

is to enable a prosecution to be launched for an offence under the Act within a period of two months after the Commissioner has completed the necessary investigations. It is provided under the Act that a prosecution shall be launched within six months from the time when an offence takes place. It must be appreciated that it is of necessity a rather difficult proposition to discover whether any profiteering is going on, particularly in a case where the margin of excess profit is not very high. The general public expect the policing of this type of legislation to be done entirely by Government officials, and when an apparent offence has been discovered, consequent investigations carried out are more often than not most complicated. Many avenues have to be explored and much detailed examination has to be made.

Experience has demonstrated that by the time the Prices Commissioner had completed his investigations, no prosecution could be instituted for the reason that by Section 28 of the Profiteering Prevention Act it is provided that offences may be prosecuted and punished by complaint under the Justices Act. That Act provides that a prosecution must be commenced within six months of the commission of the offence and this has been proved by experience to be too short a time for departmental purposes, particularly when it is borne in mind that the inquiries made by the Prices Commissioner invariably include investigations beyond the limits of this State. In these circumstances, guilty persons can escape a prosecution and at the same time retain their illegal excess profit purely on account of the difficulty associated with the investigation of the offence. By this Bill, therefore, it is provided that such proceedings may be commenced at any time within two months after the completion of investigations by the Price Fixing Commissioner.

I have explained the main provisions of the Bill which contains two further amendments—one of a consequential nature, and the other to correct a drafting error. These can be dealt with in Committee. The proposals of the Bill are desirable and necessary in order to meet the position which has arisen, and, as I said before, will give more effective protection to the people of this State against the profiteering methods of those desiring to take advantage of war-time conditions to flech undue gains from

the pockets of their fellow citizens. I move—

That the Bill be now read a second time.

On motion by Hon. A. Thomson, debate adjourned.

House adjourned at 6.18 p.m.

Legislative Assembly.

Thursday, 28th November, 1940.

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

QUESTION—WIRE AND WIRE NETTING ACT.

Money for Advances.

Mr. WATTS asked the Minister for Lands: 1. Are any moneys available for advances under the Wire and Wire Netting Act of 1926? 2. If not, are any arrangements in contemplation or under discussion with the Federal Government under which such moneys will be made available?

The MINISTER FOR THE NORTH-WEST (for the Minister for Lands) re-

plied: 1, Yes, an amount of £6,268 is available for supply of wire and wire netting to farmers under the Wire and Wire Netting Act of 1926. 2, Answered by No. 1.

QUESTION—CHILD WELFARE ACT.

Delinquent Children.

Mr. McDONALD asked the Minister for Labour: 1, What institutions are authorised to receive delinquent children under the Child Welfare Act? 2, What was the State's contribution to each of these institutions during the last five years, giving each year separately? 3, How much of each amount was in respect of delinquent children?

The MINISTER FOR LABOUR replied: 1, Boys—Seaforth Salvation Army Industrial School, Gosnells; Girls—Salvation Army Girls' Industrial School, Gosnells; Home of the Good Shepherd Roman Catholic Industrial School, Leederville. In cases where delinquents are of school age it is customary to send them to an ordinary orphanage, except when the circumstances are such that detention in an industrial school is essential. 2, Seaforth Industrial School for Boys—1936, £782; 1937, £1,117; 1938, £1,126; 1939, £1,398; 1940, £875. Seaforth Industrial School for Girls—1936, £797; 1937, £806; 1938, £783; 1939, £784; 1940, £654. Home of the Good Shepherd (Girls)—1936, £195; 1937, £277; 1938, £393; 1939, £334; 1940, £298. 3, The whole of the expenditure shown under (2) is in respect to delinquent children, but as some delinquents were placed as shown under 1, viz., under 14 years of age, it is rather difficult to show the actual cost of maintaining them in addition to the figures under 2.

BILL—ELECTORAL ACT AMENDMENT (No. 3).

Introduced by Hon. C. G. Latham and read a first time.

BILL—LOAN (£1,730,000).

First Reading.

Introduced by the Premier and read a first time.

Second Reading.

THE PREMIER (Hon. J. C. Willcock—Geraldton) [4.37] in moving the second reading said: This is the usual Loan Bill brought before the House after the passing of the Loan Estimates. The object of the Bill is to authorise the raising of funds necessary to carry out our programme of works for the current financial year, full details of which are set out in the Loan Estimates, and to provide further authority for advances to the Revenue Fund. The total amount for which authority is required is £1,730,000, being £1,458,000 for works and services, and £272,000 for advances to revenue. Owing to the very large sums required by the Commonwealth for defence purposes, the amounts to be borrowed by the State this year have been kept by the Loan Council to an absolute minimum, and the Estimates have been prepared accordingly. The amount set out in the Bill for works is somewhat less than the total of the Estimates; but with the unexpended balances of authorisations under previous Loan Acts, there will be sufficient to carry on until the end of December next year. This is the customary procedure, the object being to enable necessary works to proceed until Parliament again has an opportunity to sanction the raising of additional funds.

The unfunded deficit, which has been accumulating since 1929, has now reached the sum of £5,977,311, this being the figure at the 30th June last; and it is anticipated that the current year's transactions will result in a further increase of £166,697, which will make a total at the 30th June, 1941, of £6,144,008. To finance this sum, authority has been given on previous Loan Acts for the raising of £5,873,000 for temporary advances to the Consolidated Revenue fund, and this Bill includes a further sum of £272,000 for the same purpose, so that the amount thus authorised will be £6,145,000, which will just cover the anticipated total deficit.

Two loans were arranged by the Commonwealth during the year, the first in December, 1939, when £12,000,000 was obtained for the Commonwealth and the States from the Commonwealth Bank on favourable terms, namely, interest at 3½ per cent., one third of the loan being repayable in each of the years 1942, 1943 and 1944. Of this loan we received £860,000. The second was

a public flotation in March, 1940. This was for £18,000,000 and was fully subscribed. The terms were 3½ per cent. at par for five years, or, at the option of the subscriber, 3½ per cent. at par for 16 years, the Government having the option of redemption after ten years. Approximately £8,000,000 of this loan was for defence purposes and of the remainder, £939,000 was allotted to this State, the amounts under the respective rates being £463,000 at 3½ per cent. and £476,000 at 3½ per cent. In addition to these two loans, £181,540 was obtained from domestic raisings, £23,540 being by means of counter sales, that is, proceeds from investment of municipal and road board sinking funds and funds of other bodies required by law to invest in Government stock, and £158,000 from the Commonwealth Savings Bank which, under the Savings Bank Transfer Act, is obliged to make available to the State 70 per cent. of the increase in depositors' balances at the end of each quarter. Seventy per cent. of the amount of deposits in excess of withdrawals was £158,000, and that amount is made available to us for use as loan funds.

The terms of a new loan of £28,000,000 have been announced and are the same as those of the war loan floated last May, namely, 2¾ per cent. for five years or 3¼ per cent. for 10 to 16 years. Of this loan £20,000,000 will be for war purposes, and the remainder, £8,000,000, will be allocated to the various States. Our share is £780,000, which should provide finance until well into next calendar year, probably till April or May. Clause 6 of the Bill authorises the re-appropriation of the unexpended balance of a previous authorisation which is not now required for the original purpose. The work referred to is the construction of the Point Samson jetty at Roebourne, which has been completed, and it is proposed to utilise the surplus on the Fremantle harbour works. I move—

That the Bill be now read a second time.

In Committee.

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

BILL—TRAFFIC ACT AMENDMENT (No. 2).

First Reading.

Introduced by the Minister for Works and read a first time.

Second Reading.

THE MINISTER FOR WORKS (Hon. H. Millington—Mt. Hawthorn) [4.47] in moving the second reading said: This Bill deals with a matter with which members are fully acquainted. Therefore it is unnecessary to enter upon an elaborate explanation of its provisions. The justification for its introduction is that the State's need is still great, and it is absolutely essential and vital in the interests of all concerned that every endeavour be made to breach the discrepancy between revenue and expenditure this financial year. The Bill differs from the one introduced earlier in the session in that it provides for a fixed sum of £75,000 to be paid to Consolidated Revenue, and not a percentage of the traffic fees as was proposed in the previous measure. I wish to make it clear that the whole of the £75,000 taken into Consolidated Revenue from the traffic fees will be recouped to the local authorities concerned in accordance with the measure already passed by this House to amend the Main Roads Act. The local authorities will also have the benefit of the surplus over and above the £75,000, which will be distributed under the present formula. The local authorities have acknowledged that the aggregate amount which will be received by them for road purposes will not be affected by the principles contained in this Bill, supplemented by the Main Roads Act Amendment Bill. Members will note also—and this is important—that the present Bill relates solely to the present financial year. Therefore, if a re-enactment of the measure or similar provision is necessary in future, it will be essential for the Government to approach Parliament again. The two principles are that a definite amount of £75,000 is to be transferred to Consolidated Revenue, and that this proposal refers to the present financial year only. In providing £75,000 from Consolidated Revenue, an equivalent amount of general loan funds will become available for loan works of any character, such as water supplies, harbour extensions, etc., and will not be restricted to expenditure on roads, as is the case with Federal aid road money.

Hon. C. G. Latham: The £75,000?

THE MINISTER FOR WORKS: Yes. If an equivalent of loan funds be necessary to meet the deficit, this will then be available for public works as I have mentioned, and will not be restricted to expenditure on

roads, as is the case with Federal aid roads money. Whilst admitting that the needs of this time are pressing, it is of importance that due regard be had to the future. Realising that road work provides a very high direct labour factor, it is the Government's desire to refrain from spending loan funds on road works during the war, reserving such works for the post-war period, when we shall be faced with the repatriation of our sailors, soldiers and airmen. I think it will be admitted that post-war times will be critical, and that any work now held over will be of great assistance in providing for the members of our armed forces when they come to be repatriated. It was generally admitted during the recent debate that the license fees were levied for the specific purpose of road construction and maintenance and traffic control and administration. This principle is in no way being abrogated in the Government's proposals. There is a suspicion also that the large amount of £3,000,000 to which I referred on the previous occasion was expended on roads in the far distant past. To a degree this holds good, but referring to the four-year period from the 1st July, 1936, to the 30th June, 1940, we have spent on roads £636,994 from loan funds. Therefore the £75,000 will be definitely earmarked for the purpose of paying interest on road loans. There is another factor, too, which now affects us; and that is that in the current financial year from loan funds granted to the Treasurer an amount of £250,000 is being made available to meet the estimated deficit in our revenue account.

Hon. C. G. Latham: The estimated deficit is £166,000.

The MINISTER FOR WORKS: The Loan Council has allotted £250,000, out of which the loan money will be provided; but the point is that if the estimated deficit can be reduced, if the amount necessary to meet the deficit can be reduced—and the £75,000 will be applied in any case to reduce the deficit by £75,000—the estimated amount will not then be required, and will not then be made available by the Commonwealth. Only the amount required to meet the deficit will be made available. For example, if the deficit instead of being £250,000 were £150,000, the smaller amount only would be made available to the Treasurer of this State for deficit purposes. If by any means

that amount can be used to reduce the deficit, it will have the effect of permitting the Federal Government to retain that amount. Should the deficit prove to be as estimated by the Loan Council, £250,000, then the Commonwealth will have to find that amount.

As I have already stated, the whole question has been argued at length in this House. Therefore I do not propose to delay members by repeating what was said on that occasion. However, there appeared to be a fear that in the first place the amount might not be available from Federal aid roads money, and also a fear that this Bill would be a continuous measure. The position is altered to this extent, that a specific amount, which by the way is available, shall be paid to Consolidated Revenue this year, and that such amount shall be re-imbursed from Federal aid roads money which is also available. So there is no difficulty. Should it be determined in later years to continue the arrangement, it will need a new Bill. The present measure is definitely for one year. A specific amount is mentioned in it, and not a percentage. In view of all the circumstances, I cannot think that any member here is not anxious that every endeavour should be made to keep the deficit within limits. Considering that as the months pass the Treasurer has to accept additional liabilities, we must make a last attempt to get this money, to which we are legitimately entitled, for the purposes I have stated. Therefore, I move—

That the Bill be now read a second time.

HON. C. G. LATHAM (York) [4.57]:

Some little ingenuity has been exercised in bringing forward this Bill. Certainly it is somewhat different from the measure which was passed here some weeks ago. Its object, however, is exactly the same, excepting that the present Bill, instead of seeking to amend the Traffic Act, proposes an appropriation of £75,000 from Loan funds. That is absolutely what the measure is. I opposed the earlier Bill, and still am not supporting this later measure. Its principle is one that I must oppose. But undoubtedly the Minister for Works has softened the blow somewhat, inasmuch as he proposes to appropriate £75,000 for one year, and I know that the metropolitan local authorities will not suffer

any financial disability as would have been the case in connection with the earlier measure. My concern was for the unfortunate people in the country districts, who are now having money spent locally and, if the present Bill passes, would be deprived of amounts equivalent to £75,000. The Minister's best argument—one which, had not the Treasurer gone out, I might have expressed agreement with—was that if the Budget was balanced at the end of the year we could agree to the proposal relative to the £75,000. An excellent argument submitted was that if at the end of the year the Government was able to reduce its estimated deficit by £75,000, it would mean that that money would be reserved from Loan funds for the benefit of the Commonwealth Government to be used for defence purposes. That, I repeat, is an excellent argument. I am desirous—and I have stated this all along—that whatever money can be made available, provided expenditure is carefully watched and no waste takes place, shall be made available for the defence of the country.

I shall not make a long speech on this Bill, but shall follow the example given by the Minister for Works. When Ministers stonewall their own measures, we are apt to get a little tired of them and to proceed on lines somewhat different from those followed by the Minister in this instance. The hon. gentleman has informed the House what this Bill means. Hon. members passed the previous Bill—much against my advice, and much against the views I expressed, and without my help—and it went to another place, which disagreed to it. As the fight has taken place here already, I shall not delay the passage of this measure, but shall let it go to another place, where it may meet with the same fate as the previous measure. This Bill is practically the same thing.

Mr. Sampson: The same cat with a new tail.

Hon. C. G. LATHAM: It is for one year; but I have a recollection of numerous Treasurers of Western Australia, once they got hold of £75,000 or even £5,000 from any source, being strongly opposed to letting it go. I have no doubt this will be a recurring measure until such time as the public become used to it, and then it will become permanent.

Mr. Doney: Perhaps the Minister will give you an assurance that he does not intend that.

Hon. C. G. LATHAM: I know the Minister will not do that. If he did, later on he would probably change his portfolio and hand over the control of this legislation to another Minister, who would carry on as he chose. Of course, I regard the Minister as very useful in his present capacity, not that he has ever given me very much. Perhaps I can make that statement with an eye to possible future assistance. However, I would like an undertaking from the Minister that the Bill really means what he has suggested, and that the greatest care will be exercised in keeping down expenditure. On the Opposition side of the House, we are most reluctant to agree to any expenditure that can be regarded in any sense as unnecessary. From the news that was published in the Press this morning, we know what taxation will be in the future and in view of that, taken in conjunction with the amount the public are asked to subscribe to loan issues, we must appreciate that there will be great difficulty in obtaining the money required.

The Minister for Works: It looks as though that avenue is closed completely.

Hon. C. G. LATHAM: That may be so. Then again, the revenue from the petrol tax will be greatly reduced, because less will be used. I do not care to forecast what may happen in the future, but should there be a change of Government in the Commonwealth arena, there will certainly be still further taxation imposed upon the use of petrol. Any change of Government will mean further imposts upon what may be regarded as luxuries. A new Government will get as much taxation under that heading as it can possibly tap. Of course, I believe the present Government is adopting that course, which I regard as quite commendable. With the knowledge I have of the Bill and in the light of the facts stated by the Minister, I shall not support the measure. I am prepared to allow it to go to another place, where the dispute arose regarding the policy adopted by the Government and the view taken by the Legislative Council.

Mr. McDONALD: On a point of order. Mr. Speaker, I would like to know if this Bill is in order as being substantially of

the same subject-matter as a measure previously before this Parliament and dealt with this season.

Mr. SPEAKER: I rule that the Bill is perfectly in order.

Mr. McDONALD: I move—
That the debate be adjourned.

Motion put and negatived.

MR. McDONALD (West Perth) [5.4]: I regret the attitude adopted by the Minister.

The Minister for Works: I will be agreeable to the adjournment of the debate to a later stage of the sitting.

Mr. McDONALD: That will be useless to me or to those affected by the Bill. After all, this legislation, whatever the reasons for or against it, affects local authorities in the metropolitan area. The Bill is of a nature respecting which those local authorities have expressed serious apprehension and have taken a very keen interest in its objects.

The Minister for Works: They will not lose one penny.

Mr. McDONALD: That may be. The point is that they have opposed a Bill of this description in the past and considered they had very good reasons for doing so. I think the least Parliament can do is to allow people affected by the Bill an opportunity to examine the measure and consider its effects, while the measure is still in this House. It would be quite easy for us to say it could go to the Legislative Council and that the local authorities could make representations to the members of that Chamber. This House is the main medium through which the voice of the people may be heard. It is the principal channel by which people adversely affected by legislative proposals are able to raise their protest. I am certainly opposed to the Bill leaving this House before those affected, both local authorities and ratepayers, have had an opportunity to examine it and express their views.

Mr. Withers: You would not make this House subservient to them?

Mr. McDONALD: It is not a question of subserviency at all. It is one of allowing people who, rightly or wrongly, consider they may be adversely affected, an opportunity to consider the measure.

Mr. Cross: They certainly wrongly view the position.

Mr. SPEAKER: Order!

Mr. McDONALD: I regard it as important to allow those people an opportunity to convey their views to this House for the consideration of members. I strongly protest against the situation that has arisen. A somewhat similar Bill has already been dealt with this session, and now another Bill dealing with the same question is introduced, and I strongly protest against its being pushed through this House without the people affected having a chance to even read the Bill, let alone to consider its provisions. Such a course may be regarded as a travesty, and certainly the people will lose confidence in this House if they gain the impression that Bills can be passed without the people concerned even being allowed to see the measures or put forward their views. I protest against this Bill being pushed through. I hope some other member will move the adjournment of the debate and that the Minister will agree to that course.

Mr. SHEARN: I would like to move the adjournment of the debate if I may have your permission, Mr. Speaker, to say one word.

Mr. SPEAKER: The hon. member is not in order in doing so.

Mr. SHEARN: As a matter of information, may I ask the Minister whether it will not be possible for the debate to be adjourned until Tuesday next for the reasons that have already been indicated.

Mr. SPEAKER: The hon. member would not be in order in moving the adjournment of the debate unless 15 minutes had elapsed since the motion was previously moved, and that time has not passed.

MR. SAMPSON (Swan) [5.7]: I do appreciate some of the difficulties with which the Minister is confronted, but I am definitely of the opinion that the bringing forward of this Bill will meet with widespread disapproval.

Mr. Cross interjected.

Mr. SAMPSON: The member for Caning (Mr. Cross) is not the Minister—not yet. Parliament should reflect the desires of the people. In another place, almost complete unanimity was indicated in the opposition to the earlier Bill, the effect of which would have been somewhat similar to that of the Bill under discussion. In this instance, the Bill merely represents the same old cat with a new tail. This is a

serious matter to some local authorities in my constituency, and it certainly seriously affects the whole of the metropolitan area. I would not reflect upon the action taken by you, Mr. Speaker, in determining that the Bill is in order.

Mr. SPEAKER: The hon. member may not discuss that now.

Mr. SAMPSON: No, but I would be prepared to vote in favour of disagreeing with that decision. If one's destination is reached by a route other than that first utilised, then the track by which the same destination is reached is not very different. If the Bill is passed, the local authorities in the metropolitan area will face a position similar to that with which they would have been confronted had the Bill that was passed earlier in the session and was thrown out in the Legislative Council, actually become law. I hope the Minister will not persist with the Bill. If he does persist with it, I am afraid the status of Parliament will be seriously injured in the eyes of the public, and the respect in which this institution is held will not be maintained.

Mr. Thorn: And for it to be considered at this late hour of the session, too!

Mr. SAMPSON: Or at any time. In the eyes of the public, this course will be repugnant. I hope the Minister will not persist in his present attitude, and that he will help to maintain the good name and reputation of Parliament by withdrawing the measure. If, unhappily, he fails to adopt that course, I hope there will be sufficient members of this Chamber who will recognise the propriety of voting against the Bill.

HON. N. KEENAN (Nedlands) [5.11]: Whatever may have been the ingenuity with which the measure has been drafted, the Bill, of course, is, in substance, the same as the Bill that was before the House earlier this session.

Mr. SPEAKER: The Chair has ruled the Bill is not the same. The hon. member must not insult the Chair.

Hon. N. KEENAN: I do not intend to reflect upon the Chair. I cannot find the standing order to ascertain what the position is. Therefore I am speaking of the Bill as being in substance—

Mr. SPEAKER: Does the hon. member disagree with the ruling?

Mrs. Cardell-Oliver: Yes.

Mr. SPEAKER: The member for Subiaco must keep order.

Hon. N. KEENAN: I am not sufficiently acquainted with the standing orders or practice to be able to move that your ruling, Mr. Speaker, be disagreed with. However, that will not debar anyone who is better educated in the matter than I am, from adopting that course. I point out to the House that all the arguments for passing the present Bill were those made use of in connection with the earlier Bill. Once more, as we were then, we are told that the local authorities in the metropolitan area will lose nothing. Whatever they happen to lose by the transfer of traffic fees will be recouped to them. That is exactly the same promise that was made when the earlier Bill was under discussion.

Mr. J. Hegney: The matters are related.

Mr. Hughes: They are twins!

Hon. N. KEENAN: The ground advanced for the proposal was that it would relieve the deficit to the extent of the amount transferred to revenue. From that standpoint, a great pall of hallucination hangs over the whole issue. As the member for Boulder (Hon. P. Collier), when Premier, stated correctly in the House when I, on one occasion, had the audacity to attack his policy: "All the money is out of the common purse. Revenue and loan money are so mixed up that whenever revenue is incapable of meeting expenditure, you fall back on loan funds." So he justified at that time the actions of his Government when I criticised the expenditure of loan moneys on what should be paid for out of revenue. The justification he advanced was merely on the ground that should he not have the revenue, he would avail himself of loan funds.

The Minister for Works: You never did like loan money being used for deficit purposes, did you?

Hon. N. KEENAN: I never liked loan funds being used for any purpose other than that for which the money was raised, namely, for reproductive works.

The Minister for Works: Nor do we.

Hon. N. KEENAN: I have pointed out that a former Premier held that the money was in the common purse. All this talk about it making a huge difference to the State is so much bunkum. The State would not be a penny the better off. True, there will possibly be a saving of £75,000 in the deficit, but only possibly. On the other hand, £75,000 will be taken out of the loan bag.

The Minister for Works: That is not a possibility; that is a certainty.

Mr. SPEAKER: Order!

Hon. N. KEENAN: Let me assume it is a certainty. The local governing bodies, however, are not assured of that certainty. At present they use this money for the maintenance of roads constructed, including footpaths and, in some instances, adornments in the middle of the roads. All that work at present is paid for out of this money and those I represent are not satisfied that under the Minister's proposal they would be secure in their position.

The Minister for Works: As a matter of fact, they are.

Hon. N. KEENAN: The Minister says so. He met them and they had a most pleasant afternoon, but they were not convinced.

The Minister for Works: I am talking about the representatives of the local authorities concerned.

