in socialisation.

Mr. FOX: The hon. member would not long remain in the party if she really held that view. She believes in socialisation when there is a war on, but not in normal times. Members on the Opposition side believe in contract, but their party, when in office, never called tenders to fight a war. They believe in day labour then.

Mr. SPEAKER: The hon. member must get back to the Bill.

Mr. FOX: Anyway, I intend to support the third reading, and I repeat that it will make very little difference to the assets of the company if permission is given to raise the additional capital.

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

Ayes	31
Noes	9
Majority for	22

Ayes.	
Mr. Abbott	Mr. Nulsen
Mr. Coverley	Mr. Panton
Mr. Cross	Mr. Patrick
Mr. Doney	Mr. Rodoreda
Mr. Fox	Mr. Sampson
Mr. W. Hegney	Mr. Seward
Mr. Hill	Mr. F. C. L. Smith
Mr. Holman	Mr. Stubbs
Mr. Keenan	Mr. Triat
Mr. Lambert	Mr. Watts
Mr. Leahy	Mr. Willcock
Mr. McDonald	Mr. Willmott
Mr. McLarty	Mr. Wise
Mr. Millington	Mr. Withers
Mr. Needham	Mr. Wilson
Mr. North	*(Teller.)*

Noes.	
Mr. Berry	Mr. Latham
Mrs. Cardell-Oliver	Mr. Shearn
Mr. J. Hegney	Mr. J. H. Smith
Mr. Hughes	Mr. Marshall
Mr. Johnson	*(Teller.)*

Question thus passed.

Bill read a third time and transmitted to the Council.

BILL—BUSH FIRES ACT AMENDMENT.

Second Reading.

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne) [6.2] in moving the second reading said: The Bush Fires Act of 1937 made considerable changes in the then existing law relating to bush fires. The law was altered in many directions, power was given to local authorities and provision was made for the formation of local fire brigades. Since the passing of that Act, local authorities have become very interested and an advisory committee has been appointed, which includes a representative of the road boards. That representative has been invited to sit on the committee of departmental representatives to review matters arising out of the passing of the Act, to advise the Minister and recommend possible improvements to our legislation. As an outcome of the appointment of the committee, a close examination has been made of the Act and an officer previously attached to the Forests Department, who had made a very close study of the occurrence of bush fires and investigated them in a scientific manner, has been attached to the Lands Department to confer with the local authorities, discuss the operation of the Act with them, and generally assist them in its administration. Through this officer the committee has aroused very great interest in country districts. Instead of the apathy that prevailed formerly, almost all the local authorities have shown themselves to be

sympathetic towards the Act and imbued by a desire to improve conditions affected by the Act.

Mr. Sampson: That was Mr. Giblett.

The MINISTER FOR LANDS: Yes, a very active officer well versed in fire fighting practice. He has studied the incidence of fires and their relationship to atmospheric humidity and has closely co-ordinated technical matters. Close co-operation has been maintained with the Forests Department. This department has a great obligation to the State by reason of its duty to preserve the forests and prevent the occurrence of fires within forest boundaries. The department has an organisation that interested visitors from overseas have advised us is of the best that can be planned for the prevention and control of bush fires.

The Premier: The Victorian Government adopted our Act.

The MINISTER FOR LANDS: Yes, the Deputy Premier of Victoria made a close examination of the operation of the Act and of the fire-fighting appliances of the department. I was present at some of the demonstrations arranged by the department for coping with fires. Fires were lighted and permitted to get apparently out of control and then were quickly subdued.

Hon. C. G. Latham: Of course the officers of the department had plenty of water handy on those occasions.

The MINISTER FOR LANDS: No, the water was in a creek a long way off. The hon. member knows that, after the construction of breaks and the provision of appliances, it would be exceedingly unfortunate if a major fire occurred within our forest areas.

All the proposed amendments in the Bill have been subject to the review and scrutiny of the committee and most of them are the recommendations of the committee, but they have also received the consideration of the local authorities and the Forests Department. We believe that the passing of this measure will lead to a better control of bush fires. Two amendments are suggested to the definitions. We are proposing an additional definition applying to the word "adjoining" when used with respect to two or more pieces of land. Under the Act the owners of adjoining land are required to give notice to each other whenever it is intended to light a fire. The new definition provides that where a creek or natural feature intervenes or where a road separates the two properties, they shall be considered to be adjoining. Therefore it will be incumbent upon the person whose boundary is a creek or road to give notice to a settler across the creek or road of his intention to light a fire, just as he would be required to do if the two properties actually adjoined.

Mr. Seward: If a road separates the properties, they will be considered to be adjoining.

The MINISTER FOR LANDS: Yes. Another amendment deals with the definition of "occupier of land." The proposal is to delete the word "and" and substitute "or." The effect of this will be to include the definition of "occupier of land" a person who controls the land. Under the existing law a person, to be an occupier, would have to be the owner and be residing on the land. With the alteration I have indicated, if a person resides on the land or has charge of it, whether residing on it or not, he shall, for the purposes of this measure, be the occupier of the land.

Regarding the committee, to which I have referred, provision is made to appoint the members statutorily so that they may come under the Act and be given authority under the Act. The committee has done excellent work, but hitherto has had no official standing. Power is also given to enlarge the committee to a maximum of nine members.

Hon. C. G. Latham: You do not need a large committee.

The MINISTER FOR LANDS: The Leader of the Opposition will agree that most likely the committee will continue as at present constituted, but claims might be made to the Minister from time to time for additional representation. There is no intention of appointing nine members; the amendment will provide for a maximum of nine.

Hon. C. G. Latham: It will mean more expense.

The MINISTER FOR LANDS: As the committee is at present constituted, that objection cannot be raised. If, in the future, the committee is constituted differently, that will be time enough to consider the point. The Bill also proposes to obviate the necessity for giving notice of intention to burn outside the prohibited period. Under the Act notice of intention to burn must be given even if the burn-

ing takes place outside the prohibited period. Under the Bill the period when notice of intention to burn will be unnecessary will be from the 30th April to the 1st October. Thus during the winter months, notice of this kind will not be required.

Hon. C. G. Latham: I hope you have not removed the liability if a fire lighted during those months causes damage.

The MINISTER FOR LANDS: No, the person will still be liable if a fire gets out of control and causes damage. Another provision deals with the burning of a clover area. Clover burning is permitted as a privilege during the prohibited period, but the Bill provides that a local inspector shall have authority to approve or otherwise of the burning of a clover area. Members representing country constituencies will appreciate that an owner might like to retain the seed on an isolated patch, but the value of the seed would probably be small compared with the risk of burning the area. Therefore authority must be obtained from a local inspector, who shall inspect the area and grant a permit if, in his opinion, other parts of the district will not be jeopardised. As this burning is permitted as a privilege in the prohibited period, it should not be allowed to jeopardise the whole of the district. Another amendment relates to the notice of intention to burn. At present the requisite notice is four days, but under the Bill this has been reduced to two days. Weather conditions change quickly, and though several suitable days might occur consecutively and four days' notice might not be too great, we consider that two days' notice will be sufficient and more likely to be complied with.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR LANDS: I was dealing with the aspect of the four-days' notice of intention to burn. The amendment in the Bill is to reduce the period of notice to two days. It is thought that two days notice is long enough, and more likely to be complied with. I mentioned also that where circumstances alter so quickly this reduced notice of intention to burn is ample. It is the practice in country districts for farmers to have some respite on Sunday. Notice is imperative, but it is generally considered that Sunday is a day on which fire-burning should be restricted. There is also provision in the Bill that a person intending to burn shall give notice to all adjoining owners. The existing Act is not clear on that point, and where a person intending to burn owns all the adjoining blocks surrounding his property, there is no definite provision that it is necessary for him to notify his neighbours. The Bill clarifies the position, so that where a person desires to start a fire and is the owner of all the surrounding blocks it is incumbent on him to advise neighbours of his intention to start a fire. A clause in the Bill deals with the prohibition of the use of certain types of matches. This is something that has been under the consideration of the advisory committee for some time. Section 12 of the Act prohibits the use of wax matches in certain districts, but there are other types of matches which are not covered and yet are equally dangerous. Not long ago the member for Katanning (Mr. Watts) sent me a sample of a certain dangerous type of matches which the advisory committee knew of, but which were being used in parts of the State. It is thought that the provision in the Bill dealing with matches which have self-igniting heads covers the whole position, and also covers the type of matches to which attention was drawn, matches which will even by contact with another matchhead ignite, and matches not necessarily of cotton or of wax substance in their composition. Legal opinion is that the definition included in this Bill will cover the types of matches which are dangerous.

Section 14 of the Act prescribes the radius which must be cleared around fires. Where it is intended to camp or to boil a billy, a distance of 10 feet must be cleared of all inflammable material. In the measure will be found a variety of areas prescribed for different classes of fires which it is necessary to light. For example, in the case of charcoal burning, or in the burning of a beast, obviously 10 feet must be cleared around a huge amount of timber, as in the case of burnings of this kind there is not sufficient protection. The Bill defines various areas for different types of fires, and for the burning of different classes of material. There is a special subsection to prevent the burning of refuse of tomato plants. We found that in the case of the Geraldton district, there are certain

types of disease in tomatoes which are not common to other districts of the State and which can only be controlled and destroyed by burning. No authority is given by the existing Bush Fires Act to permit of such burning of refuse and waste material. Provision is included here that in certain road districts authority will be given, subject to certain safeguards being complied with, to permit during certain periods the burning of tomato plants and similar types of growth.

