

would not have come about in this year of 1939 had the control of international credit been in the hands of responsible Governments and not in the hands of voracious grabbers—because that is the actual position to-day. Any member who has travelled the world will realise that what I say is the truth. Therefore it behoves this House to support the motion and to do everything in its power to ensure that every other Parliament and every local-governing body supports it too, so that finally we can know that we have now true peace.

On motion by the Premier, debate adjourned.

Sitting suspended from 12.52 to 1 a.m.

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Council's Request for Conference.

Message from the Council received and read requesting a conference on the amendments insisted on by the Council, and notifying that it had appointed the Chief Secretary, Hon. C. F. Baxter and Hon. J. Nicholson as managers for the Council.

The PREMIER: I move—

That the Council's request for a conference be agreed to, that the managers for the Assembly be the Minister for Works, Mr. McDonald and the mover, and that the conference be held in the Speaker's room at 5 p.m. today (Wednesday).

Question put and passed, and a message accordingly returned to the Council.

House adjourned at 1.5 a.m. (Wednesday).

Legislative Council,

Wednesday, 6th December, 1939.

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

QUESTION—YOUTH EMPLOYMENT.

Training of Unskilled Workers.

Hon. A. THOMSON asked the Chief Secretary: 1, Is the Government aware that the Defence Department is calling applications from unskilled youths to become skilled tradesmen under their training scheme, and that the successful applicants have to go East to complete their training? 2, What steps (if any) has the Government taken to provide for similar training in this State? 3, Will the Government make representation to the Defence Department that it is the considered opinion in Western Australia that our unskilled youths should have the opportunity of becoming skilled workers in Western Australia and indicate in what manner it will assist?

The CHIEF SECRETARY replied: 1, Yes. 2, The initial meeting of the Committee is to be held in Sydney on the 8th instant. Mr. P. A. Wood, Industrial Registrar, is attending this meeting on behalf of this State. At present successful applicants as tool sharpeners must proceed to the Eastern States for training. Others

will be trained in Western Australia. The position is being carefully watched. 3, The Federal Assistant Minister for Supply (Mr. Holt) is preparing memoranda on the question, which will be considered by the Government. Everything possible will be done to safeguard the interests of the young men in this State.

BILL—MARKETING OF EGGS ACT AMENDMENT.

Read a third time and transmitted to the Assembly.

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Assembly's Further Message.

Message from the Assembly received and read notifying that it had agreed to the Council's request for a conference on the amendments pressed by the Council and that it had appointed the Premier, the Minister for Works and Mr. McDonald as its managers, the conference to take place in the Speaker's room at 5 p.m. on Wednesday, 6th December.

BILL—POTATO GROWERS LICENSING.

Second Reading.

Debate resumed from the previous day.

HON. H. TUCKEY (South-West) [4.37]: The Bill has been introduced so late in the session that there has been no time for hon. members to establish contact with those interested in the potato-growing industry. I have been able to communicate with a few growers in an area extending as far as the Marybrook district. With the exception of one, those growers have been entirely opposed to this legislation. I consider the Marybrook district to be the heaviest potato-producing centre in the State and the growers there are definitely opposed to the measure. A meeting was also held at Benger and the growers there are also opposed to the Bill. It would appear that none of those groups knew anything about the legislation until it was introduced in the House a few days ago, and I consider they are perfectly right in opposing it until they

have had an opportunity of considering the proposals and expressing their opinion. The growers in the Marybrook district had a meeting and do not favour the Bill unless they can have some of their ideas embodied in it. There is no possibility of that being done now, and I suggest that if consideration of the Bill could be postponed for four or five months, there would be an opportunity to refer the whole matter to interested growers, and particularly those in the South-West. I understand that Mr. Piesse has not contacted those producers to the same extent as he has contacted growers in the Albany district. To force legislation on a section of the producers is not right, particularly when they have not had an opportunity to submit their ideas for consideration. In the circumstances, I propose to vote against the second reading. In any case, if the Bill reaches the Committee stage and is amended, we cannot expect that it will pass through another place at this late stage of the session. Better would it be to postpone this question, and allow it to be brought up again next session. In addition to consulting the growers at Benger and Marybrook, I have spoken to a number of individual growers, and with the one exception to which I have referred all are definitely opposed to the Bill. Mr. Mann quoted figures and spoke at length on this subject, but I do not think it is necessary for me to follow his example. I need not attempt to cover the ground already traversed, and for the reasons already given I will vote against the second reading.

HON. G. B. WOOD (East) [4.41]: I regret this Bill has been introduced so late in the session. Apparently Mr. Piesse thought the Government would be bringing down a measure much resembling this. The reason I am speaking is that I have here a copy of a letter from an association 1,000 strong. It is operating in my province, and its members are whole heartedly supporting this legislation. The letter has not been read to the House. Although it is written to Mr. Piesse, a copy was supplied to me and I intend to read it. The letter is signed by Mr. H. Larwood, general secretary of the West Australian Fruitgrowers and Market Gardeners' Association. Although that body has not long been in exist-

tence, it has done a great deal of good work in finding markets in the Eastern States, more particularly in connection with the lemon and fruit industry. The letter is as follows:—

Dear Sir,—At the executive meeting of my association held on Friday, the 24th November, I was instructed to write you stating our approval of your activities in connection with the potato licensing Bill. My association is over 1,000 strong, and includes practically all potato-growers within a radius of 50 miles of Perth, and we heartily endorse your action in bringing forward this most important legislation. We have exhaustively studied the Bill and dealt with every phase of it, and we have unanimously decided to give you our wholehearted support. So keen were we on seeing this legislation passed that I rang you personally at Katanning to arrange an interview to assure you of my association's approval of this Bill. We sincerely hope that our metropolitan members will all support this measure, as we consider it is one of the first essentials to assist our industry.

In respect of all primary industries, particularly those associated with fruit-growing and vegetables, something like this must be done in the near future. The measure will assist materially in eliminating haphazard methods of marketing, such as are being followed today. This type of legislation may be new to some members, but they are gradually being schooled into giving their approval of it. Last night Mr. Mann, in the course of his speech, told us that these unfortunate people had to pay so many taxes. He quoted a number of figures in support of his remarks. A week before that he had no compunction in imposing quite a big tax on another body of producers, the orchardists.

Hon. W. J. Mann: They definitely asked for it.

Hon. G. B. WOOD: I know that, and admit that the wealthy section of orchardists did ask for legislation. The hon. member, however, did not give much consideration to the other men when I put up the case of the small orchardists, of whom there are probably thousands compared with hundreds of the others. The small growers did not want to be taxed to that extent.

Hon. W. J. Mann: It was only a small tax.

Hon. G. B. WOOD: It does not matter about taxing people in some instances, while it does matter in others. Potato-

growers have to pay many other taxes. We all pay taxes, to say nothing of sales tax, and taxation in connection with beer, tobacco, etc. Mr. Tuekey said he opposed the Bill and looked upon the legislation as premature. He may be right in his contention, but when a Bill of this nature is brought down, there will always be some antagonism towards it until people have been educated as to the desirability of passing it.

HON. L. CRAIG (South-West) [4.46]: When I saw that Mr. Miles had secured the adjournment of the debate, I hoped we would have an hour or two of racy description of potato-growing. Apparently, however, he intends to be his reticent self, and reveal himself as the silent member for the session. I was certainly looking forward to a description from the hon. member of the latest methods of potato-growing.

Hon. G. W. Miles: I may give you something yet about the industry in the North.

Hon. L. CRAIG: I am not opposed to the principle of organising people engaged in an industry of this kind but they ought to be consulted first. Apparently the majority of potato-growers are not yet in a position to express a considered opinion concerning whether they want to be registered or not. This Bill has nothing to do with organised marketing, although Mr. Wood rather suggested that it had to do with that subject. It merely provides for the registration of growers, and that means nothing. They will have to pay a license fee.

Hon. G. B. Wood: The Bill should assist to that end.

Hon. L. CRAIG: If the organisation was loyal enough, and it was possible to collect the fee from all the growers—how that would be done I do not know—it might be possible for it to help in the marketing of potatoes in the Eastern States during certain years when prices are good. When prices fall, as they inevitably will in the near future, it is hopeless to endeavour to find a market when three times as many potatoes are available as the market can absorb.

Hon. H. V. Piessie: That is the time to organise marketing.

Hon. L. CRAIG: People cannot be made to eat potatoes if they decline to do so. Mr.

Piesse held up Tasmania as the acme of perfection in the organised marketing of potatoes, and as the principal potato-growing part of Australia. The figures quoted by Mr. Mann yesterday indicated that Western Australia had a higher yield per acre than had Tasmania.

Hon. H. V. PIESSE: I told you that in my opening remarks.

Hon. L. CRAIG: And, more important still, this State has the greater revenue per acre. Not only do our growers derive a greater revenue per acre, but receive a higher price for the product. The average yield per acre in cash in Tasmania is £14 and in Western Australia it is £48. That is rather significant, when we take into consideration the marketing methods and organisation existing in Tasmania. Notwithstanding all this, Tasmanian growers are not able to derive anything like as great a return per acre as are the growers in this State. The time is not opportune for a Bill of this kind. In any event, the growers ought to be consulted about it, and for the reasons I have stated I intend to oppose the second reading.

HON. A. THOMSON (South-East) [4.50]: Mr. Piesse is to be congratulated on making a start along the lines he has advocated. The potato growers in the South-West are deeply interested in the proposal and have long urged that something should be done on their behalf. On a number of occasions they have tried to organise their marketing conditions, but unfortunately always some disloyal grower has slashed prices and all their labour has gone in vain. While orderly marketing is not specifically mentioned in the Bill, if the growers are registered we shall be in the happy position of being able to set out with that objective in view. We have before us as a shining example, the experience of the dried-fruit growers.

Hon. L. Craig: But that was a voluntary movement.

Hon. A. THOMSON: Yes; they voluntarily imposed a levy upon themselves, and that has enabled them to establish their successful organisation. What is behind the proposal advanced by Mr. Piesse is to set the ball rolling so that an effective organisation of potato growers may be built up. Western Australia is not so favourably

situated as Tasmania in relation to the markets in the Eastern States. Tasmania has benefited by its organisation and we may well follow the example set for us. I have much pleasure in supporting the second reading of the Bill.

HON. H. V. PIESSE (South-East—in reply) [4.52]: First of all, I must say how surprised I was at the personal attack made upon me by Mr. Mann when he addressed himself to the Bill.

The Honorary Minister: We all were.

Hon. H. V. PIESSE: Those that know me both in and out of Parliament will give me credit for honesty of purpose. Apparently Mr. Mann's opposition to the Bill was caused by the fact that several of his electors had interviewed him and suggested that he should pursue that course. He is perfectly entitled to adopt that attitude and so are his constituents. On the other hand, Mr. Burvill and I collaborated in the drafting of the Bill for presentation to Parliament in the light of our experience and the knowledge gained as a result of many visits to the Eastern States. Mr. Mann suggested that I had during the past two weeks endeavoured to "extract expressions of acceptance in connection with the Bill" by writing to various people in the South-West Province. In reply to that suggestion, I want to make it clear that the people to whom Mr. Burvill and I addressed those notifications have, on the advice of Mr. F. Pugh, been consistently communicated with by us during the past three years. Not one extra person has been written to along the lines suggested. I have a list of the people to whom I have sent communications and each one of them has received copies of the minutes of conferences of the Federal Potato Advisory Council held in South Australia and Victoria. As to the late introduction of the Bill, I have to admit that that is so, but I had hoped that the Government would submit legislation to deal with the position. When I found that such was not the intention of the Government, I took the onus upon myself to introduce the Bill. As Mr. Tuckey pointed out, even if the Bill is not agreed to, publicity will have been given to the proposition and those interested will have an opportunity to go more closely into the matter. When I ascertained that the session was likely to close at an early date I

considered I should advise members, particularly those representing the South-West Province, regarding the provisions of the Bill and I also submitted copies of the communications I previously mentioned to members of the Legislative Assembly who represented South-West constituencies. I did that so that they would have some knowledge of what was proposed. When I heard about the objection raised by the Marybrook Association I communicated with the "West Australian" with the object of securing the publication of the letter from that body because I desired to give all interested an opportunity to express their opinions regarding the advisability of proceeding with the legislation. I make no bones about that. Subsequently I wrote to the Marybrook Association enlarging upon the position. I also received a letter from the gentleman mentioned by Mr. Mann. I think his name was Taylor.

The PRESIDENT: Order! I must ask the hon. member to resume his seat. The conference of managers on another Bill is due to commence in a few minutes, and I shall now leave the Chair until the conclusion of those proceedings, at which stage the bells will be rung.

Sitting suspended from 4.56 to 11.20 p.m.

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Conference Managers' Report.

The CHIEF SECRETARY: I desire to report that the conference managers met in conference on the Bill and arrived at an agreement. Conference agreed that the Bill should be passed as presented. I move—

That the report be adopted.

Question put and passed, and a message accordingly returned to the Assembly.

BILL—POTATO GROWERS LICENSING.

Second Reading.

Debate resumed from an earlier stage of the sitting.

Hon. H. V. PIESSE: Before the suspension I was about to refer to the number of growers engaged in the

industry in Australia today. The estimate is 23,000, and the consumption is put down at 340,000 tons. If more than this quantity is supplied through each State not knowing what is available, the price immediately collapses. One of the main objects of the Bill is that by reason of the registration of growers the department will know very early, the extent of the production within the State. It will thus be possible to assist the growers to maintain a steady supply on the market. I should like to refer to a letter that I received from Mr. Alex Murray, who is associated with the potato industry. The letter which is addressed to me states—

I acknowledge your letter of the 17th inst. wherein you enclose a circular dealing with the potato industry, which you have sent out to different growers. I think the licensing of growers would be a very good move, as at the present time it is next to impossible to ascertain the correct figures of the potatoes grown in Western Australia. If this information were available, one would be able to regulate the market to a far better extent than is possible to-day.

Anything you can do to help the potato industry I feel sure would be appreciated by the majority of growers. Of course, during the last twelve to eighteen months the growers here have had rather a good run as regards prices, but I feel certain if values were to come back to about £5 to £6 per ton, you would again see growers clamouring for a control board to help them out of their difficulties.

Unless The Eastern States continue to require our potatoes I do not like the prospects for the growers during the second half of December and early in the new year. From information to hand New South Wales has good crops, and Victoria anticipates fair crops from the middle of December onwards.

Last week 1,700 tons of potatoes were shipped to the Eastern States from Western Australia, which is a record shipment, and it appears as if this week 1,500 tons will be shipped. I also anticipate about 1,000 tons for shipment by the steamer sailing from Fremantle on the 30th instant, but after then the shipments will be considerably reduced.

In the course of his remarks last evening Mr. Mann stated that if he thought the export trade of Western Australia could be increased he would do everything possible to assist towards that end by voting for the Bill, and in that way having a practical growers' board operating. One of the main objects of the Bill is to exploit new markets, with the assistance of the commerce department, and to obtain information about the

quantity of potatoes required in Australia, and for exports from Australia, as well as the quantities that are in sight in our own State. I know that Mr. Mann's heart and soul are wrapped up in the south-western part of the State which he represents, and I realise that his opposition to the Bill is honest.

I believe that the Agricultural Department will welcome the Bill. At a meeting of growers held on the 16th July, 1934, a resolution was unanimously passed that all growers of half-an-acre or more of potatoes should register. It may be interesting to give the House some information about the average production in Western Australia during the year 1933. Sixty-three per cent. of the growers cultivated from half-an-acre to five acres; 35 per cent. cultivated five acres to ten acres, and 4 per cent. cultivated from 10 acres and over. So it will be seen that there are very few indeed who are growing potatoes on an area exceeding 10 acres. Mr. Mann made some scathing remarks about the Federal Potato Advisory Council and said it was not a State organisation at all. I admit it is not, but it represents the State, and it has a very good standing. It was appointed by the Commerce Department to gain information from all the Australian States with a view to advising and making recommendations to the Federal Government. Had it not been for this body the New Zealand embargo would have been lifted on several occasions. Its function is to directly advise the Australian Agricultural Council and the Commerce Department. It is purely an advisory board. Mr. Mann said that no State except Tasmania took any notice of the council's recommendation to form a board until last year. The Tasmanian board, however, has been operating for many years, and there is scarcely any need to mention that it has done excellent work on behalf of the growers of that State. It was with the knowledge of that board's good work that the delegates from all States recommended to the Australian Agricultural Council the registration of potato-growers in Australia. The Australian Agricultural Council, which includes the Ministers for Agriculture from all the States, passed a resolution agreeing to the registration of potato growers. Mr. Mann said that I was introducing this Bill purely and simply on behalf of that board. My object in introducing it really was to benefit the

growers of the State, and also because of the knowledge I had gathered at conferences held in the South-East Province, as well as because of the discussions on the subject on many occasions with the growers of the South-East Province. It may be remembered that in the course of the Address-in-reply debate I explained very fully the position of the potato growers, and I think I convinced the House that the growers were in accord with me on the question of registration. The hon. member said that I had started at the wrong end. I assure him, however, that Mr. Burvill and I could not have done more by way of getting into touch with the growers. We offered to tour the South-West on our return from the Eastern States last year after the July meeting in Melbourne. I offered to provide a car for a tour of the South-West with Messrs. Pugh and Burvill, and I have always paid my own expenses. I could continue for quite a time answering the personal attack made on me by Mr. Mann, but I wish to stress the fact that this measure is on a totally different basis from the onion, egg and dried fruits legislation. I can only do my best by introducing the Bill, and if the members for the South-West Province, in their wisdom, decide that the time is not opportune for such legislation, they will have the right to vote accordingly. I should like to reply to accusations made against me of having introduced the Bill without being requested by the growers so to do. I would point out that the people to whom Mr. Burvill and I, as representatives on the Federal Potato Advisory Council, have written in connection with this Bill have been fully advised of our action. Let me read extracts from letters from genuine growers in the South-West and not from merchants as Mr. Mann said. The following letter is from Mr. W. Roberts, of Manjimup, whom I do not know personally. Under date of the 29th November he wrote—

I am in receipt of yours of the 24th inst. and note with surprise that you are having opposition to your Bill from this province's members. I have spoken to a large number of growers in this district and, without exception they appreciate this legislation being brought forward.

At a meeting of representative growers held at Manjimup on the 31st July, the following motion was carried unanimously:—
"That a request be made to the responsible

Minister for the introduction of a Bill to register all potato-growers."

With the foreign element coming in on this industry on leased land, chaos will result without some method of control is brought forward. We, here, consider that your registration Bill is what is required.

Grave exception seemed to have been taken by Mr. Mann to a letter published in his own paper. I can assure him that I have never met the writer, and the first communication I had from him was a letter dated the 26th November in which he stated that he had read the objection of the Marybrook Association to the Bill published in the "West Australian." I do not know anything about the domestic troubles in that district, but I can only act upon the general response and the information I have received. The only letter of objection that came to me was from the Marybrook Association, and I rang the "West Australian" newspaper and informed the Chief of Staff that I had received the letter. I asked, in fairness to the association and the growers of the South-West, that the objection be published. I wrote to Mr. Berryman and pointed out that I had taken this action with a view to getting further information. On the following day I was pleased to read a short article in the "West Australian" setting out the position and mentioning my references to the advantages obtained from the organisation of fruitgrowers. That organisation has no statutory authority. It has been carried on by a levy imposed on fruit which, I have been told from time to time, is quite illegal, but it has been carried on at the wish of the growers generally. This is one of the finest organisations in Australia today, and proof of that statement is found in the fact that when legislation dealing with the fruit industry was being introduced in the Commonwealth Parliament, the organisation was able to take a stand in Canberra so that today it has recognition under the Federal laws and we have good regulations operating in Western Australia.

Hon. W. J. Mann: The business of that organisation is export.

Hon. H. V. PIESSE: The business of the potato industry is export and the greatest market we have in view is that of Sydney. If Tasmania, with its advantage of close proximity to Sydney, can organise without statutory power and do such excellent work

on a small collection of fees we can do likewise. A few days ago we were informed of the rejection in Sydney of 1,500 bags of Western Australian potatoes. What was the explanation of that? In my opinion it was due to the fact that production in New South Wales is coming in, and the inspectors are making a very close scrutiny of imported potatoes. When I was in New South Wales 1,500 bags of potatoes from Tasmania were rejected on the ground of second growth. When the potatoes had matured, rain fell and second growth occurred. However, arrangements were at once made with the New South Wales Government for permission to sell those potatoes as second grade, and I believe they made in the vicinity of £14 a ton. But Tasmania had its own official representative in New South Wales. That is what I want for Western Australia. We want a representative in the main capital city so that we can ensure a market for increased production. Western Australia can grow and supply three crops of potatoes a year. In the Albany district one crop is grown and in the South-West two crops are grown, and invariably the potatoes are harvested at different periods. Consequently, Western Australia is in the unique position of being able to supply potatoes practically all the year round. Surely that advantage is worth exploiting! Mr. Craig said I had lost sight of the fact that Western Australia was the greatest producer of potatoes per acre. Certainly we have the greatest possibilities of any State in this industry. I should like to read the letter to which Mr. Mann took such grave exception. He seemed annoyed at his paper publishing the letter, and he made the statement that the man had been living in Busselton a few years. I have not quoted this man as an authority; nor have I previously mentioned his name. In fairness to the "South-West News," I will read what appears at the head of the column as follows:—

This column is intended for the expression of views of our readers and the public generally. We do not necessarily identify ourselves with or accept responsibility for the views expressed herein.

That is the attitude adopted by most newspapers.

Hon. J. J. Holmes: Cannot we take the letter as read?

Hon. H. V. PIESSE: Mr. Mann made accusations against me of having introduced this motion on behalf of the Eastern States, but I wish to show that though the Marybrook growers have expressed themselves as not favouring the Bill, this expression came from the hon. member's friend—

Sir,—On page 6 of the "West Australian" of November 24 (last Friday) I was amazed to read that the Marybrook Potato Growers' Association expressed to Mr. H. V. Piesse, M.L.C., the opposition of their "members and also outside growers" to the Bill for licensing of potato-growers, the second reading of which was moved in the Legislative Council on Thursday (November 23). For the last three months I have been in touch with growers (large, up to 250 tons per annum; and small, down to 2-acre plots) in the Benger, Burekup, Brunswick and Dardanup districts; everyone I have met is thoroughly in accord with the Bill. The only opposition I have heard of is from Perth brokers, whose interests are decidedly not the same as the growers'. The reference by the Marybrook Association to "an alien speculator vote" is not understood by me, and is not explained in their communication to Mr. Piesse. I entirely and wholeheartedly agree with Mr. Piesse's attitude—which is unselfish and in the growers' interest—and Mr. Piesse is quite correct in his reference to the improvement in the position of orchardists through parallel action. I would also refer to the improved position of onion growers since the passing of the onion marketing Act. I am forwarding a copy of this letter to Mr. Piesse, and will be pleased to pass to him any comments by Marybrook growers with which they may care to favour me.