Hon. N. KEENAN: Fortunately, the only local authority I have to deal with is that of Nedlands, and that local authority is not satisfied.

Mr. J. Hegney: It never is!

Hon. N. KEENAN: They are the most easily satisfied people on the face of the earth. In the 11 years I have been a member of this House I have never asked for a single benefit on their behalf that could be described as being of any moment. I have asked for nothing but pure trivialities.

The Minister for Works: It is a wealthy district.

Hon. N. KEENAN: A wealthy district! The member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith) knows how wealthy it is. That does not interfere in any way with what I am putting to the House, that the grounds advanced for the acceptance of this Bill are identical with those submitted in connection with the other measure and we are asked to swallow them for the same reason—force of circumstances. Let the Minister be candid and say that this is the same measure.

The Minister for Works: I would not misrepresent the situation.

Hon. N. KEENAN: I cannot lay my finger on the relevant standing order that would permit me to disagree with the ruling given. We are expected to swallow the arguments advanced, like good children, but

I do not propose to be a good child on this occasion. On other occasions I may be, but not this time. I do not think anyone in the Chamber is prepared for one moment to believe that there is any real difference in the contentions advanced by the Minister to-day and those presented some months earlier in this session. This money is peculiarly earned by the local authorities. It is paid by the users of the roads to those who keep the roads in order. The Crown does not spend a penny piece on roads in Nedlands, with the exception of Stirling-highway, and the money spent on that comes out of the main roads grant. Every other road is maintained in excellent order by the local authority, and those using the roads are prepared to pay.

Mr. SPEAKER: I must ask hon. members to put their newspapers away.

Hon. N. KEENAN: I do not object to newspapers; their perusal might increase the intelligence of some hon. members. For the reasons which I gave at length when practically the same measure was before the House on a previous occasion, I am not prepared to agree to the second reading.

Mr. HUGHES: I move—

That the debate be adjourned.

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

Ayes	..	..	..	18
Noes	..	..	..	20
Majority against				2

AYES.	
Mr. Abbott	Mr. Sampson
Mr. Berry	Mr. Seward
Mr. Boyle	Mr. Shearn
Mrs. Cardell-Oliver	Mr. J. H. Smith
Mr. Hill	Mr. Thorn
Mr. Hughes	Mr. Warner
Mr. Keenan	Mr. Watts
Mr. McDonald	Mr. Willmott
Mr. McLarty	Mr. Doney

(Teller.)

NOES.	
Mr. Coverley	Mr. Millington
Mr. Cross	Mr. Needham
Mr. Fox	Mr. Nulsen
Mr. Hawke	Mr. Pantou
Mr. J. Hegney	Mr. Rodoreda
Mr. W. Hegney	Mr. F. C. L. Smith
Mr. Holman	Mr. Willcock
Mr. Lambert	Mr. Wilson
Mr. Leahy	Mr. Withers
Mr. Marshall	Mr. Triat

(Teller.)

Motion thus negatived.

MR. HUGHES (East Perth) [5.25]: This Bill is a curious one, with a curious object. If I understood the Minister rightly, he pro-

poses to take something away with the right hand and restore it with the left.

The Minister for Mines: A very safe practice.

Mr. HUGHES: Yes, if you can be sure that the two hands are on the level. What point is there in saying to people in the metropolitan area, "We are going to take a certain sum from you but we are going to restore it to you"? In the metropolitan area we are obliged to construct and maintain almost the whole of our roads and footpaths, and those roads and footpaths are used not only by the people of the metropolitan area but also by people throughout the State.

Mr. Withers: Did you ever see a metropolitan car in the country?

Mr. HUGHES: Yes, often. I have seen metropolitan motorists mending a puncture they received on a bad road, or tumbling over at a sudden turn in a road. As a matter of fact, we in the metropolitan area are more concerned about having good roads here for the use of country visitors than for our own use, because we like them to feel that we want them to be comfortable whenever they come to the city. Previously in the session we were told it was necessary to take £75,000 from the metropolitan area and put it into Consolidated Revenue, but Parliament in its wisdom decided that that ought not to be done. Now we find exactly the same horse racing in somebody else's colours. A Bill has been introduced to accomplish the same ends, and all the arguments used in connection with the previous Bill have been used in connection with this one. If the Bill is defeated, we shall be able to go on indefinitely having Bills introduced to take away something from the metropolitan area.

While the Government is feeling the effects of the present war and its revenue is suffering in consequence of matters over which it has no control, we should not lose sight of the fact that the local governing bodies of the metropolitan area are suffering likewise. The number of empty shops in the main streets of the city is becoming very pronounced. If one walks round the streets, he will see, day by day, premises that were occupied for business purposes becoming vacant and bearing "To let" signs. The motor industry, out of which the municipality garners a fairly large sum in

rates and taxes is feeling the effects of petrol restrictions. It is likely that the number of persons engaged in the motor industry will be reduced in the near future to half what it was two or three months ago. Should there be any further cut in petrol allowances, the number of garages and the people employed in them will be further reduced. Premises at present occupied by sections of the motor industry will become vacant, and in consequence the local authorities concerned will suffer decreases in revenue. If the drastic taxation that is foreshadowed comes into operation, not only will the motor industry be affected, but other industries that depend on the spending of the people's money will also be affected. Very few people are saving every week the amount it is proposed to take from them by way of taxation.

Mr. Watts: The people here will share in the taxation but will not benefit from the increased work resulting from it.

Mr. HUGHES: We shall not obtain a corresponding advantage from the spending of the money. People in the metropolitan area will restrict their spending in business premises throughout the city and suburbs, and that will cause premises to become vacant and bring about further reductions in revenue to the local authorities concerned. The local authorities in the metropolitan area are in no better position to lose revenue than is the Government. The taking of this large sum from them will either mean a reduction in the number of persons employed in the construction and maintenance of roads, etc., which in turn will throw an additional burden upon the Government, or it will lead to an increase in the rates. When this proposal to take £75,000 from the local governing bodies was initiated, the authorities concerned approached members representing the metropolitan area, both by circular and personal contact, with a view to urging them to prevent the Bill from becoming law. I know of no revocation on the part of the Perth City Council of that attitude, and I have not been altogether out of touch with municipal affairs during the last two or three weeks. I have heard no suggestion from any councillor of the City of Perth that the city has withdrawn its op-

position to the proposal to transfer to general revenue the money derived from traffic fees. I believe no meeting of the City Council has been held during the last fortnight, when a new decision could have been arrived at.

Mr. Withers: I presume you will give the licensed victuallers an opportunity to object to your motion.

Mr. HUGHES: I guarantee that all five licensed victuallers in my electorate are opposed to this Bill.

Mr. Withers: And in favour of your motion?

Mr. HUGHES: They are opposed to it not only on the ground of public policy but from the point of view of their own business interests. Intelligent self-interest is good economics. They realise that if £75,000 is taken from the municipalities, and so much less money is spent amongst the employees, less money will be available for expenditure on luxuries. The licensed victuallers in East Perth—

Mr. SPEAKER: Order! There is nothing in this Bill about licensed victuallers.

Mr. HUGHES: I was going to refer to the increased rates they would have to pay. As the subject was introduced by a Deputy Chairman of Committees, I thought it could not be irrelevant. If less money is going to be made available for the commodities the licensed victuallers supply, they are going to be subjected to a sectional tax. When the Minister said that local governing bodies had agreed to this measure, did he mean that authorised officers of the Perth City Council had notified him they had no objection to it? If they conveyed such a notification to him, they ought to have sent a copy to metropolitan members. Otherwise we are left in the air. The last communication we had from the Perth City Council was a circular urging upon us its viewpoint, which is entirely in opposition to the proposal. If the City Council has altered its view, we have received no notification of the change of opinion. I should be interested to know, subject to the Minister having heard from the Perth City Council, when the council decided to change its mind, and what was the nature of the communication sent to him.

The Minister for Works: I should be interested to know when I made the statement attributed by you to me.

Mr. HUGHES: I understood the Minister to say that the local governing bodies in the metropolitan area had seen the proposal and raised no objection to it. If he did not say that, I am sorry for having placed a wrong interpretation upon his remarks.

The Minister for Works: The right interpretation is that there is £100,000 in the pool. If we take £75,000 from that, we leave £25,000, which provides for all the footpaths, etc., about which the member for Nedlands is so concerned.

Mr. SPEAKER: Order! The member for East Perth is addressing the Chair.

Mr. HUGHES: The local governing bodies are entitled to £75,000. It is now proposed to give them £25,000, which would not be sufficient to put in order some parts of the east ward of the city. How are they going to employ the same number of people as heretofore?

The Minister for Works: They will get £100,000.

Mr. HUGHES: When will they get the money? They get £25,000 now, and are to be deprived of £75,000.

The Minister for Works: They will get that next week.

Mr. HUGHES: I fail to understand the Minister. What sense is there in passing a Bill to take from the metropolitan authorities £75,000 to-day, if the money is to be returned to them in seven days? The whole thing is beyond me.

Mr. Doney: Perhaps there is an answer, all the same.

Mr. HUGHES: City councillors who represent the ratepayers of East Perth wrote to me, as they did to other members, and asked me to vote against the proposal contained in the previous Bill. They gave reasons why they objected to money being taken away from the city on the promise that they would get it back later—we now hear in seven days. I have heard nothing further from them on the subject. The possibility of further unemployment in the metropolitan area being created concerns me deeply, whilst the proposed Federal taxation will tend to aggravate the position. Parliament has already taken £6,000 from the Perth City Council in connection with the tramway system, and it is now faced with another substantial loss in revenue. If it loses all that money, it will probably be faced with the

necessity for applying to the Main Roads Board, or some other statutory authority, for money to recoup its finances. That will occasion delay; it will have to be considered and run the gauntlet of departmental routine and arguments for and against, and there will be endless delay in dealing with the matter. For those reasons I hope the Bill will be rejected. I shall vote against it.

Mrs. CARDELL-OLIVER: I move—

That the debate be adjourned.

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

Ayes	18
Noes	19

Majority against	..	1
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*** AYES.**

Mr. Abbott	Mr. Sampson
Mr. Berry	Mr. Seward
Mr. Boyle	Mr. Shearn
Mrs. Cardell-Oliver	Mr. J. H. Smith
Mr. Hill	Mr. Thorn
Mr. Hughes	Mr. Warner
Mr. Keenan	Mr. Watts
Mr. McDonald	Mr. Willmott
Mr. McLarty	Mr. Doney

(Teller.)

NOES

Mr. Coverley	Mr. Needham
Mr. Fox	Mr. Nulsen
Mr. Hawke	Mr. Pantou
Mr. J. Hegney	Mr. Rodoreda
Mr. W. Hegney	Mr. F. C. L. Smith
Mr. Holman	Mr. Triat
Mr. Lambert	Mr. Willcock
Mr. Leahy	Mr. Withers
Mr. Marshall	Mr. Wilson
Mr. Millington	

(Teller.)

PAIRS.

AYES.		NOES.
Mr. Latham	Mr. Wise	
Mr. Mann	Mr. Johnson	
Mr. North	Mr. Syanta	
Mr. Patrick	Mr. Collier	
Mr. Stubbs	Mr. Tonkin	

Motion thus negatived.

MRS. CARDELL-OLIVER (Subiaco) [5.50]: I should like to draw your attention, Mr. Speaker, to page 300 of "May."

Mr. SPEAKER: Is the hon. member speaking to the Bill or on the ruling I have given?

Mrs. CARDELL-OLIVER: I am going to show—

Mr. SPEAKER: The hon. member must not discuss my ruling.

Mrs. CARDELL-OLIVER: I wish to disagree with it.

Mr. SPEAKER: The hon. member may not do so now. She should have done so at the time. The hon. member is out of

order in referring to my ruling. The question is that the Bill be now read a second time.

Mrs. CARDELL-OLIVER: I consider the Bill is exactly the same as the previous measure, which was rejected in another place. The provisions are just the same and we know perfectly well, according to "May," page 300, that a Bill may not be introduced twice during the same session if it is similar in substance.

Mr. SPEAKER: Order! A ruling has been given that the Bill is not substantially the same. The hon. member must not reflect on the Chair.

Mrs. CARDELL-OLIVER: I have no desire to reflect on the Chair. I am reflecting on the Bill. A little time ago a letter was sent to all the municipalities for signature. The letter purported to be an agreement. It was signed because the municipalities concerned were receiving their share of the fees. The municipality I represent signed the agreement in the belief that it had everything to do with the Bill that was rejected and not the one now before the House. One road board, however, did not sign the agreement. It bore the date of the 20th November and of course long before that the other Bill had been jettisoned. This road board was astute enough to realise that the date was considerably later than the date on which the first Bill was thrown out, and therefore refused to sign the agreement. The Bill now before us is practically the same as the previous measure and therefore I am convinced that the electors in the municipality that I represent are against it.

Mr. J. Hegney: No doubt!

Mrs. CARDELL-OLIVER: I believe that almost every member in this Chamber on the previous occasion received a letter from the local authorities concerned asking them to vote against that Bill and as the measure now before the House is substantially the same as the previous one, I intend to vote against it and I hope every member will do likewise. I am opposing it, not because I have any objection to the Government getting additional money, but because I believe the Government will be taking something from the municipalities which it has no right to take. Subiaco, for instance, cannot do without this revenue. If the money is taken by the Government, the rates in that municipality will be increased

to the extent of over 1s. The people in my electorate are not in a position to pay additional rates and therefore I shall vote against the Bill.

Mr. THORN: I move—

That the debate be adjourned.

Mr. SPEAKER: The hon. member is not in order in moving that motion as not sufficient time has elapsed since a similar motion was defeated.

MR. ABBOTT (North Perth) [5.55]: This fund is made up of moneys collected under the Traffic Act and the regulations. When Parliament agreed to the Act to provide for the licensing of motor cars on the payment of a prescribed fee, it was understood that those fees should be devoted to the construction of roads. It was never suggested, nor was it understood, that at any time the fees could be used for other purposes. It would be a most unusual method of taxation to do so. Now we have a Bill before us, introduced in the closing days of the session, to provide that the fees shall be paid into Consolidated Revenue. That is not the way to impose taxation. The Government's policy has always been not to impose indirect taxation and it is a principle of British justice that taxation should always be as direct as possible. If the method of obtaining revenue as proposed by the Bill is carried out, we do not know how far it will go. We are dealing with a considerable sum of money—an amount of £75,000, and if the Government had not considered it a matter of importance, it would not have introduced a Bill almost similar to that which was rejected a little while back. The Government should very seriously consider the wisdom of depriving the local authorities of such a large sum of money which Parliament, when it first introduced the Act, considered should be paid to those local authorities.

The Minister for Labour: I am sure the hon. member can speak faster than he is now speaking.

Mr. ABBOTT: I admit that when the amounts of the license fees were fixed, the Government never thought that so large a sum as £120,000 would be obtained by that means. The Government, has, however, made a mistake, and I do not think that the Government is right in trying to rectify it by this means.

The Minister for Works: What did you say?

Mr. ABBOTT: I am prepared to repeat my argument in full. I admit that £120,000 is a considerable sum of money.

Mr. Needham: You said that before.

Mr. ABBOTT: I will say it again. The member for Perth has not heard all I said.

Mr. Doney: We all agree.

Mr. Sampson: The hon. member is on safe grounds.

Mr. ABBOTT: As I said, the Government did not anticipate that these license fees would yield so much revenue, and it is clear that the Government now does not want the local authorities to have the money. Possibly, the Government would reduce the amount of the fees. I consider this is a most unusual course for the Government to take in order to rectify its mistake. The Government should stand by its mistake and allow this revenue to be spent by the local authorities. It should also bring down regulations to reduce the fees payable in respect of motor trucks and motor cars.

On motion by Mr. J. Hegney, debate adjourned.

BILL—INSPECTION OF MACHINERY ACT AMENDMENT (No. 2).

Second Reading—Defeated.

MR. WATTS (Katanning) [6.4] in moving the second reading said: This Bill was passed some time ago by the Legislative Council; and, to use a phrase I have heard used by the Minister for Justice, it is a very little Bill. It may, however, produce some argument. It purports to place three amendments in the existing law relating to inspection of machinery. The first is with respect to machinery used by persons engaged in rural industries, which machinery at present is exempted by the Act if it does not exceed 6 horse-power. I refer to Subsection 7 of Section 4 of the Act, which provides—

This Act shall not apply to boilers or machinery driven by an oil or petrol engine not exceeding 6 horse-power, and which is used exclusively by an agriculturist, pastoralist or pearler in pursuit of his calling as such.

It is proposed to amend that provision so that it will apply to any machinery which

is driven by an internal combustion engine or by electricity and which is used exclusively by an agriculturist, pastoralist, dairy-farmer, market-gardener and other similar persons in the pursuit of their calling. Members will readily recognise that large numbers of persons engaged in those industries use machinery of more than 6 horse-power. The use of a tractor, the fly wheel of which is utilised for the purpose of driving machines, is quite common; and these tractors are of course more than 6 horse-power. I cannot understand why it should be necessary to exclude from the provisions of the section only machines which are 6 horse-power or less. Surely, there is no more danger on a farm in the use of a tractor of, say, 20 horse-power for the purpose of driving some other machine, than there is in the use of a 6 horse-power machine. At the present time, however, if the law were strictly enforced, every person using such a tractor for the purpose I have mentioned would be subject to the Act and his machinery would be liable to inspection. We know perfectly well that it would be impossible for departmental inspectors to visit every farm and make an examination of machinery with a view to enforcing the Act. Consequently, we contend it would be proper to exempt this class of machinery altogether from the provisions of the Act, provided it is used exclusively in the pursuit of the calling of the persons who are set out in the first amendment to the Bill, all of whom may be said to be engaged in rural industries.

The next amendment deals with Section 53 of the Act. That section provides—

Every person employed or acting as a driver in charge of any steam engine or engines, or of any engine or engines driven by compressed air, or of any crane or hoist, or of any internal combustion engine or engines, to which this Act applies, shall hold the required certificate under this Act.

It is proposed to insert in this section the words "or of any winding engine." This will be the means of ensuring that all winding engines are under certificated control, not that the owners do not realise the advisability for certificated drivers and employ them in all cases. I am given to understand that the miner owners and the Engine-Drivers' Union are agreed upon the need for the amendment, which they consider to be reasonable.

The Minister for Mines: After the Upper House threw out the last Bill.

Mr. WATTS: The circumstances must be taken into consideration. This Bill, I would like to inform the Minister, was introduced in the Legislative Council some five days before a Bill which had in it a similar reference was introduced in this Chamber. That Bill, however, dealt with many other matters with regard to the inspection of machinery. These, while they may have been of more importance—and I think were not the subject of serious objection in this House—were regarded, rightly or wrongly—I do not attempt to act as judge in this instance—as extremely controversial by another place.

The Minister for Mines: Many of the members did not read the Bill.

Mr. WATTS: I cannot make any such admission. I will stick to the guns I know, rather than take on some other argument with the Minister. Members of the Council were not prepared to accept the majority of the provisions contained in the Bill introduced in this Chamber; presumably they were of the opinion that these provisions—although one was referred to in the other Bill—were contained in a Bill already before the Council, so the Council passed this Bill and not the one introduced in this House. It is contended that the provisions of this Bill are not controversial. The present position, I am informed, is that this section has application to steam and air-winding engines only, and overlooks the electric winder. At the time the Act was passed, electric machinery was not nearly so common as it now is. Therefore one can easily understand why reference to it was omitted from the original Bill, and also—in view of the progress that has been made since—how reasonable is the amendment proposed by this measure.

The third amendment has reference to the inclusion in the second schedule of passenger and goods lifts for whatever purpose used. At present, there is no control under the Act, as far as I can ascertain, over such types of lifts. I believe they are subject to inspection along general lines, because they are power-driven machinery. The second schedule to the Act, however, does not make specific reference to this type of machinery. That schedule, which is governed

by Section 14 of the Act, specifies the machinery subject to the Act. It reads—

All machinery, except such as is specially exempted by this Act, worked by steam, water electricity, gas, oil, compressed air or by any other power (other than machinery driven by hand, treadle, wind, or animal power) and used in any manufacturing or industrial process.

The proposal is to add to the schedule "all passenger and goods lifts for whatever purpose used." In my opinion, no objection can be taken to the proposed amendment, which simply confirms the practice which I think has been followed for a long period of years. Some objection may be raised to the inclusion in the schedule of goods lifts. It may be the draftsman of the Bill was under the impression that certain classes of lifts which were driven by hand-power, that is, worked by a rope, would not be included in the schedule, even if the amendment proposed by the Bill were accepted. I incline to the opinion that the word proposed to be inserted could have been placed in a better part of the measure, in order to clear up that difficulty. The Bill certainly brings all lifts of whatever kind, whether used for the carriage of passengers or goods, under the measure.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. WATTS: Returning to the first amendment, while this exemption concerns combustion and electrical engines on the properties of those engaged in rural industries, it does not exempt steam engines; therefore, a steam-driven tractor will not be exempt. It may be argued in regard to this Bill that the Act already exempts tractor power not exceeding six-horse power and that should be sufficient without any amendment. I cannot agree with that because, as I explained, the average tractor that is used, and is often used as a stationary engine, exceeds that horse power. At the same time I doubt whether a fraction of its power greater than six-horse power is used when it operates for farm purposes as a stationary engine. So it is not at all likely that as a stationary engine it is going to be used to the full limit of the power it has. Also, in regard to this exemption of machinery used for agricultural purposes, there is in Section 14 of the Act already a provision that the Governor may by proclamation exempt machinery that is so used and

I think two proclamations have been issued. One was issued in 1922 and exempted—

Electrical motors used exclusively by agriculturists, pastoralists, orchardists, and dairymen, and used for irrigating or dairy purposes only, in pursuit of the owner's calling, upon which no labour other than that of the owner is employed, and which are not used for driving circular saws, corn-crushers, refrigerating plants ammonia compressors, or other dangerous machinery.

Another proclamation exempted all machinery—

With the exception of refrigerating machinery exceeding five-ton capacity, or machinery driven other than by steam which is used on banana or pineapple plantations situated on the banks or within a distance of two miles from the banks of the Gascoyne River.

It is quite obvious that opportunity has been taken from time to time to exempt certain rural pursuits from the provisions of the Act. At the same time, when one leaves in steam engines subject to the control of the Act, and when one bears in mind the uses to which tractors are put today as stationary engines and the fact that there is rarely, if ever, any danger whatever in regard to their use, it seems unnecessary to continue the existing state of affairs under the Act. In the circumstances there is every justification for the House to support this very small Bill. I move—

That the Bill be now read a second time.

THE MINISTER FOR MINES (Hon. A. H. Panton—Leederville) [7.35]: I intend to oppose the Bill and hope the second reading will not be passed. The member for Katanning (Mr. Watts) said it was a very little Bill, but it is a particularly dangerous one. The extraordinary position we find ourselves in is that this House passed, without any amendment whatever, a Bill to control the inspection of machinery. Yet the leader of the attack on that Bill in the Legislative Council introduced this Bill in that Chamber. As the member for Katanning has explained, one of the principal clauses of the Bill is that dealing with an amendment to Section 4 of the Act. The amendment proposes to delete from Subsection 7 the words "driven by an oil or petrol engine not exceeding six-horse power and which is used exclusively by an agriculturist, pastoralist or pearler in pursuit of his calling as such," and to insert in lieu the words appearing in Clause 2 of the Bill. Those words enable the use of power in excess of

six-horse power; in fact, they make possible the use of any power at all. I propose to read the proclamation of 1922 already quoted by the member for Katanning. It is as follows:—

Electrical motors used exclusively by agriculturists, pastoralists, orchardists, and dairymen, and used for irrigating or dairying purposes only, in pursuit of the owner's calling, upon which no labour other than that of the owner is employed, and which are not used for driving circular saws, corn crushers, refrigerating plants, ammonia compressors, or other dangerous machinery.