A section in the Act empowers local authorities to require owners to burn firebreaks. The Bill gives power to the Minister to insist on firebreaks being burnt in some circumstances. Section 28 of the Act provides for compelling owners to plough within 10 feet of a dividing fence. If a person owning the adjoining area fails to observe the same precaution and a fire damages the fence, that other person shall be liable. The Bill contains a new provision to the effect that a local authority shall not be considered the owner where roads are affected. One can imagine the dilemma a road board would be in, with a district covering thousands of miles of roads, as some districts do, if it was the board's responsibility to protect all the fences abutting on roads in its district. The Bill provides that unless an actual fire, or destruction by burning, should occasion loss which would be attributable to the negligence of the servants of the local authority, that local authority is not involved if a fire has spread on to a road and caused destruction of fences or destruction of a like nature.

The Bill also contains provision to make it obligatory on the part of local authorities to furnish certain returns. They must fill in a return showing the nature of the fire-fighting appliances they have, the number of local volunteer fire brigades in their districts, the nature of their equipment, and the number of registered officers under the Bush Fires Act. It has been the practice to request such information, but now it shall be an obligation on local authorities to furnish these particulars, so that the advisory committee and the Lands Department in administering the Act will know just what is the nature of the provision for the fighting of bush fires.

Mr. Cross: Are there voluntary fire brigades in those districts?

The MINISTER FOR LANDS: Where bush fire boards have been constituted under this Act, the brigades are not of the type referred to by the hon. member, although they are organisations of a voluntary nature. Another clause of the Bill, in amending the parent Act, corrects a certain anomalous position. Under that clause it is necessary for a police officer who finds that there has been some evasion of the Act, to report to the local authority and to request that action be taken against the offender. The amendment provides that the police can take action of themselves, and that it is not necessary for a police officer to report before being able to take action.

Those are the main provisions of the Bill. I think members will find the measure perfectly clear in what it sets out to do. Throughout the country districts it is thought that operations have been materially assisted towards the control and regulation of burning of all types, and towards the control of bush fires, by legislation of this nature; and the local authorities are anxious that the provisions of the Act shall be further tightened up, believing that better results will accrue thereby. I move—

That the Bill be now read a second time.

On motion by Mr. Thorn, debate adjourned.

BILL—ROAD CLOSURE.

Second Reading.

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne) [7.43] in moving the second reading said: I lay on the Table certain papers and plans relating to this Bill. The measure deals with the closure of certain roads throughout the State. The first one dealt with refers to an area adjoining a portion of land owned by the Roman Catholic Church at South Fremantle. The church desires to include the right-of-way coloured brown on the relevant plan and to provide, in exchange, new rights-of-way coloured red. Before this can be carried out, however, it will be necessary to close the existing right-of-way and vest the land in the Crown, so that the exchange can be effected under the provisions of the Land Act. The Fremantle

Municipal Council and the Town Planning Board support the proposal, and the other owners in the section have agreed to it.

Another clause of the Bill deals with an area near the Bassendean Oval which has been the subject of some contention. In March, 1938, the Bassendean Road Board applied for the closure of that part of Dodd-street shown in yellow on Plan 2, in order that this portion could be grassed and planted as an ornamental park, with free access and seating accommodation for the public. The scheme involved the rounding off of the intersection of Dodd-street with Surrey-street, and the widening of Dodd-street from 122½ links to 150 links plus truncations. The bitumen road had already been constructed in the new position when the application for closure was lodged. On examination of the area by the Lands Department, it was found that the proposal would constitute an improvement to the locality, so the survey was carried out. Public notice of the proposed closure was given in the "Government Gazette," as provided by the Act; and no written objections were lodged. A person owning some allotments on Surrey-street, however, subsequently interviewed the chairman of the road board, but he did not do so until many months after the plan for the widening of the road had been decided upon and advertised and the road had been constructed along the new alignment. The closed portion of the road was set aside for the ornamental park of which I have spoken. It was vested in the road board with power to lease, as the board had made arrangements with H. L. Brisbane-Wunderlich, Limited, to carry out the necessary improvements without cost to the board, in return for the use of the land as an advertising medium for the company. The land in its original state was swampy, but it was filled in and planted. One of such ornamental gardens can be seen on the Belmont-road; it was the subject of a similar deviation some few years before. A lease for three years, with the right of renewal for a further two years, was granted to the company. On the 18th September, 1939, about 5½ months after the closure had been completed, an objection was lodged by the holder of Lot 134 on the east side of Dodd-street on the ground that it would reduce the value of his land. This land is subdivided into three blocks, facing Surrey-street. The objection of the landholder was that the deviation and the road closure would prevent him from re-subdividing the land to face Dodd-street. That was the first time that anything had been heard of his intention to do so, because he had had since 1932, when the bitumen road was constructed, to subdivide his land facing that road, if he so desired. The objector has been asked to name the amount of compensation which he considers he is entitled to, if he has suffered any disability, but so far he has not supplied this information. Instead, he has taken legal action against the board on the ground that this portion of the road was illegally closed. Hon. members who are conversant with the locality will be able to visualise what the position is.

One difficulty is that I am now advised by the Crown Law Department that the procedure which has been followed for the past 38 years—under which, in cases where only Crown or reserved land abuts on a proposed closure, the Minister for Lands makes a formal application to the road board—is not in order, as the Crown is not an owner for the purpose of section 151. There are about 20 to 30 cases each year when the Minister for Lands applies for the closure of roads.

Mr. Thorn: Is the Crown Law Department just waking up?

The MINISTER FOR LANDS: No. The procedure has never been challenged. It has been accepted as the correct procedure and this clause of the Bill provides that what was intended to be done, what was approved, what has been the practice and what it is thought was done, shall be done.

Mr. Patrick: Can the closure of a road be challenged?

The MINISTER FOR LANDS: Yes, by adjoining owners.

Mr. Sampson: Were all adjoining owners advised of the intention to close this road?

The MINISTER FOR LANDS: I think all the formalities necessary, certainly all the formalities which have been observed for the past 38 years, were complied with. Clause 4 of the Bill deals with an area of land at Geraldton. The Roman Catholic Church is about to erect a girls' orphanage at Geraldton and has acquired, so I am informed, or is in course of acquiring, for that purpose the whole of the land coloured

green on Plan No. 3. The desire is to consolidate this block by closing and acquiring the land in Alfred-street coloured brown. The whole position will be made thoroughly clear to hon. members by examining the plan. They will observe that the road is situated in a sandy area and is not likely to be used. The W.A. Trustee Co. holds the title to the adjoining land and is agreeable to the closure of the road.

Mr. Thorn: The closed road would become part of the land upon which the orphanage is proposed to be built?

The MINISTER FOR LANDS: Yes. No objection has been raised by the adjoining owners, while the Geraldton Municipal Council and other authorities have signified their approval of the closure. Clause 5 of the Bill deals with an area of land at Northam, adjoining the flour mill of W. Thomas and Co. The Northam Municipality desires to close that portion of Leeder-street shown in blue on Plan 4. It runs from the main road down to the river. Thomas & Co. desire to acquire that part of the road.

Hon. N. Keenan: Do they intend to purchase it?

The MINISTER FOR LANDS: When the road is closed, the land will be vested in the Crown and will then become available.

Hon. N. Keenan: For sale?

The MINISTER FOR LANDS: Yes. The road leading to the river bank is not used by the public. As a matter of fact, Thomas & Co. have erected a weighbridge on it and have been using the land as part of their property.

Mr. Thorn: The road leads much traffic astray, because it runs into a dead-end.

The MINISTER FOR LANDS: Yes. Thomas & Co. have offered to purchase the land at a value to be fixed for rating purposes. The proposal has been considered by the Town Planning Commissioner and has his approval; it has also the approval of the Surveyor-General and the district surveyor. The proposal is to vest the land in the Crown and dispose of it by direct sale to Thomas & Co. Clause 6 of the Bill deals with that portion of Kensington-street, East Perth, shown in blue on Plan No. 5. When that portion was closed by the Road Closure Act, 1915, the Act provided that a 10-ft. pathway should remain. The Perth City Council desires the closure of this pathway in order to provide extra storage space for coal for gasworks. The pathway has not been used for several years and is not required. Its closure is an urgent necessity.

Mr. Marshall: Is that to say it will never be used in the future?

The MINISTER FOR LANDS: There seems to be no likelihood or possibility of that.

Mr. Marshall: That is the point.

The MINISTER FOR LANDS: The Town Planning Commissioner is meticulous in his desire to protect the people's rights with regard to accessibility to any path or road, and he has recommended the closure. The Surveyor General also supports the proposal. Clause 7 of the Bill deals with an area at Kalgoorlie, shown on Plan 6. The Mines Department has granted tailings leases under the Mining Act over the areas bordered red on the plan. These areas include the roads and rights-of-way coloured brown on the plan; and, to put the matter in order, it is necessary to close these roads and rights-of-way. The area is uneven and unoccupied; it has been the centre of mining activities.

Mr. Thorn: Is it Crown land?

The MINISTER FOR LANDS: Yes. None of the leases adjoining have been sold, but the Boulder Municipality and the Kalgoorlie Road Board have requested that the roads and rights-of-way be closed. The area is a mining one and it is considered that the roads are unnecessary. The department, on investigation, can see no reason at all why the request should not be granted. I move—

That the Bill be now read a second time.

On motion by Mr. Thorn, debate adjourned.

BILL—CITY OF PERTH (RATING APPEALS).

In Committee.

Resumed from the 1st October. Mr. Marshall in the Chair; the Minister for Works in charge of the Bill.