Hon. W. J. Mann: The onion Act has not been put into effect yet, so that shows how much he knows about it.

Hon. H. V. PIESSE: I am quoting the letter to show the sort of expression I have received after having written to various people in the South-West. This leads me to believe that the Bill is desired by the growers. After writing to the Marybrook Association I received a telegram, copies of which I sent to Mr. Mann and Mr. Craig, together with copies of other letters, and the reply was as follows:—

Association meeting unanimously object Bill without definition of grower as British subject and bona fide landholder.

I made inquiries at the Department of Agriculture and also at the Crown Law Department, and as a result I have placed on the notice paper an amendment for a definition of "grower." I was informed by

the Department of Agriculture that if the Bill is passed, its provisions and the regulations will enable the growers to lay down their own conditions for the election of their representatives on the board. There again I have endeavoured to meet the Marybrook position. Lastly, I have a letter from a well-known man in the South-West, Mr. John Salerian, a capable grower and a very good citizen. After referring to the objects of the Bill, he wholeheartedly supports it.

One point of Mr. Mann's speech rather hurt me personally. That was the reference to a remark about £5 which had been paid by the Marybrook Association. Mr. Mann said—

It may seem uncharitable to mention that. Such a remark may be construed as implying that the £5 was sent to pay my expenses to the Eastern States.

Hon. W. J. Mann: You know perfectly well that is not so.

Hon. H. V. PIESSE: Why did you say it was uncharitable?

The PRESIDENT: The hon. member must address the Chair.

Hon. H. V. PIESSE: Last night, when the hon. member was continuously attacking me, I naturally drew the conclusion that the remark cast a reflection upon myself. May I say that I have expended at least a couple of hundred pounds on representing, or trying to do my best to represent, the potato-growers of Western Australia. My office and my stenographers have been available for correspondence on their behalf. I have not hesitated to do the best I could on behalf of the industry. Every endeavour that my colleague, Mr. Burvill, and I could make has been made, and, so far as I know, entirely in an honorary capacity.

Hon. W. J. Mann: We know that.

Hon. H. V. PIESSE: I do want to make that point clear. Lastly, I wish to mention that Mr. Pugh wrote to me, as far as Marybrook was concerned, on the 7th July, after having received from me the minutes of the meeting of the Federal Potato Advisory Council which took place in August. These are the remarks of the Marybrook Association written to Mr. Pugh—

Yours, re fund, to hand. I enclose £5 towards expenses and will send anything received from growers along. The notice was too short to get a meeting together, but we

have discussed these matters on many previous occasions, and I know their ideas on most points. Registration of growers agreed to, but consider a basic acreage should be fixed—say 30 acres per annum—with nominal fee.

Then there is a postscript—

Any time a meeting should be in sight, it would be advisable to let me have proposed scheme in advance, so that I could put it up to the members. Satisfy them, and the vote on a general meeting of growers would be assured.

Hon. W. J. Mann: What is the date of that letter?

Hon. H. V. PIESSE: The 7th July.

Hon. W. J. Mann: A considerable time ago.

Hon. H. V. PIESSE: I wish to impress on Mr. Mann that prior to that date a copy of the Bill was sent to the association, and that Mr. Berryman, after reading the Bill, wrote that letter to Mr. Pugh. I put this up only to claim that I am not advancing this legislation for the Commonwealth issue, but solely with an honest intention of purpose on behalf of the growers of Western Australia. I think that while I do not personally know, and am not personally known to, the people in the South-West, I have had excellent reasons from them for putting this measure before Parliament. As regards Western Australia's potato production, out of a total of 30,000 tons, 6,000 are produced in Albany, about 5,000 in the metropolitan area, and 18,000 or 19,000 tons in the South-West. In the Albany district one crop is the annual average, whereas the South-West averages two crops.

Taking all these factors into consideration, I consider I may claim that, contrary to what Mr. Mann stated last night, I am not endeavouring to foist the Bill on the South-Western growers. Therefore, if hon. members pass the second reading and the Bill goes into Committee I intend to move that the consideration of the Bill in Committee be postponed until the next sitting of the House. I sincerely hope that hon. members will pay my colleague and me the compliment of passing the second reading.

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

Ayes	..	..	..	17
Noes	..	..	..	8
Majority for	..	..	..	9

AYES.

Hon. E. H. Angelo	Hon. V. Hamersley
Hon. C. F. Baxter	Hon. E. M. Heenan
Hon. L. B. Bolton	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. H. V. Piesse
Hon. J. T. Franklin	Hon. A. Thomson
Hon. G. Frager	Hon. C. H. Wittenoom
Hon. E. H. Gray	Hon. G. B. Wood
Hon. E. H. H. Hall	Hon. T. Moore
Hon. W. R. Hall	(Teller.)

NOES.

Hon. J. Cornell	Hon. G. W. Miles
Hon. L. Craig	Hon. H. Seddon
Hon. J. J. Holmes	Hon. H. Tuckey
Hon. W. J. Mann	Hon. J. Nicholson
	(Teller.)

Question thus passed.

Bill read a second time.

In Committee.

Hon. J. Cornell in the Chair; Hon. H. V. Piesse in charge of the Bill.

Clause 1—agreed to.

Clause 2—Interpretation:

Hon. H. V. PIESSE: I move—

That progress be reported, and leave asked to sit again at the next sitting of the House.

Motion put and passed.

Progress reported.

The Deputy President took the Chair.

BILL—GOVERNMENT RAILWAYS ACT AMENDMENT (No. 2).

Second Reading—Defeated.

Debate resumed from the 22nd November.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [11.56]: This is a Bill introduced by Mr. Thomson to amend Section 22 of the Government Railways Act, 1904-1933. That section authorises the Commissioner, with the approval of the Minister, to fix the charges payable for railway services; and a proviso to the section reserves to the Governor the right to fix or impose charges superseding those fixed or imposed by the Commissioner. The passing of the Bill would mean that Parliament would have control of the fares and freights which might be charged on Government railways. Naturally, in an undertaking of the magnitude and ramifications of the railway system, it is frequently necessary at short notice to fix or amend a charge for a particular service; and the necessity to secure Parliamentary approval of the many alterations and amendments which have to be made

from day to day in order to meet changing conditions must seriously militate against the transaction of business. Most of the amendments made are of an unimportant and purely routine character; and the practice is to list them monthly for the approval of the Minister, after which they are published in the "Government Gazette." General increases such as were recently disallowed are submitted specially for consideration by the Government, with full supporting reasons for increasing the charges, and the proposals are discussed by Cabinet before a decision is arrived at. Such is the procedure where changes of a major character are concerned.

I think it will be appreciated that the delays which would inevitably occur in the submission of these matters for confirmation by Parliament before gazettal would very seriously hinder the transaction of business by the department, and would probably react still more seriously on clients of the railways. It must be borne in mind that not all the alterations and amendments which are made under Section 22 represent increases in charges. More often than not, they are easements of charges or conditions designed to meet changing demands and practices; and where such easements are found practicable and desirable in the interests of the department and its customers, obviously it would be wrong to withhold the relief pending confirmation by Parliament, which might not at the time be in session. Bylaws made by the Commissioner are valid, under the provisions of the Interpretation Act, until disallowed by Parliament. If bylaws are made prescribing freight charges in January, for instance, and Parliament does not meet until July, then for seven months of the year customers of the railways would be paying charges which eventually Parliament might disallow.

Certainly provision would still remain, if this Bill were passed, for the fixation of special scales of charges to be paid in lieu of ordinary charges upon special occasions; but that fact would not overcome the objection I have just stated. Bylaws made by the Commissioner are valid under the provisions of the Interpretation Act until disallowed by Parliament, as I have stated.

Hon. A. Thomson: That applies to all other bylaws and regulations.

The CHIEF SECRETARY: These regulations do not deal with fares and freights.

They fall in an entirely different category; and I should say that customers undoubtedly would be disgruntled if for such a long period of time they had to pay charges higher than Parliament would consider fair in the circumstances. Of course one can quite believe that many efforts would be made by individual members of Parliament representing sections of the community to have fares and freights fixed for a particular district altered to suit the requirements of that particular district. I therefore have no option but to oppose the Bill. In the first place I say it is impracticable; and in the second place that it is casting a reflection on the Commissioner of Railways, who has been charged with the responsibility of running our railway system to the best of his ability in the circumstances as they exist.

Hon. G. W. Miles: Free from political control.

The CHIEF SECRETARY: Yes. I oppose the second reading.

HON. A. THOMSON (South-East—in reply) [12.2]: At this late hour I am sure hon. members do not wish to have a long speech thrust upon them. Representatives of other country Provinces have received a number of letters protesting against the action of the Government in flouting the will of Parliament.

The Chief Secretary: That is not correct.

Hon. A. THOMSON: If this House disallows a by-law that has been laid on the Table, that is an expression of the view of Parliament. I therefore feel I am justified in making the statement I did. In the concluding portion of his speech, the Minister said that the Bill was a reflection upon the Commissioner of Railways. Anyone who has read my speeches advocating a searching inquiry into the administration of the Railway Department will know that I have always expressed the greatest sympathy for the Commissioner of Railways and his officers who are administering the Railways Act. Country residents, however, strongly object to the Railway Department being, in effect, made a taxing machine. That is what has happened in this particular case. May I quote a statement made by the Premier after the by-law was disallowed? He said, "Section 22 of the Government Railways Act, 1904, prescribed that the Commissioner of Railways with the approval of

the Minister...." What is the use of saying that the Commissioner is free from political control?

The Chief Secretary: Read on.

Hon. A. THOMSON: I will. The Minister is the Government; there is no question about that, and so there is political control of the railways. The Premier said that the Railways Act prescribed that the Commissioner of Railways, with the approval of the Minister, might fix, among other things, freight charges by notice in the "Government Gazette."

The DEPUTY PRESIDENT: What is the hon. member quoting from?

Hon. A. THOMSON: From a statement made by the Premier on the 28th October last. It appears in the "West Australian" newspaper.

The DEPUTY PRESIDENT: Order! Is the hon. member conversant with Standing Order No. 392, which provides, "No member shall allude to any debate of the current session in the Assembly." I understand this occurred in another place and I am drawing the hon. member's attention to the standing order.

Hon. A. THOMSON: The Premier is reported to have made that statement. He claimed that this right of the Government, through the Commissioner, is absolutely unfettered. On the one hand, the Chief Secretary has pointed out that this House is not the Government; on the other hand, we have a statement reported to have been made by the Premier that the Government claimed an unfettered right, through the Commissioner, to impose these charges. I have never disputed that fact. What I did say was that the country people, who have to pay the piper, have a right to protest, and they did protest in strong terms.

Member: All over the country.

Hon. A. THOMSON: Yes. I have no desire to weary the House in the early hours of the morning and in the dying moments of the session. I regret that the opportunity was not given to members to discuss this Bill fully. I could read a large number of letters which would fill pages of "Hansard," but I shall not do so now. The position is strongly resented by the country people. If it is fair that other regulations and by-laws tabled in this Chamber may be disallowed, then it was fair in this case. I know the Minister is voicing the depart-

mental opinion, not his own view. He said the Bill might seriously affect and react on the customers of the railways, who might even be definitely disgruntled because of having to pay increased railway freights and charges which might ultimately be disallowed by Parliament.

[The President took the Chair.]

Here we have a marvellous example as far as railway freights are concerned. We have had strong protests by disgruntled and dissatisfied country residents, who object to being singled out to pay an additional £50,000 required by the Railway Department. As I have said, I have every sympathy for the Commissioner of Railways and I am not casting any reflection upon him or his officers. Members of Parliament have a right to agree to or disallow regulations laid upon the Table of the House. Regulations dealing with the Native Administration Act—

Hon. J. J. Holmes: They have nothing to do with the Railways Act.

Hon. A. THOMSON: It was never intended that Parliament should control the Railway Department after the passing of the Railways Act.

The Chief Secretary: The hon. member is making a political football of railway freights and fares.

Hon. A. THOMSON: They are a political football at the present time, definitely so, and all to the disadvantage of residents outside the metropolitan area. If it is proposed to increase railway freights, then let the burden be borne by all the people of the State, and not by a section. We are still continuing the obsolete method of administering our railways. We have loaded the Commissioner with unprofitable railways, as Mr. Holmes will agree.

Hon. J. J. Holmes: Yes.

Hon. A. THOMSON: Those railways were constructed not in the interests of business, or for the purpose of securing increased revenue for the department, but to open up and develop the State and to provide transport facilities, thus encouraging people to settle our vast open spaces. My contention is that this burden should be borne by all the people of the State; it should not be placed upon people who must live in the country. Business people and settlers right throughout my Province have strongly protested against the Government's action in making this in-

creased charge of 10 per cent. This measure will give Parliament the unfettered right which the Government claims it has. If the Government has an unfettered right, surely Parliament is entitled to such a right. If the Government has power to impose increased charges, surely Parliament has the right to protest and stop the Government from doing so. A majority of the members of this House disagreed with the imposition of the additional 10 per cent. We have had this evening a conference continuing for four hours between representatives of this Chamber and representatives of another place dealing with a charge which the Government propose to make by way of an impost upon the people of the State.

The PRESIDENT: I ask the hon. member to confine his remarks to the Bill before the House.

Hon. A. THOMSON: I respectfully claim that I am making a comparison and drawing an analogy. This Bill seeks to give Parliament control over an indirect tax—that is what this charge amounts to—upon one section of the community which has been specially selected to pay it. This is differentiation of the worst kind. I regret I cannot say all that I would like at this late hour; there is much more that I could add, but I repeat that I am not in any way casting a reflection on the Minister, the Commissioner, or the Government. All I ask is that control should revert to Parliament. I hope the House will agree to the second reading of the Bill.

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

Ayes	..	..	..	..	9
Noes	..	..	..	..	17

Majority against 8

AYES.

Hon. L. B. Bolton	Hon. A. Thomson
Hon. E. H. H. Hall	Hon. C. H. Wittenoom
Hon. V. Hamersley	Hon. G. B. Wood
Hon. W. J. Mann	Hon. H. Tuckey
Hon. H. V. Plesse	(Teller.)

NOES.

Hon. E. H. Angelo	Hon. E. M. Heenan
Hon. J. Cornell	Hon. J. J. Holmes
Hon. L. Craig	Hon. W. H. Kilsen
Hon. J. A. Dimmitt	Hon. G. W. Miles
Hon. J. M. Drew	Hon. T. Moore
Hon. J. T. Franklin	Hon. J. Nicholson
Hon. G. Fraser	Hon. H. Seddon
Hon. E. H. Gray	Hon. H. S. W. Parker
Hon. W. R. Hall	(Teller.)

Question thus negatived.

Bill defeated.

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Assembly's Further Message.

Message from the Assembly received and read notifying that it had agreed to the conference managers' report.

BILL—APPROPRIATION.

Second Reading.

Debate resumed from the previous day.

HON. H. SEDDON (North-East) [12.17]:

The interesting figures submitted by the Chief Secretary in support of the Bill indicated the variation between the estimate and the result in regard to both revenue and expenditure last year and also the basis on which the Government forecasts its finances for the present year. It is interesting to note that a great decrease in revenue occurred in respect to the Railway Department last year, but I think an increased revenue will result from this year's operations inasmuch as a large proportion of the wheat that would have been carried last year, had normal conditions prevailed, will probably be carried during the present financial year. Further, revenue may be expected from increased production in the forthcoming harvest.

With regard to expenditure I notice that an increase of £133,000 is expected, and a greater part of that will be due to increased loan expenditure. The savings the Government has had in past years from the reduction in the interest charged on our loans have now been overtaken, and we shall be bearing the full brunt of further loan expenditure in the way of increased interest and sinking fund charges. I have repeatedly pointed out that much could be gained by considering an improvement in the efficiency of the service, and I should again like to refer to the fact that a considerable amount of passenger traffic could be obtained by the Railway Department if it improved its facilities with regard to speed and communication. The use of more Diesel coaches would bring increased revenue to the department, revenue it is at present losing on account of road transport competition. The Government would be well advised to reconsider its programme, particularly in

the expenditure of loan money on the provision of improved railway transport facilities.

I notice the Government has made some alteration in the treatment charges at the State Batteries. Whereas the charge for treating tailings has been 2 dwts. 8 grns., under the new regulations the full charge is 1 dwt. 18 grns. To that extent the Government has extended benefit to the prospectors. At the same time this method of charging by deducting a certain quantity of gold rather than making a definite fixed charge appears to me to give the Government quite a considerable benefit, insofar as it is obtaining thereby for its own purposes the premium on the gold it is deducting in the form of a charge. As hon. members will know, the gold premium today is so high compared with the original price of gold that it must result in a handsome return for the Government.

The Chief Secretary: Do you suggest that the State Batteries are making a profit?

Hon. H. SEDDON: I suggest that a profit is made on the charges for the treatment of tailings. Probably the Government would justify that by saying it has to meet the prospectors by giving them a carting subsidy over long distances. The Government is making sufficient profit from the treatment charges to enable it to pay that carting subsidy.

The Chief Secretary: I understood the State Batteries made a big loss: not a profit.

Hon. H. SEDDON: All I can say is that if members will work out the value of 1 dwt. 18 grns. of gold, and add to it the premium on the gold, they will perceive there is a handsome profit from the treatment of tailings. Another matter to which I wish to refer is that of education. The money absorbed by the Education Department is one of the largest items in our expenditure. I believe in a sound education policy, and consider that the State has everything to gain by giving to the children opportunities to attain the very highest educational standard that can be attained by passing from our State schools into our University. Here again, however, I am inclined to question whether we are getting efficient results from the education system, in view of the economic theories that are being expounded and so

eagerly absorbed by so many sections of our community. It appears to me that here is an avenue of educational extension which might well be explored by the education authorities. Our people might be given an opportunity to appreciate something of the laws operating in the economic world rather than to take the short-sighted view that is frequently taken by folk when discussing problems of this sort. Many of our difficulties in Australia are due to the economic war that occurred previous to the outbreak of the present military struggle. Tremendous tariff barriers were raised between countries that had the effect of seriously limiting the markets available to primary producers, with serious repercussions on conditions in country districts. It is to be hoped that the world will benefit by the lessons so sternly being given to it today. If a wider and sounder economic training were made part of our regular curriculum, these problems would be approached with less heat and more sound commonsense than have been exhibited up to date. I commend to the Government the question of revising the curriculum in such a way as to provide that our children shall be given instruction as to the effect of simple economic laws that are so imperfectly understood, yet have such serious effects upon the standards of our community.

HON. E. H. H. HALL (Central) [12.25]: In saying a few words on this Bill, I should like to mention a matter that came under my notice at Mullewa on Monday when I was on my way to attend this week's sittings of Parliament. As the train from Wiluna was late I strolled over to the town. There I met two men well over the age of 60 years who are farming not far from Mullewa. They told me they found it impossible to get men to help them on their farms. At the same time I saw a motor lorry laden with the equipment of a dozen men who were shifting camp after having been engaged on a road job. The farmers to whom I spoke referred to those men, who were employed by the Government at the basic wage, and they said that the engagement of such men by the Government made it impossible for the farmers to obtain their services. A kindly disposed hon. member has just whispered "What would they be paid?" That is a pertinent

query and one with which I shall attempt to deal. When we are speaking on questions of this kind, it is well for us to put ourselves in the other fellow's place. If we do that, we must confess that it is unreasonable to expect men engaged on the roads at the basic wage to accept work with farmers who can ill-afford to pay more than perhaps 30s. or £2 a week and keep. Men will not be found willing to leave road work to take up work on farms for less pay. I have found difficulty in understanding the reason why the Government concentrates so much on relief work on roads. We are told that the wheat industry is essential. The fact that the price of wheat is very depressed just now makes it all the more important for the Government to provide relief for those battling in the industry. I will admit the truth of what has been said many times, namely, that this is a matter largely for consideration by the Commonwealth, but the State Government should try to render some assistance to people who are finding it difficult to obtain labour for their farms.

Hon. J. Cornell: Why not take a leaf out of Mussolini's book?

Hon. E. H. H. HALL: Just now it is specially hard upon men who can barely manage their farms without employing outside labour because they have sons of their own to do the work. Many of those people with sons find that the boys have taken up either militia duties or have volunteered for service. Of the two men of whom I spoke one was a bachelor, and the other a married man whose wife was in a hospital in Perth. It is sad to think that these old men have to battle along single-handed, carrying on what is generally agreed to be an essential industry.

The Chief Secretary: Were the men in the truck married or single?

Hon. E. H. H. HALL: I should say they were married men.

The Chief Secretary: You would not expect them to work for £1 a week and keep.

Hon. E. H. H. HALL: I have already made that point. I said it would be unreasonable to expect such men to do farm work in the circumstances. I met a man a few weeks ago. He told me he had been to Mullewa, Geraldton and many other places looking for farm work without success, but eventually he obtained relief work. We cannot expect men to work on farms for the wages the farmer

can afford to pay. The farmer cannot be blamed for paying the smaller wage, for it is as much as he can afford to pay.

The Honorary Minister: Some of them pay.

Hon. E. H. H. HALL: Most farmers pay the wages they can afford. This competition is going on all the time. One married man who had difficulty in obtaining relief work gave me the names of half-a-dozen single men who had obtained it. I could not go to the department and say, "Why are you employing single men?" Perhaps some were taken on because of their aged parents. My mind goes back to the Mitchell-Latham Government, which established a farm labour subsidy scheme. In some instances the scheme was abused, and the Government weakly and wrongly abandoned it. That was a great pity. Had the Government done what the present Government did, namely, deal severely with anyone who abused the relief work scheme, possibly it would have been continued. The present Government came in for a good deal of censure because of the strong measures it took in connection with men who attempted to obtain relief by misrepresentation. Had the same strong attitude been taken up by the Mitchell-Latham Government, it would have stood to its credit. The present Government would be well advised, in the interests of this vital industry, to see that if farmers are able to pay 30s. or £2 a week, the balance is made up to bring the earnings up to the basic wage.

Hon. J. Cornell: If the problem of seasonal employment in the farming industry is not provided for, it will go to pieces.

Hon. E. H. H. HALL: A man may well say "I can either have relief work or go on a farm. If I go on a farm I may work for six or eight weeks and am then put off." I do not know whether the methods of the department have changed of late, but I do know of men who have gone off relief work to take on shearing, fishing or some other occupation, and when forced to go back to the department have had difficulty in again securing relief work. I think the departmental methods have now improved.

Hon. J. J. Holmes: Under the management of the Honorary Minister.