What the hon. member did not tell the House—he may have forgotten it—is that the passing of the Bill will nullify that proclamation. The Bill not only proposes, to extend beyond six-horse power, the power that may be used, but it will also give power to an agriculturist, not only to use that power himself but to employ as much labour as he likes without any subsequent inspection of the machinery. While there was no desire in 1922 and there is no desire now to irritate agriculturists by inspecting the machinery they use themselves on their farms, justifiable exception was and is taken to allowing labour to be employed on any machinery driven by a motor of any power to the detriment of the workers. That is a very serious matter. If this proclamation goes by the board, which will happen if the Bill is passed, not only will farmers be able to employ as many people as they like and use as much horse power as they like, but that power may be used for the driving of a circular saw, amongst other implements. That is not an implement a “new chum” should be asked to use. All sorts of safety devices for circular saws are necessary under the Act, but if the Bill is passed circular saws can be used on a farm and there will be no authority to inspect them. Members need to be careful in dealing with this Bill. It is an innocent-looking measure, and at first sight one might feel inclined to say that there is no reason why a machine should not be used on some of the work of a farm without being inspected by the department. But we strenuously oppose giving to anybody, agriculturist or anyone else, the right to use engines, electrical or other, of any power whatever on any sort of machine, and employ labour for it. Surely if the Inspection of Machinery Act means anything, it means the protection of human life. This Bill will nullify the provisions of the 1922 proclamation so far

as any orchardist, agriculturist, pastoralist or dairyman is concerned. Quite a lot of irrigation work is going on in the district of Murray-Wellington, and quite a lot of machinery is used in the dairying industry: all those machines may be used and the department will have no control over them. The Bill contains a provision dealing with winding engines. The No. 1 Bill thrown out by the Legislative Council comprehensively provided for winding engines and now the Council seeks to include winding engines in some other part of the Act. One of the most extraordinary provisions of the Bill is that dealing with lifts. Subsections 3 and 4 of Section 17 of the Act provide—

Before commencing the erection of any lift attached to or in any building or structure, after the passing of this Act, working plans must be submitted for the approval of the Chief Inspector of Machinery and must comply with the regulations prescribed.

Every lift shall be provided with doors, locks and other safety appliances approved by an inspector: Provided that the owner of every lift not so fitted shall be allowed six months after the commencement of this Act to comply with the requirements of this section. Inspectors may apply any tests to lifts as may be prescribed, whenever deemed necessary.

Under those provisions no lift may be worked in Western Australia without plans having been submitted to the department, and the inspectors may apply any tests to lifts as may be prescribed or deemed necessary. In the Government Bill we asked for authority to control power lifts and escalators. That is all we require. This Bill, however, proposes to add the words, “and all passenger and goods lifts for whatsoever purpose used.” This means that every lift, whether run by the old-fashioned rope—there are some of these—or whether operated by a handle by boy or girl, must be controlled. I wonder what would have been said if the Government Bill had contained that power. I venture to say that the hon. member who introduced this Bill would have been talking about it yet. The department does not desire that control. This Bill, however, provides that every lift, goods or passenger, irrespective of the power used, irrespective of how it is operated, shall be controlled by the department. We did not set out to make any such provision in our Bill. Yet we are asked to agree to it now. What I am con-

cerned about is that such a provision will necessitate the employment of additional inspectors. That was one of the chief complaints in the Legislative Council, namely, that we were trying to make more work for inspectors. This provision will have that effect. If we have to take control of every lift in the State, irrespective of what it is used for, we shall need more inspectors.

I am also concerned about the nullifying of a proclamation that has been in operation since 1922, and I appeal to the House not to give anybody permission to use machinery of any size for any purpose and employ labour on it and be free from inspection, provided it is for the use of an agriculturist, dairyman, orchardist or pastoralist. I repeat that the Inspection of Machinery Act has been devised to save human life and prevent injury. It is an essential Act, and to tinker with it in this way should not be tolerated. Quite a lot of provisions are required by the department, and we have endeavoured to introduce them but have been prevented. Yet a Bill of this kind is passed by another place that will have the effect of nullifying all that has been done over all the years without a complaint. There has been little or no complaint by agriculturists or others, since the proclamation was gazetted in 1922, but we are now asked to nullify that proclamation and give these people *carte blanche*. I hope the Bill will be defeated on the second reading.

MR. WATTS (Katanning—in reply) [7.48]: I am somewhat surprised at the Minister's reception of the Bill. So far as was practicable, I have ascertained what occurred in another place regarding the Bill and have found that the Committee stage was passed without one word of opposition from the hon. gentlemen representing the Government in that House.

The Minister for Mines: Our Bill never reached the Committee stage.

MR. WATTS: But this Bill passed in the other House.

MR. SPEAKER: No allusion may be made to any debate in the Legislative Council.

MR. WATTS: I am not alluding to the debate; I am merely pointing out what occurred in that Chamber at the Committee stage. Therefore I am astonished that the

Minister should have adopted the attitude he has taken up, when, in the circumstances I have mentioned, the opposition he referred to is something entirely new. I do not propose to traverse all the ground I covered before or all that has been covered by the Minister, except to say that he knows as well as I do that, as the Act stands at present, every farmer who uses a tractor—there is no tractor worth the name that is under 6 h.p.—is subject to the provisions of the Act, and I repeat that that seems to be most unnecessary. The Minister referred to the great danger that might arise from circular saws operated by such machinery. I fail to see how a circular saw or other machine, which might in some instances be classed as a dangerous machine, can be of any greater danger when driven by a 7 h.p. engine than when driven by a 5 h.p. engine. Yet, as the Act is framed, the 7 h.p. engine is subject to inspection and the 5 h.p. is not. When the House comes to consider such a matter and such an aspect of the case the objections raised by the Minister fall very flat. The remainder of his remarks must fall equally flat when it is realised that there is scarcely a farm in the State of any size that does not use a circular saw. It would seem, however, according to the Minister, that the circular saw is an implement of destruction somewhat comparable to an aeroplane.

The Minister for Mines: Many men have lost hands and fingers in the working of circular saws.

MR. WATTS: One would imagine that men on a farm required to be fully trained before laying hands upon such an implement. What the Minister seeks to do is to declare that a farmer who has a tractor and uses it as a stationary engine must continue to be subject to the Act because the implement he handles is a dangerous one. I do not agree with that view. He refers to the provisions of the Act in relation to lifts. I do not dispute that some control over lifts is necessary. I did not, however, gather from the Minister that there was any power in the Act for the inspection of lifts that are in running order. In my view, there is no power in the Act to enable inspectors legally to inspect lifts that are in running order. In view of all the circumstances, the progress that has been made in lifts, the number now in use, and the fact that in practice reports do pass

between the inspector and the department on the issue of a certificate, it is high time that the matter was put upon a satisfactory basis. I cannot view with such alarm as the Minister does the passage of this Bill. It was in another place for two months, and when debated it certainly did not meet with the strenuous opposition from the Minister's colleagues there that it has met from him. There was indeed no opposition there whatsoever. What the reasons are for this change of mind, I am unable to inform the House. All I can say is that the Bill certainly merits further consideration, and I hope the second reading will be carried.

Mr. Cross: What are its merits?

Mr. SPEAKER: Order! The hon. member is replying.

Mr. WATTS: The merits of the hon. member appear to be negligible. The measure does merit consideration and should pass the second reading.

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

Ayes	..	..	..	16
Noes	..	..	..	17

Majority against .. 1

Mr. Abbott	Mr. Sampson
Mr. Boyle	Mr. Seward
Mrs. Cardell-Oliver	Mr. Shearn
Mr. Hill	Mr. Thorn
Mr. Hughes	Mr. Warner
Mr. Keenan	Mr. Watts
Mr. McDonald	Mr. Willmott
Mr. McLarty	Mr. Doney

(Teller.)

Mr. Coverley	Mr. Nulsen
Mr. Fox	Mr. Pantou
Mr. J. Hegney	Mr. Rodoreda
Mr. W. Hegney	Mr. F. C. L. Smith
Mr. Holman	Mr. Triat
Mr. Lambert	Mr. Willcock
Mr. Marshall	Mr. Withers
Mr. Millington	Mr. Cross
Mr. Needham	

(Teller.)

Question thus negatived.

Bill defeated.

BILLS (2)—RETURNED.

- 1, Builders Registration Act Amendment.
With amendments.
- 2, Farmers' Debts Adjustment Act Amendment.
Without amendment.

RESOLUTION—STATE FORESTS.

Council's Message.

Message from the Council received and read notifying that it had concurred in the Assembly's resolution.

BILL—MARGARINE.

Council's Amendments.

Message from the Council received and read notifying that it had agreed to the Bill subject to two amendments, in which it desired the concurrence of the Assembly.

In Committee.

Mr. Marshall in the Chair; the Minister for the North-West (for the Minister for Lands) in charge of the Bill.

No. 1. Clause 25, subclause (1) (a):—Insert a proviso after the word "year" in line 11, as follows:—Provided that such maximum quantity of table margarine to be manufactured in any period of twelve months ending thirty-first day of December, otherwise than for export beyond the Commonwealth of Australia shall not exceed three hundred and sixty-four tons.

The MINISTER FOR THE NORTH-WEST: I move—

That the amendment be agreed to.

It does not in any way alter the principle of the Bill as it left this Chamber, but merely deals with the annual output instead of the output per week. The quantity is not changed.

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

No. 2. Clause 25—Delete the words "one month" and substitute the words "fourteen days."

The MINISTER FOR THE NORTH-WEST: I move—

That the amendment be agreed to.

The object is to allow ample time for publication in the "Government Gazette" and for various necessary formalities. The Government's desire is to bring the Bill into operation on the 1st January, 1941.

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

Resolutions reported, the report adopted and a message accordingly returned to the Council.

BILL—NATIVE ADMINISTRATION ACT AMENDMENT.

Council's Amendment.

Message from the Council received and read notifying that it had agreed to the Bill subject to an amendment in which it desired the concurrence of the Assembly.

In Committee.

Mr. Marshall in the Chair; Mr. Doney in charge of the Bill.

Clause 2—Add a paragraph as follows:—

(b) By adding to the section after Sub-section 4 a new subsection, as follows:—

(5) In any proceedings for an offence against any of the provisions of this section, any liquor mentioned in the complaint or information as being fermented, spirituous, or other intoxicating liquor shall, until the contrary is proved, be deemed to be fermented, spirituous, or other intoxicating liquor.

Mr. DONEY: I move—

That the amendment be agreed to.

The amendment has my concurrence.

Question put and passed: the Council's amendment agreed to.

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

BILL—SUPREME COURT ACT AMENDMENT.

Second Reading.

MR. MARSHALL (Murchison) [8.8] in moving the second reading said: This Bill, like a measure dealt with earlier in the evening, is no stranger to the Assembly. The measure appears lengthy, but essentially deals with only two points. Those two points, I respectfully suggest, are highly important. The first provision of the Bill proposes to amend the Supreme Court Act so as to provide further grounds for dissolution of marriage. The second provision seeks to prohibit the publication of evidence in cases of this nature and to empower the judge to clear the court when he deems it necessary and right to do so. I fully appreciate that many members of our community hold to a tradition involving the conception that any dissolution of

marriage is wrong in principle. Some persons go so far as to assert that divorce is utterly immoral, and that therefore any law providing for divorce is an immoral law. I have a high regard for people who hold that viewpoint; but I have also to recognise the fact of there being abundant evidence of the vast majority of English-speaking people not agreeing with that opinion. Evidence supporting the statements of fact I have made are to be found in the statutes of almost any English-speaking country. So far as I have been able to ascertain, English-speaking countries, with only one exception, have legalised divorce. The sole exception is the Irish Free State. In every other portion of the British Empire, and also in other English-speaking countries, it has evidently been found essential to provide grounds of varying nature for dissolution of marriage. My feeling in regard to the matter is that while certain people are hostile to divorce on any ground, yet on the other hand there are numerous reasons, based on moral welfare and on the need for happiness, for authorising divorce at all events in certain cases. Strange as it may seem, and it is not stranger than true, the grounds provided for the dissolution of a marriage appear to have been developed more for the benefit of those who are not altogether law-abiding and who, in the main, are always prepared to consider what may be regarded as matrimonial offences. As I continue, I do not think I shall have any difficulty in proving that contention to be correct.

Before proceeding further, I wish to reply to arguments I have seen in the Press regarding this question and to the contentions of two speakers who took part in the debate last session when a similar Bill was presented in this Chamber. Although the writers and the speakers contended that the Bill provided an easy and simple process for annulling marriages, I respectfully suggest that, should this legislation become law, the means outlined in it will prove by far the most difficult ground upon which marriages may be dissolved. At present the theory is based upon the idea of offences. For instance, adultery is one ground upon which a marriage may be dissolved.

Mr. Hughes: And that is not easy to prove.

Mr. MARSHALL: The hon. member can speak for himself.

Mr. Hughes: I have tried often enough to prove it.

Mr. MARSHALL: It is just as well the hon. member's wife does not know.

Mr. Hughes: She does know.

Mr. MARSHALL: I agree with the member for East Perth (Mr. Hughes) regarding the legal point of view. Judges are particularly sceptical about granting a divorce on the ground of adultery and they require ample proof of the charge.

Mr. Sampson: And proof on both sides nullifies the application.

Mr. MARSHALL: That is true. Collusion is not permitted. Therefore I agree with the member for East Perth that judges require to be quite sure in their own minds that there has been no collusion and that adultery has been committed before they are prepared to grant the dissolution of a marriage. In order to confirm my earlier statement, I would point out that if a party has definitely decided that his or her matrimonial bonds must be broken, the parties concerned, if they wish and without much fear of publicity, can provide the necessary proof of adultery to secure the dissolution of the marriage.

Mr. Hughes: But that is only when the other party is willing to act.

Mr. MARSHALL: Of course.

Mr. Hughes: In many instances the other party is not willing.

Mr. MARSHALL: That is true. However, that does not alter the point I make, that the course I indicate would provide a much more speedy method of securing a divorce than is possible under the Bill I am submitting to the House. Surely that will be admitted. Despite the argument advanced by the member for East Perth—I admit the correctness of his contention—there can be no denying the fact that, pre-supposing that the parties are willing, the ground I suggest would afford the more speedy securing of a divorce than is possible under the Bill.

Mr. Hughes: I will admit that it does not take years.

Mr. MARSHALL: There is another argument in support of my contention. The Bill seeks to amend an Act that was passed in this House a few years ago. If, by a decree of the court, a couple are separated, an or-

der for maintenance is made against the husband, and the husband habitually fails to comply with the order of the court, the wife, if she so wishes, may, after a period of only three years, successfully petition for the dissolution of her marriage. There again I suggest is a more easy and simple way to secure that end than is provided by the Bill now before members. Then there is the question of desertion for a period of three years. Probably the member for East Perth will interject and point out that there are certain reservations and safeguards regarding that aspect. I admit that is true, but in the main and viewing the matter broadly, the annulment of a marriage is possible under the present law on the ground of desertion for a period of three years. Notwithstanding all that may be said regarding the restrictions and prohibitions embodied in the law, action taken under the three headings I have mentioned, having regard to the basic principles involved, affords a much easier and more expeditious means by which marriages may be annulled than is proposed in the Bill. Members will appreciate that, in cases of desertion, one of the parties to the marriage leaves the other because either one or the other finds married life unbearable. One party to the marriage says to the other, "Our marriage is incompatible to me." The other party replies, "Notwithstanding that, I think we can make good." In other words, one party desires to dissolve the marriage, but the other does not. Yet, if the parties separated, desertion by one or the other would be a ground for the dissolution of the marriage. If both parties to a marriage find married life incompatible and cannot agree, there is no provision for a dissolution of the marriage. But if either party commits an offence against our matrimonial laws, then a ground is readily available for a dissolution of the marriage. In other words, one party must commit an immoral act before the other would have a ground for the dissolution of the marriage. I submit for the serious consideration of hon. members that it should not be necessary for parties to a marriage to do something which society considers to be immoral or which is an offence against the law in order to obtain a dissolution of marriage. Many people desiring a dissolution of marriage have lived good, clean lives; they are respectable, clean-living people,

but they find they are not suited as partners for life and cannot live together any longer. They then mutually agree to separate; a deed of separation is drawn up, the conditions of which are scrupulously performed by the husband. He complies with everything the law demands of him; but because he does not transgress our moral code or the laws of the State, grounds are not available for a dissolution of the marriage.

The Bill contains nothing new. We have not far to go to find a precedent. Similar legislation is in force in one other State of the Commonwealth and, I believe, also in New Zealand. In reply to those who may contend that, should the Bill become law, there will be a rush to the divorce court, I say that that has not proved to be so where similar legislation has been in existence for many years. Many married people who have separated would never apply for a divorce on a certain ground. I have in mind two instances which have come under my notice. As a matter of fact, I will be frank and say that I have been approached by both parties. In one case the parties to the marriage have been separated for eight or nine years. The husband has fulfilled all his obligations; he has no desire whatever to obtain a divorce. When he saw me, he said that his financial responsibilities were as much as he could carry, as the law and his obligations stood to-day. On the other hand, his wife, being particularly young, said that if she could obtain a release she might take a better job, that of a second marriage. The husband said to the wife, "Well, if in those circumstances you are anxious for a divorce, supply the grounds and I will oblige you." Quite rightly, however, the woman said, "No, I am not going to have my character and reputation ruined through the publicity inseparable from divorce proceedings." The husband took up a like attitude; but he does not want a divorce, and there the matter stands. I respectfully suggest that this Bill would cover such a case. I suppose similar cases could be quoted. The argument may be advanced that, if this Bill becomes law, a wife would lose her rights or a husband might fail to fulfil his obligations so far as her maintenance was concerned. Could it be expected that any man, knowing that his financial liabilities remain and having regard to the further financial

obligations that would be imposed upon him, would foolishly enter into a second marriage unless he had an assured income capable of providing for both families?

Mr. Hughes: In ninety-nine cases out of a hundred he would not stop to think.

Mr. MARSHALL: They will stop to think now, without any doubt. Again, would a woman enter into a second marriage without being sure that the income of the other party was capable of meeting both responsibilities? Assuming that the man would go somewhat insane, as the member for East Perth suggests—and he has been through the ordeal himself and so should be able to speak authoritatively—

Mr. Hughes: You are making some libellous statements against me; I hope you can support them.

Mr. MARSHALL: The hon. member implied that a man would not stop to think, that he would not give consideration to his financial responsibilities but would rush into a second marriage without stopping to think.

Mr. Hughes: That is so.

Mr. MARSHALL: Does the hon. member think a woman would do so?

Mr. Hughes: I think she would do the same.

Mr. MARSHALL: Such people would not be worth considering; but I disagree with that contention.

Mr. Hughes: Of course I have not your experience.

Mr. MARSHALL: The people for whom this provision is suggested are those who have been law-abiding and conscientious all along. If, in the circumstances I have just enunciated, the position became intolerable, they could obtain a divorce if they were prepared to endure the publicity of divorce proceedings after entering into some intrigue and acting in collusion. I think that is done day after day. I read the Press reports relating to certain divorce court proceedings—not the last list but the one before that. On that occasion 14 or 15 cases were heard in one day. A most remarkable feature was that approximately 50 per cent. of the petitioners were males and the petitions were based on the ground of desertion. That would indicate that almost 50 per cent. of the women ran away from their husbands. However, I do not think that is actually what happened, but they

took advantage of the opportunity afforded them of obtaining a divorce by that means without any nasty publicity. We can never make people moral by law, and as grounds for divorce have long been established, I can perceive no great harm but a lot of good in approval being given to this Bill.

The old ideas of marriage—though one values them—were based upon the fact that formerly the one great object people had in entering matrimony was to enjoy home and family life. I am doubtful whether that happens to-day. I have a second case which I wish to submit to the House and which will prove my contention. There is a gentleman in this city who is fairly affluent. His income is reasonably good and secure and he himself is fairly attractive. He became infatuated with a very nice lady who observed the possibility of a very comfortable existence. While the man was very infatuated with the lady it was very evident, after the marriage was celebrated, that she was not so very much infatuated with him. In the course of 12 months his life was made so intolerable that he agreed to a separation. Ever since then that woman has enjoyed an income of £5 a week. That is an instance in which a wrong was done before marriage. I understand the lady does not deny that what she was looking for was an income; and she got it. It is wrong that that should happen and that she should be permitted to enjoy such an existence. She got more than a meal ticket. If I had an assured income of £5 per week for the rest of my life, I would be quite satisfied.

Mr. Hughes: It would not keep you in flowers.

Mr. MARSHALL: I would leave the worries of public life to men like the member for East Perth. The Bill will also prohibit the publication of the unseemly portions of the evidence given in divorce cases.

Mr. Cross: That is long overdue.

Mr. MARSHALL: I cannot understand why people take an interest in other folks' misdeemeanours and misfortunes. Some papers, unfortunately, specialise in that sort of thing. They seem to satisfy a certain class of people, but I cannot understand the mentality of those who revel in the unfortunate experiences of other people. It does not appeal to me and I cannot believe that it is good for the young people of the State. I suggest that the publica-

tions of reports of such proceedings be prohibited. I have seen people, mostly women, flocking to the court, giggling about the prospects and possibilities of the evidence. I do not know that their education has been improved by the experience of attending the hearing. I respect the opinions of other people but I have stated my opinions and outlined the contents of the Bill, and I hope the House will give it sympathetic consideration. It is only fair and just that the people in the circumstances outlined should be entitled to dissolve their marriage. The marriage tie will not be broken by this measure; it was actually broken when they agreed to part, after which they lived as married people in name only. If the Bill does not become law, those people will remain apart and will not return to harmony in the home. In their case the marriage tie has not existed since the day they separated. If the Bill does not become law, therefore, the marriage tie will remain broken, but what will happen is that we shall force people who wish to dissolve their marriage on account of incompatibility into the position of being unnecessarily ridiculed as being immoral. If the Bill is passed, very few people will take advantage of the provisions of the measure, but such people are entitled to as much consideration as are those who do not comply with the law and do not adhere to matrimonial goodwill. I move—

That the Bill be now read a second time.

On motion by Mr. Needham, debate adjourned.

BILL—SALE OF LAND (VENDORS' OBLIGATIONS).

Second Reading.

MR. FOX (South Fremantle) [8.44] in moving the second reading said: This is a very simple Bill that seeks to attain a very laudable object. The aim is to prevent abuses in land transactions by dishonest vendors. A purchaser who is able to employ a solicitor is often protected, but in some cases he is not fully protected. Unfortunately, many people are not able to employ a solicitor, and consequently some of them receive a very raw deal from unscrupulous vendors and agents who, from time to time, deal in land under contracts of sale. Many instances of injustice have been cited by the member who introduced

the Bill in another place. On account of the dishonest practices on the part of vendors, practices that are within the law, and on account of the subsequent loss suffered by the other party to the transaction, the hon. member decided to introduce the Bill.