The CHAIRMAN: Progress was reported on Clause 14, "Special provision relating to appeals to Local Court," to which Mr. Hughes had moved an amendment "That in line 3 'special' be struck out."

The MINISTER FOR WORKS: I have made inquiries of the Solicitor-General with regard to the amendment. He states that

he is of opinion that if the word "special" were deleted it would give an unfair advantage to one side or the other, as the local court could grant leave for fresh evidence to be produced at the time of the hearing. This might have to be rebutted by the other side, which would mean fresh leave being asked for, the court adjourning until the other party was ready. The Solicitor-General further said that by obtaining special leave, which is applied for before the appeal is heard, both parties would have an opportunity to produce their evidence and so enable the court to deal with the matter without delay. The question is what effect the amendment would have upon the parent Act. This Bill is, as it were, an island; it is to apply only to the city of Perth. The objection raised by the Solicitor-General appears to me to be valid. Whatever cryptic meaning may attach to the word "special" it seems to me that the views of the Solicitor-General are entitled to respect, and the member for East Perth has not shown that any great disability would be entailed by retaining the word in the clause.

Mr. Hughes: Would you explain what the Solicitor-General means?

The MINISTER FOR WORKS: The Solicitor-General's view on a question such as this should be self-explanatory, and in my opinion, it is. It would be unfair for an appellant to be able to produce fresh evidence without the other side being given an opportunity to rebut it. If a complete case is not presented to the appeal board in the first instance, I see no reason why special leave to produce fresh evidence before the local court should not be applied for. All other local authorities are working under a provision such as this, and if this clause should be amended then like provisions in the Municipal Corporations Act and in the Road Districts Act should be amended.

Mr. HUGHES: I do not pretend to understand the meaning of the Solicitor-General's ruling as to the effect of the clause if the word "special" were omitted. I understand that one of the main ideas of the Bill is to allow any ratepayer to appear before the appeal board in the first instance and state his case without being obliged to brief legal assistance; but if the clause remains as worded, we shall in effect tell the ratepayer that he can present his case to the appeal board at his own risk, but that if he subsequently wishes to submit evidence that he previously omitted to produce, he will not be allowed to do so without obtaining special leave. Looked at from one angle, that might be a good thing, because it would be inadvisable for any ratepayer to conduct his own appeal. Consequently, if he were a wise man—because of the restrictions to be met with in the second round—it would be advisable for him to be represented by a lawyer at the first appeal. The position is that if a layman omitted to bring forward certain evidence, either because of difficulty in procuring it or because he did not understand its import and necessity, and if later he applied for special leave to produce such evidence, he would be told that he had had an opportunity to produce the information previously, and would therefore not be permitted to do so unless he could show special reason why he should be so allowed, and he would have no answer to the case of his opponent who would oppose the granting of special leave on the ground that the appellant neglected to bring the evidence at the first hearing. The clause will penalise people who are not prepared to engage legal assistance to present their case. That is to say, the small man will be penalised, because we can rest assured that the big property owner who has a considerable sum at stake will engage professional assistance to conduct his appeal.

Mr. Fox: Does the small man appeal often?

Mr. HUGHES: I think he does. He will appeal more often under this measure than he did previously, because formerly he had a feeling that it was no use his appealing. Surely it ill becomes the member for South Fremantle to differentiate between the rights of the small man and those of the big man!

Mr. Fox: I am just asking a question.

Mr. HUGHES: The hon. member has done one life-long somersault to-day.

Mr. Fox: I realise that the man with the capital will appeal.

Mr. HUGHES: It seems to me that to preclude a man from bringing fresh evidence is to impose a hardship upon him. I think we could take it for granted that in the event of an application for leave to bring fresh evidence, the applicant would be obliged to state the nature of the evidence and to explain why he did not bring it for-

ward in the first instance. Therefore the other party would have full notice of the evidence he would have to combat in the appeal. It is unthinkable that the court would grant leave to bring fresh evidence and immediately proceed to hear it, refusing the other party the necessary adjournment to enable him to combat such evidence. There is nothing at all in the contention of the Solicitor-General. Expedition is to be desired, but not at the expense of justice.

Mr. F. C. L. Smith: What is the difference between "leave" and "special leave?" There is no difference at all.

Mr. HUGHES: Where a magistrate is entitled to grant leave he has a fairly wide discretion, but if the word "special" is inserted there must be some extraordinary reason before he can grant such leave.

Mr. Watts: The Solicitor-General seems to consider there is a great difference.

Mr. HUGHES: Is it to be said that the Parliament of Western Australia inserted in an Act a word having no meaning at all? According to the member for Brown Hill-Ivanhoe, if we omit the word "special" so that the clause reads "by leave of the magistrate," we mean one thing, and then if we add the word "special" we still mean the same thing.

Hon. N. Keenan: You mean leave for that special case?

Mr. HUGHES: Surely that is a worse definition than the other one. The word "special" always has a meaning out of the ordinary. The Solicitor-General only referred to special leave in respect of fresh evidence being brought.

The Minister for Works: That is what the clause deals with.

Mr. HUGHES: Only paragraph (b) refers to fresh evidence. The argument against the word "special" is stronger in respect of paragraph (a).

The Minister for Works: The Solicitor-General's opinion in regard to paragraph (b) is conclusive and is fair to both sides. One side could not sneak in without the other side knowing it

Mr. HUGHES: I do not want to put an applicant in the position of its being said "unless you can show something extraordinarily strong we will not allow you to produce fresh evidence." If all the parties were to be represented by trained counsel I should let them take the responsibility for the non-production of evidence; but the idea is not to compel the poorer person to engage legal assistance. In such event difficulties are more likely to arise in respect to the nature of the evidence brought forward. The Perth City Council will always be represented by experts and/or legal men, and any restrictions of a technical nature are bound to be in favour of the City Council. Should a magistrate grant special leave to one party to appeal he would surely give the other side ample opportunity to revise its own case. At the hearing before the board there may be ground for appeal dealing only with legal points, and some appellant may neglect to raise an important factor in his favour. He will then ask for special leave to raise fresh grounds, but that may not be granted to him. A restriction will thus be imposed upon the appellant who does not engage professional assistance. The parties in appeals of this kind can never be on an equal footing. In most instances one party will be weak in financial resources and be unable to engage a professional man, whilst the other party, the City Council, will have ample financial resources and will employ only trained experts. Anything that will help the ratepayer to have some slip rectified at the hearing of the appeal should be included in the Bill. I should like to see the word "special" struck out.

The MINISTER FOR WORKS: The position is not much clearer now. When a taxpayer appeals from the decision of the board he will notify the court that he has additional ground for an appeal that was not placed before the board. He will also state his desire to bring forward fresh evidence. Who is to say that the Court will refuse such an application? Both sides will know the ground for appeal. Again, a ratepayer may apply for special leave to alter the ground of his appeal, and enable him to supply fresh evidence. The other side will know of that and have the opportunity to produce its own evidence. Such a practice would enable the court to deal with the matter without delay, for the whole case would then be before it. If the individual secures special leave to appeal, the other side knows the position and, when the case is dealt with, is aware of the new grounds of appeal. Is that not correct?

Mr. Hughes: I do not agree with that.

Mr. Abbott: No.

Hon. N. Keenan: No.

The MINISTER FOR WORKS: If that is not so, I have been wrongly informed by the Crown Solicitor. So far that officer's statement appears quite clear to me. If the other side was not aware of the new evidence or new grounds, there would be an objection and an application for an adjournment. Thus, what was a paltry case would go on and on. The provision in the Bill means that the whole case will be placed before the court and will be dealt with without an adjournment. I adhere to the view expressed by the Crown Solicitor.

Hon. N. KEENAN: I cannot see any wonderful virtue in the word "special." If the clause were read without the inclusion of that word, it would provide that, except by the leave of the court, an individual could not alter the grounds on which the appeal was based in the first instance. If the word "special" were struck out, the whole matter would be left to the discretion of the court. I cannot see that there is any special meaning attached to the word "special" in this instance. In cases where there is no appeal to the higher court as a right, application has to be made to the court for leave to appeal, and if grounds are furnished justifying the course, the leave to appeal is granted. I have secured leave in such instances on many occasions. What it amounts to is that leave is granted for the purposes of that special case. The matter still remains entirely at the discretion of the court, and I do not know that any amount of looking up authorities would alter that fact.

Mr. Rodoreda: It is just a matter of legal jargon!

Hon. N. KEENAN: The whole matter seems to me to be a storm in a teacup. My attention has been drawn to the fact by the member for Katanning that under the Road Districts Act parties who propose to appeal are entitled, without any leave at all, to approach the court with their grievances. Such a provision is lacking in the Municipal Corporations Act. It is not desirable for one law to be passed for Perth and another law to operate for all other municipalities. If the word "special" has any particular meaning, and does limit the leave to appeal, it is not desirable that that limitation should not apply all round.

The Minister for Works: If we strike out the word in this measure, the court might accept the provision as an instruction.

Hon. N. KEENAN: That is possible, but whatever happens must be by leave of the court, and therefore the matter is at the discretion of the court.

Mr. ABBOTT: As I understand the matter, special leave can be applied for at any time and therefore the Minister's contention—

The Minister for Works: My contention and that of the Crown Solicitor.

Mr. ABBOTT: —that leave would have to be applied for previously is wrong. There is a good deal in the argument advanced by the member for East Perth.

Mr. J. Hegney: There was a lot of it.