Hon. E. H. H. HALL: Men who have had the initiative to get off relief work do not now find it so difficult to get back to it as

was the case. My suggestion is worthy of consideration from all points of view. To ask a man to give up the basic wage and assist some farmer with his crop, and thus suffer financially, is not reasonable and we cannot expect him to do it.

I am glad Mr. Seddon touched on education. The Estimates do not come before us but we know the Education Vote is constantly growing. Although I am only a layman, I foresee danger of the curriculum being overloaded. Examinations have been held lately. Those of us who have children attending the high schools know that they have been sitting for the Junior examination. I wonder how many members have any idea of the extensive knowledge required of children today.

Hon. A. Thomson: I doubt whether any member of this Chamber could pass any of the examinations.

Hon. E. H. H. HALL: I agree. Certainly no member could pass the history examination my 15-year-old daughter was asked to pass. The Education Department is in charge of experts. It is generally agreed that the curriculum is already overloaded. It should be so arranged that children can obtain the knowledge that will fit them to earn a livelihood. There are too many frills attached to the curriculum and these cost a lot of money. I am not disparaging the teaching of French, but ask in all seriousness how many children benefit from the instruction given in that language, although it is insisted upon? I support the second reading.

HON. J. CORNELL (South) [12.40]: I wish to develop a little further the views advanced by Mr. E. H. H. Hall concerning the supply of labour, seasonable and otherwise, to farmers and others engaged in primary industry. We have arrived at a stage when, by Government activity, work is being found for the unemployed—of whom we have more than ever—in road work, to an extent that farms are deprived of necessary labour. Farmers are hard put to it to get seasonable labour with which to pursue their occupations. If there is a family at home, the farmer has to be a slave driver to enable him to carry on. We boast of our democracy and our democratic forms and methods, but have to turn to totalitarian countries for an object lesson in the supply of

labour in that field of enterprise that is so essential to our daily welfare and to our lives. Those countries make it a first practice to see that the necessary labour is provided whereby the soil shall be tilled, and that which people wear and eat shall be provided. In Australia we have drifted into the unhappy position of making the backbone or sheet anchor of the country—I refer to the wheat and wool growing industries and primary industries generally—suffer, and compel those engaged in the industries concerned to turn rebels. It is one of the paradoxes of our civilisation that those to whom we owe our daily lives, in respect to what we consume and wear, are asked to produce—for all those great portions of our population that belong more or less to the key secondary industries of the country—commodities at a loss, and in many instances to live like blackfellows. That is one of the major problems facing Australia's development. It is one of the directions in which the Government could utilise a little more initiative and enterprise. We live in an age of civilisation and under a form of Government which sees that people shall not starve and die by the wayside. We all admit that the community generally is taxed to find for people money with which to buy the wherewithal to live in a non-productive capacity, as a consequence of which men who are engaged in a productive capacity have to live like blackfellows. We should seriously consider the question of devoting some of our unemployed to that form of essential labour which leads to the preservation of our daily welfare, even if such labour has to be subsidised. Western Australia would not be the only country in the world to subsidise farm labour and farm work. With all due respect to our enemies, the totalitarian States, that is one lesson we could derive from their regimes. Mine may be like a voice crying in the wilderness, but I contend that immediately the primary producers of Australia are in a state of revolt—they are largely in that condition today, and have every reason for their attitude—the Commonwealth will find that men who represent the salt of the earth will upset the equilibrium of our time.

HON. A. THOMSON (South-East) [12.46]: At the risk of incurring unpopularity, I feel justified in adding a few words

to the debate. I commend Mr. E. H. H. Hall for his references to the farming community. As pointed out by Mr. Cornell, a feeling of definite dissatisfaction is predominant throughout the agricultural areas. I was rather sorry to hear the reply furnished by the Honorary Minister, who is ever sympathetic with the unemployed, respecting farm workers. Whether or not farm labour can be organised, that does not affect the position of farmers themselves. I earnestly commend for the consideration of the Government the reinstitution of the scheme by which farmers were subsidised for the employment of single men. At present there is disinclination on the part of single men to accept employment in the country. The living conditions and pay they receive can hardly be compared with what they would experience on an average farm. No doubt the men would have to work six days out of seven, whereas in the camps they are required to work only two days per week. The subsidy scheme initiated by the Mitchell-Latham Government proved an inducement to increased productivity, and provided encouragement to the farmers to employ labour. To-day the average farmer is compelled to invest in expensive machinery because he cannot secure the manual labour necessary to carry out the work that is essential on a farm. The Government could very well consider that suggestion for assisting the primary producers. I have been associated with farming interests for over 25 years, during which I have known many difficult periods. I say quite frankly that never before have I known so much discontent and grievous dissatisfaction as exist to-day throughout the whole of the farming areas. While I have failed to obtain redress regarding the increased railway freights, I urge the Government to give greater consideration to the men on the land. The Government cheerfully imposed an additional charge of 10 per cent. on the carriage of goods, because the Arbitration Court had increased the basic wage which, in turn, imposed additional costs on the Railway Department. At the same time I have failed to note any consideration extended by the Government to the primary producers who have provided freight for the railways at a time when the price received for their output was the lowest in history. That was no time for the Government to increase costs. This is the last opportunity we shall have to

discuss this matter during the present session, and because of the importance of the issue, I feel I must again congratulate Mr. E. H. H. Hall upon having raised the question of subsidising farm labour. I hope the Government will seriously consider the proposition.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Bill read a third time, and *passed*.

BILL—RURAL RELIEF FUND ACT AMENDMENT.

Second Reading—Defeated.

Debate resumed from the 30th November.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [12.55]: The Bill is a particularly important measure. While there is a lot that could be said in connection with it, I do not propose to adopt that course but shall be as brief as possible in my remarks. I must impress upon members the importance of the proposed legislation. The main provision of the Bill will empower the Rural Relief Fund trustees to fix values of all farm assets carrying encumbrances. Where the debt exceeds the value of the asset, no interest may be paid to the encumbrancer for a fixed period on the amount determined by the trustees to be unsecured. The Bill further provides that any amount deemed to be secured at the end of the fixed period shall be written off.

Hon. J. J. Holmes: This will ruin credit and ruin the trade of the country.

The CHIEF SECRETARY: I propose to raise one or two objections to the proposals. If authority is given to the trustees to reduce the value of a loan, where some circumstance has rendered the value of the asset less than the debt incurred, there will be no security for money lent. Farmers would have little prospect of obtaining similar advances in the future, for the people concerned cannot be forced to lend them money again. The immediate effect of the legislation would be to dry up seasonal advances by the merchants, stock firms and banks, so that the responsibility for find-

ing the money necessary to enable the farmers to carry on would devolve upon the Government. The sum required would probably be at least four times the amount that the State now finds for that purpose for clients of the Agricultural Bank, and would perhaps represent £500,000. The responsibility for finding such an amount of money at a time when the Government will be faced with extreme difficulty in meeting any unexpected demand, would be a very severe burden to place on the Crown. If the Government has to find an extra £500,000, in order to carry out this objective, it simply means that taxation will have to be raised to a much higher level than has ever been anticipated. In view of the attitude of this House towards other taxation measures, I am a little afraid it might be found impossible to raise the amount necessary. There is also a constitutional point affecting the Crown. It arises in connection with the Commonwealth Bank which, as an ordinary trading bank, lends money to farmers both by way of original mortgages and seasonal advances. That also should be taken into consideration. The limited benefit that would accrue to a few farmers from the enactment of this measure, would be heavily offset by the detrimental effect on the whole of the farming community, for inevitably there would be a rush to withdraw money from all avenues of investment in the industry. It will be agreed that any restriction of farmers' credit at the present juncture would be disastrous, and therefore no good purpose would be served by passing the Bill. I hope members will realise just what the effect would be if the Bill became law. In the first place it would seriously affect farmers themselves in that they would not be able to secure the advances they require from year to year. The amount of money involved is so considerable that neither this nor any other Government could possibly provide it without increasing taxation. I hope the House will not agree to the Bill.

HON. G. B. WOOD (East) [14]: I regret that such an important measure should have been introduced into this Chamber at so late a period of the session. This, however, is not the fault of the sponsor of the Bill because it was introduced into the Legislative Assembly about three months

ago. All the necessary consideration there could have been given to it. We have heard the phrase "equality of sacrifice." The fundamental principles of the Bill are based on that—that there should be equality of sacrifice in the primary industries. In 1930 the farmers made a very considerable sacrifice, not only the farmers themselves, but their wives and their children, and it was not through any fault of their own. Then not only did the people directly engaged in primary production make sacrifices; others also made it—the country storekeepers. So the farmers and their wives and children and farm hands who we heard have been exploited, all have made sacrifices. I wish now to pay a tribute to the part played by the country storekeepers at a time when the financial institutions were caught on the hop and did not know where they stood. The country storekeepers went to the rescue.

Hon. J. A. Dimmitt: So did the city merchants.

Hon. G. B. WOOD: Yes, the city merchants also. We can include them to please the hon. member. The country storekeepers went to the rescue with very little hope of reward. The storekeepers did so for sentimental reasons; and to show the actual reward they did get, I need only mention that when the Rural Relief Fund came into being, many of them had to accept something like 2s. or 3s. in the pound. The Bill seeks to extend that sacrifice to the secured creditors. Many of the debts were incurred during what are called the roaring twenties, the years from 1921 to 1929; a period when there were tons of money and when wheat was at 5s. a bushel.

Hon. L. B. Bolton: They should have kept ahead of it and not gone behind.

Hon. G. B. WOOD: Wool at that time was 2s. a lb. The banks rushed in with their money and offered it to all who wanted to borrow it. In the twinkling of an eye there came the world calamity and wheat prices dropped to 1s. 7d. per bushel and wool to 8½d. Then the farmers, through no fault of their own, found that they were unable to meet interest payments. Even today with the slightly advanced price they are unable to meet the interest burden.

Hon. T. Moore: Very slightly advanced price.

Hon. G. B. WOOD: Suppose a person in 1929 owed £5,000 on his farm, the capital value of which could be built up to £8,000

through unpaid interest. Interest would have to be paid on the £8,000 plus working expenses and a reasonable amount for the farmer himself. It is not the farmer's fault that he is not able to meet his interest bill, and it is proposed that the increased capital owed be put into cold storage for five years when conditions may improve and when the whole position will be reviewed. Of course if prices advance, interest will be paid on the £8,000. If on the other hand conditions remain as they are, the interest will be written off. It is only right and fair that everyone should enter into the scheme of things and take a part in the equality of sacrifice to which I have referred. I have a letter from the Perth Chamber of Commerce in which that body writes about the sanctity of the storekeeper. Did that Chamber care when the storekeepers had to take 2s. in the pound? Nobody worried about the storekeepers then. We are not asking the banks to accept 2s. or 3s. in the pound. We are only asking the institutions to put into cold storage that part of the asset which is practically not there. I offer no apology for speaking at a little greater length than I intended doing, remembering the hour of the morning, but I cannot help stressing the fact that the banks did urge the farmers to take on these debts. I can quote the case of an old family whose property had been in the hands of the family for 80 years. The banks in 1927 urged those people to borrow more money and to take an adjoining property. Then the depression came along and the position now is that one of the partners is prospecting, and the other is on a sick bed, while the wife of one of the partners is out earning 6s. a day.

Member: One partner died in Sydney.

Hon. G. B. WOOD: I am sorry to hear that. The people to whom I have been referring were good farmers. If they had gone in for racing and betting, or anything like that, and had lost their property in that way I would say they deserved all they got. They were, however, very hard-working people. I merely quote this instance to show what has taken place. Let us look at the objections that have been raised to the Bill. It has been said that credit will be stopped. Credit is stopped today except where the financial institution thinks it is still worth while to continue to grant it. If

the farmer is going to be relieved to the extent of £200 or £300 worth of interest each year, he will require so much less seasonal credit; he will not have to go to the financial institution cap in hand and say "What are you going to give me to enable me to carry on?" The Bill will give many people a chance to rehabilitate themselves, and that will be better than having many primary producers acting as managers of the properties without salary for the banking institutions. The primary producing industry will come to a standstill some day if something is not done to relieve the position. It is up to the financial institutions to join in the common sacrifice and in that way do their share. Legislation similar to this has been enacted in New Zealand, Victoria and Canada. I want to make it quite plain that in Canada the State goes to the assistance of the financial institutions. In New Zealand the debt is written off at the end of five years. Then the position is reviewed. I hope every country member will support the Bill and vote as I intend to do for the second reading.

HON. E. H. H. HALL (Central) [1.12]: The hon. member who has just resumed his seat told us that the Bill was introduced in another place a couple of months ago. Really it was introduced on the 6th September and it was brought down here at what we may call the eleventh hour. Members must realise it is a most important Bill. One member, however, described it as a credit destruction Bill. It is anything but that. Something has been said about the country storekeeper and an interjection came from an hon. member about the part that the city merchant had played. When I left the public service I entered business in Geraldton with a brother-in-law who had one of the oldest general storekeeping establishments in that town. I was with him for eight years and from bitter experience I can say what a rotten debt structure the agricultural industry has been built upon. I speak feelingly about the matter because it is the second time that business has been wrecked through giving too much credit. On this occasion, as on a previous occasion, most people were unable to meet their obligations, of course through circumstances over which they themselves had no control. I have listened tonight to what has been said about

those people for whom provision was made under the Federal Relief Fund Act, people who did things they should not have done, and who got away with it. I have an extensive knowledge of the farming position over a distance of 50 or 60 miles from Geraldton, and knowing the people personally I am aware that most of them have failed because of circumstances over which unfortunately they had no control. It is not merely members of the Country Party who are interested in this matter. We have had it laid down by a Royal Commission that was fully equipped to deal with the all-important question of debt. I make no apologies for quoting from the report of the Commonwealth Royal Commission, which stated—

The rehabilitation of the wheat industry from the debt point of view was necessary not only for the sake of the wheat farmers but for the sake of the nation.

I repeat that this is not the utterance of Country Party members; it is the utterance of a Commonwealth Royal Commission—

The mortgagees must be prepared to give up without compensation the amount of their debt in excess of the value of their security.

The Commission then went on to say—

In return for this sacrifice by the mortgagees the nation, because it was a national matter, would safeguard the position of the farmers and the position of the mortgagees by making their securities of value, by providing all these moneys, and by providing a guaranteed price and by making available some millions of pounds of Commonwealth money for seasonal credits and for the purchase of machinery and for improvements. The mortgagee has to give up a certain amount of his debt, but in return the nation would protect his security. That is a fair thing.

Through the failure of the Commonwealth Government to give effect to the Commission's report, our farmers have been left absolutely stranded. Realising that the Commonwealth Government has fallen down on its job, we make this appeal, not for the first time but for the second or third time, to the State Government to come in and give relief to which the farmers are entitled.

Hon. J. J. Holmes: With other people's money.

Hon. E. H. H. HALL: There are many estimable men in the Parliamentary life of this country, but so far as I can judge none stands higher in the estimation of the people of this State than does Mr. Ross McDonald,

the leader of the National Party in another place. I take this extract from a report of his statement on the subject:—

I would like to say that I am very far indeed from regarding the present position as hopeless. I am told that, of the wheat farmers in Western Australia, the great majority are not worried about this form of legislation but are carrying on successfully.

Here is a man who has had farming experience in the Central Province, who was a successful farmer in a favoured locality, and yet he can find it in his heart to say that a great many farmers in this time of low prices and after seasonal droughts are carrying on successfully. If a man like Mr. Ross McDonald can delude himself into such a belief, it goes to show that many other people must be under a similarly erroneous impression.

Hon. L. B. Bolton: There are plenty of men making a success of farming today.

Hon. E. H. H. HALL: Yes, men in the happy position of Mr. Bolton, with properties situated in a favoured locality and with a reliable rainfall, men who have been farming for many years and, by virtue of circumstances, have been able to consolidate their positions. Naturally such men are carrying on successfully. I wonder how many members have met Mr. Fitzhardinge, of the Bank of New South Wales. I was at one time a client of that bank and was told that Mr. Fitzhardinge wished to see me. I was ushered into the presence, wondering what was wrong. This occurred at the time the emergency legislation was introduced, when the Premier told us that the exigencies of the times demanded that we should come into line and support that legislation. Mr. Fitzhardinge went to considerable trouble to tell a humble person like myself how necessary it was that we should do nothing to interfere with secured credit. I looked at him in amazement and asked, "Why are you talking like this to me? You should get hold of some of the big fellows like Mr. Holmes. I am merely small fry. Why are you tackling me?" This is the first time I have ever given utterance to that interview. He replied, "They all come in their turn." Now let me quote what the same gentleman said in evidence before a select committee. We need not mind Mr. Miles who says the Title of the Bill is wrong; neither need we trouble about Mr. Holmes

or Mr. Bolton, both successful men, who assert that the Bill will destroy the credit of the country. Similar legislation has not destroyed the credit of the State of Victoria, where there is a Country Party Government in power.

Hon. L. B. Bolton: Who is keeping that Government in power?

Hon. E. H. H. HALL: The Labour Party, and I feel sure that the Labour Party here will help us. Mr. Fitzhardinge was asked by a select committee in 1937—

Suppose a loss is suffered in regard to any writing down of liabilities to the bank, would it be possible to deal with that loss without any actual loss to shareholders' capital or depositors' funds?

The reply was—

I should say so. Even if we lost the whole £10,000,000, it would not matter very much.

I remind members that Mr. Fitzhardinge is a man who has given years of study to the question. This is not experimental legislation. It has been adopted in Victoria and New Zealand, and much more advanced legislation has been put into operation in—

Hon. H. S. W. Parker: Russia.

Hon. E. H. H. HALL: I was about to say in Canada. I am satisfied that some members do not understand the position. They are farming in a big way, they are located in safe areas and have plenty of capital, but they do not come into touch with the people, as some of us do, who are suffering so severely.

Hon. J. J. Holmes: I know the position.

Hon. E. H. H. HALL: Let members listen to this letter which a friend of mine received from the Lands Department. It is dated the 23rd November, 1939, and reads—

With reference to your letter of the 15th inst., in which you state that you advanced the sum of £400 to enable improvements to be effected on these locations, and request that, in the event of your application being successful, you be protected for the value of the improvements in question, I have to inform you that the department regret that your request is one which must be refused.

The locations have been forfeited because the man could not pay his rent. Why could he not pay? Because he could not get returns to enable him to pay. The Agricultural Bank is treating second mortgages in precisely the same way, and we ask the State to step in, to face up to the position

and to grant these men some measure of relief. I have pleasure in supporting the second reading.

HON. C. H. WITTENOOM (South-East) [1.26]: At this early hour I do not propose to say much, especially as the subject has been debated fully in this House, in another place and also outside Parliament. I shall support the second reading, because I think this Bill is a step we should take in the endeavour to keep the farmer on the land and, if possible, give him a little more security so that he can carry on his operations successfully.

Hon. L. B. Bolton: You will be writing down his security, not giving him more.

Hon. C. H. WITTENOOM: I am not prepared to say that this is not a drastic measure. Any Bill designed to interfere with a first mortgage is drastic, but drastic measures to keep the farming industry going have unfortunately to be resorted to in these bad times. We have heard a lot about the iniquitous banks refusing to lend money in order to assist the farmer. We are told that credit will be destroyed if this amending Bill becomes law and that the farmer will be unable to borrow any further sums of money. When the money was advanced the lender thought his security was sound, both principal and interest. And so they would have been if the difficult conditions that have been experienced during the last nine or ten years had not overtaken us. In my opinion the banks should welcome this stay up to five years, which will give the debtor a chance of improving his assets. If an institution does lend money to the farmer and an unforeseen calamity occurs, surely the banks and other financial institutions should accept a little share of the losses to which the farmers have to submit. I should like to know where many of the financial institutions would be if numerous farms were allowed to become practically valueless and to revert to nature.

Hon. G. B. Wood: Where would the whole country be?

Hon. C. H. WITTENOOM: We might well ask, where would the State be, this State which is so dependent on primary production. We have experienced men on the board, men of excellent reputation and I am confident that they would not attempt to carry on impossible cases.

HON. L. B. BOLTON (Metropolitan) [1.30]: I feel that I should say something, having been brought into the debate. I must admit that I agree with the views of all speakers. There is the hon. member who suggested that the title of the Bill is entirely wrong, and that it should be a "Repudiation of Debts Bill." I am in entire accord with that hon. member. I am likewise in accord with that member who suggested, quite rightly, that it is wrong at this time of the session to discuss a Bill of this nature. In point of fact, my opinion is that it is wrong to discuss such a Bill at any time, because there are sections of the farming community who are now getting some help but who will, if the Bill is enacted, be unable to secure any relief. I claim to be as sympathetic towards the farmers as is any other member of the Chamber.

Members: Hear, hear!

Hon. L. B. BOLTON: I have had a little experience of farming, and know both sides of it. I have been through the bitter as well as through the sweet. Again, I know the other aspects of the agricultural industry. I know what it is as a merchant to supply farmers with machinery; for, after all, vehicles are machinery. Like some other unfortunate merchants today, I am receiving 3s. 4d. and 6s. 8d. in the pound.

Hon. G. B. Wood: Are your transactions under bills of sale?

Hon. L. B. BOLTON: In some cases, but not in all. Even where I have held a bill of sale, I have given the farmer every opportunity to carry on. Some members of this House and of another place are always decrying the merchant and the country store-keeper. They have a vast deal of sympathy for the farmer, but that does not help him to pay his debts. Why should the farmer get the thick end of it, as he does? It is all very well to say that in good times the banks forced money on the farmer. More fool the farmer to have let it be forced on him! I believe I have heard you, Mr. Deputy President, say on one occasion that travellers went around selling farmers machinery which really they did not require. It is all very well for a farmer to say now "I did not want this, but I was forced to buy it." I have no wish to delay the House, but probably members are not aware that the private banks of Western Australia have advanced to the farming community something over

£24,000,000. Deposits here were about £15,000,000, which fact implies that over £9,000,000 of outside capital was brought into Western Australia to assist its farming community. If, in addition to that, this Bill passes—

Hon. G. B. Wood: Do you believe that statement?

Hon. L. B. BOLTON: I do, because I have figures to prove it. Will insurance companies and bankers continue to assist the farmer if such a measure as this is enacted? Certainly not. This is no time to write down farmers' assets, with prices as they are. I am definitely opposed to the Bill, and I consider that the House would act wisely in voting the measure out on the second reading.

HON. T. MOORE (Central) [1.35]: I offer no apology for delaying the House on a measure such as this, nor do I think it wise for any member to say that the present is a bad time to debate the Bill.

Hon. G. B. Wood: Some members are asleep.