There are various ways in which land may be disposed of, but this Bill relates to contracts of sale. The average person has very little knowledge of the law applying to land transactions. When he makes a purchase under contract of sale, he is apt to think he is well protected by the law, but that is not always so. This Bill seeks to provide against such contingencies. When a man decides to buy land or a home, he usually goes to a land agent and makes inquiries. In most cases he pays a deposit, and the purchase price is met by weekly payments spread over a number of years. The agent draws up an agreement or contract of sale which, by the ordinary person, is regarded as a guarantee that he is amply protected. People go to firms having a good reputation, believing that they will receive a fair deal.

Mr. Sampson: Would not they go to the party who had the land for sale?

Mr. FOX: No, they usually go to a firm with a good reputation, believing they will get a fair deal. After the contract of sale has been drawn up, the procedure is to take it to the Stamp Office where, on payment of the fee of £1 per £100 of the purchase price, the document is stamped. The vendor retains the original and the purchaser is given a duplicate copy bearing a 5s. stamp. The ordinary individual, who does not know much about the law or about transactions of this kind, concludes that this imposing looking document, having passed through the Stamp Office, is a good and valid document that amply protects him in every way. Rarely has anybody apart from the vendor and the purchaser any knowledge of the transaction. Although the purchaser has this document, in many cases he is not protected at all. I hope that as a result of the publicity given to the discussion on this Bill, those who hold contracts of sale will examine them very closely in order to ascertain how they stand. I trust they will not find themselves in the position in which so many other people have found themselves, in that after making weekly payments for many years an un-

pleasant surprise has come upon them. The Bill makes it compulsory for the vendor, when selling land or property under contract of sale, to notify the purchaser of any encumbrances upon it.

Mr. Sampson: That is already provided in the Land Agents Act.

Mr. FOX: It is not incumbent upon the vendor to notify the purchaser of any encumbrances there may be upon the property. Many people do not know much about mortgages and do not understand how they are buying. That applies to the majority of people. If they went to a solicitor they would be advised on the subject, but unfortunately many persons are unable to follow that course. They, therefore, depend on the honesty of the vendor to give them a fair deal, and do not bother any further. Sometimes they have a rude awakening.

Mr. Sampson: They should go to a solicitor.

Mr. FOX: The Bill also provides that if there is no mortgage on the property at the time of the transaction, and the vendor desires to raise money upon it after the purchaser has completed the contract for sale, the vendor must get the permission of the purchaser before raising the mortgage. That is a reasonable provision. Sometimes when the purchaser has bought a property he is notified that there is a mortgage upon it. The vendor, on the other hand, may wish to raise a mortgage on the property after he has sold it, and the purchaser may be quite prepared to allow him to do so. If, however, the vendor wishes to raise a mortgage on the property after he has sold it, and the purchaser will not give him permission to do so, the vendor may then approach the court, and if the court considers the application is reasonable, it can grant to the vendor the permission sought. There is no similar legislation in Australia. The nearest approach to it is found in Queensland where the Act provides that the vendor who raises a mortgage on a property he has sold must notify the purchaser after he has completed the mortgage. By that time the damage has been done, and it is too late for the purchaser to take action. This Bill seeks to make it obligatory on the vendor to notify the purchaser before the mortgage is raised.

When moving the second reading in another place the sponsor of the measure quoted instances of grave hardship that had occurred in the case of people who were buying property under a contract of sale. In one instance a lady purchased a property for £500. She paid a deposit of £50 and instalments at the rate of £1 per week. After making payments for 12 years a man visited the property and asked to be allowed to look over it. She wanted to know his business and he replied that he owned the property. In that instance the vendor had raised a sum of £350 or more by mortgage and the purchaser knew nothing about it. The Bill seeks to prevent abuses of that kind. I came across an instance of that sort a few days ago. A man in Fremantle was buying a property under contract of sale, and up to the present, in interest and principal, he has paid about £1,000. The sum due on the property has almost been paid. He now finds that the vendor has a mortgage of £150 on it, and that there is a registered warrant of execution against the title deeds for a further £85. His lawyer has advised him that the vendor is only under a civil liability to pay off the mortgage. That person is bankrupt and is not able to meet the liability. The man who has been buying the house over a long period of years is a working man on an income equal to about the basic wage. He thought that when he had the principal paid off he would be able to take possession. He now finds there is this mortgage upon it. The vendor is under a civil liability to pay off the mortgage, but is unable to do so. The purchaser will therefore have to take over the property with the encumbrances upon it. The passage of this Bill will confer a great boon upon people who rely upon the honesty of vendors. Very often after they have finished their payments persons find themselves in an unhappy position. The Bill will put a stop to many dishonest practices. If the vendor wishes to raise a mortgage he will be unable to do so without the permission of the purchaser, and if the purchaser refuses to grant that permission, the vendor will be able to approach the court. The measure is a reasonable one and I hope will be favourably considered by the House. I move—

That the Bill be now read a second time.

On motion by Mr. Shearn, debate adjourned.

BILL—INDUSTRIES ASSISTANCE ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. C. G. LATHAM (York) [8.57]: I cannot support this Bill. I am very anxious that some legislation should be introduced and passed as early as possible to give the Government any authority it may require for the purpose of making advances out of the sum of money that has been provided by the Federal Government. I want to make that clear. I am aware that this is an amount of loan fund advanced to the State Government, which has to give a guarantee of repayment. It is not my desire that the impression should be gained from the remarks of the Premier that this money is the sole responsibility of the State Government. The Industries Assistance Act or any other Act must provide for the repayment of the money by the farmer who borrows it from the Government. The farmer is the person responsible to the State Government, and that Government in turn is responsible for the repayment to the Commonwealth Government. The reason I object to this piece of legislation is that the House has no control regarding it. I admit that this loan carries with it concessional interest and the Government has been able to obtain this money from the Commonwealth Government. It seems that the only necessity for introducing this legislation is the concessional interest. The Government could have said, "We have £570,000 and we are going to advance it under the Industries Assistance Act." Unfortunately, however, the rate of interest is fixed by the Act at 6 per cent., and it seems that there will be no legal authority for reducing that rate of interest without some amending legislation. So the Government has, I suggest by a bad method, introduced this amending Bill. As long as I can remember, this Chamber has always objected to legislation by regulation. This particular type of legislation is to be discouraged as much as possible, because the Bill does not provide what rate of interest shall be charged, but merely empowers the Government to fix by regulation the rate of interest, the method of repayment, and the period of repayment. That is all the Bill can do. It gives no other authority. This being the end of the session, we shall have

no opportunity to challenge regulations made under the Bill, if enacted, until next year's meeting of Parliament. Effect will in the meantime have been given to the legislation; and no matter what objections we may entertain, we shall only be able, like the farmer borrowing the money, to put up some public opposition but without any prospect whatever of obtaining remedies. My belief, whether correct or not, is that the Government must carry out the laws that exist. I propose to show the House that there is no alternative except to carry out the existing law, namely, the Industries Assistance Act. For this purpose I shall quote some sections of that Act. I want the Premier then to tell me how it is possible to get over those provisions. This legislation and this money will be used, and may be regarded purely as assistance to clients operating under State legislation, such as the Agricultural Bank Act, the Industries Assistance Act, the Soldier Settlement Act, or the Wire Netting Act. The Bill debars any person outside those categories from obtaining money on concessional interest.

The Premier: That is not so.

Hon. C. G. LATHAM: I believe what I say to be perfectly true. I regret to say, but it is true, that very few farmers in this State to-day hold unencumbered properties. That brings me to the point of mentioning, though without any information except an interjection by the Premier, that this cheap-interest money will be available only to necessitous farmers, and not to persons who have made a failure of their season's operations owing to drought conditions. I am not, of course, in the confidence of the Commonwealth Government; but from what I have read in the Press I should think that the intention of the Federal Government is to provide, by some means, cheap money for the assistance of farmers suffering from drought conditions. How is it possible to discriminate between the man who happens to have his property mortgaged up to the hilt and who has lost everything by drought in this current year, and the man who has an unencumbered property and has lost everything, or the man who is a mortgagor of one of the Associated Banks, or of a private mortgagee? Evidently the Premier proposes to ask the Agricultural Bank Commissioners to discriminate.

The Premier: Many farmers would not be able to carry on without this drought relief.

Hon. C. G. LATHAM: In reply to the Premier let me say that if a man is to-day operating under the Industries Assistance Act and has some proceeds, probably insufficient, or even if the proceeds are sufficient, to enable him to carry on, his account will be credited with the proceeds of this year's harvest, and he will get a re-advance from the money for the distribution of which we are now legislating. If that is so, the Government is placed at a greater advantage than a private mortgagee.

The Premier: The obligations of the farmer would be known when he got an advance.

Hon. C. G. LATHAM: Let me put two cases. One is that of a client of the Agricultural Bank operating under the Industries Assistance Act whose returns from this year's operations are £300, and who owes the Industries Assistance Board £500. The board takes the whole of his return of £300 and credits his account with it, and then makes him an advance under this Bill. So that he will get cheap money, according to the Premier at about 2 per cent. Now take the case of a farmer operating under a private mortgagee or one of the Associated Banks, who gets a return of £300 but is forced, because operating under a private mortgagee, to ask that private mortgagee to advance him some money. If the private mortgagee does not do so, this second farmer cannot get assistance from drought relief money, and thus is placed at a grave disadvantage. On that account I contend that the discrimination is unfair. The Premier has said that when looking at this Bill we must bear in mind what the parent Act provides. I propose to quote to the House, and for the Premier's benefit, a few sections of that Act which I think the hon. gentleman will find it extremely difficult to get over.

The Premier: We have had all those difficulties for quite a long time.

Hon. C. G. LATHAM: Does the Premier want me to believe that the Government may or may not, at its option, observe a statute? I cannot believe that is so.

The Premier: A statute may operate harshly, and therefore we wish to give sympathetic administration.

Hon. C. G. LATHAM: I am unable to realise how the Government's administration can be fair if that is the case. It is bad enough for a Government to do such a thing, but when the business is handed over to paid officers, it becomes a great deal worse. Part II of the parent Act provides for advances to settlers, and states that the Colonial Treasurer—which of course means the Government—

... may, for the purpose of affording assistance to settlers and other persons affected by drought or other adverse conditions—(a) supply applicants, or cause them to be supplied, by guarantee or otherwise, upon credit, with seed wheat, or other cereals, fertilisers, hay, chaff, implements, machinery, livestock, flour, and any other commodities, whether of the same kind as any of those hereinbefore specified or not, which the Colonial Treasurer thinks necessary for the said purpose; and (b) make advances to applicants to enable them to pay for the agistment of livestock and stud fees, and municipal and road board rates and licences, veterinary charges, the wages of farm hands, insurance premiums, and medical, surgical and dental expenses, and generally for any other object or purpose that the board may approve.

The Premier: "That the board may approve."

Hon. C. G. LATHAM: Yes, "may approve."

The Premier: But the board does not approve.

Hon. C. G. LATHAM: It may be necessary to utilise this money for any of the purposes I have read out.

The Premier: For paying road board rates, for instance?

Hon. C. G. LATHAM: Yes.

The Premier: But those rates may not be paid.

Hon. C. G. LATHAM: I would not raise objection on that point. Advances may be made from the fund for drought relief. The section of the Industries Assistance Act continues—

(c) make advances to applicants to enable them to pay rents due to the Department of Lands and Surveys when in default of payment their holdings would be liable to forfeiture, or to pay any moneys due to any other Government department or institution and legally or equitably charged or intended to be charged by Statute, mortgage, or otherwise upon their holdings.

I wish to draw the Premier's attention to Section 22K, which reads—

Every conditional purchase lessee shall, as from the 1st day of April, 1915, be liable to pay to the Minister for Lands interest on his

rent in arrear at the rate of £6 per centum per annum until payment;

Provided that if an application is made by the lessee to the Board for an advance to enable him to pay such arrears, and such application is refused, the liability of the lessee or the payment of interest shall cease as from the date of such application.

That means that any person so circumstanced can apply to the board for an advance to meet his land rents, but if he does not take advantage of that opportunity he will have to pay 6 per cent. interest on his arrears. On the other hand, if that person makes application to the board and his application is refused, he is not required to pay that interest. The Premier will agree with that contention.

The Premier: Yes.

Hon. C. G. LATHAM: That is a very dangerous position, and is tantamount to saying that this money can be used, just as loan funds were used in 1915 when the parent Act was passed, for the purpose of inflating the revenue of the State inasmuch as the money can be paid to the credit of departmental revenue. Naturally I leave it to the commonsense of the Government and the Industries Assistance Board not to make payments for such arrears.

The Premier: That is what I referred to when I said we had had experience in past years and knew what was done.

Hon. C. G. LATHAM: At any rate, I do not know how the Premier will get over that difficulty. Once a man is brought under the Industries Assistance Act and is in arrears with his rent, he has to be charged interest at the rate of 6 per cent.

The Premier: What if he does not make application to the board?

Hon. C. G. LATHAM: He has to pay 6 per cent. interest per annum on his arrears of rent, which is scandalous, seeing that he is not in a position to pay his rent.

The Premier: If he pays —

Hon. C. G. LATHAM: The Premier has to get over the provisions of Section 22K. He will see that if a farmer has made application to the board, then interest is not charged against him. I cannot see how the Premier can get over that difficulty.

The Premier: How have we got over it during the last seven or eight years?

Hon. C. G. LATHAM: I do not know. We have no information on the point. The Industries Assistance Board's report does not indicate whether there have been Gov-

ernmental payments or not. I do know that under the Industries Assistance Act, whenever there have been surplus proceeds, the Agricultural Bank interest has been paid and, I presume, the land rents, too.

The Premier: No.

Hon. C. G. LATHAM: I believe that is so, if there is any surplus. We must face the position that the advance provided by the Commonwealth Government has been made available because the farmers are down and out, and because they have accumulated debts that will have to be met in the future, in addition to the advances now to be made. If the harvest next year is successful and the price of wheat is reasonable, no new money will be advanced to carry on the farmers who, nevertheless, will have to secure funds with which to continue operations, and to meet a fair proportion of the debts incurred in previous years. I presume, of course, that the Government has acted with leniency. I have always maintained that, irrespective of its political creed, a Government is always more inclined to be lenient towards the farmers than are private mortgagees. We have that trouble to face with regard to private mortgagees. We have to remember with regard to Agricultural Bank clients, that security is automatically taken over their properties when mortgaged to someone else, and such farmers have to get approval in writing from the mortgagees if they wish to borrow money. Failing that, the Government may still make advances and take automatic liens over the crops for a period of three years, which is the limit. At the end of the three years, a farmer may be in a position to carry on, but then the private mortgagee steps in and takes the whole of his proceeds and leaves him stranded again. The farmer should be protected from that standpoint. I do not know how the Government can get over some sections of the Act.

The Premier: How have we got over them during the past 25 years?

Hon. C. G. LATHAM: When we experienced trouble in past years, it was because the Agricultural Bank or the Industries Assistance Board—they constitute one body to-day—desired to help a farmer but was prevented from doing so because the mortgagee would not agree to allow priority over the securities he held. That is the

trouble I see ahead of us to-day, and I do not know how the Government can get over it.

The Premier: Then let the mortgagees carry the farmers on.

Hon. C. G. LATHAM: We say that is not fair. The Commonwealth Government has said that the farmers should carry on their industry because it is acknowledged to be important in the economic life of Australia. That is the one reason why the Commonwealth Government has made available financial assistance to the farmers. That has been done because of the importance of the industry.

The Premier: And to keep stock alive.

Hon. C. G. LATHAM: The agricultural industry is the one that provides Australia with credit overseas, and it therefore becomes essential to maintain the industry. Surely the Commonwealth Government did not mean that there should be any discrimination merely because a man happened to have a bank mortgage or a private mortgage! There should be no such discrimination. The Premier has practically told us that if an arrangement cannot be arrived at with the mortgagee, the farmer might as well close down and abandon his holding, or be forced to secure advances at a higher rate of interest from the mortgagee. Why should that man not have the advantage of the cheaper rate of interest?

The Premier: This advance is for the assistance of people who cannot carry on without it.

Hon. C. G. LATHAM: I want legislation introduced—it is not my responsibility to introduce it—to deal with the position. I pointed out to the Minister for Lands that we would assist him in every way to pass legislation that would meet the wishes of those engaged in the farming industry. The Premier must remember that the payment of 6 per cent. interest is referred to elsewhere in the Act as well as in Section 13A. Part 2 sets out who may apply for assistance and the methods by which such applications may be made. Probably members have seen the forms that are sent out and have noticed that they contain similar wording to that appearing in Section 9. Then again Section 13 reads—

Every person upon whose application any commodity is supplied or moneys advanced under this Act shall, upon the supply or advance there-

of, sign an acknowledgment and contract in the form contained in the first schedule to this Act or to the effect thereof, or in such form as is prescribed in that behalf.

Turning to the First Schedule, we find the following:—

Acknowledgment and Contract.

I, of acknowledge that I am in receipt of advances by the Colonial Treasurer under the provisions of the Industries Assistance Act, 1915, and I undertake and agree to repay to the Colonial Treasurer all moneys advanced or deemed to be advanced to me with interest at the rate of per centum per annum in accordance with the provisions of the said Act.

The lands now held by me for agricultural, farming, or grazing purposes are as follows:—

The farmer has to sign that form either at the time he gets the advance or before.

The Premier: That is just a receipt.

Hon. C. G. LATHAM: It is a little more; it is a binding contract. Section 15 of the Act provides—

(1.) Notwithstanding any provisions of the Land Act, 1898, the Transfer of Land Act, 1893, or any Act or law to the contrary, the principal and interest of all advances made, or deemed to have been made, under this Part of this Act shall be, and until fully paid shall remain, a first charge in favour of the board in priority to all other encumbrances.

So that immediately an advance is made the Government automatically obtains priority over all other encumbrances. The section continues—

(a) upon the estate of interest of the applicant in all lands held or occupied by him for agricultural, farming, or grazing purposes, including all such lands held by him under lease or contract for the purchase thereof, or as a homestead farm, or otherwise; and

(b) upon all crops to be sown in or grown upon such lands and the produce thereof, and the share or interest of the applicant in any other crops wheresoever grown and

(c) upon all implements, live stock, and the progeny thereof, and other chattels supplied to the applicant under this Act; and

(d) subject to prior encumbrances, shall be, and, until fully paid shall continue, a charge on all other live stock, implements, machinery, plant and movable structures of the applicant; but any proceeds of the charge created by this paragraph shall, if such chattels are realised by the Board, be distributed *pari passu* between the Board and the other creditors of the applicant: Provided that the Board in its discretion may allow the whole or any portion of the proceeds of the sale of dairy produce, pigs and poultry, to be retained by the settler.

The Government therefore obtains at once an automatic lien over virtually everything

that the farmer owns. And we must bear in mind that this will be a temporary advance; it must be repaid in seven years, unless the term should be extended. The difficulties with which the farmer must contend are great enough now, and we would like some simple legislation to be brought forward authorising some body to make advances from this sum of £570,000 and to take such security as is necessary.

Mr. Watts: And available.

The Premier: They have no security to give.

Hon. C. G. LATHAM: The crops they put in would be security. This legislation shall remain in force until such time as repayment is made, but not longer than seven years. That is a term upon which the advance is to be made.

The Premier: And if the farmer could not pay in seven years, what would happen?

Hon. C. G. LATHAM: It would be necessary to extend the operation of the Act. It has, I believe, been continued for some 24 years. I also draw the attention of members to Section 19, which provides—

Any person to whom any commodity has been supplied under this Act, who without the written consent of the Colonial Treasurer, or an officer acting on his behalf, barter or sells, or attempts to barter or sell, such commodity or any quantity thereof, shall be guilty of a misdemeanour, and shall be liable to be imprisoned, with or without hard labour, for a term not exceeding two years.

That heavy penalty is provided if the farmer deals in the slightest way with his own property. Notwithstanding that he has been in the habit of conducting his own business, he must obtain the written consent of the board before he can in any way deal with his property. That provision is far too harsh in the case of temporary relief. The farmer has gone to the Government for temporary assistance, assistance which the Commonwealth Government acknowledges he is entitled to.

The Premier: If the Act were administered harshly, I would agree with you.

Hon. C. G. LATHAM: That is the law.

The Premier: Yes, we have many laws.

Hon. C. G. LATHAM: How does the Premier propose to get over this?

The Premier: Is it a hard one?

Hon. C. G. LATHAM: Yes. Section 22M provides—

Notwithstanding anything contained in this Act and its amendments to the contrary the following provisions shall have effect:—

No advance shall be made after the commencement of the Industries Assistance Act Amendment Act, 1917, to any settler or other person not already in receipt of assistance from the Board whose land, chattels, or crops are subject to a registered mortgage or charge, without the consent in writing of the mortgagees or encumbrancers.

The Premier: Do not you think they will help these people?

Hon. C. G. LATHAM: If not, what are you going to do?

The Premier: Then they will take the responsibility themselves for ruining the farmers.

Hon. C. G. LATHAM: We know the fight that goes on every year between the Agricultural Bank Commissioners and the Associated Bank managers. I will admit the difficulty is straightened out, but only after months of much worry.

The Premier: Who is to blame?

Hon. C. G. LATHAM: I do not know. Some little time ago a farmer had abundance of feed. The Agricultural Bank held a first mortgage, and an Associated Bank a second mortgage. The Associated Bank was willing to make advances to the farmer upon condition that it was allowed to recoup itself from the proceeds of the stock, that is, the wool and progeny. It took many months to arrive at some arrangement between the Agricultural Bank and the Associated Bank.

The Premier: The Associated Bank wanted to eat up all the grass and take all the money!

Hon. C. G. LATHAM: That is a very narrow policy. Let me explain this to the Premier, who probably does not know as much about farming as I do. It is highly beneficial to a farm to have stock running on it.

The Premier: Yes.

Hon. C. G. LATHAM: The stock keeps the fallow clean. It must be kept clean, otherwise the farmer will find he has grown more weeds than wheat. Sheep are of great assistance in that way. They also keep down the cost of living for the farmers and in that way materially assist those who hold security over the property. The time arrives when the sheep are paid for and become the pro-

perty of the mortgagor, thus benefiting the Agricultural Bank, which holds the first mortgage. My desire is that legislation should be introduced in connection with this temporary relief that will avoid friction and hold-ups between outside mortgagees and the Government as mortgagee. How it can be done, I do not know. I thought we came to some arrangement a little while ago, but I am afraid the Premier's proposal will not achieve what he expects.

The Premier: We are setting out sincerely to try.

Hon. C. G. LATHAM: Before advances can be made under the Industries Assistance Act, the farmers must obtain the consent in writing of the mortgagees. I do not know that that does not over-ride that section of the Act which says that advances can be made and a lien taken over the crop. As a matter of fact I think it does over-ride that section. I am not aware whether the Government has interviewed the other mortgagees in respect to this matter.

The Premier: Yes, the Minister had a conference with them for hours.

Hon. C. G. LATHAM: Have they been satisfied?

The Premier: I suppose they were not quite satisfied, but the Minister is satisfied he has a workable measure.