Mr. ABBOTT: The member for East Perth argued that the Bill should be as simple as possible. Should a layman make a mistake, he should not be prejudiced if he desired to appeal to a higher authority. We know the difficulties that confront the taxpayer who, after placing his case before the Commissoner of Taxation, is refused the right to raise any new ground as a basis of appeal. That sort of thing should not be possible under the Bill before the Committee. Surely a ratepayer should be entitled to raise any ground he desires in as simple a manner as possible. The difference between "special leave" and "leave" is that in any legal proceedings, any ground can be altered at any time subject to compensation for any expenditure the other side has been put to because the amendment was not made, or that it was put to because the amendment was made.

The Minister for Works: That is quite clear!

Mr. ABBOTT: If a person desires special leave to appeal, he has to put forward special grounds to show why leave should be granted. If, through carelessness or neglect a person failed to advance the ground at an earlier stage, he is not granted special leave to appeal. I support the amendment.

Mr. HUGHES: The analogy drawn by the member for Nedlands demonstrated that there is something in the point under discussion. Where there is no appeal as a right to the High Court, special leave has to be applied for. Special leave can be obtained only if the case involves some

question over and above the merits of the simple issue itself. Where the subject matter is not of sufficient value to carry the right of appeal, one ground for special leave is that a matter of public interest is involved, something that reaches beyond the particular case, something that it is in the interests of the public to have determined. That is a clear illustration of the application of the word "special." Frequently cases are taken to the Privy Council merely because, although the amount involved in the particular case is small, its determination is regarded as a test that may involve thousands of pounds. The court has to be assured that the issue involves some consideration apart from the ordinary grounds of appeal, and that it is of special interest that the leave to appeal shall be granted. Decisions of the High Court would be quoted time and again, in support of the contention that leave to appeal could not be granted by the magistrate on the mere merits of the issue. An English dictionary shows that the word "special" has a number of meanings, including "particular" or "extraordinary," "something beyond the ordinary," "a peculiar point" or "a particular point."

Hon. C. G. Latham: That is very sound.

Mr. HUGHES: This clause is essentially one for lawyers.

The Minister for Works: Of course. It provides for an appeal to a higher court!

Mr. HUGHES: The Minister said that if a person wanted special leave to appeal, he must secure it before the hearing. I cannot see anything in the clause to support that argument. In contradistinction to the contention of the Minister, the Bill specifically provides that special leave may be obtained during the hearing, and if special leave is so obtained the other party, according to the Solicitor-General, has no right at all to have an opportunity to combat the evidence. The amendment is in the interests of the poor litigant who cannot afford legal advice. It is for the benefit of the ratepayers of East Perth in contradistinction to the ratepayers of Nedlands. I cannot imagine a ratepayer of Nedlands pleading his own case nor can I imagine many people in East Perth being able to afford to pay for legal assistance.

Amendment put and negatived.

Clause put and passed.

Clause 15—agreed to.

Schedule, Title—agreed to.

Bill reported without amendment, and the report adopted.

ANNUAL ESTIMATES, 1940-41.

In Committee of Supply.

Resumed from the 10th October; Mr. Withers in the Chair.

Vote—Lands and Surveys, £58,950.

THE MINISTER FOR LANDS (Hon. F. J. S. Wise—Gascoyne) [8.50]: From time to time we have taken the opportunity to inform the House and the public of the trend of activities associated with lands and rural matters generally in this State. I do not intend this evening to make a very lengthy survey of the statistical position of the Lands Department or to deal with matters that might be the subject of an annual report.

The activities of the Lands Department have materially altered during the last 20 years. They now embrace many spheres that did not come within the scope of the department years ago. Under the administration of the Lands Department to-day come such matters as the Bush Fires Act, the Bulk Handling Act and, more recently, the immigration of children from overseas. My brief review of the activities of the department will be directed more towards the newer spheres in which the department has been engaged as compared with those embraced in the days when land settlement and survey were the predominant concern. For reasons other than those connected with land settlement the department is now very busy. A comparison of the staff to-day with that of former years is interesting. In 1924 it consisted of 205 members. Of those, 142 were clerical and 63 were professional. In 1928, when we were in the midst of group settlement and migration, the staff consisted of 283 members, of whom 203 were clerical and 80 professional. At present, the staff numbers 156, of whom 110 are clerical and 46 professional. Much of the reduction in staff is due to the lessening land settlement activity, the cessation of migration and the transfer of group settlement matters to the Agricultural Bank.

Mr. Patrick: And enlistments.

The MINISTER FOR LANDS: The figures I gave included those on the permanent staff who have enlisted. The selection and allotment of land is by no means the major part of the department's activities. It is certainly the least complicated and entails much less work than the routine to be observed after land has been selected and the initial payments made. Ordinary conditional purchase leases extend up to a period of 30 years. Recent amendments gave an authority for an extension up to a maximum of 40 years, and hon. members will recall that by an amendment to the Land Act made last year, the term may be in excess of 40 years with regard to repurchased estates. While these leases operate, considerable work is entailed in connection with transfers, inspections to ensure that improvements are carried out and the keeping of accounts and collection of rents. The accounts in the department at present number 34,000. When seasonal circumstances are adverse to farming activities, work in connection with leases increases in many and varying directions. The correspondence involved in the collection of rents is voluminous. Such correspondence is necessary because there are many people who endeavour to evade their responsibilities, though they have the ability to pay. Where improvement conditions are to be observed under certain sections of the Land Act and transfers are requested, a considerable amount of inspection work is necessary and each case must be reviewed. If the word may be used again to-night in the House, I may say that "special" cases have to be dealt with. Applications for the surrender of properties, especially in bad times, substantially increase the work of the department. If hon. members, in surveying the work of the department, consider the number of leases, particularly pastoral leases, compared with those in the 1924-30 period, they will discover that considerable surrenders have taken place. A study of the revaluation of land, in connection with which I made a comprehensive statement to the Grants Commission to-day, shows that we have written down to the extent of over half a million pounds in one particular section of land which was originally available under conditional purchase selection. Not only does that reveal a loss of revenue, but a considerable amount of work is entailed in some circumstances because the encroachment of salt or other conditions have involved the department in a reclassification which has had to be followed by a revaluation. In instances where reclassifications have not been necessary, revaluations of whole districts have had to be undertaken at a cost of hundreds of thousands of pounds.

The position of the repurchased estates has in recent years reached a stage in which to arrive at decisions equitable to the persons concerned, to the State and to the taxpayers whose money was spent in such purchases, has become a nightmare. In respect of many of the repurchased estates we find that whereas at the time of their repurchase from private holders there were buoyant markets and other conditions which led to a square mile of country being an attractive proposition, to-day there is no possibility of making a living from it. All of these matters have had to be dealt with stage by stage. Not merely has the settler and his capacity to pay his liability to the Crown had to be investigated, but we have had to inquire into the possibility of providing him with an earning capacity within the holding he originally selected, or was originally allotted. Recently the zoning system was introduced to enable more land to be held in outlying areas and to facilitate reconstruction schemes involved in the conversion of land from wheat growing to wheat and sheep areas. There are four zones and different conditions apply to each.

There has been considerable increase in the work of the department because of the Government's attitude to pastoral leases, more particularly in regard to the revision and remission of rentals. The waiving of rentals under the section of the Act, which was amended a couple of years ago and again last year, has been the subject of attention by the Surveyor-General and a committee by which each application for a remission of rent is considered on its merits according to the losses occasioned by drought. In each case where an application is made, the position of other stations is taken into account, and much care has been exercised. Large sums amounting to over £100,000 in one year have been written off by way of rentals to the pastoral industry. The provision that pastoral lease rents shall be calculated on the value of wool is something that necessitates scrutiny from time to time owing to the variations in price.

Although the Royal Commissioner, who has been inquiring into the pastoral in-

dustry, has deprived us of part of the services of only one officer, the inquiry has caused a considerable amount of work for the department in investigations allied to the inquiry. I am hopeful that in the course of a week or two the report of the commission will be available to the House, and I believe it will be of value not merely to the industry in this State, but also to the whole of Australia. Members who have followed the evidence published in the Press will appreciate that many interesting facts have been brought to light. One very important piece of evidence was submitted by an officer in charge of records of the Lands Department, and was so interesting that I have had it placed on the file as a permanent record in the department. It included a review of all legislation affecting land settlement in Western Australia and is a most interesting document. Another piece of evidence revealed that nearly 70 years ago provision was made by statute and regulation that a pastoral lessee might not stock land beyond a certain capacity. Not since 70 years ago has a provision been introduced to prevent overstocking. That was certainly a very wise provision, and if it had been followed throughout the whole period of application of Lands Acts in this State, it would have been of tremendous benefit.

Hon. C. G. Latham: You would not have liked to be the Minister who tried to put it through. After five years of good seasons, you could not have done it.

Mr. Patrick: It would have required a lot of policing.

The MINISTER FOR LANDS: I know a property in this State that in the best years carried 56,000 sheep on 510,000 acres. I suppose that not more than 400,000 acres of that lease were occupied. I have traversed the holding scores of times and know the property well. I have watched its being denuded of vegetation, and I have seen it become the subject of severe wind and water erosion. In short, I have seen a national asset, part of the heritage of our people, not the property of the lessee, reduced to a state where it will not carry 15,000 sheep well.

Mr. Warner: It will never come back to its previous condition.

The MINISTER FOR LANDS: Some of it will never come back. I am amused when I find pastoral lessees, in submitting their claims for a remission of rent, using the argument that the fact that they carried 56,000 sheep five years ago and can carry only 15,000 now, justified their claim for a remission of rent.

Hon C. G. Latham: You remember the property of which Mr. Moseley was manager.