Hon. T. MOORE: Certain people never sleep. Of all the speakers against the measure not one has suggested that it was wrong for Victoria to pass such an Act as this. If the Bill represents repudiation of contracts and all the other bad things alleged against it, are we to believe that the Victorian people did such atrocious things?

Member: And the Canadians.

Hon. T. MOORE: I will not go further than our old Conservative State of Victoria, the most Conservative State in Australia. I know Victoria rather well, having been born and reared there. I cannot believe that Victorians have changed much since then. It is a particularly rich State. Victorian lands are more fertile than ours, and Victorian farmers have a distinct advantage in that respect. Nevertheless it was found necessary to pass this kind of legislation in Victoria. Yet there has been no word of the drying up of credit in that State. It is all very well to ridicule this proposal by high-sounding phrases as Mr. Miles did. Ridicule is no argument whatever. If this legislation was good enough for Victoria, why would it prove so bad for Western Australia? An honourable understanding was arrived at between bankers and farmers at a certain stage of the industry. We know very well that before a farmer receives anything in

the nature of an advance, he goes along to his banker and they make an arrangement. The arrangement must be considered good for both sides, or it would not be made. That being so, if the banker thought at the time when prices were high that it was good, that is a fact to be taken into consideration. Then calamity befel us, and the same banker immediately said, "Oh no! I was quite wrong. I was wrong all right. It so happens that I advanced more on your property than I should have advanced." And so he immediately calls up the credit. He did not wait for a return of better seasons or better prices, but instantly called up the credit. That kind of thing has happened before in Australia.

Therefore I am not at all concerned as to the prospect of the passing of the Bill causing credit to dry up. Mr. Bolton has said, "More fools the farmers if they did what the banks asked them to do, when the banks chased them." That is a very poor argument indeed. Does Mr. Bolton maintain that the banker was unfair, and also a fool, in going after the farmer? Is that the inference to be drawn? I know of cases, and so does every other member, when farmers who were going along nicely and quietly with the Agricultural Bank, that institution which has done so much to open up the country, were approached by managers of the private banks. Those private banks believed that the business was good, and so they chased the clients of the Agricultural Bank and asked them to come under the wing of the private banks. That is where those clients landed. It is known to be the fact in many cases.

Hon. G. B. Wood: Hundreds of cases.

Hon. T. MOORE: Evidence of it is to be found on every hand. The private banks were chasing the individual farmer when the going was good. It would be a fair thing for the bankers now to stand by the farmers when the going is bad. I do not see why we should not have that wonderful proposition we have heard so much about of capital and labour working together. The farmer has his labour, besides a certain asset. He has given his labour. The Bill merely aims to help the man who is doing his job properly on the farm. Such being the case, if capital and labour worked together, capital should not be so shy when things get bad. Why does capital pull out

immediately things do get bad? We know very well that by the withdrawal of credit throughout the world a calamity can be brought about. That is the cause from which this big calamity resulted. Emphatically, capital and labour did not work together. The farmer has continued his work ever since, working long enough and hard enough. He has given all his labour, and often the labour of his wife and children as well. It is unnecessary to reiterate a hardship that has existed for years.

I, for my part, do not believe that the banks have lost anything. I have never yet heard of shareholders in a bank losing anything. Is the farmer who had an asset when the private banker took him over to lose everything? Or is he to get a fair deal? That is the question I put. In my opinion the Victorian Act is a good Act to work under. No one can tell me that the Victorian Government was so devoid of sense and reason as to do the unreasonable things suggested by hon. members who opposed this measure. Similar legislation was passed in Victoria, and so far as we are aware there has been no drying-up of credit there. In this State, however, there has been a drying-up of credit. We know that the Agricultural Bank has had to come to the assistance of many institutions, and also of many farms on which there was already a second mortgage.

Hon. J. Nicholson: But there is a Rural Bank in Victoria.

Hon. T. MOORE: The hon. member can speak when he likes. Just now I am having my say. The Agricultural Bank has had to render assistance where there has been a second mortgage, in certain areas of which I know. Our Agricultural Bank has already done a great deal of writing-down. If it is a fair thing for the Agricultural Bank to write down, why should not writing-down be done by the private banks which proposed to make money out of farming far more than the Agricultural Bank do? If it is logical for the one institution to write down, it is logical for the others, under our capitalistic system, to write down a bit.

Hon. L. Craig: But one writing-down is voluntary, and the other is compulsory.

Hon. T. MOORE: We made it pretty compulsory for the Agricultural Bank. I want some hon. member to suggest why, if

this legislation has proved good for Victoria, it should be so bad for Western Australia. I trust the House will carry the measure, thus affording some redress to the unfortunate farmer who has battled so hard and is now in a hopeless position. Once you have lost the spirit of hope, you have lost everything. That spirit is absolutely departing from our farmers. We are aware of what has happened during the last few weeks. It could never have happened if things were bright and peaceful, or if the farmer were getting a fair deal in place of the troubles through which he has been passing. But the farmer has been in this position, that he has had to fight for his very existence. He is still fighting to retain a crust for himself and his family. If any hon. member can convince me why this legislation should be good for Victoria and bad for Western Australia I might at this stage change my mind, but I do not think any member can do so.

HON. V. HAMERSLEY (East) [1.46]: I support the measure. The history of Australia has been a succession of good times and bad times; of good seasons and droughts, of high prices and low prices. We must all concede that any business undertaking is liable to be hit from time to time. Many people have settled upon the land and put their money into it. Some have sold out at a profit, have again taken up land and lost the money that they made. It has been to the interests of financial institutions to support our settlers and this they have done remarkably well. In past years, when our farmers fell upon evil times, the old business houses said, "We will draw a line under that liability of yours and will not charge you interest on it; you carry on."

Hon. L. Craig: Business houses are doing that today.

Hon. V. HAMERSLEY: "When the tide turns, you can see us again and tell us whether you can pay off or decrease your liability." So they worked hand in hand. Many institutions now adopt a similar policy, but other institutions do not. They have been in the gamble and are probably treating some of their clients too harshly. It is in an endeavour to help such people that this measure is brought forward. If passed, it will serve a useful purpose. Credit may be dried up, but I doubt whether finan-

cial institutions would act as suddenly or as seriously as has been suggested. If the institutions refused to act according to the spirit of this measure, what will be the result? They cannot sell their securities. Who can realise on land today?

Hon. L. Craig: These people are being kept on the land.

Hon. V. HAMERSLEY: They are starving on the land.

Hon. G. B. Wood: They are unpaid managers.

Hon. V. HAMERSLEY: These people are struggling for practically a bare existence. They would be without clothes were it not for gifts made to them by their friends. If they are dispossessed, their properties will realise nothing. The financial institutions could not realise on them; and all the writing-down will be done entirely at the expense of the man and his family, who have devoted their lives to trying to build up an asset. Through no fault of their own, owing to drop in world prices and to the conditions under which they have been working for the past few years, their case is almost hopeless. They should be assisted to remain on their holdings; and with good seasons and better prices they will be able to carry on and discharge their liabilities. Why they should be asked to carry the whole burden seems to me rather extraordinary. The financial institutions are adhering with firmness to contracts entered into when times were prosperous. I shall not be able to vote on the measure, because I have paired with Mr. Macfarlane, who cannot attend at this late hour as his health is not good. I wish to record the fact that I am in favour of the measure.

HON. L. CRAIG (South-West) [2.51]: I feel that several members are perhaps supporting this Bill because that duty is forced upon them. They are representing people who are in a desperate plight and therefore feel bound to support the measure. I am quite satisfied in my own heart that they cannot agree to a repudiation of a contract, and that is what this Bill involves. Imagine Mr. Hamersley, a member of one of our oldest and most conservative families, honestly agreeing that it is right forcibly to break contracts that have been entered into.

Hon. H. V. Piessé: The Federal Government did not bother about that.

Hon. L. CRAIG: Did it not?

Hon. C. F. Baxter: The Federal Government broke agreements in 1930.

Hon. L. CRAIG: It did nothing of the sort. Bonds today are worth their face value. There was no writing down of capital. This Bill is very serious.

Member: And dangerous.

Hon. L. CRAIG: Yes. The question of credit has been raised. What is to become of the future of credit in this country if written contracts can be broken at any time?

Hon. G. B. Wood: It did not make any difference in Victoria.

Hon. L. CRAIG: The Premier of Victoria is not a good example. His action is a prime example of how contracts may be broken. He is a poor example for us to follow. The point is this: Suppose banks and financial institutions are forced to write down their securities, are they also to carry these people on? Suppose these people again go to the bad financially, as they might do, are the banks to advance more money, and when the amount of the advances exceeds the value of the assets, are the banks to write down the security once more?

Hon. G. B. Wood: No. If the farmer cannot carry on, let the banks foreclose.

Hon. L. CRAIG: Who shall say that the banks may foreclose? The banks have acted fairly towards the people on the land. I know perhaps more of this subject than does anyone else in this Chamber. I lost more money through the depression and drought than did any member of this House. The Bill is very dangerous indeed. Do not forget that banks have advanced this money from deposits, which are held by the banks in trust for and on account of their clients. This Bill proposes that the banks shall write down the value of their securities.

Hon. H. V. Piesse: The banks have reserves.

Hon. G. B. Wood: Country storekeepers wrote down farmers' debts when they accepted 2s. or 3s. in the pound.

Hon. L. CRAIG: I feel as sorry for the country storekeepers as does the hon. member. I feel as sorry for the farmers as does any member of this House. No one knows more about the plight of farmers than I do, but we must not lose our heads. I repeat that the Bill is dangerous to the future credit of our State. What will the banks do in future? What can they do? The Bill would

destroy the credit of Western Australia for many years to come. One is twitted with having no sympathy for the farmers if one does not agree to the Bill. Nothing of the sort! I fear for the security of the country. I have had a great deal to do with many accounts, and I consider the banks have done a fair thing. Many advances above a certain amount are not bearing interest today, but have been carried to a suspense account. Many accounts are being carried that are doubtful and do not represent good business. If the banks be asked to write down their securities they will do so, but will close the business and that will be the end of the farmers. Who will carry them on?

Hon. H. V. Piesse: The banks did in 1930.

Hon. J. Nicholson: If this Bill be passed, one need never expect anyone to advance any money.

Hon. L. CRAIG: That is the danger. What is the use of writing down a property which is really not an asset, and then foreclosing? This Bill asks that farmers' debts should be written down and that the creditor should be a good person and still carry the farmer on. Is that process to be continued a second and a third time?

Hon. G. B. Wood: Where does the Bill provide that the banks must lend the farmer more money?

Hon. L. CRAIG: How is he to carry on?

Hon. G. B. Wood: Of course he can carry on. He has been relieved of a certain amount of interest and therefore has more chance of carrying on his farm.

Hon. L. CRAIG: The Bill is designed for the purpose of writing down principal, not interest.

Hon. G. B. Wood: One is consequential on the other.

Hon. L. CRAIG: Interest has already been written down in ninety-nine cases out of a hundred. Thousands of pounds have been written off.

Member: And during the last few months the rate of interest has been raised.

Hon. L. CRAIG: I do not know if it has been raised. I have several overdraft accounts and the interest charged me has not been increased. However, it is no use beating the air. I sincerely hope the Bill will be defeated because, if passed, there will unquestionably be dire repercussions. One prominent bank manager said to me, "I do not care if the Bill passes. It will not worry

us. We probably will not have to write down any more than we have already written down. We are looking after our people; but in future people coming to us for money will not get one penny."

Hon. G. B. Wood: Are the banks lending money now in the country?

Hon. L. CRAIG: Where the security is good. No trouble is experienced in obtaining money. I saw my bank manager yesterday and he asked me, "What about your commitments for the year? Do you want any change?" I replied, "No, I am quite satisfied, because there is a limit." He said, "The limit is here, if you want it." He knew every effort would be made to repay every penny. I point out that it is not always the right person who gets the benefit of the writing down. Look at the dissatisfaction that occurred on the groups! The men who stood up to their obligations got nothing, and those who failed to do so had all the writing down. If after three or five years the asset falls below the value of the advances, the surplus is to be written off. That is an incentive to unscrupulous men to say "If I do nothing and allow the suckers to grow up and the fences to fall, I will get more and more." The less a man does on his farm during the five years the more will be written off the property.

Hon. G. B. Wood: Will it help him to allow the property to go to wreck and ruin?

Hon. L. CRAIG: What I have said has happened in the past. I know of scores of instances. One man gets a big writing-down, although he has worked neither hard nor industriously, while the other man who has indeed worked hard gets nothing. The more a man neglects his place, the bigger the writing-down he gets. Is it an incentive to a man to develop his property when he knows that the asset will in value be less than the advance made upon it? The more a man develops his property, the less writing-down will he have at the end of five years. The Bill amounts to asking a man to neglect his place. It is a dangerous measure, and I hope the second reading will not be agreed to.

HON. J. CORNELL (South) [2.2]: Prior to relieving you in the Chair, Mr. President, I was undecided how I would vote on this Bill, but the argument adduced in opposition to it has convinced

me that I must vote for the second reading. It is extraordinary to find the Honorary Minister, who in some instances would root up the earth to gain his end, in total agreement with Mr. Holmes and Mr. Miles on this question. Sooner or later we must do what other nations are doing and must analyse all money and the uses to which it is put. Money can be placed in two different categories, in its productive capacity, and in its usurer's capacity. There is no question but that banks and financial institutions having control of money are using it in a usurer's way, to earn interest wholly and solely. It lent money when the price of commodities was twice as great as it is today, and when the productive capacity was twice as great as it is now. The only people who are getting anything out of money are those who are using it in a usurer's capacity. The people who are getting nothing out of it are those who are using it in a productive capacity. I do not think the Commonwealth Government would be desirous of considering any question of repudiation, but I would point out that it did write down war bonds 22½ per cent. That was done because the nation demanded it. If something is not done to give easement to the farming industry it will go by the board. I marvel that men remain in that industry. If the banks foreclosed upon the farming properties that would be the best thing that could happen to many farmers. In my Province numbers of people have already been pushed off their holdings. It is safe to say that 85 per cent. of those who voted for me have been forced off their holdings. In the part of the State to which I refer private banks would not advance a penny. Any advances that were made were made by the Agricultural Bank, the institution through which the State is losing its money. People who were being assisted by Associated Banks were told that the security was not sufficient to enable them to receive further advances. The concern of financial institutions is to make profits or earn interest out of the money entrusted to their care.

Hon. L. Craig: It is, of course, trust money.

Hon. J. CORNELL: Money has been used in a usurer's capacity to the detriment of the productive capacity of the State, with consequent injury to the welfare of the

State. People who have money do not lend it for the good of their health, but to earn interest.

Hon. L. Craig: Is that not so with you?

Hon. J. CORNELL: I have no money to lend. If only to back up my friend, Mr. Moore, I will support the second reading of the measure.

HON. J. NICHOLSON (Metropolitan) [2.8]: I am astounded at the opinions expressed by Mr. Cornell with respect to banking institutions, and also at the allegation he made that they are usurers.

Hon. J. Cornell: They are lending their money in a usurer's capacity.

Hon. J. NICHOLSON: The hon. member misapprehends the position. A usurer is a Shylock, a man who lends money and seeks to exact an exorbitant rate of interest. The allegation that banking institutions in this State have used their money in that capacity is something that cannot stand even the slightest investigation. It is base calumny against banking institutions for anyone to direct such an expression towards them.

Hon. J. Cornell: I said that money could be used in two directions, one in a productive capacity and the other for the purpose of earning interest only. I also said that banks were using their money in the direction of earning interest only.

Hon. J. NICHOLSON: Mr. Cornell misinterprets the position. Were the hour not so late and were the time more favourable for a discussion on a measure of this importance, I am sure the hon. member would ultimately express himself in favour of the measure. I draw attention to Clause 2 which defines a secured creditor as any person whose debt is secured by a mortgage, charge, lien, or any form of security whatever, whether legal or equitable, over property, and includes an owner of goods and chattels comprised in a hiring or a hire purchase agreement, and security and secured debts have a corresponding meaning. The interpretation given to those words is so comprehensive that one can foresee a state of affairs that will bring about a catastrophe in this State. Those responsible for introducing the Bill, and those who had the hardihood to support it, will be the first to cry out in misery for their foolishness.

Hon. G. B. Wood: There is no chance of that.

Hon. J. NICHOLSON: I recall some serious words uttered a few nights ago by Mr. Seddon when speaking on the Loan Bill. In the course of one of his many excellent addresses in this Chamber he pointed out that one of the greatest essentials in connection with the credit of any country was good faith. He illustrated that forcibly in a way that must have appealed to members. It would almost seem as though the words he addressed to members so recently had in some respects fallen on barren ground. The sooner those members take an opportunity to read that address again and recall the words that were uttered by Mr. Seddon, the better it will be for them and the good of the State. The Bill will destroy that which is the greatest asset in building up the credit not only of the State but of individuals. Once we destroy that credit, the good name of the State will suffer and consequently individuals will suffer too. Very clearly has it been pointed out that the effect of the passage of such legislation will be the writing down of securities that were provided by persons who borrowed money. The method proposed is such that those who lend money will find that they have accepted securities under conditions formerly prevailing but which no longer exist. Other members have demonstrated forcefully that if the Bill is allowed to pass, all hope for the farmers and for the agricultural industry will be destroyed for all time, because no one will provide money for investment to enable rural areas to be developed. Not one penny piece will be available for that purpose. No country requires money for developmental purposes more than does Western Australia. The prospect of securing money for that purpose will be lessened, if not entirely destroyed, if we agree to the Bill. As to the interpretation of "secured credit," I remind the House that the farmers have largely availed themselves of the opportunity to acquire machinery under hire-purchase agreements. The Bill will cover such transactions, so that even that means of procuring financial assistance will not be available to the farmers. No trader or manufacturer of farming implements would be prepared to continue hiring those particular chattels unless payment was made in cash. What chance therefore would a farmer have of being able to carry on his operations expeditiously and economi-

cally if he were deprived of that particular method of assistance? His prospect of borrowing further money will be almost eliminated because no one will be desirous of accommodating him in view of this legislation. I cannot see how any member can extend his support to the Bill, the passage of which could have one result only, namely, the destruction of credit and good faith.

HON. H. V. PIESSE (South-East) [2.22]: I do not intend to cast a silent vote on the Bill, which my colleague, Mr. Thomson, introduced after a conference with me and other members of the Country Party. I was particularly struck by Mr. E. H. H. Hall's references to the position of the storekeepers. I am a director of several stores and a farmer as well. I assure the House that the storekeepers have sacrificed a tremendous proportion of their capital in order to afford relief to farmers under the provisions of the Rural Relief Fund Act, and have done more than their fair share in carrying on the farmers.

Hon. H. Seddon: Who carried on the stores?

Hon. H. V. PIESSE: Originally the banks, and they have been repaid in interest. The energy of the managers of the country stores has been an important factor in enabling business to be carried on. We are forced to realise that today farmers are in a state of unrest because of the low prices obtained for their products and the treatment they have received regarding the marketing of their crops.

Hon. L. Craig: This Bill will cover hire-purchase agreements and I know your views on that subject.

Hon. H. V. PIESSE: Of course it will cover those agreements.

Hon. L. Craig: You are opposed to including hire-purchase agreements.

Hon. H. V. PIESSE: I am not. The machinery firms have reaped a harvest under the provisions of the Rural Relief Fund Act.

Hon. L. Craig: What about the motor car people?

Hon. H. V. PIESSE: I am interested in the motor car business. When there is a bill of sale over a motor car, the full value is received under the regime of the Rural Relief Board. As against that, the country storekeepers, who have not that security,

have to be content with 3s. in the pound. The stock firms also have the best security and when working on advance it is to the extent of two-thirds of the value of the security. In instances where farmers have approached the stock people and their security is adequate, they have secured advances up to 100 per cent. When it comes to a composition, the first mortgagees are entitled to first call on proceeds, but the storekeeper has to take what he can get, a position that is also shared by the second mortgagee.

Hon. L. Craig: The storekeeper can sell for cash if he wants to.

Hon. H. V. PIESSE: To assist the farmers and the industry, the storekeepers have extended credit up to 80 per cent.

Hon. L. Craig: But they need not have done so.

Hon. H. V. PIESSE: They have adopted that course in order to assist in developing the rural areas. In fact, the country storekeepers have been just as instrumental in developing this State as have any of the secured creditors.

Hon. T. Moore: Or the banks.

Hon. H. V. PIESSE: They have assisted the banks. The storekeepers have advanced money with which to build up the securities of the secured creditors. Mr. Bolton, who had something to say about this matter, knows that that is correct, just as I do. The original Rural Relief Fund Act was passed at the instance of Sir Earle Page, who was responsible for providing the necessary funds. As a result, many farmers have been granted much relief and have been able to carry on their operations.

Hon. J. Nicholson: There is a contracting-out section in the Federal Act but there is none in this Bill.

Hon. H. V. PIESSE: All that we desire is that fair and reasonable equality of sacrifice shall be maintained. As it is, the farmer's share of his own asset today is valued at practically nothing. I thank Mr. Thomson for the very able manner in which he placed the Bill before members. With his 25 years' experience in Parliament, he was able to do so with a knowledge of what the primary producers are up against, and no man could have better undertaken the task than Mr. Thomson. The Bill contains three clauses to which I shall refer. The suggestion has

been made that the farmers will not be able to carry on if the Bill is agreed to. During the depression years a number of farmers took advantage of the Farmers' Debts Adjustment Act. The interest paid to secured creditors was paid in many instances, but the farmers were carried on. Mr. White was appointed director under the Act, and arrangements were made under bills of sale to carry on operations. I cannot subscribe to the view that if the Bill is agreed to the farmers will not be able to continue operations.

Hon. J. Nicholson: Mortgages were not affected under that Act.

Hon. H. V. PIESSE: Of course they were not, but the Act is still in force.

Hon. J. Nicholson: But mortgages are not affected.

Hon. H. V. PIESSE: We have heard of the position of the pastoralists. I can assure hon. members that if a pastoralist who has suffered from drought for three to five years could restock his property and carry on without having to pay interest, he would have every opportunity of rehabilitating himself and becoming solvent. Under the present Rural Relief Act, that cannot be done. I have known people who have applied to come under the Act, but have been told it is impossible. If the Bill is passed, they will be able to do so. While the Federal Government has introduced tariffs that have raised the price of commodities, we yet have such companies as the sugar combine, the glass company and Broken Hill Pty. Ltd., all making huge profits, whereas the primary producers are having a lean time.

Hon. J. Cornell: And the chaps that are enlisting are getting it in the neck, too.

Hon. H. V. PIESSE: Yes. I hope members will support the second reading.