Hon. C. G. LATHAM: The Government is asking Parliament to give it power to do certain things while the House is not in session and we who hold responsible positions must make sure that we have an Act of Parliament under which there will be as little friction as possible and from which benefit will be derived by those for whom this money has been made available. I am afraid this legislation is a very slipshod method of dealing with the situation. It does not satisfy me. I do not know whether it satisfies other members, but I hope they will take a lively interest in it, because the problem facing the Government, the man on the land and everybody else in this State is that of abandoned properties. As I previously pointed out to the House, it is not merely a question of a man walking off his holding. Immediately there is a vacant block alongside a man who may be successful, the value of the successful man's security is proportionately depreciated. Thus the man loses heart. I admit that the other night I said—and I repeat now—that this industry will come out all

right. But I am anxious to see that the men on farms to-day who are worthy of assistance and for whom the Commonwealth Government is making this money available to the State Government, have an opportunity to utilise it and remain on their holdings. I do not think that would be achieved through this measure. If I had an undertaking from the Government that the Associated Banks and the insurance companies—I do not think there will be many other mortgagees or encumbrancers—and the Government will come to some quick arrangement, I would probably not offer any objection, but I want the Government to understand that immediately an application is approved the right of the farmer is taken from him. True, the Act provides that a few eggs and butter and that sort of thing may be granted to him, but everything else becomes a security to the Industries Assistance Board. An arrangement can be made on the same lines as on which a mortgage is drafted, taking the necessary security to protect the Government which I admit has to be protected.

The Premier: Suppose somebody else had the security?

The Minister for Works: You mean the second mortgage.

Hon. C. G. LATHAM: No, I do not. Advances have already been made under the Wire Netting Act and security has been taken under the Rural Relief Fund Act. We do not want to take a mortgage over everything the farmer has got. All we want to do is to take as security whatever is purchased with the money advanced—whether it be seed or stock—until the borrower is in a position to pay. That is all we should ask for.

The Premier: That is all we are asking for.

Hon. C. G. LATHAM: If the Government will introduce a Bill of that sort we will expedite the passing of it.

The Premier: It will be done by regulation.

Hon. C. G. LATHAM: I do not like regulations. I can picture the Premier sitting on this side of the House and our proposing to amend the Arbitration Act by regulation, as soon as the House went into recess. What hope would we have of getting legislation of that kind passed without opposition? Yet that is the kind of legislation the Premier is asking us to pass.

Mr. Fox: We would be delighted to put it through for you!

Hon. C. G. LATHAM: The hon. member has changed his opinion. It is marvellous how members' opinions change in the simple process of their moving from one side of the House to the other.

Mr. SPEAKER: I think the hon. member had better get back to the Bill.

Hon. C. G. LATHAM: I am referring to the opinions of members on this class of legislation—legislation by regulation. The member for Fremantle (Mr. Sleeman) has often objected to legislation by regulation and on this occasion those of us on this side of the House have a perfect right to do so because the property of the farmers is at stake. Their independence has gone. Under this measure they will become caretakers or shepherds for the Government. If I had the opportunity I could draft a satisfactory Bill, though perhaps not in legal phraseology. I would not like some Crown Law officers to have a hand in it because it would be so long that it would take hours to read.

The Premier: You would fix the principles?

Hon. C. G. LATHAM: Yes. I appeal to the Premier to postpone consideration of this measure so that we may study it over the week-end and see what can be done with it. There is little chance of making amendments except in respect of what the proposed regulations may or may not cover. That is about as far as we would be permitted to go. We cannot introduce new matter, but we can specify the nature of the regulations that may be made, and prevent objectionable regulations being put into operation. I cannot support the Bill and will have to fight it clause by clause, though I admit that there are not many clauses.

The Premier: I saw to that.

Hon. C. G. LATHAM: It is the first occasion for a long time that the Parliamentary Draftsman has submitted so short a Bill giving such enormous power. Mine would be a much shorter one. Whatever opinion other members may express, I, in the interests of those in the industry, cannot support the measure.

MR. McDONALD (West Perth) [9.38]: I naturally pay a great deal of deference to the views of the Leader of the Opposition because he represents the people who as

applicants for assistance will be mainly affected by the Bill. I share his objection to a measure which proposes to provide for government almost entirely by regulation, particularly during a time when the House will be in recess perhaps for seven or eight months and when members will therefore have no opportunity of saying whether the regulations promulgated appeal to them or not and of drawing attention to the effect they have upon that section of the community particularly affected. I recognise, however, that it is necessary to take prompt measures to enable drought relief—which cannot long be delayed—to be given to farmers. I propose to make one or two suggestions that may possibly appeal to the Leader of the Opposition: in fact, I think he already has in mind something on the same lines. My proposals, I think, will give a reassurance to the farming community that there is no misunderstanding between the Government and its representatives and the general public as to how the regulations will be framed.

With the Leader of the Opposition, I share the belief that better times are coming for the wheat industry. Farmers now have guarantees which, for the duration of the war, will assure them of prices, perhaps not the highest prices, but prices they have not had recently and, with reasonably good seasons, they might be able to pay their way and improve their position to a material extent. The relief which has been arranged is being granted by the Commonwealth Government on lines similar to which relief was granted by this State under the Industries Assistance Act of 1915.

I do not think any good service will be afforded by indulging in criticism of the terms upon which the money is being granted by the Commonwealth. After all, the Commonwealth is doing precisely what the Government of this State did in 1915 when the original legislation was introduced. When drought conditions occurred in 1915 comparable with those which obtained this season, the party then in power, headed by Mr. Scaddan, did not make a grant to the farmers. The Government found money from the State's own funds. The State received no assistance from the Commonwealth, but recognised that assistance for the farming industry was some-

thing within the province of the State and was no function at all of the Commonwealth. When the money was provided, the State Government advanced it on loan to the farmers at 6 per cent. interest, and the farmers were obliged to repay it. To a very large extent, they did repay it.

Therefore it does not lie in our mouths to criticise the Commonwealth Government for advancing money on precisely the same terms and in exactly similar circumstances, except that it has granted this money at a much lower rate of interest and except also that it was under no obligation to do so. We often forget that it is no function under the Commonwealth Constitution for the Federal Government to afford relief of this kind. Such a matter is one within the province of the State. When the Commonwealth seeks to invade the province of the State, even by increasing taxes, we resent it, and the Commonwealth is equally entitled to say that if the States are properly jealous of invasion of their rights by the Federal authorities, then the least the States can do is to carry their own responsibilities. This matter of drought relief happens to be one of those responsibilities.

The Premier: Where is it set out in any constitution that the State is responsible for drought relief?

Mr. McDONALD: It is no part of the Commonwealth's responsibility.

The Premier: And no part of the State's responsibility, either.

Mr. McDONALD: The administration of lands and industries is within the province of the State, not of the Commonwealth.

The Premier: No, but we often accept the liability to help people who are in trouble.

Mr. McDONALD: The Commonwealth has certain functions that are specific.

The Premier: So have we.

Mr. McDONALD: The functions of the Commonwealth are enumerated in Section 51 of the Constitution and include defence, tariffs and other matters. Those are the responsibilities of the Commonwealth. Apart also from pensions, which represent another Commonwealth matter, all the other things are a function of the State.

The Premier: No, the Commonwealth has responsibility.

Mr. McDONALD: Other things are not the responsibility of the Commonwealth, and if anyone should come to the aid of people in trouble, it is the State.

The Premier: No fear! I combat that statement very strongly.

Mr. McDONALD: And I combat the Premier's statement equally strongly. In recent years the Commonwealth has increasingly come to the aid of the States in the matter of assisting farmers and other primary producers.

The Premier: The Commonwealth comes to the assistance of citizens of Australia, not of the State.

Mr. McDONALD: The Commonwealth comes to the assistance of the States. What does the Commonwealth propose to do in this instance? It proposes to lend this money, not to the farmers, but to the State Government.

The Premier: We pass it on to the farmers.

Mr. McDONALD: If the Commonwealth said, "We are going to give each farmer who applies to us at Canberra, or to our local agency at the G.P.O., an advance for drought relief," the State would quickly protest, "You are infringing our sovereign rights." If the Commonwealth said, "We are prepared to give drought relief to any farmer and take a first charge over his property in priority to all other charges," the State would be up in arms immediately and there would be a motion of protest in this House straight away.

The Premier: That is a different thing from giving the farmers this help.

Mr. McDONALD: For that reason it is perfectly obvious that this matter is a function of the State. Of course, the State might disclaim responsibility just as it could if it declined to help unemployed workers, but the fact remains that this is a function of the State and is usually accepted by the State.

The Premier: Too much accepted by the State and too little by the Commonwealth.

Mr. McDONALD: I do not wish to be unduly drawn into a discussion of that point, but the Premier's remark suggests that we might be better off if we had a unified form of government. The State says, "We cannot do anything; it is the Commonwealth's fault," and the Commonwealth says, "It is not our fault; the State

should do it." Meanwhile the public does not know who is to blame. When each party escapes responsibility, a very unsatisfactory state of affairs ensues. What I maintain is that the State has the administration of this particular form of relief. The Commonwealth could not, without evoking a very emphatic protest from the State, take over the business and administer it direct.

The Premier: We have all the machinery to do it.

Mr. McDONALD: The Commonwealth could quickly create the requisite machinery to do it, just as the Commonwealth grants pensions.

The Premier: Oh no!

Mr. McDONALD: Notwithstanding that, and in addition to all the other relief that has been granted by the Commonwealth to date, and properly granted—I am not complaining of that—it is advancing £570,000 to the State Government to pass on to the farmers who have been prejudiced by drought conditions. The Commonwealth is lending money at a low rate of interest in precisely the same way as the State itself lent it in 1915.

Mr. Cross: The Commonwealth monopolises every field of taxation.

Mr. McDONALD: The State has done as much as it can well do in that direction. I am not saying that the State has not been obliged to do so, but it has come in for its share, and the Commonwealth is only coming in for its share because it happens to be engaged in a war, which the member for Canning has apparently overlooked for the moment.

Mr. Thorn: He does not know that there is a war.

Mr. McDONALD: In addition to the obligations of the war, which are paramount, the Commonwealth authorities are seeking to assist the State and the primary producers, as they should, to the utmost of their ability, by lending money at a low rate of interest at a time when that assistance is very necessary. Is there anything shocking about that? It is perhaps shocking that we should accept money from the Commonwealth Government on these terms with so little acknowledgment of what it is doing at a time of extreme embarrassment. It is giving a tremendous amount of help, at a time when its own difficulties are incomparably greater than our own. I think we should render due

acknowledgment to the Commonwealth Government for its earnest attempt to assist the State in this particular by this grant for drought relief.

The Premier: Why a grant? It is a loan.

Mr. McDONALD: For a while at any rate the money is being advanced at a low rate of interest.

The Minister for Works: We had some cheap money for group settlement, and the State had to bear the whole burden of the capital cost.

Mr. McDONALD: That is an old complaint. If we had one Government to deal with there would not always be the passing of the buck from one to the other, until we were not aware whose was the responsibility. We cannot expect the Commonwealth Government always to be giving us money. It has to come from the people either by means of loans or taxation, and it has to be repaid.

Mr. Needham: It is needed this time.

Mr. McDONALD: The Commonwealth Government cannot give away money to every one, either to States or individuals. Already it has done reasonably well, and shown an earnest attempt to assist the State, for which we should give due recognition, neither more nor less. With some reservations I support the Bill. I believe the Government will exercise a sense of responsibility in the regulations it frames. During the next two or three days the Premier might make a statement of principle in regard to the regulations that may be submitted to the private banks, insurance companies and the Leader of the Opposition so that we may know in broad outline what these regulations are going to be. That would assist in reassuring the farmers and those who will have to bear part of the responsibility of finding money and credit with which to carry on the industry.

Mr. Doney: Have you considered any alternative form of legislation?

Mr. McDONALD: I have given the matter a good deal of consideration, but as the Bill came down last night, I have had only to-day in which to make inquiries.

The Premier: We cannot wipe out all existing securities and bring down new conditions altogether. That is the difficulty with which we are confronted.

Mr. McDONALD: There are some advantages in administering drought relief under an Act which was framed to meet

almost exactly similar conditions that operated 25 years ago. There is some merit in that argument. One or two factors require particular consideration. For instance, what is meant by drought relief? That point was raised by the Leader of the Opposition. If a person can obtain credit from any other source, either from the Associated Banks, private mortgagees, or by borrowing from a friend in order to tide him over the present difficulty, will he be debarred from assistance by means of this fund? Will this fund be distributed only amongst farmers who cannot get credit from anyone else? Were the money being advanced at the current rate of interest, that would not matter very much. As, however, it is being advanced at a very favourable rate of interest, it will represent a distinct advantage to the person who gets an advance from the fund, as compared with those who must have recourse to the ordinary means of credit and pay the usual rate of interest. It would be of assistance if we knew from the Premier what principle was to be followed in regard to people who are to receive help from this source. If we could have some statement of principle as to what the regulations are to contain, I think they would be found to be workable. I believe that private mortgagees, banks, or otherwise, have found in recent years that they have been able to work very well with the Agricultural Bank. Arrangements have been made between that bank and private mortgagees by which they co-operate in finding money for seasonal credits, and share the proceeds of the crop upon a ratio agreed upon beforehand. I see no reason why, when these arrangements are made in that spirit, similar arrangements cannot be made to the mutual satisfaction of all parties concerned in relation to the credits already given to the farmer. I should like the Premier through the Crown Law officers to give further consideration to the form of the Bill. I have drawn up an amendment which provides that the regulations shall empower the Industries Assistance Board to waive the statutory charge, either wholly or partly, in any case where the board considers it desirable to do so; and also that the regulations shall empower the board, if it thinks fit, to agree with the applicant, or any creditor, which may be an associated bank or other mortgagee of the applicant, as to the basis or method

upon which the proceeds of the crop shall be applied or divided. The reason for that suggestion is that unless specific power is given, the charge would automatically apply if any assistance is given from this fund to a farmer. That being so, he might find difficulty in approaching the private mortgagee for additional assistance that he might require for the purpose of his crop. If we make the provision elastic, and give to the board the same power to waive or postpone the statutory charge that is given under the Agricultural Bank Act, it should make for the good working of the Bill.

It seems also possible—and the Premier might consider this too—that the regulations might contain specific power to the board as to the extent of the property to be covered by the statutory charge. The Leader of the Opposition has referred to that aspect. It might well be that if the board has power under the regulations to do so, it can say to the farmer, "You are getting £200. We do not want a statutory charge to arise automatically over all you have got. We shall be quite satisfied to give you a writing to say that the statutory charge will operate only in regard to your crop, or your stock, or some other portion of your assets." I also suggest to the Premier that the wording of the Bill, in paragraph (b) of Clause 2, might be re-examined, for I am not certain that the power there to make regulations would give the board power to depart from a number of the provisions of the Act which were quoted by the Leader of the Opposition. If the words were inserted "Notwithstanding any provisions in this Act," that might widen the power of the Government to make regulations and to overcome difficulties which might otherwise be occasioned by other sections of the Act, difficulties which might not be desirable in the administration of this particular form of relief.

The position, therefore, as far as I see it, is that I want to assist in the passing of this legislation as soon as possible. I would like to co-operate with the Leader of the Opposition and the Government in doing what I know the Government wants, and that is to put the measure into the most useful and practical form to meet the occasion. I hope that in the next few days it may be possible, in the light of what has been said this evening, to agree upon the principles

on which the regulations are to operate, and to state those principles so that all parties will know beforehand, in general terms, how it is proposed that the relief shall be granted and the general nature of the machinery that will come into force to distribute and secure that relief.

MR. BOYLE (Avon) [10.3]: With a good deal of reluctance, I oppose the Bill. I am reluctant to do so because I realise the urgency of the matter of relief to drought-stricken farmers. However, under this amending Bill the Government is taking power to make regulations. The Industries Assistance Act is not amended beyond that point, and the power to make regulations would of course bring the whole strength of the Industries Assistance Act into operation. Time after time we have said from this side of the Chamber—and I have specially emphasised it—that the Industries Assistance Act is a measure of 1915, and is in many respects to-day outmoded and out-dated. We are living 25 years later, under very different conditions. The invoking of the Industries Assistance Act to secure this £570,000 is equivalent to using a nine-inch gun when a much smaller calibre weapon would serve. The Commonwealth, contrary to opinions I have heard expressed in this Chamber, has by no means granted to the State of Western Australia a sum of £570,000. This is an instance where the Commonwealth Government has been rather niggardly—not so much in the amount granted, because it has made available altogether about £3,000,000, but in imposing severely rigid conditions in the repayment of the money and in charging the State Government with repayment of the money over a period of seven years. The State Government no doubt has considered the matter with a view to protecting itself as far as repayments are concerned against the farmers who will be the recipients of the money. As the Premier stated, it is expected that there will be about 2,000 applicants for this particular relief money. That will mean an average of about £300 per man. I hold that a much better method could have been adopted than amending the Industries Assistance Act. That is a statute which we renew from year to year. As I said a while ago, it is an Act that may have been applied as a rea-

sonable instrument of pressure on the farmers, shall we say, in 1915. But to-day we find ourselves in a vastly different position. In 1915 the farmer was not carrying the debt load with which he is burdened to-day. In 1915 there were only about 40 per cent. of the number of farmers Western Australia has to-day. The main settlement of Western Australia's wheat belt took place between 1920 and 1930, and in 1914 there were comparatively few farmers who received the benefits of the money advanced in those days.

I will offer the Government a constructive proposition. I am not standing here merely to waste the time of Ministers and of members generally in opposing a measure because I think it should be opposed. I oppose the Bill because I think it is inefficient and will be an extension of government by regulation, and that is writing a blank cheque for the administrators, which I do not think would be fair to the 2,000 men who will be bound by this legislation. Moreover, the measure will prove a source of friction between men who are not on the Agricultural Bank and farmers who are financed by banks and insurance companies. I have had many communications, or shall I say applications, on this matter, from farmers on the Associated Banks and those with insurance companies. It may interest the House to know that the A.M.P. alone has £800,000 advanced in the agricultural areas of Western Australia. The Associated Banks, according to the Royal Commission's report, have over £8,000,000 advanced in the wheat belt of Western Australia. Altogether these private institutions have more money out in the wheat belt to-day than our Government has through the medium of the Agricultural Bank, taking it right through the agricultural areas. There is a saying that the rain falleth on the just and the unjust alike; but this year the rain did not fall either on the just or the unjust. It neglected its business, but it did not discriminate between Agricultural Bank clients and Associated Bank clients. These men are all in the one boat to-day. They are all in the same difficulties. Undoubtedly this measure will, if passed, place the Agricultural Bank Commissioners, as members of the Industries Assistance Board, in a most difficult position. If members look

at the Second Schedule under which farmers will have to operate, they will realise that it is very comprehensive. I understand it is the schedule under which applications have to be made and it embodies the following clause:—

I am willing to give an assignment of successive seasons crop until the whole of the money has been paid off; also a mortgage on demand.

What I see in that is the difficulty that will be experienced with the Associated Bank, insurance company and private mortgagee clients when they approach the Agricultural Bank, in that those concerned will have to depart from their position as first mortgagees and surrender their rights to the Government department administering the fund. I do not know that the mortgagees are prepared to do that. Let me point out that we have to-day trustees administering the Farmers' Debts Adjustment Act and also the Rural Relief Fund Act. I impress upon members the fact that the Rural Relief Fund money represents loan funds raised by the Commonwealth Government and given to the States for the adjustment of farmers' debts. Western Australia's share of that money was £1,300,000 and that money was handed to the trustees under the Farmers' Debts Adjustment Act, who were also appointed trustees under the Rural Relief Fund Act. If we turn to the latter Act, we find that it provides an almost perfect structure for the distribution of drought relief. This is indicated in Section 3, which reads—

(a) There shall be a fund, to be kept in a special account at the Treasury, to be called "The Rural Relief Fund" (hereinafter called "the Fund").

(b) The fund shall consist of any moneys provided by the Commonwealth for the purpose of rural relief.

Then we find in Section 4—

(1) The fund shall be under the control of three trustees who shall be appointed by the Governor. One at least of such trustees shall be a farmer.

There we have already a complete structure set up for the purpose of handling £1,300,000 of debt adjustment money.

The Premier: That was a gift.

Mr. BOYLE: Yes, but the money was not given to the farmers. On the contrary, it was made a charge against the farmer and a period of 23 years fixed for the return of the money. Provision was made for three

years during which no repayment was necessary and then during the remaining 20 years instalments have to be paid back to the trustees of the fund. I cannot understand why the Government did not use the machinery provided by the Rural Relief Fund Act, under which the trustees have already handled about £1,100,000 of Commonwealth money. Those trustees have compounded debts and discharged debts. What representatives of an organisation, ranking equal with the Agricultural Bank, have a better knowledge of the needs of the farmers than the trustees of the Rural Relief Fund, who have already handled the affairs of over 3,000 farmers and provided the necessary money for debt adjustment. Those trustees are now going out of employment, so to speak, for their task is practically concluded. Why load all this extra work on to the already overloaded Commissioners of the Agricultural Bank? To-day they are very hard-worked men. They have lost one of their number who is on active service. The result is that the work has developed upon two men who have to carry the whole load.

Now we have the spectacle of the Government introducing a Bill to amend the Industries Assistance Act to pass over the administration of £570,000 of troublesome funds to the Commissioners controlling an organisation that is already working flat out and is responsible for about £14,000,000 of advances, with interest accruing thereon. At the same time the Government has passed over the trustees of the Rural Relief Fund who have made such a good job of the distribution of so much Commonwealth money. Furthermore, the Government could have avoided the trouble that we anticipate. The advances by the Rural Relief Fund trustees are covered by a first charge and there are many banking institutions whose clients have experienced debt adjustment through the Rural Relief Fund trustees, who agreed to those first charges being out. But there will be difficulties—I foresee them—when the Agricultural Bank Commissioners set out to make these new advances and demand, as they will have to do, to have the rights belonging to first mortgagees. That will be the position because the Agricultural Bank cannot make advances other than as first mortgagees. Therefore, simplicity is apparent in the

suggestion that the Government should make use of an institution already established in Western Australia that has handled a vast sum of money and has practical experience of the distribution of funds amounting to £1,100,000 under similar conditions to those contemplated under the Bill. Yet the trustees associated with that institution have not been availed of for the purpose I indicate. I suggest to the Government that they could very well make use of the Rural Relief Fund trustees. I am sure, too, that the differences created between Agricultural Bank clients and those of other institutions, whether real or imaginary, are nevertheless real enough to the farmers who will have to apply for relief. In the course of my travels through the wheat belt districts, I am often asked, "How will we get on? This provision is only for Agricultural Bank clients. That is no good to us; we are not going under Section 51 in any circumstances." The Government has the remedy in its hands. If the Rural Relief Fund trustees were charged with the duty of carrying out this work, there could be no suggestion of bias on the part of the Commissioners of the Agricultural Bank in favour of their own clients. Personally I do not believe the Commissioners would exercise any such bias.

The Premier: No.

Mr. BOYLE: But what I think and what the Premier believes, is not shared by the farmers generally.

The Premier: We have to accept the responsibility of doing what we consider right, irrespective of what other people may believe.