The MINISTER FOR LANDS: Yes, but that type of country is entirely different from the one I am referring to but will not name.

Mr. Thorn: We can name it for you.

The MINISTER FOR LANDS: There are many areas in which our country has been subjected to severe overstocking. Although a lease does not expire until 1984, no lessee should consider that the property is his in his own right. It is the property and the heritage of the people of Western Australia. I hope I have not digressed too much in directing attention to the fact that 70 years ago, according to an interesting review of land legislation in Western Australia, it was considered necessary to restrict stocking and prevent overstocking.

Hon. C. G. Latham: But about 50 years ago a man was fined for growing wheat in the Midland wheatbelt.

The MINISTER FOR LANDS: That illustration is hardly comparable with the overstocking of much of our valuable pastoral land.

Hon. C. G. Latham: In the past some of the things done were right and some were wrong.

The MINISTER FOR LANDS: In addition to the investigation and inquiry connected with the transfer of land, there are many transactions which the Lands Department, closely allied with the Titles Department, has undertaken in recent years in granting new leases or adding to old leases, as well as the complications entailed in issuing new leases in many instances. The work involved is very much more than it would be if a straightforward application was received and granted. In certain instances the complications become more involved as settlement increases. We now have over 22,000 reserves registered in the department, and the original provision for them was the smallest and simplest part of the work. Some of these reserves have been made available for selection or leased for grazing, and in all cases where requests

are lodged for their utilisation, the applications have to be investigated. Questions arise in connection with the vesting of reserves and all have to be closely inquired into.

Hon. C. G. Latham: So that even a select committee might be justified?

Mr. McDonald: A little more inquiry sometimes would certainly be justified.

The MINISTER FOR LANDS: This indicates some of the activities of that branch of the Lands Department. Quite a number of new roads are gazetted annually, and the main work of the department is not so much in relation to new roads as in examining requests for deviations or truncations and all sorts of alterations necessary as a result of the activities of the Main Roads Department, especially in country towns and the outskirts of country towns. Much work is involved in surveying, drafting and preparing alterations to plans. With the increase in population, there is greater activity in the matter of the control of cemeteries because greater population means more deaths and more cemeteries. As settlement progresses activity in this direction must increase.

One sphere in which the department has undertaken much new work is in conjunction with the military authorities regarding areas required by the Army, as well as service for the Commonwealth. We have undertaken a big job in connection with roads, mapping and planning generally and, with Commonwealth officers, have investigated possibilities regarding the use of land in association with the movement of troops and other possible essentials for the defence of this country. The recently gazetted National Security Regulations, where they deal with the transfer of land to aliens, have also occasioned a considerable amount of work in the department, and a very close scrutiny of applications for land or the transfer of land. As the Premier knows from Executive Council proceedings, almost countless documents pass through the Lands Department annually. There are hundreds weekly, all of which have to be examined and signed by the Minister in charge. Hundreds of land titles have to be signed in Indian ink. With the progress of land settlement, the number of weekly transactions is increasing rather than decreasing. I give that outline to show that although it may be thought that land settlement in this State has reached a point when not much more Crown land is likely to be alienated in the near future, the activities and ramifications of the department are still intense, and perhaps as great as or greater than ever before.

There will shortly be news of the departure from England and the arrival in Australia of numbers of children. While it is not possible for me in a place as public as this Chamber to give details of what has happened, I would simply say that from the knowledge we have of the children likely to arrive in this State or in any other part of Australia, even though their sojourn here may be solely for the duration of the war, they appear to be a very desirable and fine type of migrant. It is the view of the very children concerned, and that of the guardians who may accompany them, that in their world there will always be a Britain—not an England, because they feel that England is not a word agreeable to some Welsh or some Scotch. Therefore they prefer to put it that there will always be a Britain. From what I know of the activities of the Lands Department in this connection, and from what I have learnt while privileged to be associated with the reception of these children, I believe that Western Australia will be very fortunate indeed if most of them remain here after the war is over. That side of the Lands Department has been indeed active, and I desire to pay a tribute to the particular officers who have been associated with the reception and accommodation of these children. A very great work has been done, and I can assure the House that there has been no confusion and no rush, but a most carefully planned scheme, suggesting that everything will work quite smoothly whenever the occasion warrants.

I do not intend to refer at any length to the activities of the Agricultural Bank. Members already have had the opportunity to see the bank's annual report, and I am sure that all of those who are interested have perused the portions which most closely concern them. I consider it sufficient to say that in spite of all the seasonal difficulties, in spite of the circumstances of depression and of successive drought years, the bank has done in the past, and still is doing, a very excellent job in the interests of the State and of the people on the land. There has been in more recent times

less criticism of the bank's activities, in spite of all the serious circumstances confronting the men on the land. I am quite sure that if Western Australia were to enjoy the benefit of a run of years when better export prices were offering, and with better seasons, we should hear very little criticism of the treatment meted to farmers or of the debts under which they labour. I do not wish at this stage to amplify those matters.

MR. BOYLE (Avon) [9.19]: The Minister to-night has been rather briefer than usual in introducing the Lands Estimates. I take it that the hon. gentleman has had rather a strenuous session with the Commonwealth Grants Commission to-day. In any case, his remarks have been most interesting, and the Lands Estimates are of paramount importance to those of us who sit on these benches.

Mr. Wilson: And to some members sitting on this side.

Mr. BOYLE: The Lands Department is a revenue-earning department. Its estimated expenditure for 1940-41 is £63,530, and its estimated revenue £154,000. These figures show a surplus of over £90,000. There is an amount of revenue for titles, fees and so forth of £22,000, irrespective of land rents. One of my reasons for referring to that aspect is the fact that the collection of land rents by the department is conducted in a manner that I believe to be irksome to the farmer, the man who pays land rent. In the first place, my personal view is that land rents are another form of land taxation, because land is taken up usually in the virgin state and has to be brought into productivity by the efforts of the settler who takes it up. The Government then imposes what is called, euphemistically I take it, land rent. That is, the land is priced to the farmer; and the first-class land in this State has been priced up to 15s. per acre in the Eastern districts, where to-day we are having trouble. The whole system of pricing of our lands has been entirely wrong, not by malice aforethought or want of knowledge on the part of the men who originally were charged with this duty, but for the simple reason that those men had no experience whatever to guide them. To-day land that has been classified as first-class and had the maximum price placed upon it, is inferior to third-class land in other parts of Western Australia. For instance, the morrel country, and other country of that kind, priced at 11s. 6d., is to-day worth nothing. Those lands represent an absolute tragedy to the men who sought to develop them.

Under this vote comes the Farmers Debts Adjustment Act branch. I do not wish to criticise a member of another place, nor do I hold a brief for Mr. White, who however was recently subjected to criticism which was, in my opinion, of a personal nature. Mr. White as a human being can make mistakes in the discharge of his duties; but I would like to impress upon hon. members the fact that Mr. White is a very able public servant of this State, and that in the year 1931 he was borrowed from Western Australia by the New South Wales Government to draft the present Farmers Relief Act of New South Wales. That Act in my opinion is the best farm relief measure to be found in Australia to-day. Those are facts which should be borne in mind when criticising Mr. White. I consider him an outstanding personality in the administration of the Farmers Debts Adjustment Act. Certainly the fact that he is to-day Price Fixing Commissioner has landed him in a position in which he cannot please everybody. I, with other members on this side, think Mr. White made a mistake in the recent fixing of particular prices of produce.

I see no reason to alter an opinion I have expressed in this Chamber repeatedly, that the Farmers Debts Adjustment branch has done very little real good in lifting the debt load off the Western Australian farmer. The secured debt of the farmer remains practically what it was in 1930, the year of the commencement of the depression. The debt of the farmer the Dickson Royal Commission of 1931 estimated as totalling in round figures, £31,000,000. Of this, £25,000,000 was secured debt, debt secured under mortgage. Debts of that nature to-day, ten years later, are practically untouched by any legislation on our statute book. But unsecured debt has been dealt with ruthlessly. Debts owing to storekeepers have in many cases been compounded at a rate of about 1s. 6d. in the pound. According to the report of the trustees, the unsecured debt has been compounded at 5s. in the pound; but that figure would include adjustment of road board rates at from 10s. to 15s. in the pound, adjustment of machinery debts, and so forth.

The unfortunate country storekeeper, however, who rendered yeoman service in the development of our agricultural districts, has been cut down, as I said, to 1s. 6d. or 2s. in the pound. No less than £1,250,000 of unsecured debt has been ruthlessly dealt with in that manner. But the whole weakness is this, and the matter was discussed at a meeting of the Grants Commission held in Merredin last evening at which I was present: It was said by some of the Commissioners that the Federal Government had made available to the farmers of Australia £12,000,000 by way of loan for farmers' debt adjustment, and that the amount was subject to repayment. It was within the power of this Parliament to make a gift of that money to Western Australian farmers; the fact that it was not made a gift has proved a barrier to credit for our farmers. Under the Farmers' Debts Adjustment Act, a charge is created which ranks prior to all existing mortgages. I know of instances where a farmer's debts have been adjusted and he has sought to trade in an old car or truck in order to secure a better or a new one, but the transaction has been jeopardised because the permission of the director under the Farmers' Debts Adjustment Act had not been first obtained. To my mind, that is an unwarranted interference with the liberty of the farmer who has had his debts adjusted; it has resulted in an unsecured debt becoming a secured debt. The amount advanced by the board is a first charge and is a secured debt. The Government has to find this year for administration, according to the Estimates, about £4,300; but it must not be overlooked that every farmer-applicant has to pay £5 4s. to secure the protection of the Act—an Act that is of no great value to him. It merely settles a portion of his debts, but does not help him to carry on his operations.