HON. E. M. HEENAN (North-East) [2.29]: I intend to vote for the Bill. When I read it, I thought it would be a good thing for the farmers, and would provide them with the relief to which they are entitled, but I decided I would refrain from making a definite decision until I had heard the debate. After having done so, my feeling that I should support the measure has been confirmed. I agree that a Bill like this should not be passed except for strong reasons. Those reasons exist in this instance. The word "repudiation"

has been mentioned. That is not a nice word. Repudiation is something to which I do not think anyone in this House would be a party. Years ago, conditions were vastly different from those obtaining to-day, and persons entered into these contracts in view of the circumstances prevailing at that time. The radically altered conditions can almost be referred to as an act of God, and a review of the position is justified. Only a few years ago, relief was granted to persons who entered into contracts. That relief was given by the passing of a measure known as the Purchasers' Protection Act, under which, in certain circumstances, contracts could be broken. I do not see that any great hardship would be done to financial institutions by the passing of this measure, because money that has to be written off will go into cold storage, as Mr. Wood called it, for a period of five years—and we all hope that during that time conditions will improve—and the financial institutions in due course will be able to recover the full amount lent. In the meantime relief will be afforded to the farmers. I am impressed by the fact that we have a precedent for this measure in Victoria.

The Chief Secretary: Conditions in Victoria are entirely different.

Hon. E. M. HEENAN: That may be so. We also have the case of other sections of the community who lent money to farmers but did not take a security. Those people entered into contracts with the farmers, but they had to review their contracts. They did not have a security to enforce them. That is the only difference between the position of the storekeepers who have been mentioned and the bank that lent money and took a mortgage to secure itself. Morally there is no great difference between the two cases, and there is a good deal of substance in the argument submitted by Mr. Wood that equality of sacrifice should be the principle to guide us in voting on such a measure as this.

HON. H. SEDDON (North-East) [2.33]: I listened with interest to the discussion on this Bill. I have a good deal of sympathy with the forces behind the opinion that has been expressed in this House by members representing primary industries. Those in-

dustries are suffering from a combination of adverse conditions. In addition to the disturbance due to the war and the artificial barriers raised against trade between countries, the effect of Australian industrial policy has to be considered. We have an entirely artificial set of conditions in the industrial sphere that has increased the cost to the primary producers who, in desperation, are looking for relief from their troubles. Unfortunately, they are undermining the very source upon which they absolutely depend for a continuation of their operations.

Hon. J. Cornhill: Some would be better off if they were not dependent on that source.

Hon. H. SEDDON: Yes, and some should never have been dependent on it. The greatest trouble in Australia today is the poor farmer. One of the greatest loads this State is carrying is that imposed upon it through the Industries Assistance Board. Men who have been carried on by that board for years will never become successful farmers, no matter how long they live. What I want to point out is that the credit structure of this country is being undermined. Reference has been made to country storekeepers. In the majority of cases, those storekeepers have gone down because they have given credit to assist farmers. In their turn the storekeepers have depended on the merchants, and the merchants have stuck to the storekeepers until they have eventually had to write off losses. The merchants have depended on the banks, which have carried them. All classes have been relying on the one institution, and that institution can continue to operate only so long as honesty and good faith continue to exist in the community.

Hon. G. B. Wood: The country storekeeper is not there today, but the merchant is.

Hon. H. SEDDON: And many a merchant is carrying a load compared with which the farmer's load is a mere bagatelle. The unfortunate thing about Bills of this description is that a bank can only make advances against its deposits.

Hon. E. H. H. Hall: That is contested.

Hon. H. SEDDON: How much truth is there in the contention of people who talk about Douglas Credit and other monetary systems?

Hon. E. H. H. Hall: The hon. member is aware that a large body of opinion favours those theories.

Hon. H. SEDDON: It is wrong.

Hon. E. H. H. Hall: Those that will not open their eyes cannot see.

Hon. H. SEDDON: There is such a thing as opening one's eyes too late. It is too late to open one's eyes when faith has gone, because when faith goes, everything goes. Legislation of this kind has the effect of making people who have deposits in banks think seriously about their position.

Hon. J. Cornhill: I can recall when the banks failed and the State had to go to their aid.

Hon. H. SEDDON: So can I, and I can also remember the misery that went through the country like a wave. I know of highly respected business men who were running concerns that were paying their way. When the crash came those men were glad to accept casual work in the very factories of which they had been the owners.

Hon. E. H. H. Hall: Was their misery any worse than that endured by people in the agricultural areas today?

Hon. H. SEDDON: Keen as is the misery of those in the agricultural areas, the unfortunate fact is that sufficient regard is not paid to the point that those people are being maintained on their properties by the very banks they are opposing.

Hon. E. H. H. Hall: Under what conditions?

The PRESIDENT: Order!

Hon. H. SEDDON: The best conditions the banks can give.

Hon. E. H. H. Hall: Oh yes! You do not know!

Hon. H. SEDDON: I started to point out what will happen. Every person with a deposit in the bank, realising that that deposit is placed in peril through the bank being assailed, will endeavour to remove his deposit while the opportunity is available. The strongest bank could not stand a run on its funds; not even the Commonwealth Bank could do so. My contention is that the farmers should have some regard to the forces that are dictating the policy of the banks, which are trying to nurse the farmers

and are hoping for better times. Better times must come.

Hon. J. Cornell: Not if Fritz gets us!

Hon. H. SEDDON: If "Fritz" takes the country as suggested by Mr. Cornell, people will face sterner conditions than those prevailing to-day. Therefore I advise the farmers in their own interests to try to realise the position and be careful lest they, by their actions, deprive themselves of the very thing upon which they rely in order to carry on their farms.

HON. A. THOMSON (South-East—in reply) [2.45]: I do not intend to speak at length in reply, because every member has made up his mind. I have no fear as to what may happen if the measure is passed, because, according to all the information that can be obtained, similar legislation in Victoria has had no evil results. Though the conditions there are different, the Victorian farmers have had their troubles, particularly those in the mallee areas. I do not think we should entertain undue fear regarding the effect of the measure on credit. If I thought it would have the effect suggested by some members, I would hesitate to support it, but we have the example of Victoria where similar legislation has not operated harmfully, and therefore we are entitled to ask that our farmers be placed on a similar footing. The Minister says that the whole burden will fall upon the State. I do not agree with him. We are asking for power to write down, just as the Agricultural Bank has done, so that we may give our farmers an opportunity to start at the same rate and on the same conditions as would apply if the mortgagees foreclosed. I could give instances of men being forced off their holdings, but I shall not delay the House by quoting them at this stage. The Country Party has given the matter deep consideration, the Bill has passed another place, and I hope members here will approve of it.

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

Ayes	..	..	..	10
Noes	..	..	..	16
				—
Majority against	..			6
				—

Hon. C. F. Baxter
Hon. J. Cornell
Hon. J. M. Drew
Hon. E. H. H. Hall
Hon. E. M. Heenan

AYES.

Hon. T. Moore
Hon. H. V. Plasse
Hon. A. Thomson
Hon. C. H. Wittenoom
Hon. G. B. Wood
(Teller.)

NOES.

Hon. E. H. Angelo
Hon. L. B. Bolton
Hon. L. Craig
Hon. J. A. Dimmitt
Hon. J. T. Franklia
Hon. G. Fraser
Hon. E. H. Gray
Hon. W. R. Hall

Hon. J. J. Holmes
Hon. W. H. Kison
Hon. W. J. Mann
Hon. G. W. Miles
Hon. J. Nicholson
Hon. H. S. W. Parker
Hon. H. Seddon
Hon. H. Tuckey
(Teller.)

PAIR.

AYES.
Hon. V. Hamersley

NOES.
Hon. J. M. Macfarlane

Question thus negatived.

Bill defeated.

BILL—COMPANIES ACT (LITCHFIELDS LIQUIDATION) AMENDMENT.

First Reading.

Received from the Assembly and, on motion by Hon. J. J. Holmes, read a first time.

Second Reading.

HON. J. J. HOLMES (North) [2.56] in moving the second reading said: This small Bill contains only five clauses, and I hope there will be but four when the House has finished with it. The measure has been introduced to rectify what is really a defect in the Companies Act. It deals with selective security certificate-holders issued by Litchfields (A/sia), Ltd. If these selective security certificate-holders were creditors of the company, or shareholders of the company, they could take proceedings under the Companies Act, but they are neither. They are not provided for in the Companies Act; hence the necessity for this Bill.

The subscribed capital of the company, including payments in advance, amounts to about £15,000, and there are really no assets left. Therefore nothing is to be gained by the shareholders taking action, because they would merely be spending their money in vain, seeing that there are no assets. Since the inception of Litchfields, the whole of the income, represented by dividends and interest earned, has been £234 3s. 5d., and last year £2,892 9s. 3d. was absorbed in the expenses of carrying on the business. Thus the whole of the money subscribed by the shareholders has been lost, and the share-

holders are not going to throw good money after bad. The people whom the Bill proposes to protect are the holders of selective security certificates. They have made themselves responsible over a term of several years for a sum of £36,410; they have paid £12,350, and are responsible for £24,060. There is no way out for those people, because they are neither shareholders nor creditors. There is nothing for them to do but to sit down and watch their £24,000 disappear. Surely we cannot permit this kind of thing to go on! It is asked, why single out this company? But it is the only company of the kind existing here. What is more, no other company of this description can be formed during the period of the war because the consent of the Commonwealth Treasurer is required before any company can be floated in war time. Should not the scoundrel here concerned be stopped? I hope, if I live to see another year, that next session something will be done to bring the Companies Act up to date, so that no case of this kind may recur. The whole thing has been cunningly arranged. The selective security certificate-holders were not allowed to put up the £36,000. Payment of that sum was to be spread over periods up to nine years. And while the money was being collected from the certificate-holders it was being frittered away in another direction. There are 761 certificate-holders; the last one, I think, quite recently acquired certificates to the extent of £2,000. Or rather, the Chairman of Directors acquired 2,000 shares at £1 per share today, and on the same day, or the day after, sold them to the applicant not at par, being 20s., but at 26s. 6d. So I think I am right in applying the word "scoundrel" to the man. I cannot think of any other suitable term. I have been 50 or 60 years in business, and never in my life have I read of anything so diabolical or dastardly. Yesterday Mr. Heenan, in connection with another Bill, said that Parliament should do something to save people from themselves. If ever Parliament had cause to intervene, that cause exists in this case.

All that the Bill proposes is to give the certificate-holder power to go to the court. It puts him in the position of either one or the other, shareholder or creditor as the case may be, and the court is to make whatever order the court may think fit. The Bill as it comes here restricts the

definition of shareholder or certificate-holder to the holder of £100 worth of shares or certificates. I have been asked, by a message from the other place, to reduce that amount to £50. Further, I have been asked to request this Chamber to delete the clause which is an instruction to the court, an instruction that, it is now thought, should not be included in the Bill. It is held that the court should be the sole arbiter of what is to be done, with a knowledge of the facts before it.

I could talk a long time on this subject. I could refer to the select committee's report. However, I really do not think that at this stage I should say much more, especially at this hour of the morning. It has been asserted that members of the committee showed bias in their report. I refuse to believe that men like Mr. McLarty, Mr. F. C. L. Smith, Mr. Tonkin, Mr. Watts and Mr. Latham would be biased on a question of this kind. The committee's findings speak for themselves, and I do not propose to read them. If we pass the Bill, it will be a warning to other people coming here to take down this community as the community has been taken down in this instance. The measure will be a lesson to such adventurers.

If the certificate-holders were creditors, they could go to the court, and if they were shareholders they could go to the court, for a winding-up order. But in this case the certificate-holders' £15,000 is exhausted, and so what is the use of their approaching the court? All that the Bill does is to provide that the selective security certificate holders who have subscribed £12,000, and are liable for another £24,000, shall be in the position of either creditors or shareholders and thus be able to go to the court and obtain from the judge such an order as he thinks will meet the position. I move—

That the Bill be now read a second time.

HON. J. CORNELL (South) [3.10]: There is something in my make-up that impels me to say at least something in mitigation. Moreover, I do want as a member of Parliament to protest against what I may call the precipitate and indecent haste apparent here in the desire to arrive at an end. At the last minute we are asked to agree to a Bill having for its object the winding-up of the Litchfields Company.

Hon. J. J. Holmes: Only if the court thinks fit.

Hon. J. CORNELL: Hold on! For four years or more Litchfields has operated in Western Australia—

Hon. J. J. Holmes: With what result?

Hon. J. CORNELL: Has any action been taken? Has any criticism been uttered then? Not until a man connected with Litchfields aspired to a seat in this Parliament—

Hon. G. B. Wood: You are wrong there. The Companies Act was amended last session, before the election.

Hon. J. CORNELL: That amendment of the Companies Act referred to share hawking.

Hon. G. B. Wood: It was aimed at this company.

Hon. J. CORNELL: It applied to share hawking. The net result was that the amending measure applied only to local companies. The forest companies, at which the amending measure was originally aimed, were cut out. Since then Litchfields has been a sort of head of John the Baptist at the Feast. Because this individual—who may be a scoundrel; I cannot say; even some scoundrels have redeeming features—refused to go on with the job after being elected to Parliament, and another individual entered the field, practically under his aegis and his banner, this heresy hunt was started.

Hon. J. J. Holmes: For my part, I do not know the man nor do I know his company.

Hon. J. CORNELL: Then a select committee of another place was appointed, and the unusual procedure was adopted of admitting the Press to the meetings of the select committee. I followed the select committee's proceedings through the Press, and I consider that the most striking part of those proceedings was when the committee, so to speak, brought Baron Munchausen to contradict and deny, and when another individual was brought into the picture, an individual at one time connected with Litchfields. I do not find fault with the select committee. It inquired into the matter. But here is where I part company with members of the committee. I submit that when a select committee has done its job and reported to Parliament, it should finish. If gross abuses of the Companies Act had been going on for four or five years, it was the

duty of the Government of the day to take cognisance of the select committee's report, because the Government is charged with the administration of the Companies Act, and with supervision of companies formed under that Act. However, the job was shirked by the Government.

An attempt was made by the chairman of the select committee to bring down certain legislation. The Bill was thrown out because it might have meant the appropriation of money to give effect to the legislation. The Government refused to find any money for that purpose.

Hon. J. J. Holmes: The Government approves of this.

Hon. J. CORNELL: If Litchfields is culpable, the Government is culpable. If the manager of Litchfields has done anything criminal—and only a criminal act could justify such action as the Bill proposes—he has done things that warrant investigation. He has duped the shareholders. In my opinion, however, Parliament should not have been moved to make an investigation; that should have been done by the Criminal Investigation Branch. However, it was not.

Member: Why?

Hon. J. CORNELL: I do not know why the job was shirked.

Hon. J. J. Holmes: I am not shirking my job.

Hon. J. CORNELL: I agree. The hon. member was asked to introduce the Bill and he did so. Although I feel I may be alone, after all one man can be right and a million wrong.

Hon. J. J. Holmes: That is what the Irishman said.

Hon. J. CORNELL: It is what the soldier said who was marching with the battalion. Everyone was out of step except himself. One has only to go back to the day of Judas to find that a Man was right Whom a million said was wrong.

Member: Do you mean Judas?

Hon. J. CORNELL: No, the Man Whom Judas betrayed. Today He is accepted as right. The Government shirked this job and now Parliament, in the dying hours of the session, is asked to pass this measure. Personally, I am opposed to it. Two attempts were made in another place to attain the objective sought. It was not even possible to introduce a properly-drawn Bill in the House that appointed the select committee

and where its report was presented. The Government would not take action in this matter; an attempt to do so was made by a private member, but he was ruled out of order. Mr. Holmes has asked this Chamber to doctor the Bill. Why such indecent haste?

Hon. J. J. Holmes: Does that not happen to most Bills? Do not we amend most Bills that come before us?

Hon. J. CORNELL: That may happen in the case of a potato Bill or an onion Bill; but here a person has been charged with being a scoundrel. Another place should at least have been certain how he is to be indicted before it transmitted the Bill to this Chamber and asked us to doctor it.

Hon. J. J. Holmes: Another place is not indicting him.

Hon. J. CORNELL: There is no escaping the fact that the purpose of the Bill is to endeavour to wind up Litchfields and get rid of Barker.

Hon. J. J. Holmes: The purpose of the Bill is to protect the shareholders of Litchfields.

Hon. J. CORNELL: The Bill contains a provision to which I take strong exception. In my long connection with the Legislature of this State, I have not seen such a provision before.

Hon. W. J. Mann: Is that doctoring?

Hon. J. CORNELL: No, it is not, it is quackery.

Hon. W. J. Mann: What is your interpretation of doctoring?

Hon. J. CORNELL: I would like to try it on the hon. member. Clause 4 of the Bill provides—

... the Court shall on the application of any party to the proceedings admit as evidence of the matters therein deposed to by witnesses a copy (certified by the chairman) of the transcript of the evidence taken by the select committee of the Legislative Assembly of the Parliament of this State appointed on the 19th day of October, 1939. . . .

The court is the tribunal that will sit and adjudicate; and the chairman referred to is the person who introduced this Bill. I do not know what lawyers think of it.

Hon. E. M. Heenan: Not much.

Hon. J. CORNELL: I should not think so. The Bill is an outrage. You, Sir, and other members have acted upon select committees. I regard evidence tendered to

such committees very often as hearsay. I give as much credence to it as was given by a celebrated Queensland judge many years ago who tried a cattle-stealing case. The accused was found not guilty and the Judge said to the jury, "Gentlemen of the jury, I am pleased the verdict is yours, not mine." Evidence tendered before a select committee is not evidence that would be accepted in a court of law. It is not the kind of evidence that is given before a Royal Commission, where counsel can examine and cross-examine the witnesses. Has a prima facie case been made out?

Hon. A. Thomson: Was not the evidence taken on oath?

Hon. J. CORNELL: I do not know whether it was. Witnesses before a select committee are not sworn.

Hon. H. S. W. Parker: They were in this instance.

Hon. A. Thomson: Then their evidence would not be hearsay; it would be sworn testimony.

Hon. J. J. Holmes: The Bill does not provide that the court shall act on that evidence.

Hon. J. CORNELL: But the Bill says that the court may accept it. Mr. Parker knows that witnesses before select committees make statements and that there is no proper sifting of evidence. One member of the select committee probably could say what was evidence and what was not evidence. He is Mr. Ross McDonald.

Hon. J. J. Holmes: He was not a member of the committee.

Hon. J. CORNELL: It was Mr. Watts.

Hon. J. J. Holmes: You do not know what's what!

Hon. J. CORNELL: He is a lawyer.

Hon. H. Seddon: He made a good job of it.

Hon. J. CORNELL: Perhaps he did. I desire—

Hon. G. W. Miles: To keep us here till daylight.

Hon. J. CORNELL: The hon. member can go home if he does not like it. He has been a belly-ache for the last two or three days.

The PRESIDENT: Did not the hon. Mr. Miles rise to a point of order?

Hon. G. W. Miles: No! The hon. member said I was a belly-ache.

Hon. J. J. Holmes: I ask if "belly-ache" is parliamentary language?

The PRESIDENT: I did not hear the remark.

Hon. J. CORNELL: If it is offensive, I apologise to the House for having used it. Since I entered Parliament I have endeavoured to refrain from doing anything that I thought might affect the prestige of the Council. I feel there are hundreds of people who will judge this House and Parliament for acting too precipitately in this matter. If action was necessary, it should have been taken by the Government and not by a private member.

HON. H. S. W. PARKER (Metropolitan St. Urban) [3.25]: I do not favour the Bill for the reason that in my opinion a Bill should not be brought down to deal with one specific company. I realise, however, that extraordinary circumstances have arisen and that the matter is urgent. Unfortunately, drastic action is required in this particular instance, because undoubtedly very wrong things have happened which appear to be within the law. The report of the select committee discloses that action is urgently necessary. I rise really to ask the Government to bring down next year a comprehensive Companies Act, so that matters such as this cannot recur in the future. I support the second reading.

HON. C. F. BAXTER (East) [3.27]: The last speaker referred to the Companies Act. My experience of that Act was that it was almost impossible to amend it until it was consolidated. Something may now be done. Members will recall that last session an amendment of the Companies Act was passed. I was responsible for the passage of the measure through this Chamber. Judge of my astonishment when some time later further complaints were made. At the time I did not know that Litchfields was in existence.

Hon. J. Cornell: Not till then?

Hon. C. F. BAXTER: I certainly did not.

Hon. J. Cornell: Then you have never listened in.

Hon. C. F. BAXTER: As a matter of fact, I have not. I would be sorry to listen in to a speech like one I heard a few moments ago. I would not waste my time in that way. Mr. Cornell has stressed several points. He mentioned indecent haste.

Member: Yes, so it is.

Hon. C. F. BAXTER: A member interjects that he agrees. I cannot see that there is any indecent haste. What brought the select committee into being was the number of complaints received by members of Parliament concerning this particular company. A select committee was appointed and sat for a considerable time taking evidence. It worked hard and consistently. Any member who has read the select committee's report that has been tabled must congratulate the committee on having done very good work for the State. This Bill is designed to protect poor people. Contrast Mr. Cornell's opinion with the New Zealand legislation. The New Zealand authorities do not wait before taking action. When the interim report was presented drastic action was taken in Parliament.

Hon. J. Cornell: The Government took it.

Hon. C. F. BAXTER: I am not responsible for what the Government did. My duty is to protect a number of people in my Province who have purchased selective security certificates. Mr. Cornell conferred a slight upon the profession to which Mr. Heenan and Mr. Parker in this Chamber belong. I was surprised to hear that remark coming from the hon. member. Mr. Parker and I agree as to the bad drafting of measures that come before this Chamber, but that is by the way. The Bill makes no reference to Mr. Barker, but contains machinery for the protection of people who have invested their money in Litchfields security certificates. The shareholders are not likely to move, because their money has all gone and they are no longer interested in the company. We have to protect the holders of security certificates. When introducing the Bill Mr. Holmes stated that £36,000 was involved in these certificates. I have seen several of Litchfields balance sheets, and say that the sooner action is taken the more money will be saved for those who have invested it in the company. That is why the Bill should be passed tonight. In any case I see very little hope either for the company or for the holders of certificates. Our duty is plain. I do not know Mr. Barker. Our work is to put through the best machinery we can to enable those concerned to save every penny that can be saved.

Hon. G. W. Miles: If the holders of certificates wish to take action!

Hon. C. F. BAXTER: Yes. Parliament will then have done its duty. No one can say that the select committee also has not done its duty. Following upon the report that has been presented to Parliament, both Houses are asked to give authority to the holders of certificates to protect themselves. If they do not avail themselves of that opportunity they have only themselves to blame.

HON. E. M. HEENAN (North-East) [3.35]: I oppose the Bill. It is not proper to bring down an amendment of the Companies Act at this stage of the session. I do not know Mr. Barker, and have no sympathy with his transactions. I admit that the Companies Act should be amended, and many members also expressed that opinion last year. The House would be well advised not to proceed further with this Bill, but to consider the Companies Act in proper form next session. Any company that is operating in the way Litchfields is doing, or that is proposing to operate in that way in the future, can then be dealt with.