Mr. BOYLE: Quite so. The Rural Relief Fund Act was introduced by the present Government and is a good Act. We gave the Government every assistance in securing its passage. We made a very good suggestion to the Government that the Rural Relief Fund money should be given to the farmers of Western Australia, just as the money was given to the Government. However, the Government in its lack of wisdom, demanded the return of that money from the farmers. I emphasise the point that we did assist the Government to pass that legislation, of which the Government should to-day avail itself and thereby avoid friction, and the creating in the minds of farmers of the impression that there are

classes of farmers. There is a growing feeling today along those lines. The impression is growing that there are Associated Bank farmers and Agricultural Bank farmers, but I can assure the House there are very few free farmers. All farmers belong, financially, to someone to-day. I should say that 90 per cent. of them are under the financial mastery of someone or some institution. We do not desire that feeling fostered by legislation of the description now before us. We want the farmers to be able to go the trustees of the Rural Relief Fund in order to get whatever assistance they require from the drought relief fund. By a small Act, the Farmers' Debts Adjustment Act was linked up with the Rural Relief Fund Act and another small measure would place the legislation under discussion side by side with the other two enactments. I assure the Premier that there is a heap of trouble ahead if the Bill is persisted with. This is really not a Bill at all. It is merely an alteration of Section 14; five words are deleted and eight others are substituted, while Subclause 6 is added. Subclause 6 will enable regulations to be made. Therefore if we pass the Bill the Commissioners of the Agricultural Bank, or the Minister for Lands, their Ministerial head, will make regulations which members will be unable to question until the House meets again, possibly in August next year.

The Premier: You know the purport of them.

Mr. BOYLE: I do not. I do not know whether the Premier can tell me the purport.

The Premier: I can.

Mr. BOYLE: Is the purport what the Premier has told us, that all applicants shall be treated alike? I understand that is the Premier's idea.

The Premier: Our aim is to give the farmers more generous treatment.

Mr. BOYLE: I contend that the Act makes that impossible. Under it the farmers cannot all be treated alike; it does not matter what the intentions of the Government are. Those intentions are stultified by the provisions of the Industries Assistance Act. That Act, I would like to inform members, is not merely a farmers' assistance Act. Only Division 2 of the Act applies to agriculturists. There is another division that applies

to any other class of business. The Government can, under this Act, assist any type of industry, from goldmining to fishing. I think the fishing industry has received some help. Yet the present intention is simply to superimpose upon this Act legislation to deal with drought relief, involving £570,000, for a section of our people—shall we say, 2,000—a most important 2,000. Are we going to cause the farmers all the trouble and worry that the machinery of the Industries Assistance Act will entail? Bear in mind that this Act is an over-riding Act. That is set out in one of the sections of the Act. Under it, the Government can obtain a first mortgage without registering any charge. Yet the Government turns round and brings down a Bill of the type now before us. As I said, this Bill amends Section 14 of the Act, and adds Subclause 6 to that section. Subclause 6 is a kind of delayed action bomb which is liable to cause a terrible explosion. Under it regulations will be gazetted about which at present no member on this side of the House knows anything. We have no idea what the regulations will contain.

The Premier: Do you think I wanted to deceive the House?

Mr. BOYLE: I am not suggesting that for a moment. If the Premier would embody in a Bill what he told us to-night, we would be satisfied. We know the Premier is quite sincere. I would not have the effrontery to stand here and say he is insincere. But the Premier cannot foresee what we know will happen. We have had far more experience of these matters than the Premier has had.

The Premier: This is a Government Bill.

Mr. BOYLE: I once heard a Minister for Lands say in connection with Section 51 of the Agricultural Bank Act, "Leave it to the Government or to the Minister; you are quite safe. That section will never be used arbitrarily or oppressively."

The Premier: Is it all right now.

Mr. BOYLE: It is not.

The Premier: The administration of it is all right.

Mr. BOYLE: The administration of the Agricultural Bank to-day is sympathetic, but it was not always so.

The Premier: No, but it is now.

Mr. BOYLE: It might not always be so; but were the present Chairman of Commissioners to leave the Bank to-morrow we might get a martinet in his place.

The Premier: We would see that you did not.

Mr. BOYLE: Yet the Bank trustees were said to be free from political influence! Now the Premier says that he will see that we get what we want.

The Premier: No, I did not say that.

Mr. BOYLE: I think the Premier is quite sincere in that statement, too. It is said that the way to hell is paved with good intentions, and I can assure members that Section 51 proved a hell for many farmers. I repeat, the Agricultural Bank is administered sympathetically by the Commissioners. More consideration has been shown to farmers since Mr. Donovan has been chairman. But the farmers were not treated sympathetically before his appointment. One chairman of the Commissioners told me and others that he was going to administer the law to the letter as far as the Bank was concerned. He did, too. He said he was there to deal with matters in accordance with the Act under which he was appointed. That gentleman has gone. A similar person may be appointed to-morrow. It is our duty to see that the powers given to the Agricultural Bank Commissioners are not abused. I am utterly opposed—and I cannot repeat it too often—to regulations. These should be used sparingly; but we seem to be drifting into this position: that Parliament enacts legislation and leaves it to be administered by regulation. Take the Native Administration Act. I think there are 150 regulations under it.

The Minister for the North-West: Some of them are not too bad.

Mr. BOYLE: The Minister for the North-West put a good one over me on that Bill, but that matter is not before the House now. I oppose the Bill not because I desire the relief to be delayed. On the contrary, it is urgently needed. I think the Government has tried to do its best in the matter, and I much regret the Minister for Lands is not in his place.

The Premier: He will be here.

Mr. BOYLE: It seems hard that a job such as this should have fallen to the Premier. With all due respect to the Govern-

ment advisers, I think it was a colossal blunder to bring down a tinkering Bill of this nature to deal with 2,000 farmers who are to receive £570,000 by way of drought relief. We hope they will not be called upon to repay it, although we know the State has undertaken to repay the Commonwealth. It is a State obligation. The farmers may be able to repay some portion of the amount; but this catastrophe is a national one. I heard the member for West Perth (Mr. McDonald) say that there was no obligation on the Commonwealth Government to provide this relief, but that the obligation really rested on the State Government. That is an extraordinary argument. The hon. member went so far as to say he would like to see a unified form of Government.

Mr. Warner: For a short time.

Mr. BOYLE: I imagine it would last but a short time. As I have said, this is a national disaster and only the Commonwealth Government has the power to raise money to remedy it. Why should the Commonwealth be relieved of its responsibility in this matter? Every bushel of wheat exported from this and the other States goes to provide funds in London for the Commonwealth.

Mr. Berry: The Commonwealth has acquired the wheat as well.

Mr. BOYLE: That is another argument. I thank the member for Irwin-Moore for his interjection. We are now working under regulations promulgated under the National Security Act. We have lost our liberty; so the member for West Perth has his wish there. All our industries have been unified and placed under the National Security Act; wheat is Regulation No. 96, and wool No. 108.

Mr. McDonald: Are the farmers not getting benefit by it?

Mr. BOYLE: Of course they should benefit; but we, as their representatives, had to fight hard to acquire a bare level of subsistence. The Commonwealth handed over our wheat industry, under the National Security Act, to the merchandising section. Perhaps that will please the member for West Perth.

Mr. Fox: Whom did you have to fight in order to get a bare subsistence?

Mr. BOYLE: I am sorry I must oppose the Bill.

MR. BERRY (Irwin-Moore) [10.31]: I will not occupy much time in repeating what has already been said so ably by members of the Country Party. I admit that I anticipated that this would be a simple Bill and, dealing with a temporary matter, would be of a temporary character; and that it would not cause any difference of opinion or any feeling on the part of those concerned, such as apparently it has occasioned. The member for Avon (Mr. Boyle) made a happy suggestion when he proposed that the rural relief department should be used in this connection. That was a very sound proposal. The rural relief department is a body altogether separate from the Agricultural Bank or the private banks, and therefore cannot be accused of partisanship. Furthermore, that department knows its work thoroughly because of its experience of rural relief activity, and because it also knows individuals in the country; in fact, it knows practically every farmer in Western Australia. Most of the farmers are in somebody's hands and the majority are in the hands of the department. I pay tribute to the officers of the department. The affairs of farmers are in capable hands when they are looked after by those men. If the Bill could be torn up and dropped into the waste paper basket, where it belongs—

Mr. Watts: Hear, hear!

Mr. BERRY: — and another Bill introduced, making the matter simple for the farmers and for us, the Premier would thereby round off the very fine piece of work he has undertaken in the past few months. The present Bill has helped to spoil the good work he has done. The question of drought relief is extremely important, but under this measure we are asking people who will apply for relief to mortgage their future because they will ask for relief in respect to a crop which has gone to the four winds. It is our duty and the duty of the Government to do everything in our power to introduce legislation making it as easy as possible for them to carry on. I think I am right in saying that the Minister for Agriculture expressed to the former Minister for Commerce, Mr. Cameron, his disapproval of a loan being given to those in distress. The farmers cannot shoulder any more loans. But the fact that this one has been forced on them is no fault of the State Government. We can, however, have some form of legislation that will provide a sugar coating to this bitter pill. Many people in

the country feel that because they are not clients of the Agricultural Bank they will not receive any benefits under this proposal. A good many others do not feel happy about accepting proposed benefits that will place them in the hands of the Agricultural Bank.

There is another matter to which I wish to draw the Premier's attention. It will be remembered that earlier in the year many of us, including myself, exhibited panic as to the future of Western Australian crops. All of us—including the Minister for Lands and the Premier—did our utmost to prevail upon people who had crops to cut them for hay. We urged them to cut the crops even if the yield was only a few cwt., stressing the point that it was a national necessity and a patriotic duty. The Government decided to buy a certain amount of hay at £3 10s. a ton, and the Price Fixing Commissioner fixed a maximum price. Generally speaking the future for hay was rosy then. Anybody who had hay crops appeared to be on the way to fortune. These people ordered binders from the city. In one week 53 binders were despatched to my district. Farmers bought binders, cut hay and sold some of it to the Government. That which was not sold is now in the form of haystacks. Then the rains came. That was fortunate for the State but unfortunate for these particular people. Crops followed that had not been expected, but the people who had been induced to cut for hay and who but for that would have reaped about 15 bushels of wheat to the acre are now faced with the position of having stacks of hay that nobody wants. I have a letter on the subject, a portion of which I would like to read. It is from a man in my district, who writes—

The echo of the recent appeal made by the Government is now resounding most audibly in my ears and, without the slightest doubt, in those of the rest of the farming community. We were told time without number to cut all the hay we possibly could, even if it would yield no more than one-half ton per acre, as there was a shortage in Western Australia and a big market in the Eastern States.

With the viewpoint of loyalty to the appeal of a Labour Government, I cut the best of my crop to the extent of 140 tons of hay which, on a conservative estimate, would have yielded 15 bushels of wheat per acre, only to find on contacting several Perth chaff merchants and also the Agricultural Bank, that they do not require the hay and do not even wish to make an offer.

The position is that I, like others will be faced with the most vital matter, within two

months from now, of financing for the planting of next year's crop and carrying on for 1941. The hay is on hand and no market for it, a problem so formidable to the farmers that many—a great many—will find it impossible to make arrangements for 1941 finance.

I ask you not so much what does the Government intend to do but what are they doing to rectify this atrocious state of affairs. At the time of writing there seems to be no other apparent trend than a force-down of prices by the chaff merchants until the farmers will be compelled to accept give-away prices in order to prevent total financial ruin, and then when the chaff market is completely monopolised by the merchants they could raise the price to the fixed maximum to their own profit.

I consider it urgent and imperative and only justice that a minimum price be fixed so that farmers who have so loyally supported that distressing appeal shall not find themselves in the almost immediate future in a financial whirlpool.

He then suggests that a minimum price of £3 10s. per ton should be fixed, but that is apart from the matter under discussion. The point is that a good many men are in the position of having hay no longer worth £3 10s. in the stack though it may be worth more later on. Perhaps in January, February or March a different light will be thrown on their problem. In the meantime, the writer of that letter, and others in similar circumstances, must have money to carry on next year. I ask the Premier if he will be good enough to take matters of that kind into consideration when he decides to drop this Bill into the waste-paper basket and introduce one that is more palatable. The position outlined in the letter I have quoted is not an isolated case. Today, before coming to the House, I contacted the manager of one of our large financial institutions and asked whether he could throw any light on the matter and whether it was a bother to him. He assured me that it was a great bother to him, and he thought that if the matter was brought forward in this House, it might be given consideration. He felt as I do, that this is a problem that ought to be faced, and that a great deal more will be heard of it.

It seems to be paradoxical for me to be standing here and asking for drought relief for farmers who have had a crop. Still, because of the drought, we exhorted farmers to cut their crops for hay. We all did that. These farmers believed us and followed our advice, only to discover that that action was apparently wrong. Now they have stacks of hay which they say the mer-

chants will not buy at a figure commensurate with the value of a 15-bushel crop of wheat. The man I quoted is located at Damboring, which is in my district, and I assure members that many of the crops there would average 15 bushels or more to the acre. It would be only fair if some arrangement could be made for those farmers to get an advance against the value of the stack in order that they might retain the stack for sale at a time when probably a higher figure would be obtainable and thus be provided with funds to finance their cropping for the coming season. The stack would be ample security for the Government. I take this opportunity of thanking the Premier and the Minister for Lands for what I consider a lot of excellent work done by them last year. I am sorry they have spoilt it by bringing down this silly little Bill now to worry and irritate us unnecessarily.

Mr. WATTS: I move—

That the debate be adjourned.

Motion put and negatived.

MR. WATTS (Katanning) [10.42]: I think the observation made by the member for Irwin-Moore (Mr. Berry) that the best thing we can do with this little Bill is to put it in the waste paper basket reflects my attitude to the measure. I am quite satisfied of the need for legislation; do not let there be any mistake about that, but I am not satisfied that this is the sort of legislation required. Let me give a few reasons why in my opinion it is not. In a matter of this kind, which the Premier, by interjection, agreed was in the nature of a national emergency, is it reasonable that representatives of the people should be asked to subscribe to a Bill which simply seeks by regulation to amend the provisions relative to terms of repayment under an Act that has been in operation for 25 years? To my way of thinking it is not our duty to pass legislation that has this for its principle. Consideration should have been given and brought to effect and legislation should have been introduced on the lines suggested by the Leader of the Opposition and the member for Avon. If the suggestions made by those two members were taken into consideration by the Government and condensed into legislation, I submit that we would have before the House this even-

ing something that could readily be discussed and substantially agreed to by every member.

But instead of that we are simply asked to subscribe to this amendment of Section 14 of the Industries Assistance Act, which does not go to the root of the matter at all. It simply allows the Industries Assistance Act to continue on the terms on which it has existed for 25 years. Suppose a man makes an application for assistance and obtains it, forthwith that debt becomes a charge upon almost all his assets, at least so far as the experience of many clients is concerned, for the remainder of his life. If he succeeds in paying off the obligation, which is the exception rather than the rule, well and good, but if he does not pay it off, then he is subject to all the restrictions—I will not detail them again because the Leader of the Opposition has given them—contained in the parent Act.

Suppose we turn for a moment to the position of the Commissioners of the Agricultural Bank now in control of the Industries Assistance Act; the Commissioners of the Bank now constitute the I.A.B. They are going to administer this fund for farmers who are suffering the effects of drought. They have at the present time a considerable number of farmers already in receipt of assistance under the Industries Assistance Act. All of those farmers are not receiving assistance because they have suffered from drought; in fact, the greater number of them are receiving assistance for a variety of other causes. Of course there are some who are suffering even at the present time the effects of lack of moisture in past years. This Bill, then, is going to make it practically impossible for the settlers who are not suffering the effects of this year's drought to be assisted otherwise than from these Commonwealth funds.

The Premier: That is not so.

Mr. WATTS: The amendment says that after the coming into operation of this section, the terms and conditions and rates of interest shall be determined by regulations.

The Premier: Yes.

Mr. WATTS: And the regulations to be made will determine the expenditure of the £570,000 received from the Commonwealth.

The Premier: Do you think we are going to shut down on other clients?

Mr. WATTS: I do not suggest for one moment that the Premier is going to do so. Rather the contrary. I suggest that the Premier is going to assist every client of the I.A.B. out of the money provided by the Commonwealth Government, whether he be a sufferer from the drought or not.

The Premier: We are not. It would not be fair to do that.

Mr. WATTS: I submit it would not be fair, but I ask the Premier how he is going to avoid doing so under this measure.

The Premier: Cannot we have regulations dealing with different classes of farmers—those suffering from the effects of drought and those not?

Mr. WATTS: The amendment contained in this Bill makes provision for the farmers who, after the commencement of this section, receive advances under the Act. There is nothing to show that those who received advances before the coming into operation of this section are going to continue under the old provisions of the Act. All the customers of the I.A.B.—if I may call them customers—will come under the provisions of this measure.

The Premier: No, there will be a different set of regulations.

Mr. WATTS: Well, I will put it this way: if they come under a different set of regulations, we shall have the unfortunate position that Jones will be advanced money at one rate of interest and Smith will get money at another rate of interest, which, I thought, was something to be avoided by this proposal.

The Premier: It is, too. Anyone who is suffering from drought will get better conditions than anyone who is not. That is the object of the Bill.

Mr. WATTS: What is there in this measure to establish that?

The Premier: I will tell the hon. member.

Mr. SPEAKER: Order! The hon. member must address the Chair.

Mr. WATTS: There is nothing in the Bill to establish that, and this brings me to my first objection to the Bill, that Parliament should know what it is doing. If we are to represent the people, we should certainly know what we are doing. Here I have made two propositions in the last two minutes, neither of which is right in the Premier's mind, but both of them are right in my mind, and the measure says nothing about either. There is nothing in the Bill to guide either the members of the House or the

people in the country, and that is the whole trouble with the Bill.

The Premier: This Bill deals with the farmers suffering from the effects of drought. Get that into your mind.

Mr. WATTS: The Bill does not refer to drought. There is not a single word in it about drought. I do not know what is in the Premier's mind, and do not deny that that is what he means. There is, however, nothing in the Bill concerning the matter. Consideration must be given to what should be done, who should have the money, whether it should be confined to new applications for drought relief, whether the Industries Assistance Board should continue to assist from the Treasury fund at another rate of interest the people who were customers of the board but have not suffered drought losses this year—and there are some in the northern areas—whether we should have one set of regulations for them and another set for the people who have suffered from circumstances of drought and are entitled to receive advances from the fund. Parliament would be lacking in its duty if it did not protest against being allowed no say, and against there being any possibility of its having anything to say, concerning what is going to happen. If all goes as is expected, in a couple of weeks at the most the House will have adjourned for a substantial period. Meanwhile the regulations will be gazetted and put into operation, and drought relief money will be distributed. By the time another session commences the whole thing will be regarded as over and done with. Parliament and the representatives of the people, those who are entrusted by the country and the city people and the rest of the people in the State with the business of ensuring that they shall know what is being done with the country's money for the country's people, will know nothing about it and have no chance to do anything. I admit it is necessary for us to have legislation to deal with this money, but this is not the legislation we require to achieve that purpose. Better suggestions have been made by members on this side of the House, and to those suggestions the Premier, with his usual sweet reasonableness, might well give careful consideration before forcing this measure upon a very unwilling people.

Mr. J. Hegney: You want us to vote against this Bill?

Mr. WATTS: Yes. Let us have another Bill brought down.

The Premier: We can do all we want to under existing legislation.

Mr. WATTS: The Premier may think so, but the existing legislation could not be much worse than this measure. I do not, however, think that what is required to be done can be done under existing legislation. Possibly I am wrong, but I have this much to support me, that if it could have been done satisfactorily under existing legislation, this Bill would not have been brought before the House.

The Premier: We could not pass on the concessions without this legislation.

Mr. WATTS: Will the Premier be better able to pass them on with this legislation?

The Premier: We will have better means of passing on the concessions under this Bill.

Mr. WATTS: I suggest that the Premier withdraws the Bill, and proceeds by less controversial means to arrive at the same result that he now seeks to achieve by this means. I would not then require to express the opinions that I am under an obligation to express concerning this measure. During the course of the second reading speech by the Premier I asked by interjection whether the banks had agreed to this Bill, and the Premier answered, "I do not know." That is the note I took at the time. If that is correct, it is extraordinary that the Premier should have introduced this Bill when he was not in a position to answer such a question. He did not know whether the banks were agreeable to this amending legislation.

The Premier: We did not bring down the Bill to please the banks.

Mr. WATTS: I am not suggesting that the Premier is trying to please any bank. I take it the Government's duty is to legislate for all persons affected by the drought, and not for any particular section of those who are affected. It was necessary to know the attitude of those institutions, because heretofore they have objected to the advance of money to any farmer who had given security to the Industries Assistance Board. Although I have not the actual evidence to show

whether I am right or wrong, I believe there is a suspicion in the minds of many people that those institutions will continue to object. If they are going to continue to object because they refuse to place the Industries Assistance Board in priority to their claims, it is obvious that as the Bill and the law stand at present, those who are indebted to the institutions which are objecting will get nothing under this measure, nothing out of the fund, because it will not be practicable within the law for the Industries Assistance Board to lend them any money. When we view the matter from that aspect it is no wonder that I referred to the interjection and the answer thereto on the part of the Premier last evening. The point should be cleared up. If there is not going to be any advance to those farmers who are mortgaged to other institutions and private mortgagees, who refuse to consent, there is going to be a substantial section of the farming community, now suffering from drought conditions, who will not get any relief. The Premier also said last night that if a man could get credit anywhere else he would not be entitled to Government money.

The Minister for the North-West: He was then quoting the Queensland Act.

Mr. WATTS: I would not say the Minister for the North-West is incorrect in what he has just interjected, but my impression of the Premier's statement on that matter was as I have indicated. The Premier must expect to be misunderstood to some extent because the Bill does not tell us anything. We have to be guided by newspaper reports and such utterances of the Premier and others as are made available to us from time to time. That was approximately the observation the Premier made last evening, that if a man could get credit anywhere else he would not be entitled to Government relief. It was not clear to me that he was not referring to Western Australia.

The Minister for Works: Is it your experience that borrowers get money on their own terms?

Mr. WATTS: No. I do not suggest that they should do so. Apparently there are some people who are not going to be offered any assistance under this legislation, because by some other means they have been able to get the assistance elsewhere. They can get financial assistance somewhere

else possibly at $5\frac{1}{2}$ per cent. but probably they cannot do so because it is not easy at present to make financial arrangements with any banking institution. I will allow, however, that they will probably be able to get assistance at $5\frac{1}{2}$ per cent. interest. If they are allowed to participate under some reasonable form of security, which a man who can get money out of the Associated Banks would surely be able to furnish to the satisfaction of any reasonable board, then surely they are entitled to the benefit of whatever rebate or reduction of interest the Federal fund provides. If they can get money out of the fund at $1\frac{1}{2}$ or 2 per cent., or whatever the figure may be, surely they are entitled, if they are sufficiently strong to approach some other mortgagee for a loan, to that reduction of interest. But there has been no suggestion yet that they are going to get it. We have often heard here that there are misfits and inefficients on farming lands. Supposing those people exist, which as regards substantial numbers I deny, they are not people who can go to the Associated Banks and get money. So this proposal, unless I misunderstand it very strongly, is simply going to amount to another haven for those ineffectives and inefficients, because they will get the money and the efficient and the near-solvent will not. That is another objection I raise against the Bill. I ask the Premier to put the farmers in the hands of some independent authority prepared to take security which in his discretion he considers the best available, and to deal out the money not only in order to sustain those who are down and out, as I think the Leader of the Opposition said, but also to prevent those who are not yet near insolvency from getting near to it, which will happen if they have to pay a much higher rate of interest than that foreshadowed in connection with this fund.