The Premier: Yes, it does.

Mr. BOYLE: No, only about 10 per cent. of the farmer's debt has been dealt with; 90 per cent. of secured debt remains untouched to-day. I wish to deal with a matter relating to the Agricultural Bank. I agree with the Minister that the Commissioners and the officials of the bank, within the limited powers of a very poor Act, are doing the best they can to make a silk purse out of a sow's ear. The Act is a most oppressive one; it contains not one clause from beginning to end favourable to the farmer. It can be termed a penal Act. It presupposes that the farmer is a rogue and a vagabond.

The Premier: It is much better than the private banks.

Mr. BOYLE: I do not think so. The private banks have no charter such as the Commissioners of the Agricultural Bank have. The private banks must observe the law that applies to any other business institution, but the Agricultural Bank is a law unto itself. It is governed by an Act which overrides every other Act on the statute book. The Commissioners have been placed in charge of the Marginal Areas Reconstruction Scheme, and I hasten to assure the Minister and members that that scheme is foredoomed to failure. I will explain why. It has not taken into account the human factor, that is, the farmer. The Minister referred to the report of the Agricultural Bank. On page 3 we find the following—

> Reconstruction of settlement work within portions of the Northam, Kununoppin, and Merredin branch districts, described as marginal areas, received considerable attention by the various branches during the year. This work is still proceeding, and in view of the circumstances prevailing in the far north-eastern areas, a further writing down of clients' indebtedness may be found necessary.

Later, the report becomes more explicit. On page 4 we find the following:—

> Properties re-assessed during the year totalled 172. Of this number 138 are situated in the marginal areas under reconstruction. Heavy writing down in these cases was unavoidable to give effect to the reconstruction proposals. The approved writing down of indebtedness in these cases totalled £51,198 18s. 2d.

If we divide that sum by 172, which is the first figure I mentioned, we find that the individual writing down is not more than £292 per block. If we take the second number, 138, we find that the individual writing down is £371. I would like to tell the House that the history of land settlement in Western Australia on the eastern fringes is one of continued tragedy. The Minister said that very few complaints had been made to the Agricultural Bank. I do not wonder at that. The reason is largely that the areas where most complaints would

come from are to-day abandoned. It is reminiscent of the revolutionary French general who was sent by the French Chamber of Deputies to La Vendée to quell an insurrection. On his return he reported that the province had been pacified; he pacified the population by massacreing it, and so of course no further complaints were received from that district. We have economically massacred the farmers on our eastern fringes. To-day abandonments are wholesale. As I said, the reconstruction proposals have left out the human factor; the farmers themselves were not consulted as to what was to be done for their alleged good. Last night the Grants Commission kindly made Merredin a centre for the purpose of getting into contact with farmers in the marginal areas. There was an attendance of about 20 marginal farmers, not one of whom regarded with anything but hostility the reconstruction methods of the Agricultural Bank. In the first place, it is an appeal from Caesar unto Caesar. The Commissioners of the Agricultural Bank are to-day charged with the safeguarding of moneys advanced to assist farmers. That of course is a grave responsibility. Now they are charged by the Minister and the Government with the reconstruction of these areas. Their duty is to adjust the debt load of these farmers in accordance with the needs of the marginal areas reconstruction scheme. Naturally enough, they regard the amount of the debt as not the particular matter referred to them, because according to the report a sum of only £292 per block has been further written off for these particular areas. The Minister's predecessor in office adopted a suggestion made by this side of the House, that in the formation of boards appointed to investigate these areas the farmers should be represented by some of their number. There was a re-pricing commission set up, I think Mr. Fyfe was the chairman. I understand that two farmers from Mullewa and Coorow were appointed to the board, which did an excellent job. Why the Minister will not table the report of that board is best known to himself, but I understand that the land pricing was dealt with in an excellent way.

The Minister for Lands: That report has nothing to do with this Committee.

Mr. BOYLE: Does the Minister mean to tell us that the report of the board is only for his private information or for the information of his particular officers?

The Minister for Lands: It is for the information of the department.

Mr. BOYLE: Have the men concerned no right to know at what figure the lands have been repriced?

The Minister for Lands: They all know.

Mr. BOYLE: Why not extend the information to farmers in other districts? I asked the Minister to extend the system to include areas farther south. That is the difficulty to-day. There are lands in the marginal areas that are priced at 11s. 6d. and 12s. 6d. per acre, which is a ridiculous figure to place on them. It might have been all right when the land was originally priced in accordance with the information then available, but it is not so now when we have a full knowledge of the uselessness of those particular blocks for the production of wheat. The men in those areas are not prepared to accept the present proposals of the Government. Last night we had 20 of them representing districts from 50 to 80 miles east and north-east of Merredin appearing before the Grants Commission which sat in Merredin. The Commissioners listened patiently and attentively to the remarks that were passed though they made it clear that they had no power to deal with a matter of this kind, which is purely a State concern. They said, however, that, when dealing with matters affecting the State, they would certainly take into consideration the information gained. Without exception, the representatives of the districts concerned expressed their determination not to accept the Government's proposals, so far as they knew them. One gentleman, Mr. Jenkinson, of Campion, who is secretary of the Wheat Growers' Zone Council in that area, made out the clearest possible case to the Commission. Mr. Jenkinson has an anchor block on which he said there was £1,400 of debt. To that was added £200 for wire netting and another £300 of land rent, with the consequence that he is to-day faced with a pastoral proposition carrying £1,900 debt. That is at Campion, in a district utterly condemned as marginal, and admitted by the men who are there to have no possible chance as a wheat growing area. Mr. Jenkinson has been settled there for 17 years. He has link blocks the debts on which he does not know, but they are about £25 per

block. He is given a certain time to possess the property without paying interest, but he emphatically declines to take on land overloaded to that extent. The proposition these men advanced is a reasonable one. They want the anchor or original blocks treated the same way as the reverted, abandoned, blocks. For the life of me I cannot see why a block on which a man has stayed to his own detriment should carry a higher debt load than the two linked-up blocks he has. It is illogical to me. Why not treat the whole three blocks in the same way and realise that, whatever has happened, the State has lost the money advanced? Turning to the territory of Esperance further south, the Minister for Railways will know that in 1926 the settlement in that particular area was fairly large. About 280 settlers went to the Esperance district and this State spent £750,000 in generally developing the area. I doubt—though the Minister can correct me if I am wrong—whether there are more than 10 settlers left.

The Minister for Railways: There are about 110.

Mr. BOYLE: In the Esperance district?

The Minister for Railways: Yes, from Scaddan upwards.

Mr. BOYLE: I am astonished to know that. However, it means that 170 men have gone. If the Minister is correct—and I do not doubt his word—50 per cent. of the settlers have left the district, which means that the £750,000 that was originally spent there has become a very serious charge on the taxpayers of the State. Consider the Southern Cross and Bullfinch miners' settlement area. In Southern Cross a quarter of a million pounds has been spent, and another quarter of a million has gone in the Bullfinch area. Now the rot is coming west. Areas we thought would stand up to it, such as Boddalin, and other places to the west, are faced with the same troubles as areas to which I have already referred. The Government can save these men. In the wheat belt there are 2,000 abandoned properties and there are 400 in the group settlement areas. The Minister has referred from time to time to the excellent prospects of the South-West, and I agree with him that it is a land of promise. I think it will witness remarkable developments. The fact remains, however, that there are still 400 abandoned group settlement blocks down there. At Nannup there are 40 farms of which only three are occupied. This process of gradual elimination will be serious for Western Australia. Why should the Agricultural Bank officers be called upon to act as judges in their own case? Why not accept the suggestions made at many farmers' meetings that a marginal areas board be set up, of which the Surveyor General would be chairman and through which representatives of the local authorities—men who know the district—would have some say in the reconstruction of the areas concerned? The suggestion seems eminently sensible.

The chairman of the Agricultural Bank Commissioners, Mr. Donovan, went with the Grants Commission through miles of country in that area and they spoke appreciatively of the earnest endeavour he was making to reconstruct those areas. I pointed out to the Grants Commission, however, that Mr. Donovan was in the invidious position of being a nominal mortgagee for those areas. It is a difficult thing for a mortgagee to be writing off debts which he is charged with the responsibility of preserving. That should be the function of another board. The amounts set down are rather hard to follow. The annual report of the Agricultural Bank states—

> The reserve prices were fixed on 293 reverted holdings during the year. Of this number 177 are situated in the area coming within the marginal areas and are being linked with settlers, except in a few cases where transfers are being arranged for settlers from the outer districts to safer areas, leaving their present holdings vacant. The approved writing down of indebtedness in these cases totals £195,641 2s. 5d.

There are 177 holdings within the marginal areas, but the report does not give any idea how much has been written off those holdings.

Reference has been made by the Minister to the money from the Commonwealth to be expended in the reconstruction scheme. I would inform members that of the £417,000 involved, no Government in Australia has found one penny piece. That money has been found from the flour tax, to which the wheatgrowers were entitled. The wheat tax consists of sums deducted from the dividend that the farmers should have received, and the Commonwealth and State Governments are making good fellows of themselves by asking the poor to help

the poor. Under Section 5 of the Commonwealth Act, instructions have been given that for four years £500,000 a year shall be deducted from the flour tax proceeds and used for the transfer of farmers from marginal areas to safer areas. We hear the Minister talking of Commonwealth money and it is a common thing to hear what the taxpayers are called upon to find, but every penny of that money has been found by the wheatgrowers themselves, which is a most iniquitous thing. It is the duty of the Commonwealth and State Governments to transfer those men. According to the report, the money from the flour tax is being used and the Agricultural Bank will make further advances. However, my desire was to make it clear that there is no Commonwealth money in that amount, so far as I know. The money has come from the flour tax and has been taken from the pockets of people who can ill afford it.