Hon. H. Seddon: How would you protect the holders of certificates in the meantime?

Hon. E. M. HEENAN: I cannot submit a proposition to that effect at the moment. Apparently most of the harm has been done. Holders of certificates have the remedy in their own hands if the occasion warrants.

Hon. J. Nicholson: They have no remedy.

Hon. E. M. HEENAN: Mr. Baxter placed a wrong construction on my interjection. Clause 4 of the Bill provides that on the hearing of any petition by the Supreme Court the evidence taken by the select committee shall be admitted as evidence. I said I did not think much of that provision. When matters are dealt with in a court certain strict rules of evidence apply. From what I remember reading in the Press it seems that a lot of hearsay evidence was admitted. Statements were made that would not be admitted if the matter were properly dealt with in a court.

Hon. C. F. Baxter: Had you read the report you would not make such a comment.

Hon. E. M. HEENAN: There is a political savour about this matter. In any event, I do not like a Bill being brought down at this stage to amend the Companies Act, and

do not think it will do much good for anyone. Next year, as a result of the experience gained in this inquiry, suitable amendments to the Companies Act can be brought forward to deal with this and any other question that requires attention.

HON. A. THOMSON (South-East) [3.40]: I would not have spoken but for the remark just made by Mr. Heenan. The hon. member said the Bill had a political savour about it. Last year, when the member for Swan (Mr. Sampson) introduced a Bill, not aimed at any particular company but to prevent the hawking of shares, members generally were deluged with letters from people who had invested their money and requesting us to oppose the Bill. To those who wrote to me I said that if everything was fair and above board so far as the company was concerned, they need have no fear but that the measure would be passed. Every member has had a great deal of correspondence from the manager of Litchfields. I deny that any political motive is associated with this measure. The Bill is not out to penalise any individual. It has been introduced to protect the unfortunate persons who have been led to believe that by investing their money in security certificates it would be safe. A statement was made that the evidence given before the select committee was of a hearsay nature. Those who have that opinion cannot have read the report laid on the Table of the House.

Hon. J. Cornell: Is all the evidence contained in that report?

Hon. A. THOMSON: It contains the findings of the select committee. For anyone to suggest that five members of another place, after carefully reviewing the evidence, are actuated by bias is grossly unfair. It is an unfair charge to make against members who have spent so much of their valuable time on this work.

Hon. J. Cornell: The only member charged with bias was the member who introduced the Bill in another place.

Hon. A. THOMSON: It appears from the report that many of the witnesses were called at the instance of the man we are accused of condemning. I am concerned with safeguarding the interests of certificate holders, many of whom were not in a position to risk their money in this way. Most of the money invested represented the sav-

ings of people who had been induced to draw their money out of the Savings Bank on the ground that, if invested in the company, it would give them a greater rate of interest. Although I regret the lateness of the hour at which we are called upon to consider this measure, I would like to know what will happen to those who have invested their money in the company, and how the position can be dealt with. I feel I must defend my colleagues who have worked so hard on the select committee.

Hon. G. W. Miles: Two of the members of the committee belong to the Labour Party.

Hon. A. THOMSON: Yes. I am not going to allow it to be said, and made capital of, that the party with which I am associated is out to hound a particular man because he decided to engage in politics. Two members of the committee, the member for Brownhill—Ivanhoe (Mr. F. C. L. Smith) and the member for North-East Fremantle (Mr. Tonkin) are gentlemen who have given great service to the Labour Party, and beside the Leader of the Opposition and the member for Kataning (Mr. Watts), there was also on the committee the member for Murray-Wellington (Mr. McLarty). I strongly resent the remarks made by Mr. Heenan. My colleagues have been charged not only in Parliament but over the air with misrepresentation against the managing director of the company concerned. Simply because a member of the Country Party endeavoured, in the interests of the public, to prevent the hawking of shares, the political party to which I belong has been slandered over the air and by other means. If everything is fair and above board regarding Litchfields, then those associated with the concern should have no fear of legislation passed by Parliament. On the other hand, it is our duty to protect the unwary. I was surprised at the remarks of Mr. Heenan, who when discussing another measure said we must protect people against themselves. That is the object of this Bill, which will allow those who invested their money an opportunity to protect their interests. I hope the Bill will be agreed to.

HON. T. MOORE (Central) [3.45]: Referring to the observations of the hon. member who has just sat down, I feel

bound to say that the Bill has a political taint, and that he will not get away from that fact.

Hon. A. Thomson: I know your associates.

Hon. T. MOORE: I believe my associates are just as good as yours.

The PRESIDENT: Order!

Hon. T. MOORE: This is certainly a House that sets itself up as one which refuses to pass legislation hurriedly. We hear that remark so often that I consider myself justified in reminding hon. members that they are not always consistent. I call to mind matters brought along to this House by my party which have been pitched out because they were introduced pretty late. I remember hon. members saying in such circumstances, "What is the good of bringing in such stuff as that?" Then why do hon. members adopt their present attitude? A certain section of this House is consistent only in its inconsistencies.

Several members interjected.

The PRESIDENT: Order!

Hon. T. MOORE: I think it can be safely laid against this Chamber that on the present occasion members are attempting to do something very hurriedly. As for myself, I have no opinion whatever regarding the matter. But to those who blame the Government for not having done something I answer, what chance has the Government had to do anything since the select committee presented its report?

Hon. J. Cornell: The Government could have brought in this Bill.

Hon. T. MOORE: To taunt the Government with not having done anything within 24 hours is utterly unreasonable. Why find fault with the Government for not having done something when it had not the opportunity? The people of this country will say that this particular matter appears to be dealt with very hurriedly, and persons who wish to give it a political flavour will have good grounds for doing so when a Bill is rushed through like this one.

HON. W. J. MANN (South-West) [3.48]: The allegation is made against members of this Chamber that we are endeavouring to do something hurriedly. In my opinion, the action being taken is perfectly

justified. We have to remember that the Bill is aimed at an individual who—

Hon. J. J. Holmes: At a company, not an individual.

Hon. W. J. MANN: It amounts to almost the same thing. Shall I say, "This particularly clever company" if the word "individual" is not considered suitable? If action is not taken, every possible advantage will be taken of the position—I feel sure of that. One can easily divine what is likely to happen during the period between the adjournment of the House and its being called together again. I have read all that has appeared in the Press regarding the select committee's proceedings, and have carefully read its report, and I consider that we would be remiss in our duty if we did not at least make an attempt to give some protection to those people of whom many, I am certain, will be very glad to have it.

HON. H. SEDDON (North-East) [3.50]: I have little to say on this Bill. There is a good deal in the objection taken to it by some hon. members, but there is also a great deal to be said for the position in which the select committee found itself with a Bill to be introduced within the last hours of the session. Hon. members appear to have lost sight of the fact that the select committee in the course of its examination had to take no less than 960 pages of evidence. That is a task calling for some time. The sifting of that evidence and the framing of the report required still more time. What amazes me is that the select committee in the time at its disposal could have produced a report of the nature of that which has been placed before Parliament, setting out so clearly the position that obtains regarding this particular company. Let me acknowledge straight-away that there is a great deal to be said for investment trusts. They represent one of the finest methods of making available to the small investor what should be safe investments, the small investor being the man who in this country is encouraged to thrift by the "magnificent" interest offered to him by the savings bank, a miserable 2 per cent! The man who invests in an investment trust is sure at any rate of market price for his money, and knows that meantime his money is invested by people—of whose integrity he is assured—in what are considered safe investments.

Reference has been made to the question of the evidence taken by the select committee, and to the undesirableness of including in the Bill a provision that the evidence shall be taken into consideration. The most important part of the evidence, so far as the judge is concerned, would be the evidence given by Mr. Barker himself, and in that the judge would find full justification for giving favourable consideration to the request of the petitioners. Under the Companies Act there is provision for winding-up a company. A company may be wound up when the court is of opinion that in justice and equity the company ought to be wound up. Further conditions are set out governing the application which may be made to the court for the winding-up of a company. However, the conditions do not provide for the position in which these people who hold selective securities find themselves.

Hon. J. Cornell: Could not they put up their own case to the Court?

Hon. H. SEDDON: No, not under the Act, because it contains no provision that will enable the certificate-holders to make the necessary application. All they can do is to see their money frittered away. They are even compelled by their contract to go on paying further money and see that dealt with in the same way as their other payments have been. They will know that it is being utilised by the company for the payment of working expenses. I am endeavouring to prove that in ordinary justice, these people should be given an opportunity to go to the court with an application that will accord them some protection. Reference has been made to the position of the Government, and I claim it cannot escape its responsibility for the existing state of affairs. Year after year references have been made in this Chamber not only to the necessity of amending the Companies Act, but to remodelling that 45-year old piece of legislation so that it may conform more to the requirements of modern conditions. We have urged that proper safeguards shall be provided for those administering the company law. The object was to protect the public from victimisation. Modern commercial conditions are exceedingly complex and it becomes necessary to deal with clever people who have made an intensive study of what is within, and without, the

law. That the public should be protected, a special branch of the police department is essential, one that will be competent to investigate affairs of companies such as that with which we are dealing. That is necessary in order to secure some measure of protection for the general public. As early as the 22nd August of this year I asked the Chief Secretary the following questions:—

1, Will the Minister lay on the Table a list of companies operating in Western Australia purporting to be investment trusts?

2, What supervision, if any, is carried out in connection with these trusts?

3, Does the Government intend to introduce at an early date, legislation under the Companies Act to provide for the control of this important branch of investment?

The Honorary Minister, replying for the Chief Secretary, said—

1, No, as to do so would necessitate an examination of the articles of association in respect to every registered company. Information as regards any company is available on search at the office of the Registrar of Companies, Supreme Court.

2, Supervision is provided for by Sections 56 and 61 of the Companies Act, 56 Vic., No. 8.

3, The introduction of any legislation such as is implied in this question might have the effect of interfering with the shareholders' control of the management and the investments of any company.

I claim that responsibility was laid upon the Government to take the necessary action and had it carried out its duty and administered the Companies Act, there would not now be the necessity for the introduction of the present Bill, which I support.

HON. J. J. HOLMES (North—in reply) [4.0]: There is no necessity to say much in reply to the debate. We have heard some criticism of the select committee. For my part if I were brought to the bar of justice I do not think I could conscientiously select five men to deal with my case, who would be calculated to be more satisfactory, than the members of the select committee.

Hon. A. Thomson: You could not have a better jury.

Hon. J. J. HOLMES: Mr. Cornell broke out in a fit of what he calls "horse, foot and artillery." He gave us little enough to reply to, but during the course of his remarks he blamed the Government. I do not blame the Government in this matter, but I would blame Parliament if it did not un-

dertake the task now submitted to it. I am concerned about the scoundrelism that has been going on in our midst. Mr. Barker's name has been introduced into the debate. I do not know him, and would not recognise him if I saw him. Someone said I had heard him over the air. I have not done so. My radio refuses to pick up such broadcasts. I do not know Mr. Barker, and, from what I have read in the report of the select committee, I do not wish to know him. All the Bill seeks to do is to provide for the poor wretched 716 individuals, some of whom have little more than the £50 they have invested, the right to go to the court as though they were in the position of shareholders or creditors. We have had the contrasting attitudes adopted by Mr. Heenan and Mr. Cornell during the debate. Mr. Heenan, when speaking last night, referred to the position regarding ordinary bills of sale and assured members that they must protect people from themselves. Now, when it is a matter involving £50,000, Mr. Heenan says the people concerned should be left to protect themselves. I do not know Litchfields, nor do I know Mr. Barker. All I am aware of is that there is £26,000—£14,000 from the shareholders and £12,000 from the selective security certificate-holders—that has to be dealt with.

Hon. G. B. Wood: Some of the money has been invested.

Hon. J. J. HOLMES: The object of the Bill is to protect the funds of people to whom misrepresentation has been made. The Bill is introduced to enable them to save portion of their money. Mr. Cornell mentioned the reference to the evidence tendered to the select committee. The judge will pay as much attention to that as he deems necessary. If essential, I presume he will call additional evidence. We need not quarrel about that. The person who is interested to the extent of £50 or more will not desire to shoulder the expenses of engaging counsel to approach the court. I presume that the certificate-holders will want the opportunity to go to the judge and say, "Here is the evidence. If you want any more, it will be obtained." We shall exclude our legal friends, who are always ready to get what they can out of concerns of this description.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Nicholson in the Chair; Hon. J. J. Holmes in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Certificate holder to be deemed a creditor and may present petition:

Hon. J. J. HOLMES: I have received a message from another place asking me to secure an amendment in order to simplify matters. I move—

That in line 4 the words "one hundred" be struck out and the word "fifty" inserted in lieu.

Hon. J. CORNELL: Is the object of the amendment to bring in more petitioners?

Hon. J. J. Holmes: Yes.

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

Clause 4—Evidence to be admitted by the court:

Hon. J. CORNELL: The more I study this clause, the less I like it. I understand the object is to give more selective security certificate holders a chance to petition for the winding-up of Litchfields. With that I agree. I totally disagree with the provision that the report of the evidence taken before the select committee should be admitted as evidence on the hearing of an application for the winding-up of the company. In my opinion, we should not give instructions to our judiciary in this way. In any case, I think our judges would not take the slightest notice of this provision. I hope the Committee will object to it.

Hon. J. M. DREW: I agree with Mr. Cornell. The clause reads "the Court shall" admit the evidence. Those responsible for the provision are in my opinion guilty of public and legal contempt.

Hon. H. S. W. PARKER: I do not favour the clause. Much may be contained in the transcript of the evidence taken before the select committee that is really not evidence in law. I could not imagine a judge, on a petition being presented to the court, wading through 950 pages of evidence to find the essential parts. It is the duty of counsel to give the salient points and call relevant evidence, thus shortening the proceedings. I shall certainly oppose the clause.

Hon. L. CRAIG: I personally agree with the remarks of the two previous speakers, but desperate circumstances require desperate methods. It does seem to me that some attempt is being made to protect a common thief.

Hon. J. CORNELL: He is entitled to a fair trial.

Hon. L. CRAIG: And he will get it. The select committee did a very good job. If the evidence given to it can be used on a petition to the court, then let it be used. Poor people are concerned in this matter and much expense may be involved. Time is the essence of the contract. In this case we are dealing with a man—I presume this would be libel if I said it outside—who is a clever crook and a low-down common thief. I shall support the clause.

Hon. G. B. WOOD: I hope the House will not reject this clause. It is fair to both sides. If the judge is not satisfied with the evidence given to the select committee, he can call further evidence. The main object of the clause is to protect poor people who are shareholders of the company.

Hon. E. M. HEENAN: Let us be fair. Before using expressions such as have been used by one hon. member we should await the decision of a court competent to decide whether the man is a criminal or otherwise. We should endeavour to deal with the subject dispassionately. As regards submitting this evidence I think it will be admitted that it is contrary to the elementary principles of justice administered in our courts for many centuries. This evidence is hearsay. It will be a pity if the time comes when a man has not an opportunity to cross-examine witnesses and to ensure that only evidence conforming to the rules of evidence is admitted.

The CHAIRMAN: Is the hon. member aware whether the witnesses were sworn?

Hon. E. M. HEENAN: I think that is beside the question.

Hon. H. S. W. PARKER: I am informed they were sworn.

Hon. C. F. BAXTER: The hon. member should not say that the evidence given before the select committee was hearsay. The amendment is mandatory and I suggest to Mr. Holmes that the word "shall" be struck out and the word "may" substituted.

Hon. H. SEDDON: The desire is to induce the court to investigate the findings of the select committee and the evidence on which those findings were made. If we substitute the word "may" for "shall" we might obtain our objective. I move an amendment—

That the word "shall" in line 8 be struck out and the word "may" inserted in lieu.

Hon. J. J. HOLMES: I have no objection to the amendment.

Hon. H. S. W. PARKER: To substitute "may" for "shall" will have little effect. I feel certain that if the judge has the option he will say, "I am not going to wade through 960 pages of evidence to decide whether the select committee was right or wrong. You present your case in the proper way and tell me what evidence you want me to proceed on."

Amendment put and passed.

Hon. J. CORNELL: I again appeal to the committee to strike out this clause. I am not a lawyer, but I think I have a little commonsense. Even if the clause were not in the Bill, whoever presented the case would be within his rights in asking the presiding judge to take cognisance of and to be guided by the findings of the select committee. That is a commonsense view. As the clause has been amended, it will be optional for the judge to take such cognisance. This is an innovation. Later on we may have another select committee and the argument will be used that an Act of Parliament was passed to provide that the findings of a previous select committee should be regarded as evidence if the judge hearing the case thought fit. Without the clause a judge would have that power. On the question of oaths, there are some men I would not believe if they swore an oath on all the Bibles in the world and there are others whose word I would believe if they did not swear on any Bible at all.

Hon. J. J. HOLMES: I hope the Committee will pass the clause as amended. If it does no good, at least it will do no harm. I was surprised at the concluding remarks of Mr. Cornell with reference to people on oath appearing before the select committee, especially in view of the fact that he appears to me to be supporting one of the biggest scoundrels—

Hon. J. Cornell: On a point of order, Mr. Chairman. I absolutely refuse to permit Mr. Holmes to read into something I said—

Hon. H. S. W. Parker: It is early in the morning.

Hon. J. Cornell: The hon. member is reading into my words something I did not say. I said that I knew men whose word I would not take if they swore on all the Bibles in the world, while the word of others I would accept without any oath. I repudi-

ate Mr. Holmes's statement that I am defending a scoundrel. I first make sure of my scoundrel before I call him one.

The CHAIRMAN: I take it that Mr. Holmes did not impute anything to Mr. Cornell.

Hon. J. J. HOLMES: No, but the hon. member is criticising the committee and supporting a person who I consider is a scoundrel. Therefore I have nothing to withdraw.

Hon. J. Cornell: I want Mr. Holmes to retract. When the Saviour was brought before Pilate, he asked, "What has this man done?"

The CHAIRMAN: Order!

Hon. C. F. Baxter: On a point of order, what is before the Committee?

The CHAIRMAN: The question is that Clause 4, as amended, be agreed to.

Clause, as amended, put and a division taken with the following result:—

Ayes	19
Noes	6

Majority for	13
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AYES.

Hon. E. H. Angelo	Hon. J. J. Holmes
Hon. C. F. Baxter	Hon. W. H. Kitson
Hon. L. B. Bolton	Hon. W. J. Mann
Hon. L. Craig	Hon. G. W. Miles
Hon. J. A. Dimmitt	Hon. H. V. Plesse
Hon. J. T. Franklin	Hon. H. Seddon
Hon. E. H. Gray	Hon. A. Thomson
Hon. E. H. H. Hall	Hon. G. B. Wood
Hon. W. R. Hall	Hon. H. Tuckey
Hon. V. Hammersley	(Teller.)

NOES.

Hon. J. Cornell	Hon. T. Moore
Hon. J. M. Drew	Hon. H. S. W. Parker
Hon. G. Fraser	Hon. E. M. Heenan
	(Teller.)

Clause, as amended, thus passed.

Clause 5—Application of principal Act to this Act:

Hon. J. J. HOLMES: This clause should be deleted. It really amounts to a direction, and the matter is one that should be left entirely to the discretion of the judge.

Clause put and negatived.

Title:

The CHAIRMAN: I draw the attention of Mr. Holmes to the fact that some words included in the Title seem to be unnecessary, and require to be struck out. Clause 5, which defines certain property, has been deleted. I suggest that the words "to define what property shall be included in the assets of the company for the purposes of the winding-up" be struck out.

Hon. J. J. HOLMES: I move an amendment—

That the words "to define what property shall be included in the assets of the company for the purposes of the winding up" be struck out.

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

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

Third Reading.

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

BILL—LAND TAX AND INCOME TAX.

Assembly's Further Message.

Message from the Assembly received and read notifying that the Council's amendment to substitute the word "twenty" for the word "ten" had been modified by the substitution of the words "twelve and a half" for the word "twenty" and that the Bill as so amended by the Assembly was now presented to the Council for its concurrence.

On motion by the Chief Secretary, message considered in Committee forthwith.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

The CHAIRMAN: It is necessary to go back on the proceedings that have occurred with regard to this Bill. Originally the Council requested the Assembly to make an amendment to Subclause (3) in the second part of the Schedule by striking out "ten" and inserting "twenty." Progress was then reported, and a message sent to another place requesting it to make the amendment. This the Assembly declined to do. A message was returned to the Council, which decided to press its request. The Assembly replied with a further message that it still declined to make the suggested amendment. The Council returned the Bill with a message that it continued to press its requested amendment. So far as the Council is concerned that ended the Bill. It was then with the Assembly, and we are not aware of what happened there. The amendment requested by the Council is as follows:—

The Schedule—second part:—Delete the word "ten" in the third line of Clause (3) on page 3 and substitute the word "twenty."

Am I to understand that this is a further message from the Assembly to the effect that it still declines to make the requested amendment, but suggests as an alternative amendment that the figure be "twelve and a-half" in lieu of "ten." Is that the position?

The CHIEF SECRETARY: I think the message speaks for itself.

The CHAIRMAN: It does for me.

The CHIEF SECRETARY: The Bill was sent back by the Legislative Assembly to this House. It has been again considered by the Assembly, and the Assembly, after full consideration, has amended the Bill in the form in which it reaches this Chamber. The Chairman of course understands that the matter has been further considered by the Assembly, and that the Assembly has concurred. It appears to me that my duty now is to move that the amendment be agreed to. I am anxious to move that the amendment made by the Assembly be agreed to by the Council. Perhaps you, Sir, will suggest the way in which the matter should be dealt with.

The CHAIRMAN: I suggest you move that "ten" be struck out and "twelve and one-half" inserted in lieu.

The CHIEF SECRETARY: Very well, I move—

That the word "ten" be struck out of the Council's requested amendment and the words "twelve and one-half" inserted in lieu.

Question put and passed; the Assembly's amendment on the Council's amendment agreed to.

Schedule, as amended, agreed to.

Title—agreed to.

Bill reported with a further amendment, and the report adopted.

Third Reading.

Bill read a third time and passed.

BILL—FINANCIAL EMERGENCY TAX.

Assembly's Further Message.

Message from the Assembly received and read notifying that it had amended the Bill and that the Bill so amended was now presented to the Council for its concurrence.