Therefore I have no hesitation in asking the Premier to bring down a different type of Bill. It would be in keeping with the feeling I have formed for the hon. gentleman since I have been in this Chamber, that he is open to conviction by any reasonable argument, and I hope I have not established in his mind any belief that I am totally the opposite. Up to date the arguments, if available, have not been sufficient to convince me; and I am obliged

to oppose the passage of the Bill in its present form. Before concluding I wish to make a reference to the complaint of the hon. gentleman concerning the fact that the Commonwealth Government has seen fit not to grant this money to the State. I suggest to the Premier that the Commonwealth Government has learnt by experience from the States. Under the Farmers' Debts Adjustment Loan Act of some years ago, passed by the Commonwealth—

The Premier: The Commonwealth made £10,000,000 available to the Eastern States and Western Australia.

Mr. WATTS: And Western Australia got £1,200,000.

The Premier: Not yet.

Mr. WATTS: Not all yet, but that was the allocated amount. Everybody knows there is no obligation on the State to repay that, nor is there any interest. The State, I admit, has not asked the farmers for any interest. In that respect there is no argument between us. But the State has chosen to make it a liability of every farmer who receives part of the amount. It is all very well to say that the undertaking or mortgage provided by the Rural Relief Act and signed by the farmer is not a very satisfactory security. That of course is an effect of what the farmer owns and any encumbrances there may be on his property. However, it does amount to a very effectual covenant to repay the amount over the period prescribed, and a very effectual basis, if ever the farmer is sued, to make him liable, in any court of competent jurisdiction, for any amount he has received. The Commonwealth Government has acquired a little knowledge of how to deal with these matters by the experience it has gained from its past generosity and the State's treatment of those to whom that generosity was extended. I know it will be argued that this is going to be a revolving fund, and so forth; but I think it will prove to be nothing better to-day than an encumbrance upon the farmer's property, which in many cases—and I have had personal experience of them—has had the effect of restricting operations in the leasing or sale of his property, and in some instances has resulted in his being compelled to pay either the whole or portion of the amount outstanding so that he might sell his block of land. As far as I am concerned, it does not do to say that the Commonwealth Government has a right to-day, notwith-

standing its tremendous burdens—burdens which we are asking it to assume, and as to which we complain if it does not assume them sufficiently quickly or thoroughly—to do more than it does, or to contend that it should do better now than it did in 1935, especially as the State Government of that time was not prepared to take advantage of the more than reasonable terms offered to it and pass on the same relief to the farming community without charge. To-day, when the fund is being made available at a more than reasonable rate of interest and over a fairly reasonable period, the State can do no less than pass it on to the farmer on the same terms. But the State should not pass the relief on to the farmer under a restrictive Act like the Industries Assistance Act, a statute which has been the subject of much criticism in recent years.

The Premier: No fear!

Mr. WATTS: Oh yes, it has! Both in this House and outside of it. If the Premier's mind harks back over the last three or four years, he will recollect the criticism on discussion of Bills affecting the Agricultural Bank.

The Premier: Oh yes.

Mr. WATTS: I have one strong objection to all this type of legislation which I have seen presented more than once during the Premier's term of office, and that is that while private institutions are made to rely upon the signed security of the farmer, the Government can push through Parliament any charge or lien it chooses, and say to the farmer, "although you never agreed to it you have to accept that." We should not be asked to sit here and consent to the extension of that practice under this miserable little Bill.

MR. SEWARD (Pingelly) [11.8]: Previous speakers have covered most of the points necessary to be noted, but there are one or two matters I wish to deal with. I have no desire to delay in any degree the making available to the farmer of the relief which is so necessary for him, and which is going to become available to him through the State Government from the Commonwealth Government. However, I cannot possibly see my way to support this Bill, which I honestly believe will place insuperable impediments in the way of some farmers to obtain that relief, while of course making it available to those who

happen to be tied to the Agricultural Bank. My greatest fear is that private mortgagees or the banks and insurance companies will not readily, if at all, give their consent to farmers coming under the operation of the Industries Assistance Act; principally because such a farmer will not have any chance of being able to estimate what additional liabilities will take precedence of the liabilities under his mortgage. That is unfortunately the position. We do know what the liabilities probably are this year. He will get assistance to the extent of £200 or £300. That is all right, but the position that will confront the first mortgagee will make him ask what is going to happen next year. Suppose there is a failure! Today he cannot know what his liabilities may be at the end of next year.

The Premier: What would be his liability?

Mr. SEWARD: He would not know what his position was when he received assistance.

The Premier: But what would be his liability in regard to that?

Mr. SEWARD: It might be £20 or £200.

The Premier: Or it might be £4.

Mr. SEWARD: Yes. But the point is that the farmer would not know what his liability would be. Suppose his returns next year were not sufficient to meet his liabilities. In that event the farmer would require further assistance, and that is the point where the secured creditor will raise objection. Is it likely that the secured creditor would agree to the farmer securing further assistance unless he knew what the position actually was? If he did know what the extra liability would be, the secured creditor might be inclined to consent. As it is, I am afraid they will not adopt that attitude, and therefore we will impose this further impediment in the way of customers of mortgagees securing required assistance.

The Minister for Works: But this legislation will do the secured creditor a good turn.

Mr. SEWARD: It may be a bad turn.

The Minister for Works: Not at all.

Mr. SEWARD: I have tried to point out to the Minister that if a farmer already had a mortgage and went to the first mortgagee asking for permission to secure further assistance to the extent of £300,

the mortgagee would know the position; but under this legislation he will not know what extra liability is to be incurred. Then if the farmer's returns next year are not sufficient to enable him to meet his liabilities, he will require more assistance. The first mortgagee will not be in a position to know the real situation, and so he may object. As the Leader of the Opposition said, this position may continue for seven years or so, and it may be essential to extend the operations of the measure. In the meantime, the liabilities of the farmer will be mounting up and eventually he will find himself in a position similar to that which he experiences to-day. That is the stumbling block, and it is mentioned throughout the country districts. Everywhere the farmers are saying that the secured creditors will probably not give their consent to their clients securing further assistance under this legislation.

I am sorry that the mortgagees were not consulted and unanimity reached before this legislation was submitted to Parliament. I regret also that the administration of the grant was not placed in the hands of the trustees appointed under the Rural Relief Fund Act. I would not insinuate for one moment that the Commissioners of the Agricultural Bank would not act impartially, for I know they would adopt that attitude. I have a high opinion of the Commissioners. Nevertheless, the feeling throughout the country districts is: Why should an interested party be entrusted with the administration of the drought relief fund against the interests of other parties concerned? Members will agree that that is not altogether right. In my opinion, the fund should be administered by the Rural Relief Fund trustees, who are not interested in the disposal of the money other than to ensure that it is used for the benefit of the farmers concerned. The impression is that the money will be used to relieve the Agricultural Bank of much of its responsibilities to the detriment of private mortgagees. I do not say that that is to be done, but that is the feeling existing in the country districts.

Another matter to be mentioned concerns the application forms that are to be sent out. These forms contain a number of questions that have to be answered by the farmers, and one is asked: What terms are

we to get? A slip is gummed to the form setting out that the terms are to be in accordance with the Commonwealth conditions when they are known. Naturally, the farmers want to know what are the conditions. That question has been put to me and I have had to reply, "I do not know." Farmers have retorted, "Do you mean to say that you would be prepared to agree to a Bill regarding which you do not know the conditions?" That is the attitude of the farmers. I am sure that if I agreed to the Bill attached to which are conditions of which I have no knowledge, my constituents would certainly have something to say to me later on. Then again, one of the statements in the form which the farmers have to sign, includes the following:—

I acknowledge that I am in receipt of advances by the Colonial Treasurer under the provisions of the Industries Assistance Act, 1915, and I undertake and agree to pay to the Colonial Treasurer all moneys advanced or deemed to be advanced to me with interest at the rate of per centum per annum in accordance with the provisions of the said Act.

Many farmers have intimated that they will not sign any such form. Only recently two of them approached me and said they had never had anything to do with the Agricultural Bank but had transacted their business through an associated bank, in consequence of which they were not prepared to sign that form. I think a much more concise document would have been quite sufficient. It could take the form of a contract between the Government and the person assisted and could set out that the farmer agreed to certain assistance, while he could also provide necessary information. A man might require an advance of £5,000, but be in such a position that the mortgagee did not feel inclined to give him any further aid. There are many such instances. In view of the refusal, the man might then try to get £200 or £300 with which to carry on. In order to get that small amount he is to be required to sign a form setting out all sorts of details that I consider altogether too inquisitorial. A much more concise document should suffice.

The effect of the Bill will be to create second mortgages on farming propositions. To-day we hear a lot about second mortgages, far more than we did when I was associated with the bank. In those days we would not consider second mortgages. Generally speaking, the first mortgagee ad-

vances up to what he considers is the value of the property. If the farmer requires further assistance, he has to get somebody who will agree to take a second mortgage. That is a growth of recent years.

Mr. Doney: But the first mortgagee does not always advance up to the full value of the property.

Mr. SEWARD: He advances what he regards a safe amount on the value of the property. Later on the farmer may want to borrow further money and he has to find someone who will agree to increase the value of the property and make a second advance.

The Premier: Not as a rule.

Mr. SEWARD: No. Naturally the first mortgagee would prefer to keep the business to himself. He may agree to an advance up to 60 per cent. or 65 per cent. of what he estimates to be the value of the property. Naturally, the farmer is optimistic and he will often endeavour to induce someone to provide additional funds under a second mortgage; but that is not sound business. I was very pleased to hear the Premier, in answer to the member for West Perth (Mr. McDonald) intimate that it was not true that the drought relief money would be confined to people who could not get any other financial assistance.

The Premier: This money is available to people who have suffered from the effects of the drought.

Mr. SEWARD: I am indeed glad to have that assurance from the Premier. Other members have traversed various phases and I endorse their remarks. While I am as anxious as ever to afford relief to the farmers at the earliest possible moment, I think it should be provided through the Rural Relief Fund trustees, who are quite independent. I certainly do not think the relief should be associated with the Industries Assistance Act.

MR. WARNER (Mt. Marshall) [11.10]: I do not propose to speak at great length. I rise with mingled feelings of pleasure and regret—pleasure that money has been made available for the assistance of farmers; regret that the Premier has seen fit to introduce the necessary legislation in the form of an amendment to the Industries Assistance Act. I do not desire to cover the ground already traversed by members on this side of the House. At the same time,

the machinery required to administer this relief must be put in motion. I feel sure the Premier will keep his promise not to confine relief only to clients of the Agricultural Bank. All farmers, whether clients of that bank or not, who have suffered through the drought should participate in this relief. Other speakers have said, and I must repeat, that there has been a feeling that relief will be afforded only to farmers already under the Industries Assistance Board or the Agricultural Bank. The Premier's assurance convinces me, however, that such will not be the case. It is a pity the Premier does not hold over the Bill, so that an opportunity might be given for him to consult the leaders of the various parties with a view to arriving at some satisfactory arrangement, and eliminating the coarseness—if I may so express it—of the Bill. The settlers in my electorate are more in need of assistance than are the farmers in districts represented by other members. It is not my intention to put anything in the way of their obtaining assistance. I congratulate the Premier and the Minister for Lands upon their recent fight in the Eastern States, and also upon the other work they have done for our primary producers. Whatever department may administer this drought relief, there is not much time to set up the necessary machinery. Some members favour the Industries Assistance Board, but I would prefer the Agricultural Bank, as I have confidence in that institution. It will do the work properly and I am satisfied it will show no favouritism. I sincerely trust also that when these loans, if they are to be loans, are made available to our farmers in distress, this legislation will not drag on for years. It is a war measure, and we all hope the war will soon end. If it ends soon, and we get a good season next year, the prospects for the farmers will be much better. I feel I cannot support the Bill.

MR. DONEY (Williams-Narrogin) [11.25]: My remarks will be very brief. There is just one point upon which I would like the Premier to give a little information. When introducing the Bill, he said that the average advance from the drought relief moneys would be between £200 and £300. If we take it as being £250 and divide that into the £570,000 available, that would equal roughly some 2,000 applicants to receive assistance. During the day I have been

discussing this phase of the matter with certain officials likely to be interested in the disbursement of the money if this Bill is enacted. I gathered the impression from them that the number of recipients is likely to be as high as 5,000. That puts an entirely different complexion on this matter, because if the information to which I have referred is at all near the mark, the average amount might quite easily be as low as £100 to £110. I mention this so that applicants may not mislead themselves as to exactly what amount is available. Possibly the Premier has now further information and may be a little more specific on this point. I do know that Agricultural Bank field officers have been submitting information on this point and furnishing returns, and they consider that 4,000 to 5,000 farmers are likely to receive advances. Other than that, the only remark I would make—having regard to the fact that my colleagues have spoken fully on this matter—is that I personally object to the Bill for the reasons they have stated. I would hate the distribution and repayment of this relief money to be linked up with Industries Assistance Board conditions. I dislike the idea of 2,000, 3,000 or perhaps 5,000 farmers, who have not previously been associated with the Agricultural Bank or the Industries Assistance Board, becoming clients of those institutions. If that happens, it seems to me it would have a highly depressing effect upon our great wheat industry. I might say that the Industries Assistance Board is not a popular institution.

The Premier: It is a very useful institution.

Mr. DONEY: The Bill, if it passes, will prevent a number of farmers from applying for assistance for the reason that receipt of drought relief moneys will bring them under the Industries Assistance Act.

THE PREMIER (Hon. J. C. Willcock—Geraldton—in reply) [11.28]: I want to stress the position with regard to the incidence of the money available under this Bill. The money was made available because of the catastrophic drought from which this State has been suffering. Some three or four months ago it was recognised that seasonal conditions were such that they might be termed a calamity. With all the information that we had at our disposal at that stage, it was considered that the money now available would be sufficient to provide

relief to drought-stricken farmers and enable them to carry on their operations. It was also considered that money would be available for fodder for stock, as it was in the national interest to keep our sheep alive, so that we could build up our flocks again when the drought ended. That was the Commonwealth's justification for making this money available. The Commonwealth said that it was in the national interest, particularly in war time not to allow our flocks and herds to be decimated, nor to have our wheat lands put out of production because of the fact that this year our farmers have had a serious reverse. The Commonwealth's desire was that the farmers should be placed in a position to continue their wheatgrowing operations. The Commonwealth felt that in order to conserve the position and keep the farms in production during this particular period, its responsibility was to do something to make money available. That is what the money will be used for. It will not be used to help people who have not suffered severely from drought. There are people who have been under the Industries Assistance Board for several years as the result of poor productivity and bad prices, but if they had a decent crop this year and received a decent price for it, there would be no justification for their receiving any of this drought relief money.

Hon. C. G. Latham: If you make any fresh advances you will have to bring them under these conditions.

The PREMIER: The position is that people who have suffered from drought will receive special assistance. As hon. members know, however, there are several districts in which the people have had almost an average season. Some of the farmers in those areas, however, have been under the Industries Assistance Board because in the previous few years they had unremunerative seasons and required assistance to carry on. Those people, however, will not come under the provisions of this Bill and will not receive the concessions available to those who have suffered from drought. I cannot perceive the difficulty of making regulations such as was stressed by the member for Katanning (Mr. Watts). The Bill gives the Government power to make regulations to give assistance under the Industries Assistance Act to drought-stricken farmers. We say first of all that there is

a sum of money available at concession rates of interest for people who have suffered in this way and we shall make regulations to that end. People coming under the regulations will receive concessions and ordinary clients of the bank will carry on in the usual way under conditions that have operated in the past. What is difficult about that? The member for Katanning suggested that there was an insuperable obstacle. He seemed to imply that it would be necessary to pool the Industries Assistance Board resources and that there would have to be a flat rate of about $3\frac{1}{4}$ per cent. over the whole of the drought relief and other money advanced. I can assure him that that is not intended. It would be impracticable, unjust and unfair. There is no need to do it.

By means of regulations we can specify who will receive this drought relief at concession rates of interest and who will continue on the usual I.A.B. conditions. That is the procedure the Government will adopt. Because we are amending the Act to deal with certain people who have suffered from drought conditions, that does not mean to say that the Act, which has been of tremendous use in preserving the productive capacity of this State for many years, will be scrapped. All we do is to add a provision for the making of regulations relating to special concessions. The only reason for the Bill is that we want the power to deal with people entitled to receive the money that has been made available. We could have said, "We have legislation on our statute book under which we can make all the advances and be secured and by means of which we can be of great assistance to those suffering. We will go straight on with that." But we did not desire to do that. More favourable terms in connection with interest payments will be possible under this measure. There are people in greater trouble than others and we wanted to do the fair thing by them. I do not think that the Commonwealth Government made available all the assistance it should have given, but it has done something substantial and we did not want to take for the Government the advantage of what the Commonwealth Government has done for the primary producers. We did not want to get more money for the Industries Assistance Board; we did not want to charge more interest and make a profit. We desire to advance this money so that

the farmers will get all the benefit possible. We will undertake the administration—and there will be a considerable amount of money spent in that connection—without any charge to the farmers. Under those conditions the Commonwealth is helping and we are helping, and the farmers who have suffered this calamity will receive as much assistance as it is possible to give them at this stage.

I want to reassure the member for Williams-Narrogin (Mr. Doney). The inspectors of the Agricultural Bank have made a very careful inspection and taken a census throughout the State and they know almost to a penny what amount of money will be available to those in need. We have received practically all we asked for and all that we considered would be absolutely necessary. We did not want unnecessary money to be lent to us. I have no doubt that as conditions have improved since the original estimate was made, the money available will be sufficient to meet requirements.

Mr. Doney: The estimate was based on worse conditions than have prevailed recently.

The PREMIER: Yes, particularly in regard to feed. In that connection I have to refer to the remarks of the member for Irwin-Moore (Mr. Berry) regarding hay. We know that people did respond to the strong suggestion—I do not know that it was an appeal—made by the Government through the Minister for Lands that as it looked likely that there would be a serious shortage of fodder for the 5,000,000 sheep in the agricultural areas, people with crops would be performing a national service if they cut them for hay, thus enabling us to have stocks in case the season did not improve. Many of them did as suggested and if, as the hon. member says, some of them now find themselves in financial difficulties directly attributable to what they did—

Mr. Warner: It is only the last rains that have made a difference.

The PREMIER: Yes, but they may find themselves in difficulties because they cut reasonably decent crops and now have hay for which there is no immediate sale. If that is the case, their financial difficulties will be attributable to drought conditions and they will receive assistance. The feed position has improved in this State but unfortunately for Australia as a whole, the favourable conditions we have had during

the last six or eight weeks have not extended to the rest of Australia. The consequence is that there will be a big market for chaff in Eastern Australia if conditions do not improve. They have not done so up to date. It would make members almost cry to see the usually fertile and green districts of Victoria in the state in which they were when I recently saw them. There will be a shortage of fodder in the Eastern States because there has not been the same improvement in the season that has occurred here. Everyone with whom I talked, including the Premiers of South Australia and Victoria, said there would be a shortage of feed and big requirements of hay for the Eastern States.

Mr. Berry: How are the other States going to distribute their drought relief?

The PREMIER: By buying chaff, because they will not have enough of their own. If there is any chaff available at a reasonable price, they will purchase here. They do not expect to have enough fodder of their own raising available at a reasonable price. Consequently I think that those farmers who have hay can be assured that they will not lose very much through having cut their crops for hay. I think that we, too, will need a considerable quantity of hay. Of course, if conditions improve and we have recurring thunder-storms, the State will be lifted out of its serious trouble. The future however, is an absolute enigma. If we experience two or three months of hot weather straight off, our position will become immeasurably worse than it is at present. All we can say is that the position seems fairly assured in most districts until the middle of January, but beyond that we cannot say.

I cannot understand members of the Opposition saying that it would have been an improvement had the distribution of this relief been entrusted to the Rural Relief Fund Trustees or debt adjustment board. All concerned have had experience of what can be done under the Industries Assistance Act. We know how the Act has been administered and the manner in which the various problems have been successfully tackled. We also have a body of men experienced in the administration of the Act and in the putting in and taking off of crops, and surely their knowledge of what is required is superior to that of trustees who have been engaged in the work of adjusting the debts of storekeepers and others. Suppose the

services of the Rural Relief Trustees had been utilised, would they employ an army of officials to obtain information from all over the State, or would they want to use the officials of the Agricultural Bank? Do members think that the trustees could do the job better than could the Commissioners of the Agricultural Bank even with the help of the bank staff?

Hon. C. G. Latham: The farmers would not be beneficiaries as they would be under the Agricultural Bank.

The PREMIER: The Rural Relief Trustees have been engaged during the last two or three years in dealing with the debts of farmers and they are not the men to tackle a job of this sort. This is a matter of advancing money to keep farmers in production and enable them as far as possible to repay the advances. I hope that every farmer will be able to repay his advance, and I think that since we have a guaranteed price for wheat, the farmers will certainly have a much better outlook.

Members should consider the difference in the position of people under drought conditions of a year or two ago as compared with the present. A year or two ago many of them wondered whether it would be worth while to carry on because, if they got a good crop, there was a chance of their receiving only 1s. or 1s. 6d. a bushel for it. True, as a result of the steps for the stabilisation of the industry, some people will be shut out of production. They will be the people in districts which, over some years, have produced an average of only two or three bushels an acre. Our quota will be 29,000,000 or 30,000,000 bushels, and the farmers who produce wheat will receive a fair price and be enabled to get on their feet again. If the price increases, they will do even better. Given favourable climatic conditions, they will be able to meet their obligations, and on the law of averages we should have a run of good seasons. If we do get better seasons and prices, farmers will not be troubled much by the comparatively small amount of debt they will incur to keep them in production this year.

A question was raised by the Opposition as to what arrangements could be made with the Associated Banks. The banks have indicated that they desire to be helpful in this time of trial. I do not know that any bank would stand in the way of somebody else

who offered to lend farmers money at no interest for the first year and at a rate of less than 2 per cent. for some years after, seeing that such action would conserve the value of the security. That is what will happen. This money is being provided at concession rates on securities held by the banks, and the banks will be able to do better with their funds than by lending them to farmers. I do not think there will be much difficulty in that direction. If a member of this House was a mortgagee who had advanced £1,000 on a £1,500 farm and someone offered to lend the farmer £200 at a lower rate of interest, the mortgagee would not object to the outsider thus assisting to improve the farmer's circumstances.

Hon. C. G. Latham: But do you think the mortgagee would be likely to say, "All right, take priority over the security I hold"?

The PREMIER: Yes, I think so, in the circumstances.

Hon. C. G. Latham: I do not.

The PREMIER: Well, we shall see. From what I can hear, the banks are not unmindful of their responsibilities in connection with the drought, and are not above helping farmers who are in trouble, or facilitating the granting of help by others. If the banks find that somebody else is prepared to give help on better terms than they can afford, bearing in mind the commercial principles on which they conduct their business, there will not be much objection. The banks certainly would not want to load the farmers with more debt, and, as I have indicated, the banks could invest their money at a better rate of interest than the farmers would pay. When somebody else offers money at a lower rate of interest, I do not think the banks will be foolish enough to object to such assistance being given. Certainly they have everything to gain from the rehabilitation of the industry. Though it seems fashionable to deride and criticise the banks, they have some responsibility in the matter of restoring prosperity to the agricultural industry. As a result of these advances, and with the probability of better seasons and better prices, I do not think we shall strike much trouble. The outlook for the agricultural industry at this stage is better than it has been for ten years. We are now helping the farmers over what I hope will be their last obstacle for a long time to come.

and when they have got over it they should then be in a very much better position. Prices will be assured, and on the law of averages the run of seasons should begin to improve. I do not expect that any trouble will occur with the banks, or that we shall not be able to make regulations dealing with both the ordinary and special clients of the Industries Assistance Board. That will be a simple matter.