The Minister for Lands: The Commonwealth would have retained it if the case had not been put up by State Ministers.

Mr. BOYLE: The Commonwealth had no right to retain it. The responsibility rests upon Ministers for Lands and Agriculture in the various States to put forward a scheme for the disposal of the money.

The Minister for Lands: And the Commonwealth Minister "may" adopt it.

Mr. BOYLE: That, of course, is permissive, but I do not think the Commonwealth would have had the nerve—though it has a good deal of nerve—to take a sum of £2,000,000 over four years from a tax paid by the consumers of bread throughout Australia, a tax imposed to build up a wheat price for the farmers. Yet, under the Act and in arbitrary fashion, £500,000 annually is taken out of the proceeds of the tax for the transfer of farmers from marginal to safer areas, or, in the case of Western Australia, the Government proposes to reconstruct the marginal areas with the farmers' own money. I do not know how much the State is contributing to that work. If this is so, the farmers who have provided the money should have some say in the reconstruction of those areas, especially the men concerned. The Minister for Lands is a hard worker who tries to do his best in very difficult conditions and never shirks a task, but I think he is in for a lot of trouble, and the trouble can be averted if the farmers are taken into his confidence. Twenty men in those areas stated that they had written through their organisation to the Minister for Lands in June last and had not received a reply to their complaints about reconstruction. I have read reports in the Press which I frankly say I could not follow. That, however, may not be the fault of the Minister, but why not make the position clear? Let those men know exactly what lies ahead. Their whole future and livelihoods are affected.

One man who settled in the Goomarin district 17 years ago left there yesterday. I will not mention his name, but he is a man of outstanding ability and merit. In that area he found that his block was morrell, but was classified as first-class land. Any farmer who has handled morrell country could not be tempted a second time to touch it with a pitchfork. This man applied for an abandoned block next door to be linked up with his own. He received a reply from the Agricultural Bank that the block, which had been abandoned for two or three years, was available to him but carried a written-down debt of £1,300 and he would be required to pay 10 per cent. or £130 before he could make use of it. He objected, and some leasing arrangement between him and the bank was entered into, but two years have sufficed and, as I said, that man left the district yesterday. He is only one of many.

I wish to inform the Government that, judging by the temper of the men who assembled at Merredin last night, they are determined. As their future and their livelihoods are concerned, they want to know precisely under what conditions they are to remain on the linked-up blocks. They want to know what liability they will have to meet and what the Government proposes in the matter of making those holdings agricultural-pastoral propositions. The Minister has said that they are to be used partly for wheat and partly for sheep. Those men unanimously agree that, as far as wheat growing is concerned, it is out. They also agree that the areas must be broken up. Grasshoppers are in control to a large extent and the only way to beat the grasshopper is by breaking up the land.

I have fulfilled a promise I gave to those men. I told them that when the Lands De-

partment vote was being discussed, I would place their views before the Chamber. Their views happen to be my views, so I speak with full knowledge and authority on behalf of those men. There was not one dissentient in their number. They came to the meeting from considerable distances—from Boddalin, 50 miles east of Merredin; from Campion, 40 miles away; and one man travelled 80 miles. Those views were placed before the members of the Grants Commission. I hope the Minister will avoid trouble. I think it would be beneficial to the State if the Government decided to disregard the debts on those blocks, By so doing there is a chance of keeping several hundred men on their blocks in those areas. We have the spectacle of abandoned holdings in the miners' settlement at Bullfinch. We know from reports before the Chamber that there are 2,000 abandoned farms in Western Australia, mostly wheatgrowing propositions. The Agricultural Bank is dealing with 4,700 wheat propositions at present. If we take the abandonments as being almost wholly Agricultural Bank abandonments, we find that about 30 per cent. of the original advances by the Bank have been irretrievably lost to the State. I raise my voice to prevent a continuance of that state of affairs. The Government is fully seized of the situation. I hope that the formulas and policies of the past will not be persisted in. Every one of us can make mistakes. I am not condemning the land settlement scheme, or the men who put settlers out in those areas, because they did not know any better at the time. We have, however, had 25 years' experience since. Let that quarter of a century guide us in our views to-day.

MR. SEWARD (Pingelly) [9.57]: I have one or two remarks to make concerning the latest report of the Agricultural Bank Commissioners. The first thing I notice is that a new representative of the Treasury has been appointed to the commission. I can see no necessity for such an appointment at this time. When the Act was passed, and writings down and a general revision of the agricultural position of the State became necessary, the appointment of a direct representative of the Treasury on the commission was probably advisable. In view, however, of the advanced stage of the writing down and the general reorganisation of the Bank, together with the necessity for economy, I cannot see that there is any need for the appointment of a representative of the Treasury. Surely the work could be done by the chairman and the general or acting general manager, in the absence of the general manager on active service. That would provide one avenue through which the Government might effect an economy. The chairman of the commission, through the responsible Minister, could make the necessary financial recommendations to the Government and they could be dealt with by Cabinet. In turn, the Government could advise the Agricultural Bank Commissioners concerning any necessity for restrictions in expenditure. I can see no necessity for taking a man away from his duties in the Treasury and appointing him a member of the Agricultural Bank Commission.

A matter raised by the member for Avon was also the subject of a question I asked the Minister for Lands the other night. This dealt with the distribution of the moneys made available from the flour tax, the most recent distribution being £115,000. In his reply the Minister stated—that was the general impression given in the country—that the money was being made available only to clients of the Agricultural Bank, and added that in some instances it would also be available in the case of second mortgages. I think it is necessary that the distribution of that money should not be placed in the hands of the Agricultural Bank Commissioners, because they are the creditors of the farmers. It should be in the hands of an independent body, preferably the Rural Relief Trustees. As indicated by the member for Avon, the director of the Rural Relief Board is a very competent man who has made an intensive study of the subject, has a thorough grasp of the position, and is well fitted to distribute the money. He should also be able to distribute any other moneys that may be available for the relief of farmers, as indicated in the proposal of the Minister for Commerce, which I understand will be the subject of a conference in the near future. That money, in addition to the funds raised by the flour tax, should be placed in the hands of such an independent body as the trustees of rural relief for distribution. Also in reply to my question the Minister for Lands added that the applications that had been refused had not conformed to the arrangements made by the

Commonwealth Government. I should like to know what he meant by that statement, and what arrangements were made between the State and Commonwealth Governments for the distribution of the money. It is generally believed that the money is to be used for the relief of farmers affected in the marginal areas generally, without any recognition as to whether they are clients of the Agricultural Bank or any other institution or money lender. I should like to know what the arrangements were.

Again dealing with the report of the Agricultural Bank Commissioners in regard to the distribution of money, I notice it states the following:—

> The provision of Commonwealth funds—

such as the £115,000 to which I made reference—

> will, however, enable the commissioners to transfer expenditure connected with such programmes from Agricultural Bank account to that fund, and to increase the advances for improvements to the full value of the work done, whereas the Agricultural Bank Act only provides for a 70 per cent. advance on the value of such work. The provision of the full advance will enable settlers to reach a developed stage, sufficient to carry sheep, at an earlier date than otherwise.

That reads in an extraordinary way. If the Agricultural Bank can make available a 70 per cent. advance on the value of the work done, I take it that the commissioners regard that as a sufficient advance, and have paid accordingly. Out of the money that is coming from the Commonwealth Government—the member for Avon correctly pointed out that this was really coming from the flour tax—it is proposed to pay 100 per cent. If an advance of 70 per cent. was sufficient before, by making only 70 per cent. of the money available, the Commissioners were granting relief to a greater number of persons than would be possible if they paid out 100 per cent. I hope the Minister will clear up that point.

There is another matter in connection with reverted properties to which I would like to refer. In their report the Agricultural Bank Commissioners drew attention to the sales made by Goldsbrough, Mort & Co. Some four years ago an arrangement was concluded whereby it was agreed between that firm and the Agricultural Bank Commissioners that it should have the selling of all the Bank's abandoned properties. Under that arrangement, no sale of any such properties can be effected except through that firm. If an adjoining holder applied to the Agricultural Bank for an abandoned property next to his own, he could deal only with Goldsbrough, Mort & Co. Since that arrangement was made, and up to the end of June, 1940, 679 abandoned farms have been disposed of by the firm in question to Western Australian buyers. In 1937, 22 sales were effected, in 1938 the number was 315, in 1939 the number was 325, and in 1940 it was 117, a total of 679. To Eastern States buyers the firm sold 19 properties, and one was sold to an overseas buyer. That makes a total of just under 700 properties in all. For these sales the firm received in commission £26,000. The Commissioners drew attention to the necessity for revising that agreement. I think members will agree that such a revision should be made.

Mr. Patrick: The Bank could have sold all those properties.