On motion by the Chief Secretary, message considered in Committee forthwith.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

The CHAIRMAN: The circumstances in the case of this Bill are exactly the same as those in the case of the previous Bill. I understand that what is desired is the following:—

1. In column 1 of the second part of the Schedule strike out the words and figures "is not less than £260 but less than £338" where they occur in column (a) and the word "fourpence" where it occurs opposite such words in column (b), and insert the following:—

(1) "Is not less than £260 but less than £299" in column (a), and opposite such words in column (b) the word "fourpence."

(2) "Is not less than £299 but less than £338" in column (a), and opposite such words in column (b) the word "fivepence."

2. In column 1 of the third part of the Schedule strike out the words and figures "is not less than £5 but less than £6 10s." where they occur in column (a), and the word "fourpence" where it occurs opposite such words in column (b), and insert in lieu the following:—

(1) "Is not less than £5 but less than £5 15s." in column (a), and opposite such words in column (b) the word "fourpence."

(2) "Is not less than £5 15s. but less than £6 10s." in column (a), and opposite such words in column (b) the word "fivepence."

On motion by the Chief Secretary, the foregoing amendments made by the Assembly were agreed to.

Bill reported with amendments, and the report adopted.

Third Reading.

Bill read a third time and *passed*.

BILL—ROAD DISTRICTS ACT AMENDMENT (No. 1).

First Reading.

Received from the Assembly and, on motion by Hon. J. M. Drew, read a first time.

Second Reading.

HON. J. M. DREW (Central) [5.4] in moving the second reading said: I regret very much that the Bill is before members

at such a late stage of the session. The fault is neither mine nor that of the sponsor of the measure in another place. It is due to the fact that a large number of private Bills were dealt with and this measure had to take its place on the notice paper and be dealt with in turn. The Bill amends the Road Districts Act to give road boards effective powers to control hawking. As drawn, it was strictly in accordance with the amendment that was defeated in this Chamber last year, but it has been amended in another place in such a manner as will meet the wishes of those who raised objections at that time.

Hon. L. B. Bolton: We have not had a chance to find that out.

Hon. J. M. DREW: The machinery parts of the measure were amended, and provision made by which goods appertaining to every industry could be sold, as I shall explain later. The Bill introduced by me last session was taken in hand in another place by the member for Murchison in order to meet the wishes of a conference of local authorities on the Murchison—seven in number—who had passed unanimously a resolution urging sufficient powers to enable hawking to be effectively regulated by the road boards in that district and, of course, in the whole of the State. It was decided to copy the provisions in the Municipal Corporations Act, which was before Parliament in the previous year; and as those provisions had been drafted by the Crown law authorities, it was concluded that they would achieve the object intended. However, when the measure reached the second reading stage in another place, grave defects in the Bill were discovered. It was found by the sponsor of the Bill in that Chamber and myself that not only would it fail to check the evils associated with hawking, but would actually intensify those evils. We decided that the measure should be amended in this Chamber. When introducing the Bill to members, I explained the amendment and the Bill passed the second reading and went through the Committee stage without amendment, except an amendment moved by me to remedy defects in the Bill. The third reading was fixed for the next sitting of the House. At that sitting Mr. Nicholson moved for a re-committal of the Bill. His proposed amendments had not been placed on the notice paper. That was on the Friday. I moved the adjournment to the next sitting, which

was on the Tuesday, thus giving time to Mr. Nicholson to prepare his amendments and place them on the notice paper. I thought he would do so, but he did not. A typed copy of his proposed amendments was placed in my hands ten minutes before the House met, and every other member was placed in a similar position. The amendments proposed by Mr. Nicholson took the Bill back to the stage when I had discovered that the measure was of no use at all; it would in fact have legalised hawking. I am endeavouring to explain why my Bill, with the amendments I made, was defeated in this Chamber. The hon. member was assisted by the Perth Chamber of Commerce, which published a statement alleging that my Bill was dangerous, but saying that in its original form it would be acceptable. The main objection of the Perth Chamber of Commerce was that a commercial traveller for a wholesale house would be prevented from travelling the country unless he held a hawker's license. That Chamber was evidently unaware that under my amendment *bona fide* travellers were exempted, provided they dealt with trading houses and dealers. The old Act, which is still in force, makes that distinction.

The Bill, as now amended in the Assembly, will remove all possible objections which those persons engaged in the pastoral industry, or in the agricultural industry, or in any industry whatever, can have against the measure. I could quote from the old Act, if necessary, but I do not wish to delay the passage of the Bill. There would be no necessity to include commercial travellers in this Bill if sufficient protection was provided for farmers. Commercial travellers are dealt with.

Hon. J. Nicholson: In the present Bill?

Hon. J. M. DREW: Yes. I will read the definition in the old Act, which has stood the test of time—

The following are exempted:—Commercial travellers or other persons selling or seeking orders for goods, wares or merchandise to or from persons who are dealers therein, or selling or seeking orders for books or newspapers.

"Hawker" is defined in the Bill as follows:—

Subject as hereinafter provided, for the purposes of this paragraph the term "hawker" means any person who travels and trades and goes from place to place or to other men's houses or places of business, soliciting orders for or carrying to sell or exposing for sale any goods, wares or merchandise to any

person who does not in the ordinary course of business buy and sell the same.

That is in line with the old Act.

Hon. L. B. Bolton: Why interfere with the old Act?

Hon. J. M. DREW: My desire is to bring it up to date. There are ridiculous provisions in it. For instance, the following:—

The term "hawker" means any hawker, pedlar, or other person who, with or without any horse or other beast bearing or drawing burden, travels and trades and goes from town to town or to other men's houses, carrying to sell or exposing for sale any goods, wares, or merchandise.

I desire to give the farmer protection which he has not got under the old Act. Owing to the confusion caused by Mr. Nicholson springing his amendment, and by the denunciation of the Perth Chamber of Commerce, and by some members who said that merchants or someone sending machinery parts to the country, or delivering or selling petrol to certain people, would come under the Bill and be classed as hawkers, that objection has been removed by an amendment moved by a member of the Country Party in another place. The definition of "hawker" in the Municipal Corporations Act was agreed to by this House last session. That pleased the Chamber of Commerce immensely, but it did not meet with the approval of the Perth City Council. The wording was identical with that in the Bill I introduced last year. Members may be interested to hear what the Perth City Council had to say about the provisions inserted in the Municipal Corporations Act by this House at the end of last year. The following appeared in the "West Australian" of the 24th July, 1939:—

Hawking of Goods.

Amending Act Disapproved.

Last year's amendment of the Municipal Corporations Act, under which no person is deemed to be hawking goods if he possesses a shop or place of business in any part of the State, does not meet with the approval of the Perth City Council. At a meeting of the Local Government Association at South Perth on Friday night a letter received from the Chief Health Inspector of the Perth City Council (Mr. F. Higgs) stated that under the amendment 90 per cent. of the persons who have previously been required to take out hawker's licenses were now absolved from doing so.

Before the introduction of the amendment, said Mr. Higgs, certain parts of the City of Perth, more particularly the city centre, were gazetted as zones in which no hawking of any kind was permitted. This restriction had now lapsed if the person hawking goods had any kind of shop or place of business anywhere in the State. Practically all hawkers had, or could soon secure, such premises. It was believed that those responsible for the amendment desired to make the conditions of hawking more stringent, but the opposite had happened, and, as the amendment did not meet with the approval of the Perth City Council, the matter was sent to the association for consideration.

At the suggestion of the Mayor of Midland Junction (Mr. F. W. Tuohy), the meeting decided to refer the matter to the local authorities who are members of the association for consideration.

The Perth City Council which is deeply interested in the matter, represents hundreds of retailers who are entitled to some consideration. It is alarmed because on account of the provision in the Act to which I have referred, hawking is practically legalised in the metropolitan area. The Council states that 90 per cent. of the hawkers are not subject to the obligation to secure a hawker's license. As I stated last year, my action in sponsoring this legislation was a result of a motion passed by seven local authorities. This year five of those authorities again met and passed a similar resolution in consequence of which action was taken in another place by Mr. Marshall and is now being taken here by me.

I visited the Murchison area and was informed by the representatives of the local authorities concerned that the situation with regard to hawkers was more alarming than previously and the necessity for urgent legislation was emphasised. These so-called hawkers are travelling through the mining districts. They appear at towns on pay days and sell goods, some of which are suspected to have been stolen. At Geraldton there was a good deal of complaint from business people about the hawkers. The mayor and town clerk discussed the matter with me a few months ago and particularly dealt with the provision relating to hawkers that the council agreed to insert in the Municipal Corporations Act last year. That was before the Perth Council had related its experience. I told the mayor

that the amendment was worse than useless because it practically legalised hawking in the districts of Municipal Corporations. In June of this year the Geraldton "Guardian" published a leading article dealing with the matter from every angle and with the disabilities suffered by traders in consequence of the activities of these pedlars. The Irwin "Index" also had an article on the subject. Everywhere I have travelled there is a feeling that Parliament should do something to vest road boards with the necessary authority to deal effectively with the situation. The principles of the Bill are identical with the amendment I made to my Bill last year except that an amendment moved by a member of the Country Party in another place has been included. That amendment consists of only two words but they make a great difference.

Hon. J. Nicholson: What are the words?

Hon. J. M. DREW: The words are "or use" and they appear in the definition of "hawker." The paragraph referred to will thus read as follows:—

Subject as hereinafter provided for the purposes of this paragraph the term "hawker" means any person who travels and trades and goes from place to place or to other men's houses or places of business soliciting orders from or carrying to sell or exposing for sale any goods, wares or merchandise to any person who does not in the ordinary course of business buy and sell or use the same.

A person selling machinery parts to a farmer will not be a hawker under the Act. That applies also to a person selling machinery used for pastoral purposes. A note I have from Mr. Marshall states, "This will allow merchants to distribute oil and other goods to farmers, gold mines and other consumers if those goods are used by them in the course of their business." That is clear enough; there will not be any objection to that. Every industry could avail itself of this provision. People taking goods and selling them to those that would use the goods in their business would not be hawkers under this provision.

Commercial travellers will be exempt as before so long as they seek orders from traders. That is the position under the old Act which is still law. It should not be necessary for me to say more. The road boards will make regulations under the mea-

sure and those regulations will have to run the gauntlet of Parliament. Members of road boards are men of common sense and are not likely to do anything against the interests of their districts. I think they can be trusted and should be trusted, and I hope the Bill on this occasion will be passed. I move—

That the Bill be now read a second time.

HON. H. S. W. PARKER (Metropolitan Suburban) [5.26]: I opposed a similar measure on the previous occasion because I did not think that an amendment to the Road Districts Act was sufficient to cover what was desired. I think an amendment should be made to the Hawkers and Pedlars Act, rather than attempting to do things in piecemeal fashion by permitting road boards to make regulations. I do not propose to repeat the arguments I advanced last year, but simply say that I cannot see my way clear to support the second reading. After sitting all night, it is very difficult to follow the wording of the Bill.

HON. L. B. BOLTON (Metropolitan) [5.27]: For the sake of Mr. Drew who fought so hard for a similar measure last session, I regret that I must oppose the Bill. It is most unfair that this House should be asked, within an hour or two of closing, to consider legislation that last session was found to be so contentious.

Hon. E. H. Angelo: We have all the day before us.

Hon. L. B. BOLTON: I do not mind going on. Within the last few days I have been asked by some of the leading merchants to oppose the Bill, and I have not had an opportunity to ascertain whether it is satisfactory to the people I represent.

Hon. J. M. Drew: Who are they?

Hon. L. B. BOLTON: The oil firms. Until last Tuesday the oil companies were most dissatisfied with this amendment and asked me to exert every effort to have it defeated.

Hon. J. M. Drew: Have they seen a copy of the Bill?

Hon. L. B. BOLTON: Yes: This measure was read a first time in another place on the 3rd October. The manager of one firm pointed out that under this Bill he would have to register his travellers in every road district they visited, and would have to pay

whatever fees the road boards demanded. It is wrong to discuss a measure of this kind at this stage of the session.

HON. H. TUCKEY (South-West) [5.29]: I hope the House will agree to the Bill on this occasion. The provision has been discussed previously and Mr. Drew has explained it fully. All that the Bill will do will be to empower local authorities to make by-laws to regulate and control hawking in their districts should they so desire, and those by-laws will have to be submitted to both Houses of Parliament. Outside of municipalities hawking is definitely prohibited under the Hawkers and Pedlars Act, unless persons are hawking goods of their own manufacture. Mr. Parker considered that an amendment of the Hawkers and Pedlars Act would be sufficient. That is not so. We want an amendment of the Road Districts Act, as is provided by this Bill. Mr. Bolton was not correct in saying that under this measure every traveller will need a license in each road district. That is not so. Many road boards will not make by-laws under the Act because there will be no need for them to do so. Only those road boards will make by-laws that find in their districts unfair competition from hawkers who arrive from all over the country. Members may rest assured that the road boards will not make by-laws likely to interfere with the smooth-running of their districts. No road board would exist long if it did anything against the best interests of the ratepayers.

In some districts hawking has reached such a pass that unless something is done, business people will experience difficulty in carrying on. Hawkers arrive in the towns on pay day, get all the cash they can for their goods and then clear out. This constitutes unfair competition because the people who occupy shops have to pay wages, rates and taxes and carry on all the year round. They should receive consideration as against the people who merely stay in the town for a few hours. Many people are arriving in the State and finding difficulty in getting work, and it would be competent for them to buy a truck or an old car and engage in hawking. This would mean competing against the railway and transport services. The suggestion has also been made that the present condition of affairs might facilitate the disposal of stolen goods. There

should be no need to discuss the Bill at length. The people Mr. Bolton represents have nothing to fear. To say that the travellers are to be required to obtain licenses is wrong. Commercial travellers will not be affected.

Many road boards welcome the hawkers because their districts are not provided with shops. Such boards will have a free hand. As I have pointed out, when by-laws are framed, they will have to be tabled in Parliament and so all possible safeguards have been provided. I hope the Bill will be passed in order to give the road boards an opportunity to deal with hawkers. Only last week two sets of by-laws were tabled dealing with hawking in the Bridgetown and Dundas districts, and unless this Bill is passed, I am afraid those by-laws will not be worth the paper they are written on. To me it seems strange that by-laws should be passed by the Government and tabled in the House when really they have no legislative backing. The road boards should be given this power. They carry on responsible work from year to year, and are worthy of trust, at the hands of Parliament in the matter of this legislation.

HON. E. H. ANGELO (North) [5.35]: I should like Mr. Drew, when replying to the debate, to give me a little more information. What would be the position of a firm employing a number of travellers operating in the city and some of the suburbs? Would they need a license in Perth, another in the Perth Road District and another in Subiaco?

Hon. J. Nicholson: Yes.

Hon. E. H. ANGELO: Surely some arrangement could be made for one license to cover the lot!

HON. W. R. HALL (North-East) [5.36]: I support the Bill. I think it only right that the road boards should have jurisdiction over hawkers in their own districts. The road boards throughout Western Australia are quite competent to frame by-laws to govern hawkers where they are very prevalent. I know quite a lot of decent men engaged in hawking, and many of the boards will not be affected by this measure. I do not think the Kalgoorlie road district will be affected because there are very few hawkers in Kalgoorlie who will come under

this measure. In the North-East Province, however, hawkers are very prevalent and the boards desire power to control them. If the power is vested in the boards, they will frame by-laws which will need the approval of Parliament. The boards are quite competent to undertake this responsibility, and I do not think any harm can follow the passing of the Bill. I should not like to feel that the passing of the measure would result in men being thrown out of work, and I do not think it will have that effect because, as Mr. Drew has explained, it will not apply to the travellers of oil companies and suchlike firms.

Hon. H. Tuckey: It will not affect them.

Hon. J. Nicholson: Yes, it will.

Hon. W. R. HALL: I support the Bill and hope the second reading will be passed.

HON. J. NICHOLSON (Metropolitan) [5.38]: I recall the Bill introduced by Mr. Drew last year dealing with this matter. He has informed us that the measure now under consideration will accomplish what was desired on the last occasion and that travellers for firms engaged in selling petrol, machinery and other articles required by farmers will be exempted. Mr. Drew has explained the effect of inserting the words "or use," but I would direct attention to the fact that the insertion of the words would not attain the object he has in view. Paragraph (b) begins—

Subject as hereinafter provided, for the purposes of this paragraph the term "hawker" means any person who travels and trades and goes from place to place or to other men's houses or places of business, soliciting orders from or carrying to sell or exposing for sale any goods, wares or merchandise to any person who does not in the ordinary course of business buy and sell the same.

"Soliciting orders": that is what the machinery agent does. He goes to the farm. The petrol man does the same. And so do others. They go to other men's houses or places of business soliciting orders from or carrying to sell or exposing for sale any goods, wares or merchandise to any person who does not in the ordinary course of business buy, sell or use the same. It is the latter person who is connected up there with using—not the vendor at all, not the man who is travelling, but the person who does not in the ordinary course of business buy, sell or use the same. The effect of

that, so far as I see, is that the machinery merchant will suffer: his commercial travellers will be bound to come under the law if the Bill should become an Act. The same objections as were taken last year will apply largely to this Bill.

Mr. Angelo raised what, to my mind, is a most important and vital question in addition. That is the matter of the licenses. The Road Districts Act, which the Bill proposes to amend, provides that each road district may pass by-laws or regulations for the regulation of hawking and so on, requiring licenses to be obtained by hawkers, and imposing on hawkers and traders the obligation to carry scales. Under the law as it now exists, a large number of the road boards have passed regulations dealing with these various matters; indeed, I think it would be difficult to discover a road board that has not passed among its regulations some dealing with hawking and fixing the license fee. Every road district exercises its powers and authorities within its defined boundaries: and the effect is, as Mr. Angelo has pointed out, that if a traveller—and a traveller would be a hawker under this definition—is selling his wares to a person who does not in the ordinary course of business buy, sell or use the same, he will come under the Act and will require to pay a license fee to every road district through which he travels.

Hon. H. Tuckey: Not unless the road district has the by-laws.

Hon. J. NICHOLSON: I have already stated that there is hardly a road district of any size or any importance that has not already passed by-laws under the Act.

Hon. E. H. Angelo: Mr. Drew said there were seven in his district.

Hon. J. NICHOLSON: Very well. Let me take the Perth district for example, the metropolitan area. There we have the municipalities of Perth and Subiaco, and road districts all round about. There are the Perth Road Board and the Nedlands Road Board and various other municipalities and road boards.

Hon. H. Tuckey: Hawking is already prohibited in those districts under the Hawkers and Pedlars Act.

Hon. J. NICHOLSON: The position is that this piecemeal method of dealing with hawkers is a wrong method entirely.

Hon. A. Thomson: The Bill offers the only chance of doing something. We had a shot at it last year.

Hon. J. NICHOLSON: It was suggested last year, and Mr. Parker has referred to it again this year. The only method of dealing with the matter effectively is to bring in a new Act relating to hawkers, so that a license fee can be obtained and will be a source of revenue to the Government. The Government then could issue a license which would entitle the person holding that license to carry on his particular calling throughout the State. That is what actually pertains in each of the other States, and also in the Old Country. In the other States the local authorities do not concern themselves with the licensing. The licensing is done by a central authority in each of the States, and a person can apply for the necessary license. Of course, he must have some suitable references and guarantees as to his probity and various other things. That is clearly the proper method of dealing with the matter.

The Honorary Minister: There are 127 road districts.

Hon. J. NICHOLSON: For each road district to enact, as most of them have already done, regulations prescribing license fees will make it impossible for numerous men to carry on their calling. I know many people who are facing ruination because of this. They are earning an honest livelihood at the present time, and they will be quite unable to pay the various fees. Some road districts' license fees are as high as £10. That is a way of prohibiting hawking—not a way of licensing it. In the circumstances I can only do what I did on the last occasion, and vote against the Bill.

Personal Explanation.

Hon. J. M. Drew: May I make a personal explanation? I find that this was not formulated in another place, for the reason that the Bill would have had to be reprinted. At the request of Mr. Boyle, Mr. Marshall decided that the amendment should be moved here. It was on the notice paper of the Assembly in Mr. Boyle's name.

HON. W. J. MANN (South-West) [5.50]: The amendment that Mr. Drew has just referred to overcomes an objection that

I had to a similar Bill that was introduced last year, and I propose to support the measure now before the House. In endeavouring to protect traders in some parts, we must be careful that we do nothing that will disadvantage people in the outback areas that are well served by hawkers. As to the objection to pay a license fee in a road district, if the district is well worth hawking in, surely the taking out of a license is equally worth while. Further, I have been informed that in some districts an element of suspicion has arisen regarding some hawkers. Coincident with their visits there has been a disappearance of property. If that is a fact, then the sooner hawkers are licensed in every district, the sooner some protection will be afforded the people.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [5.52]: The House should know exactly what it is doing if it passes the Bill. If I were to search for arguments against the measure, I could point out that a lot of stolen goods are being sold. The real object of the measure is to put out of employment at least 150 men in this State. Those men are of exemplary character and no cause for suspicion can be attributed to their actions. We must face the fact that a new system of selling goods is in operation. Furthermore, the passage of the Bill will stifle local production. A firm in Subiaco has instituted a direct selling service, but the necessity to take out licenses in road districts and municipalities will make their operations wellnigh impossible. Furthermore, the power suggested is altogether too great to place in the hands of local authorities. The new system of selling to which I have already alluded operates in each of the States. During a visit to Melbourne I had an opportunity to inspect three factories where goods of high quality are manufactured. Plaimars and other firms are turning out excellent products, some of which are exported. If the Bill be agreed to, some of the men concerned will be deprived of work and others in Western Australia will be equally affected.

Hon. W. J. Mann: And you talk about a trade drive!

The **HONORARY MINISTER**: Of course we do. Members should remember that MacRobertson started his business by making chocolates in a bathroom and then

hawking the goods from house to house. That is how industries may have to start in Western Australia. Already there are firms that will be adversely affected if this legislation is agreed to. So long as members know what they are doing, it is all right. With all due deference to Mr. Drew, I assure him that his Bill, if agreed to, will mean unemployment for a large number of men.

HON. A. THOMSON (South-East) [5.55]: We have just heard from the Honorary Minister that if the Bill is agreed to, 150 men will lose their employment.

The Honorary Minister: Perhaps more than that number.

Hon. A. THOMSON: Why will the Bill have that effect? If these business firms in the Eastern States are so anxious to assist men to get work and are such charitable institutions, why cannot they be patriotic enough to pay the license fees to the local authorities?

Hon. J. Nicholson: And pay £10 for each license!

Hon. A. THOMSON: Let us say that the license fee is fixed at £10, as Mr. Nicholson suggests. Let him consider how much the average business man in a country town pays for rent, rates and so on. He will realise that the amount is much more than £10.

Hon. E. H. Angelo: And the other people have their own premises.