Mr. SEWARD: Of the total number of properties, 19 were sold to Eastern States buyers, and only one to an overseas buyer. It is only reasonable to assume that in the case of local sales the inspectors of the Bank, who are constantly moving about the State, could have brought buyers into touch with the Bank and have effected a great majority of the sales, without the necessity for paying £26,000 in commission. I think the main reason for the agreement being entered into was the hope that the firm, with its connections in the Eastern States, would have been able to influence Eastern States buyers to purchase the properties. I do not blame the firm. Probably the conditions of the farming industry prevented it from getting rid of all the farms. I do not say that it has not done its best. In view of the results achieved, I think it is high time the agreement was reviewed, and, if not terminated, that a lower rate of commission is paid in future than has been paid in the past. I think those are the only matters I have to touch on in connection with this vote, except that I would like to pay a tribute, and to extend my sincere thanks, to the general manager and the chairman of commissioners, who at any time that I sought to interview them have never hesitated to see me. In fact, they have told me that they are only too pleased to discuss matters with members who may call. Not that I would presume to insult either the general manager or the commissioners by

asking that they should give a client different treatment from that which they considered just. I would not dream of making any suggestion of the kind. However, constituents occasionally bring under my notice difficulties with branch managers in obtaining replies to their communications. Always when approaching either the general manager or the chairman of commissioners I have received most helpful treatment and have invariably been able to settle up to the satisfaction of constituents any little matter I have brought to the bank's attention. I have much pleasure in placing on record my debt of thanks to those gentlemen.

MR. WATTS (Katanning) [10.6]: I have not a great deal to say on the Lands Estimates, but there are one or two matters to which I would like to draw the Minister's attention. One of them is the difference apparent in this year's report of the Agricultural Bank Commissioners. I think the Minister will agree with me that this year's report, in comparison with reports that have gone before, is considerably less informative and much less easily read. I acknowledge that the present report contains a great mass of figures, which on careful examination reveals some of the information that members interested in the country districts are desirous of obtaining. However, if one goes through previous documents, one will find in each of them—for two or three years back to my knowledge—very fair and comprehensive reports from the various district managers, giving a review of the operations in their respective districts and an account of seasonal conditions and the results so far as the Agricultural Bank was concerned. This year, such information is missing in every case. I do not know whether the Minister has any means of persuasion that he can bring to bear on the Agricultural Bank Commissioners as to the method of drawing up their reports; but if he has I would suggest to him that they be asked to revert to the method adopted in previous years. That method, I can assure the Minister, was much more convenient to members of this Chamber interested in the Bank's reports.

I have on more than one occasion drawn attention in this Chamber to the undesirableness of mortgage liabilities on farms being increased if such increase can be avoided. I think there is in the Land Act a provision in regard to conditional purchase leases that transfers or mortgages before they can be registered must receive the Minister's consent, which of course is usually given by an officer appointed for that purpose. Now, it has always seemed to me that that consent, particularly in the case of mortgages, is far too readily obtainable. So far as I have been able to ascertain, it is usually a question of the officer I have referred to discovering whether land rents are in arrear or not, and whether the improvements according to statutory requirements are near enough to the mark. If such is the case, the consent seems to be given as of course. I would suggest to the Minister, without however hinting that more work should be put on him either as a Minister or as an individual, that the responsible officer be given some instructions, if the Minister thinks fit, that mortgages of conditional purchase leases, and the Minister's consent in regard thereto, should be gone into more carefully and the consent not so readily given as I believe it has been in the past. In my opinion it would be reasonable to ask in regard to conditional purchase leases that the lessee should justify to the fullest extent the necessity for borrowing the money in respect of which he hands in the mortgage for consent prior to registration. I am satisfied that had this been done consistently in the past—I trust that in a number of cases it is not too late to think about this now—we should not have had today the position existing on many farms which contain conditional purchase land as part of the assets. Their owners are in many cases hopelessly involved. There has grown up a policy of lenders being only too anxious to take advantage of the desire of borrowers to borrow at ruling rates of interest. Optimism appears to have run high, and in times past there has been a wild rush to exercise the privilege of borrowing money and registering a mortgage. The restrictions in the Land Act were, I presume, put there with the intention that they should be exercised; and I would like to suggest to the Minister that consideration should be given to some more stringent supervision of these matters in the future.

The member for Avon (Mr. Boyle) in the course of his remarks observed that he regarded the system of collection of land rents as a system of land taxation. I venture on this occasion to disagree with the

hon. member, as it always has appeared to me that the collection of land rents is by no means taxation, and indeed that the words "land rents" are wrongly used. As I have pointed out previously, conditional purchase which provides that the greater part of the price shall be paid in so-called land rents is merely a contract between the Crown and the lessee that if the lessee does certain improvements and pays a certain price by instalments, he can purchase the land. As I see it, the Crown has merely disposed of an asset on time payment. I think the Committee will agree with me that in the early days of Western Australia the principal, in fact the only, asset at the commencement of settlement which the Crown had was the virgin lands of this State of which it took possession in the name of the King, and that this land has over a period of years been sold either by public auction or by conditional purchase lease, or by some other manner of disposal, to those who were desirous of settling upon it. The land rents have arisen, primarily and principally, out of the conditional purchase lease, and they have resulted in the land being bought on a system of time payment. I am aware that the time payment has been calculated without interest; but this does not alter the fact that it is a contract for the purchase of a particular piece of land, for which, upon completion of payment of the purchase price by instalments, the purchaser gets a Crown grant. Now, has it been wise that the moneys thus received as land rents should be paid into Consolidated Revenue and treated as such and spent as such? I have always questioned that; and I question it more to-day, since the Minister has just told us that land settlement has by no means ceased but as regards his own department is active.

Mr. Patrick: The Minister did not say that.

Mr. WATTS: That was the impression I gained from the Minister, and I think it is the impression he meant members to gain.

Mr. Patrick: The Minister was referring to the activities generally of his department.

Mr. WATTS: Then I am mistaken. However, there is some land selection going on. In an ordinary business transaction, when a man disposes of a property that he has, even though he sells it on time payment, if he is a wise man the proceeds of the sale will be reinvested by him in some other asset. He will not, I think, take it as income and spend it as such for ordinary household or other expenditure. That, I consider, is the situation so far as the Treasury of the State is concerned, and has been such over a long period of years. In my opinion the proper way to deal with the realisation of the sale, under the conditional purchase system, of Crown lands would be to re-invest the proceeds in other assets. For what purpose were railways, for example, carried far out into the agricultural areas of the State, even in some cases before settlement was effected? Surely it was with the idea of having land made available for selection and to encourage settlers to go out into those country districts. If we had invested the proceeds of the sale of land along those railways in the construction of railways necessary to encourage the settlement of land there, I think the position of the Minister for Railways would to-day be considerably easier. I suggest he would not be so deeply burdened with liabilities in connection with the collection of interest on loans incurred for the building of railways, some of which have proved unpayable, to the areas to which I have referred. I do not think it is too late even now to stop this process of realising the assets under the time payment system and spending the income thus derived with nothing, in many instances, as a tangible asset to show for that expenditure. I commend that suggestion to the Minister in no spirit of carping criticism but in the hope that some thought may be given to the position, in respect of which I have quoted the Minister for Railways by way of example, and also to extending it if the provision of further transport facilities become necessary for those areas. I have always thought that this process has been wrong, and I hope the time will arrive when the Government will be prepared to give consideration to putting an end to it.

As a last word, I would like to join in the remarks made concerning the operations under the Farmers' Debt Adjustment Act and the Rural Relief Fund Act. I think my views regarding the ultimate result of that legislation have been made clear in this House on odd occasions and I shall not

reiterate them now. Bearing in mind all the deficiencies of the legislation under which the department has worked, and also the fact that in recent months the department has been ill-supplied with money for the carrying on of the work that has been begun, most of us believe that a genuine effort has been made by the officers of the department, who, despite recent criticism in certain quarters, have done and are doing a good job for the farmers. Although I believe the legislation under which they are operating is deficient and should be considerably altered as soon as possible, nevertheless I agree with the previous speaker that much good has been done by the officers of that department, and I hope and trust that the time is not far distant when their legislative powers will be widened and their opportunities for doing good greatly increased.

Vote put and passed.

Progress reported.

House adjourned at 10.20 p.m.

Legislative Council,

Wednesday, 16th October, 1940.

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

BILLS (2)—THIRD READING.

1, Income Tax Assessment Act Amendment.

Returned to the Assembly with amendments.

2, Income Tax.

Passed.

BILL—SUPPLY (No. 2), £1,200,000.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.37] in moving the second reading said: The object of this Bill is to obtain Supply to meet expenditure from Consolidated Revenue until the Estimates are passed. For the information of members, I am advised that the No. 1 Supply Act provided a sum of £2,450,000, made up as follows:—

	£
From Consolidated Revenue Fund	1,750,000
From General Loan Fund ..	400,000
For Treasurer's Advance ..	300,000
	£2,450,000

Expenditure for the first three months of the present financial year out of Supply granted by the No. 1 Act is as follows:—

	£
Consolidated Revenue Fund ..	1,740,719
General Loan Fund	292,139

Expenditure from Consolidated Revenue Fund for the first three months of the present financial year is as follows:—

Under Special Acts	1,133,333
Governmental	802,148
Public Utilities	938,570
Making a total of	£2,874,051

Interest and sinking fund included in expenditure under special Acts amounted to £1,022,008; while exchanges on remittances to London, included in Governmental expenditure, amounted to £178,295. The revenue collected for the three months ended the 30th September, 1940, is as follows:—

	£
Taxation	594,640
Territorial	92,200
Law Courts	19,700
Departmental	188,462
Royal Mint	9,022
Commonwealth grants ..	267,109
Public utilities	1,339,124
Trading concerns	1,592
Making a total of ..	£2,511,849

From these figures it will be seen that the deficit for the three months ended the 30th September, 1940, is £362,202. This is an improvement of £4,317 on the first three months of the last financial year.