Hon. A. THOMSON: Quite so. But I want to know of what assistance it is to Western Australia or, say, to Katanning, that a firm has premises in the Eastern States. I consider the local authorities should control hawking. We have heard complaints of what goes on in the metropolitan area. Hawkers go round and when the housewife informs them that she does not need anything they put their feet inside the door and refuse to go away.

Hon. V. Hamersley: They are a curse.

Hon. A. THOMSON: They are certainly a nuisance. They are most persistent even though the lady of the house emphasises that she does not want to buy anything. What protection have the womenfolk in the country areas against treatment of that sort? As to stolen property, I assure the House that there is grave suspicion that goods stolen from country districts are sold in the metropolitan area. That does not concern the men to whom the Honorary Minister referred

when opposing the measure. The statement has been made that orchards have been stripped and sheep have disappeared. It is alleged that the fruit and the sheep have been sold in the metropolitan area. If a man is to participate in business as a hawker, he should at least contribute something towards the finances of the local governing authority. Furthermore, we must be assured that people who engage in that work are of good character. Members should ask themselves how many men in the road districts are being kept out of work because of hawkers who come from the metropolitan area.

The Honorary Minister: None at all.

Hon. A. THOMSON: The Honorary Minister cannot prove that statement. I do not say one word against the men that Mr. Drew wishes to protect. But why should not the firms carry some responsibility? I believe that the business entails most glaring exploitation respecting the men who are forced to seek employment from these firms. Members of this House have been asked to guarantee men and to put up bonds for them so that they can participate in the work. I have been approached by men who are anxious to engage in operations in connection with these "charitable" institutions that operate in the Eastern States.

Hon. G. Fraser: Like the insurance companies, they require bonds.

Hon. A. THOMSON: I am not considering the position of insurance companies now, but I know that the trading concerns referred to by the Honorary Minister have required canvassers to take out bonds. We hear from time to time that the desire is to prevent centralisation. We are told we must decentralise. Now when it is suggested that local authorities shall be given control over hawking in their districts, members are inclined to reject the proposal. Mr. Nicholson has suggested that a general hawking license should be issued and that the holder should be allowed to operate in any part of the State he desired. If that were done, we must remember that these men pay no rates, taxes or even rent. Surely that is unfair competition. I hope the Bill will be agreed to. I commend Mr. Drew for having reintroduced this proposed legislation. It is not the fault of the local authorities that the amendment has not been made. The Government is responsible for

not having dealt with the matter. Surely to goodness, if we allow our local authorities to license motor vehicles and issue other licenses, they should be permitted to license hawkers. We desire to protect business people from exploitation by persons of straw.

HON. H. V. PIESSE (South-East) [6.1]: I did not intend to speak on this Bill until I heard Mr. Gray's remarks. Lately I was desirous of engaging a traveller for a certain business with which I was connected. I received 60 applications from young men who had had experience in the class of business to which Mr. Gray referred. One of those young men told me—and I know his statement is correct—that he had been unable to earn a reasonable wage at this work. He had to obtain a guarantee; but before he started on his travels the firm insisted on his paying 30s. for samples which were to be given away. That amount was deducted from his wages. The firm advanced him £2 per week to live on, but this was paid from the guarantor's money. Can anyone tell me that it is a reasonable proposition for a young man to go travelling on those conditions? They are unfair to him and to the guarantor, whose money is applied in payment of the samples which I have mentioned. If there is any shortage at the finish, a guarantor has to pay.

HON. G. FRASER (West) [6.3]: I opposed a similar measure 12 months ago and during the intervening period and during this debate I have heard nothing to make me alter my decision. Like Mr. Nicholson, I believe that if hawking is to be permitted, some central licensing authority should be established to license hawkers. It is possible—I do not say it is probable—that under the Bill which Mr. Drew is attempting to place on the statute-book £1,200 would have to be paid in license fees in the road board districts.

Members: Oh, no.

Hon. G. FRASER: I said it was possible. There are 127 road boards in the State and each could charge a license fee of £10.

Hon. H. Tuckey: You are entirely wrong.

The PRESIDENT: Order!

Hon. G. FRASER: When I went to school, ten times 120 was 1200. Such a state of affairs would become possible if this Bill became law. Can anyone suggest to me that that is equitable? If the intention is to prevent hawking, why not do so in a proper manner? Another feature is that one road board may charge a fee and the adjoining road board a higher fee. Why not have uniformity? I know a number of men—I take off my hat to them—who, having lost their employment during the depression, took on hawking for a living, instead of applying to the Government for sustenance. They made a good living, too. I am not talking about Rawleighs or any other company. These men launched out on their own account. What they need is encouragement; this measure would discourage them. Many companies are carrying on business in this State with their headquarters elsewhere, such as Rawleigh's. They are providing employment in this State and are supplying goods not made here.

Hon. A. Thomson: But they could be made here.

Hon. G. FRASER: They are not produced in the State. Those companies in my opinion deserve encouragement. I am sorry that a number of our local establishments are not undertaking the business carried on by these Eastern States companies. I can see nothing in the Bill that would induce me to support it. On the other hand I can see many objections to it. The local governing bodies will not derive much benefit from the measure. As I said before, if the desire is to prevent hawking, let it be done in a proper manner and not by a Bill of this description. I oppose the second reading.

HON. J. CORNELL (South) [6.6]: I support the Bill. I suggest to Mr. Drew that he accept an amendment to paragraph 41 of Section 204 making the fee not more than £10.

Hon. J. M. Drew: Is that the maximum?

Hon. J. CORNELL: Yes. A proviso should be included that a license issued by one district should suffice for every other road district. That would overcome a difficulty and would bring the measure into line with the Act under which motor license fees are paid. A licensed hawker should be able

to go from one road board district to another road board district after having paid one fee. We should get down to tin-tacks. A motor license is sufficient for any district of the State, because a motor car is licensed on its engine capacity.

The PRESIDENT: Order. The details of the Bill can be discussed in Committee.

Hon. J. CORNELL: The Bill is a detail measure altogether. A hawker at Coolgardie has very little distance to travel to get to the Dundas district or the Kalgoorlie district. Has he to pay a separate license fee in each of those districts?

Hon. A. Thomson: Not necessarily.

Hon. J. CORNELL: A mutual arrangement would have to be made between the boards. Once a hawker is licensed he should be able to hawk in any district he chooses.

HON. J. M. DREW (Central—in reply) [6.9]: The arguments that have been advanced against the Bill are the arguments that we heard last year when we were told that the amendments should not have been made to the Road Districts Act but to the Hawkers and Pedlars Act. If we attempt to amend the Hawkers and Pedlars Act Mr. Nicholson, I have no doubt, would say that the amendment should be made to the Road Districts Act.

Hon. J. Nicholson: I would not say anything of the sort.

Hon. J. M. DREW: As far back as 1919, Mr. Colebatch who was then Chief Secretary, introduced an amendment in this Chamber giving drastic powers to road boards with regard to hawkers, and those amendments included prohibition, which can be exercised even today. The desire, however, is to regulate hawking. Under the Bill it will be possible to frame regulations—in this case they are called by-laws and they are equivalent to regulations. The by-laws will have to be submitted to Parliament and it will be within the province of any member to move for their disallowance if they should be unreasonable or too drastic. In an event such as that I would join in supporting a motion for disallowance. However, I do not for one moment expect that any road board will frame by-laws that will call for action on the part of a member of Parliament. With regard to the license fee

to which Mr. Cornell referred, the figure mentioned in the Bill would be the maximum. I should like those members who are opposed to the Bill to have some consideration for storekeepers in country towns. In some instances storekeepers have to pay a rent amounting to £7 or £8 a week and in addition they must comply with the award rate of wages fixed by the Arbitration Court. Are those people not entitled to protection from hawkers or pedlars? Mr. Gray apparently has no consideration whatever for them. Why should hawkers be permitted to go to the country and to an extent deprive storekeepers of their living? Storekeepers we know give credit and often suffer loss through bad debts, yet there is to be no protection for them, that is, if Mr. Gray has his way. I am sure that if he gave the matter more consideration the hon. member would modify his views. Mr. Angelo referred to commercial travellers. A commercial traveller would not be a hawker in any sense. If the amendment that should have been moved in the Assembly is carried in this House, a person who may go along to sell machinery to those who require it will not be regarded as a hawker. If he should go to a gardener to sell gardeners' tools, again he will not be considered a hawker. Mr. Nicholson expressed the opinion that this legislation should be administered by the police. The police will have nothing to do with it; authority to control the position was transferred to municipalities and road boards in 1919, and, as previously stated, that was done because the Commissioner of Police and the Minister in charge considered that the obligation of looking after hawkers and pedlars was that of road boards and municipalities. Besides, the police are not in a position to deal with this matter. I refer members to the report of the Commissioner of Police dated the 30th June last, in which that officer said, "The present state of the police force is inadequate to meet reasonable demands; the force should be increased by 50 men." If the work of attending to hawking and peddling were thrust on the shoulders of the Commissioner of Police, he would require, not an additional 50 men, but 150 men. In any case, why should we take from the road boards a power that was granted to them as far back as 20 years ago? Have they been guilty of misconduct or anything of that kind? The posi-

tion is that the road boards have been administering an Act that is not up to date and the Bill will give them all the power that they require. If the boards exceed the powers set out in the legislation, Parliament will be able to deal with them by way, as I have already said, of disallowing the regulations or by-laws. So long as those regulations or by-laws are just and reasonable and in accordance with the Act, I do not think there will be any opposition from members in this House or another place.

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

Ayes	..	..	..	18
Noes	..	..	..	9
Majority for	..	..	..	9

AYES.

Hon. E. H. Angelo	Hon. W. H. Kitson
Hon. C. F. Baxter	Hon. W. J. Mann
Hon. J. Cornell	Hon. T. Moore
Hon. J. M. Drew	Hon. H. V. Plesse
Hon. J. T. Franklin	Hon. A. Thomson
Hon. E. H. H. Hall	Hon. H. Tuckey
Hon. W. R. Hall	Hon. C. H. Wittenoom
Hon. V. Hamersley	Hon. G. B. Wood
Hon. E. M. Heenan	Hon. G. W. Miles

(Teller.)

NOES.

Hon. L. B. Bolton	Hon. J. Nicholson
Hon. L. Craig	Hon. H. S. W. Parker
Hon. J. A. Dimmitt	Hon. H. Seddon
Hon. E. H. Gray	Hon. G. Fraser
Hon. J. J. Holmes	

(Teller.)

Question thus passed.

Bill read a second time.

In Committee, etc.

Hon. J. Cornell in the Chair; Hon. J. M. Drew in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 204 (41) of the principal Act:

Hon. J. NICHOLSON: I move an amendment—

That in line 3 of paragraph (b) after the word "person" the words "who has not a shop or permanent place of business in Western Australia and" be inserted.

Road boards require to control hawkers who may possibly be a menace in their districts and have no place of business of their own.

Hon. J. M. DREW: This is a repetition of Mr. Nicholson's amendment of last year.

Hon. J. Nicholson: Not at all.

Hon. J. M. DREW: It would render null and void the whole of the Bill, and that is its object.

Amendment put and negatived.

Hon. J. M. DREW: I move an amendment—

That in line 9 after the word "sell" the words "or use" be inserted.

Amendment put and passed.

Hon. A. THOMSON: I move an amendment—

That in line 25 after the word "business" the words "within the road district" be inserted.

The amendment is moved at the request of the Katanning Road Board.

Hon. W. J. MANN: This amendment would require every person concerned to have a place of business in every road district.

Hon. J. M. DREW: I hope the amendment will not be agreed to.

Amendment put and negatived.

Clause, as previously amended, put and passed.

Clause 3, Title—agreed to.

Bill reported with an amendment, and the report adopted.

Third Reading.

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

BILL—ROAD DISTRICTS ACT. AMENDMENT (No. 2).

Assembly's Amendment.

Amendment made by the Assembly now considered.

In Committee.

Hon. J. Nicholson in the Chair; Hon. J. Cornell in charge of the Bill.

Clause 2—Delete.

Hon. J. CORNELL: I move—

That the amendment be agreed to.

Question put and passed; the Assembly's amendment agreed to.

The CHAIRMAN: The title will be consequentially amended by striking out the words "twenty-three."

Resolution reported, the report adopted, and a message accordingly returned to the Assembly.

BILL—MARKETING OF EGGS ACT AMENDMENT.

Assembly's Amendment.

Amendment made by the Assembly now considered.

In Committee.

Hon. J. Cornell in the Chair; Hon. G. B. Wood in charge of the Bill.

Clause 2—Delete paragraphs (b) and (c):

Hon. G. B. WOOD: The effect of the amendment is to restore the original constitution of the board. I move—

That the amendment be agreed to.

Question put and passed; the Assembly's amendment agreed to.

Resolution reported, the report adopted and a message accordingly returned to the Assembly.

BILL—COMPANIES ACT (LITCH- FIELDS LIQUIDATION) AMENDMENT.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendments made by the Council.

Sitting suspended from 6.42 to 7.5 a.m.

BILL—ROAD DISTRICTS ACT AMENDMENT (No. 1).

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the Council's amendment.

ADJOURNMENT—COMPLIMENTARY REMARKS.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [7.8]: I move—

That the House at its rising adjourn till a date to be fixed by the President.

This concludes the business of the session. On behalf of hon. members, I now desire to tender to you, Mr. President, our best wishes for the approaching Christmas Season and New Year. I express the sentiment of every member when I say that the manner in which you have presided over our delibera-

tions has contributed largely to the maintenance of the spirit of goodwill which prevails in this Chamber. To the Chairman of Committees and his deputies, the House owes a debt of gratitude for their energetic and painstaking work in connection with the committee business. May I also be permitted to thank the Clerk of Parliaments and the Usher of the Black Rod for the valuable services they have rendered to the House. The "Hansard" staff has had a busy time during the session, but its members, too, have carried out their duties with characteristic efficiency. The cheerful service so freely given by other officers of the staff also deserves our gratitude. Speaking personally, I have been anxious to extend every courtesy and consideration to members, and I must say that I have appreciated the manner in which that spirit has been reciprocated. Perhaps at times we have had disagreements, but these have never given rise to any difficulties.

Unhappily, on this occasion we adjourn in an atmosphere clouded with the uncertainty of war. In common with every member, I can but hope that when we meet again it will be under more propitious auspices. Once again, I extend to members, officers and staff my best wishes for happiness and prosperity during the festive season and the ensuing year.

HON. C. F. BAXTER (East) [7.12]: I am pleased to join with the Chief Secretary in his expression of appreciation of the able manner in which you, Mr. President, have presided over us during this session, which has now reached its end. You have throughout our deliberations, in your pleasant way, assisted each one of us in our duties, as you have always done during your long occupancy of your high position. The Chief Secretary, Mr. Kitson, as Leader of the Government in this House, has again excelled himself in the way he has discharged his duty. His ability is outstanding and we are grateful for the unfailing courtesy that he has extended to us during the session. I particularly appreciate his assistance and courtesy, which at times I felt I hardly deserved. His task is indeed a difficult one, and while we do not always agree, he has the happy knack of dealing with the debates in this House from the right standpoint. Each and every member

has done his bit in an endeavour to frame good legislation for the State. Mr. Gray, the Honorary Minister—

Hon. J. J. Holmes: Smiles through.

Hon. C. F. BAXTER: I think he worries a little sometimes, but he supplies members with the information that they require and on all occasions is most earnest in sponsoring the measures he introduces. We do not always deal with those measures in the way he wishes. In our Chairman of Committees we have a very able member. Looking back over my long association with this Chamber, I realise that our very efficient President and very efficient Chairman of Committees have made our work pleasant indeed, and, speaking for myself, I found it helpful to be kept on the right track. Mr. Cornell is always ready and willing to assist with advice. I myself am at times in need of direction, and I have to express my thanks to Mr. Cornell for his assistance. Although the Deputy Chairmen of Committees have not had a great deal of work to do this session, they have shown their ability and courtesy while occupying the position. From my own experience I can say that the work of the "Hansard" staff is unique, in that scarcely a correction has had to be made in my speeches.

Hon. T. Moore: And none in mine.

Hon. C. F. BAXTER: Members of that staff have given excellent service. I have also a great appreciation of the services that have been rendered to me by the Chief Hansard Reporter whenever I have gone to him for information, as so frequently I have done. The Clerk of Parliaments, Mr. Leake, has been very efficient in his duties right through, and has been very generous to me. I feel that at times I have imposed too much upon him concerning matters that often have been outside his jurisdiction. I have always found him ready and willing to help members, and that is a great convenience to them. He has a trained legal mind and is well versed in the Standing Orders. Mr. Sparks, the Usher of the Black Rod, has been in his position for a long time. He has a very agreeable manner and has proved a diligent and able officer. We have lost our Chief Messenger, Mr. Roberts, who has taken up military duties. His successor, however, is going along splendidly and has, I feel sure, a bright future. Unfortunately, not many avenues for advancement are open

to young men who join the service of Parliament. This young man is both able and studious and should go a long way. To members generally I owe a debt of gratitude.

Hon. G. W. Miles: I should think so.

Hon. C. F. BAXTER. I am sure I have treated the hon. member very generously. Members are due for thanks for the consideration they have extended to me. I trust that before we meet again the black clouds of war will have lightened to a great extent, and that things will look brighter for the Mother Country and for Australia. Before we meet again ten of our members will have to go before the electors. I sincerely hope they will all be returned to this House with substantial majorities so that they may carry on the excellent work they have done in the past. They have my sincere good wishes.

HON. H. SEDDON (North-East) [7.18]: I join with the Chief Secretary and Mr. Baxter, in expressing my appreciation of the manner in which you, Mr. President, the Chairman of Committees, the Leader of the House, the Honorary Minister, and the officers of the House including the "Hansard" staff have carried out their duties during the session. The work that has devolved upon the "Hansard" staff has been particularly heavy of late, and I often wonder how they get through the work as they do. I wish to express appreciation of the manner in which the Chief Secretary has carried out his work, and the consideration he has always extended to members. I do so particularly at present because I feel that very frequently he is in a position where he is liable to be misunderstood, and that consequently, because they have not realised what the Chief Secretary was trying to do, members may have misjudged him. I express my appreciation of the consideration extended by him to members generally.

HON. V. HAMERSLEY: (East) [7.20]: As one who has to go before the electors I wish to express the hope that all others who have to do so may be returned to this Chamber. I do not expect any serious trouble but we have to meet our electors from time to time, for that is all in the game. I thank you, Mr. President, for the wonderful way in which you are able to control us from time to time by the mere

use of the word "Order," especially when some of our friends—one or two are sitting near me—become a little unruly. It is your tact that manages to hold them in check. I congratulate you, and hope to have the pleasure of sitting under you again in the near future. The Chief Secretary always displays great tact in carrying out his work in the House. He has again done this successfully. My remarks apply with equal force to his right-hand man, the Honorary Minister. I thank Ministers for the ready manner in which they have met us and have carried out the work of the House. To "Hansard" and the officers of the House I tender my appreciation. My sincere hope is that all will have a happy Christmas and a prosperous New Year, and that it will not be necessary for us to be called together for any reason during the hot weather. We should be grateful to the Government that has managed to get through the work of the session before we have had any of that extreme heat we often experience before Christmas. This is one of the earliest closings of a session that I can remember. We have had a long sitting, and I do not wish to occupy any more of the time of the House. I think everybody is quite ready for a long sleep. I therefore conclude by wishing all hon. members what I wish the President and the Chief Secretary, namely a happy Christmas and a prosperous New Year.

HON. J. CORNELL (South) [7.26]: Once again I am indebted to the Chief Secretary for the nice things he said about the Chairman of Committees and his deputies. I am also indebted to you, Sir, for courtesy and consideration extended to me in my capacity as Chairman of Committees. I owe a debt, too, to the Clerks. The one position I like to occupy in the House is between those two gentlemen. Both are diggers, and we understand each other. I desire to thank them sincerely for the assistance they have given me. I also want to thank the Honorary Minister for the manner in which he has handled the business committed to him. He gets through, and that is what matters. The "Hansard" staff are to be thanked for the consideration and courtesy they have extended, and that applies to the messengers as well. I should like to make special reference to Mr. Roberts. It is not gener-

ally known—but where it is known the fact is appreciated—that Mr. Roberts held a commissioned rank in the citizen forces; but he has joined the second A.I.F. as a non-commissioned officer. That is something of which we should be proud.

Digressing for a moment, I think the House has established a record at this sitting. It may be said that a lot of us are getting too old for the job and that we cannot stand up to the work, but 28 members took part in a division toward the end of the session, and they were led by that patriarch, Mr. Franklin. With the passing of the years I am afraid I have not improved. Though I might be an ideal Chairman of Committees, I am not an ideal member on the floor of the House, but I think that the manner in which members take hard knocks makes Parliamentary life worth while. If we were all inclined to be patronising, sitting here would not present any attractions. Reference has been made to the future of the British Empire. I think the philosophy to be followed is that held by the men who fought in the last war. It is summed up in the phrase, "Why worry?" No matter what may happen in the near future, in the end we must win. Those who participated in the last war were not worried; otherwise we would not have won. The citizens of this country must gird up their loins and be prepared to make such sacrifices as are necessary in order that the British Empire may emerge triumphant from the war. In conclusion, I wish to thank the Deputy Chairmen of Committees for consideration extended to me. I cannot promote them to commissioned rank, but I promote them to the rank of warrant officers, first-class.

THE PRESIDENT (Hon. Sir John Kirwan—South) [7.30]: Before putting the motion, I wish to say that I very much appreciate the kind remarks made regarding myself. I can only say that I have tried to do my best, and if I have been in any way successful it is due to the kindness and consideration extended to me by each and every one of the members of this House, and especially by the Chief Secretary and the Honorary Minister. It is due also to the assistance that has been given to me by the Chairmen of Committees and the three Deputy Chairmen, and the help I have received from the officers of the

House. Those officers have worked together as a very good team. It may seem to hon. members, when everything runs smoothly, that the work the officers have to perform is fairly simple, but I am sure that members recognise that to make mistakes is very easy, and it is easy also for the business of the House to get into a tangle. That can be avoided only by constant vigilance on the part of the officers of the House, and I join in the expressions of thanks made to them. I also thank hon. members and the "Hansard" staff; and we should not forget those recording angels up aloft, the gentlemen of the Press.

To those hon. members who are retiring by reason of effluxion of time I should like to say that I sincerely hope we shall see them all back again. They are men who have rendered good service in this House, and they have carried on the traditions of the House. In this Chamber we have long been accustomed to differ from one another without quarrelling, and we give each other credit for doing what is best from our point of view in the interests of the whole State. I thank all for the kindness extended to me in particular, and return thanks on behalf of the Clerk of Parliaments and the Assistant Clerk for the kindly references made to them by hon. members.

Question put and passed.

House adjourned at 7.34 a.m. (Thursday).