In view of the experience that has been gained by the Agricultural Bank and of agricultural affairs generally, we should not experience much trouble in this regard. If the Bill happened to be defeated, I do not say we would not go into the other matters that have been brought forward, because we are anxious to co-operate with everyone and do the best we can for the farmers. Were the Bill defeated, we would use the Industries Assistance Act as at present constituted. Whilst we have the machinery to handle the business we are not going to place anything in the way of farmers getting such advances as are available. We would use the present machinery to give them as fair a deal as possible. It is because we desire to give them an even better deal that we wish to amend the Act by this Bill. We could have brought down legislation similar to that which has been passed in Victoria or Queensland, legislation containing a number of new provisions of which we had no experience. We cannot wipe out securities by an Act of Parliament, the securities of private banks. No matter what measure we bring down, we cannot do that, neither can we lend money to people without security. We could have said that people who had suffered from drought, as was the case some three or four years ago, could receive so much for a three-bushel yield, so much for four bushels, so much for five bushels, and so on, but we preferred to adopt the system we hope will now be followed. This money does not represent an advance, but a loan to those concerned. The money will be lent to those who are in distressful circumstances to help them tide over their troubles. The more farmers pull through these bad times, the better will it be for the country. Our desire is to keep stock alive and preserve the productive capacity of our agricultural areas. We want all those concerned to assist in the production of wheat next year as that may be a dire necessity. As pointed out, it is of advantage to our overseas trade balance that we

should have an exportable commodity such as wheat. We want to give those concerned all the assistance at our disposal. Our only object in introducing the Bill was to pass on those advantages that will be derived by farmers as a result of getting cheap money. I am satisfied that what we require to do can be done by this Bill. I am not satisfied that the alternatives suggested by members opposite, the Leader of the Opposition and others, will give better results. If I thought so I would be quite prepared to give consideration to them. We are only handling this money for the purpose of doing the best we can for the farmers, and are not satisfied that we could do any better by any other means. Were we to pass some new legislation, based on entirely new conditions, all sorts of difficulties would crop up that would tend to make the position worse than it is. We have had a lengthy experience of this particular legislation and we know what to look forward to. It would be inadvisable to start out with entirely new legislation, and expect it to be administered by people who had had no previous experience of it. There would not be in existence the machinery effectively to carry out the administration required under some new Act, and we might strike tremendous difficulty. Whilst I am not so conservative that I would not try new methods, I think that in view of the experience we have had of this legislation, it would be unwise at this stage to change over to something about which we know nothing. I hope the Bill will be passed so that we may get on with the job, and give to those concerned the assistance they so much need.

Question put and passed.

Bill read a second time.

BILL—RESERVES.

Council's Amendment.

Amendment made by the Council now considered.

In Committee.

Mr. Marshall in the Chair; the Minister for the North-West (for the Minister for Lands) in charge of the Bill.

No. 1, Clause 2: The surname "Pyke" was substituted for the name "Pryke" where such surname appears in line 8.

The MINISTER FOR THE NORTH-WEST: The Council's amendment merely rectifies a clerical error. I move—

That the amendment be agreed to.

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

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

BILL—LEGITIMATION ACT AMENDMENT.

Council's Amendments.

Schedule of four amendments made by the Council now considered.

In Committee.

Mr. Marshall in the Chair; the Minister for Justice in charge of the Bill.

No. 1.

Clause 2: Paragraph (b):—Delete the words "dies thereafter or becomes insane without having previously" in lines 3 and 4, page 2, and substitute the words "and before he shall have."

No. 2.

Clause 2: Paragraph (b):—Insert after the word "hereof" in line 6, the words "dies or becomes insane or of such a condition of mental disability as to render him in the opinion of the Judge hearing an application hereinafter provided for, incapable of making such a declaration."

No. 3.

Clause 2: Paragraph (b):—Insert after the word "insane" in line 12, the words "or mentally disabled as aforesaid."

No. 4. Clause 2: Add a new subsection after proposed new Subsection (1), to stand as Subsection (1A), as follows—

(1A) A copy of any application under paragraph (b) of Subsection (1) hereof, and of the evidence by affidavit to be used in support thereof, shall be served upon the man alleged to be insane or mentally disabled as aforesaid, or upon the committee (if any) of such man, within the same periods prior to the hearing of the application as are provided by the rules of the Supreme Court, 1909, to be limited in a writ of summons for the appearance of any defendant.

On motions by the Minister for Justice, the foregoing amendments made by the Council were agreed to.

Resolutions reported, the report adopted, and a message accordingly returned to the Council.

BILL—COMMONWEALTH OIL REFINERIES, LIMITED (PRIVATE).

In Committee.

Resumed from the 26th November. Mr. Marshall in the Chair; Mr. Fox in charge of the Bill.

Clause 2—

Hon. C. G. LATHAM: It is true, as the member in charge of the Bill has stated, that very little alteration has been made in respect of this clause. I wish to take the opportunity of ascertaining from the select committee whether consideration was given to the oil reserve tanks being placed underground. In peace time we allow all sorts of things to be constructed having little regard for the future, but today along the coast those tanks present an extraordinary landmark. The clause apparently contemplates that we shall go on constructing tanks on the surface. Could arrangements be made with this company and other companies to have their receptacles placed underground? The extraordinary feature is that we are rushing this Bill through now, whereas most of the work was done three years ago.

Mr. FOX: The committee did not give consideration to the question of putting the tanks underground, that matter not arising on the Bill. There being a war on, possibly it would be advisable to put all the tanks underground, including the Shell, Vacuum, and Persian oil tanks, with possibly the gas company's works. The matter is really one for the Defence Department. I do not think any tanks are to be erected in the near future. The object of the clause is to give the Commonwealth Oil Refineries access to the harbour if they cannot use the Shell and Vacuum pipes, which convey the product to the Commonwealth Oil Refineries' works.

Mr. ABBOTT: The matter was raised indirectly. In Question 10 I asked a witness, Mr. Blankensee—

Have you any formal consent by the Commonwealth Government to this installation?

My reason for asking that was to ascertain whether the Defence Department had been consulted. The witness replied—

The Commonwealth Government is a shareholder and has three nominees on the directorate of the Commonwealth Oil Refineries, Ltd.

The suggestion was that the company must have been in consultation with the powers that be on the subject.

Mr. SAMPSON: I appreciate the significance of the question, but evidently the construction of tanks for the containing of motor spirit or any other volatile spirit is impracticable. I say this because on an island adjacent to Singapore I saw some very large tanks, while others were in course of construction. Again, at Darwin there are many tanks for the containing of oil, and when I was there no effort whatever had been made to camouflage them.

Clause put and passed.

Clauses 3 to 17, Preamble, Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—MENTAL TREATMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the 27th November.

MR. SAMPSON (Swan) [12.10]: I admit that when my attention was first directed to the Bill, I wondered whether some of the qualities of Heathcote might be damaged if approval were given to the desire of the Minister. Now I understand the position, I know that while special wards have been erected at Claremont and also at Heathcote to provide for the treatment of certain patients who have been certificated as being mental, such patients are unable to receive treatment at Claremont as the ward there has been taken over by the military authorities. In the circumstances, there is really no alternative to using the ward at Heathcote. The period of treatment in these cases will not exceed 10 days and we have the assurance of the Minister

that after treatment such patients are not to continue at Heathcote permanently or even for a lengthy period. Unless recovery has been experienced, any such patient will be returned to the Hospital for the Insane at Claremont.

The Minister for Health: Unless he is cured.

Mr. SAMPSON: If the patient has recovered, he will be discharged; otherwise he will be returned to Claremont. The usefulness of the institution at Heathcote will not be disturbed because of this procedure.

Mr. Raphael: It has been disturbed before, you know.

Mr. SAMPSON: Persons suffering temporarily from nervous or mental troubles have shown great improvement at Heathcote. As the Minister explained, the treatment of these cases at Heathcote will not extend beyond a period of ten days and we are therefore perfectly safe in agreeing to pass the Bill as presented. I have always been very interested in Heathcote. Perhaps that is because I was responsible for the purchase of the land for the purposes to which it has been put. I noted the sympathetic references made by the Minister to those concerned, and I have no hesitation in supporting the second reading of the Bill.

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 transmitted to the Council.

BILL—ESCHEAT (PROCEDURE).

Second Reading.

Debate resumed from the 27th November.

MR. DONEY (Williams-Narrogin) [12.16]: I readily support the Bill. It represents, as members will recollect, the sequel to my notice of motion last session for leave to introduce a measure, the objects of which were almost identical with those of the Bill under consideration. According to the Premier, there seemed to be at that time some

reason why the Bill might be more beneficially introduced by the Government. I acquiesced in that view, and in consequence the present Bill is before the Chamber. Members realise, I take it, that escheat is a term indicating the reversion of property to the Crown upon the failure of succession in title, and often occurs in cases of intestacy, while it also arises in cases of illiteracy or illegitimacy. Such reversion, or escheat is not, under the existing law, availed of without the necessity for the findings of an inquisition, or inquiry, into the circumstances under investigation. Besides being very costly, those findings have frequently been inconclusive and quite unsatisfactory. The object of the Bill is to allow the Crown to assume escheat in those cases where circumstances warrant it, without the necessity for the statutory inquisition with its contingent complications and generally very heavy costs. Those costs, of course, are always borne by the claimant. A reference to the schedule at the end of Ordinance, Victoria 31 of 1867 will show that these expenses amount to anything from, say, £40 up to several hundreds of pounds according to whether the inquiry is simple or prolonged and involved. It is plain, therefore, that there will be occasions when an estate will not be sufficiently valuable to stand the strain of the very heavy expenses likely to be incurred. In order to cater for such instances—similar cases will crop up from time to time—the Bill has been introduced. Such a case has arisen in the part of the State where I live; other cases will of course arise in other parts of the State. Particularly do these cases occur in the older settled parts of the State, such as Northampton, Guildford, Quindanning—this is the place where the case I mentioned arose—Pieton and elsewhere. I find that similar cases have engaged the attention of the Crown Law authorities from time to time and I understand that on nearly every occasion dissatisfaction with the existing escheat process has been expressed by counsel concerned. This makes me think the Crown Law Department and the legal fraternity generally are likely to feel pleased that the matter is at last receiving some attention. The other statutes—and there are many of them—that dovetail into this particular law have for many years now been amended and of course modernised. That, however, has had the effect of leaving the four ordinances

under review to a large degree shorn of their former usefulness. Objection has been raised that there have not been sufficient safeguards to protect the rights of other claimants against the estate after restitution has been made to an applicant, but hon. members who are concerned in that regard will find, on reference to the Bill, that their fears will now be groundless.

The particular case which is really responsible for the introduction of this measure is one where a will was made in 1884. No dispute ever arose in that case over any question of succession and the rights of the applicant were fully recognised by the Crown: but a pure technicality has rendered necessary an inquisition. The value of the estate, however, happens to be only about £250 and it is therefore too small to stand the heavy strain of the inquisition costs. I have before me a letter written by a solicitor interested in the case, and I think it would make for clarity if I quoted from it. The part that the House might perhaps get the most value from reads—

Under the above Act (31 Victoria No. 3) it is enacted that in all cases of escheat to the Crown an inquisition shall be taken before the sheriff on the application of the Attorney General and that a jury of six persons—

The number should be ten—

is required to enquire into the escheat, and certain cumbersome rules are set forth as to the procedure to be adopted. By an amending Act (33 Victoria No. 1) it is provided that the Governor-in-Council may, where any property has escheated to the Crown under the previous Act, order that such property may be given or granted to such person as may have a moral claim thereto, yet who may have no legal or equitable claim thereto. It therefore follows that before the Crown can waive its right of escheat, the necessary procedure under the first-mentioned Act must be taken to establish the escheat itself, which means that in the first place action must be taken to give the land to the Crown before the Crown can give it back.

The following extract from the letter will also bear reading:—

Not long afterward my client took legal advice on the matter and it was decided that he should wait until he had been in possession of the land 12 years, when it was considered that he would be able to apply for a title by adverse possession. Toward the end of last year an application was made on these grounds, namely, that the land apparently belonged to somebody else, but my client had had the exclusive possession of it for a period of 12

years and consequently he was entitled to be registered as the proprietor. It was then discovered, however, that he was *prima facie* the person actually entitled to the land and therefore could not be occupying it in adverse possession to himself. It then transpired that the Commissioner of Titles was of opinion that he could not actually apply to be registered as of right, because the necessary procedure under the Act above-mentioned had been adopted, and furthermore it was impossible to apply for a possessory title, because, as the matter stands, apparently the Crown is the only party actually legally entitled to the land and no person can be in adverse possession to the Crown.

After consideration of all these facts, it is apparent that the only thing for my client to do at the present time is to go through the procedure under the Act and then, having established that the Crown is entitled to the land, apply to the Governor-in-Council for it to be given back to him, and as you can well imagine this would involve very heavy expense, as the fees themselves under the Act could hardly be less than £25, and probably a good deal more. In addition, it has been provided by another amending Act that three months' notice of the holding of the inquiry must first be given, and that the finding could be upset within the following 12 months, so that it would take a considerable time before he could actually obtain a legal title. The land in question is only worth approximately £250 with all improvements, but it is important to my client's holding because on it are erected his house and main buildings, and it seems to be a matter of considerable hardship to him that he should incur not only such heavy expense, but also considerable delay by reason of what has gone before. All possible avenues of avoiding these complications have been explored, but the results are fruitless.

There is, however, one way in which the matter could possibly be overcome, and that is by obtaining an amendment to the original Statute, and in this regard I might mention that I am informed that there are other isolated cases which are affected similarly. I would therefore be very grateful if you would take this matter up with the authorities and endeavour to have an amending Act passed in some form or other, either simplifying the procedure required or enabling the Crown to waive its right of escheat without going through the above procedure.

That—the requirements of these final sentences—is exactly what is attempted by this Bill, and I fervently hope no objection will be offered to it by hon. members, but that they will, after this rather lengthy reading of mine, find the Bill in every way acceptable.

On motion by the Minister for Justice, debate adjourned.

ANNUAL ESTIMATES, 1940-41.

In Committee of Supply.

Resumed from the 27th November; Mr. J. Hegney in the Chair.

Vote—Education, £783,250 (partly considered.)

MR. RAPHAEL (Victoria Park) [12.30]: I do not want to speak at length on the Education Vote, but I wish to bring under notice the condition of the East Victoria Park school. I have done so for a number of years. I refer to the lack of teaching room and the terrible condition of the playground. I do not want to move a reduction in the amount of the vote, but if that is necessary before I can speak on this matter, I shall have to do so. From time to time there have been changes in the Ministerial control of the department, and on various occasions inspections of the school have been made. Incidentally it has the largest attendance of any school. It is sadly in need of reconditioning. During the past few months the Government has had deep sewerage installed both there and at the Cargill-street school at a fairly heavy expense. For that, I thank the Government, but I stress the urgent need for the improvements I have mentioned. The school grounds should be covered either with tar or bitumen. Most of the mothers of the district take a pride in their children and send them to school clean and tidy. By lunch-time, however, their clothes are dirty as a result of their having played in the dirty sand or slipped on the gravel during the recess. The infants' school attached to the main school is in need of attention, and from time to time the teachers themselves have had to clear the floors of the verandahs of sand drift. The parents, as I have said, take an interest in the children, and the Parents and Teachers' Association has been providing the youngsters with free soup. Since that has been done the children's physique has improved considerably. I hope the Government will provide funds to make the improvements I have suggested. I do not want to bring up the matter again next year, because it is time the work was put in hand. I know that other members will submit the claims of their electorates, but I consider this is one of the most urgent works needing to be done.

MR. NEEDHAM (Perth) [12.33]: This vote is one that gives scope for criticism even if only of a friendly character. It is not my intention at this early hour of the morning to speak at any great length. There is one matter which I have refrained from bringing forward on previous occasions, but I am compelled to mention it now. I hope the Minister in charge of the Estimates will make a note of it and see whether anything can be done. I refer to the girls' and boys' playgrounds at the James-street school. On two or three occasions in the past three years I have pointed out to the Minister for Education the dangerous condition of those playgrounds. A considerable number of children attend the school, and it is a surprise to the teaching staff and the parents, as well as myself, that serious injury has not resulted from the unsatisfactory nature of the school grounds. The Minister said he would have an inspection made by departmental officers, and I believe that was done, but that is all that happened, and there is no improvement. I urgently appeal to the Minister to see whether something cannot be done to rectify the matter. I presume that the Minister will reply, as others have done, that the problem is one of finance. However, the cost of making these playgrounds safe would be infinitesimal. Even although we are in a state of war and an enormous sum of money is necessary to bring that war to a successful conclusion, the department, if it is in earnest, will take steps to improve the school grounds.

MR. SEWARD (Pingelly) [12.37]: I am sorry I have to speak at this late hour, but this is a department which seems to be slipping back a little, and I desire to give my opinion about it. As is well known, we have a new Director of Education. All the time I have been in the House I have found it a pleasure to go to the Education Department, because although the department cannot always give us everything we ask for it has always endeavoured to do its best, but lately I have placed one or two cases before the Director, to which I do not think he has given proper consideration. Since the 28th September, 1938, attempts have been made to have a school established at East Bullaring, where there are a number of children. At the beginning of this year I made a further application in this con-

nection. An inspection was made and it was finally agreed to establish a school. A site was chosen just inside the rabbit-proof fence, about half-a-mile from one of the gates. The Lands Department then adopted a most amazing attitude. It would not give permission for a small gate to be placed in the rabbit-proof fence. I might state that the gate within half-a-mile of the school site is never closed. Eventually the trouble was overcome by removing the site of the school closer to the gate. Then it was decided to move a school from Gorge Rock, ten miles away, to this particular spot. That decision was reached last July. Yesterday I received a letter from one of the parents who has been active in the matter, as follows:—

Re school at Gate 69. We received your last letter and are anxiously waiting to hear whether any progress has been made. Owing to the long distance, children are now staying home, as the conditions are now impossible—Alcocks, Tenants, Murphys and A. Davenport. There are new people at the other house on the estate of Mr. J. Murphy—Whittingtons, with three school children. This school has been so long promised and we note that there are plenty of Government works being financed. Will you try to get it started? Things are so bad that if there is no school ready after the holidays, we feel like giving up to get the children away.

A letter from another of the parents appeared in the "West Australian" to-day. This is an extraordinary business. It reminds me of the exhibition we had in this House a few nights ago. One of the upstairs windows was broken during the afternoon and yet the House had to adjourn for about 35 minutes while men were obtained from the city to put a sheet of galvanised iron over the break to keep the wind out. Anyone else would have fixed a blanket over the broken window in about five minutes. Here is a school within 10 miles of the site, and after months of waiting we find there is no hope of getting it moved until after the Christmas holidays. To take such time is quite unreasonable.

Hon. C. G. Latham called attention to the state of the Committee.

Bells rung and a quorum formed.

Mr. SEWARD: I have another case relating to the school at Pingaring, north of Lake Grace. In April of last year I asked the Director to provide a few desks for the school, and on the 26th November, the date of his last letter, he promised the desks after the Christmas holidays. The desks

used in the school were 20 years old before they were sent to that school. They are so old that it is impossible to put bolts into them to keep them fixed to the stands, and the result is that when a youngster falls, desk, books and everything else tumble on the floor. The condition of these desks is disgraceful; I have seen infinitely better ones discarded by other schools as being unfit for use. Yet the unfortunate children attending the school are compelled to put up with those conditions. I advise parents to take their children away from the school. It certainly is not fair that the Director should sit in his office and say he will attend to the matter after Christmas or when the number of children increases.

Mr. Raphael: Did he say which Christmas?

Mr. SEWARD: No. The number of children increased from 16 to 18 and is now 23. It is unfair to the teacher to have to work under such intolerable conditions in this small oven of a school. The desks are knocked over two or three times or more each day because the wood is so punctured that the desks cannot be bolted to the stands. The school at Karlgarin has become too small for the number of children in attendance. A residence was being built for the teacher, and I applied to have the school enlarged. To my amazement I was told the department would have to send an inspector along to inspect and report, and then an officer from the Works Department had to go out to look at the job. He had to draw up plans for the extra building, and the result is that the work has been postponed indefinitely. This also strikes me as being extraordinary. One would think that plans for schools would be so drawn that the end could readily be knocked out of a building in order to add another room in the space of a few days, instead of having to indulge in all this red tape and inspecting and keeping people under annoying and irritating suspense. I hope my remarks will be noted and passed on to the Minister with a view to getting an alteration in the affairs of the department.

Last year the Minister, in introducing his Estimates, directed attention to the increase in the Education Vote. The vote in 1932-33 was £553,845, and it has increased every year until 1938-39 when the vote was £757,051, an increase of £200,000. When we examine that vote to ascertain how it has been spent, we find that salaries account for

94.32 per cent. of the total. Salaries have increased from £508,211 in 1932-33 to £677,858 in 1938-39, despite the fact that the number of schools open has decreased by 81, and the number of teachers has increased by only 300. Of the remainder of the vote 3.53 per cent. is spent on exhibitions, scholarships and driving allowances, and 2.15 per cent. is left for the purchase of stock, furniture, apparatus, etc. It is high time that steps were taken to secure a little more attention for schools in the country. It is of no use the Government saying that it has not the money. The money must be found. The Government has undertaken the duty of educating the children and the children should be given decent conditions. The teacher should also have decent conditions under which to do her work. Many of the teachers in the small schools are women, and they have to put up with a considerable amount of hardship. They are doing their work well, and the least the department can do is to see that they are supplied with the requisite facilities to enable them to do their part efficiently. I hope the Minister will impress upon the Director that he must do something better than he has done; otherwise we shall have to take further action.

HON. C. G. LATHAM (York) [12.49]: I wish to direct the attention of the Committee, even at this hour, to the fact that we are dealing with one of the most important departments of the Estimates, involving the largest amount of money we have to pass, namely, £783,250, an increase of £10,594 over the expenditure of last year. The Minister representing the Minister for Education has not told us anything about the activities of the department for the year. I admit that the member for Victoria Park desired to displace the Minister representing the Minister for Education.

The Minister for the North-West: I have already introduced these Estimates.

HON. C. G. LATHAM: Then I readily withdraw the remarks I have just made, as I was not in the Chamber at the time and did not know that the Estimates had been introduced. Under this vote money is provided for the University. I point out to the Minister for Education the necessity for extending University classes to some of the more important towns outside the metropolitan area. University education should not be the right only of those who dwell in

the metropolitan area. In Kalgoorlie the School of Mines is turning out some very good officers. Because these young men have no opportunity to pass final University examinations they are not able to gain the necessary diplomas to enable them to obtain the positions that are offering. It is time the University authorities were asked to extend their classes at least to the goldfields areas. When I was in Kalgoorlie recently I was told of young fellows who had done exceedingly well at the School of Mines, but because they were not able to finish their education and pass examinations in certain subjects, they were not recognised as qualified to hold certain positions they might well have filled. It is time the heads of the University realised that the institution is not intended only for those who reside in the metropolitan area. I admit we cannot extend the facilities to every country centre or town, but they could be extended to the goldfields where there is a fairly dense population, and where there are young men who having taken up mining from the scientific point of view are much in need of such facilities. Again I apologise to the Minister for my opening remarks.

THE MINISTER FOR THE NORTH-WEST (Hon. A. A. M. Coverley—Kimberley—in reply [12.53:]): These estimates, cover the whole of the teaching staff and provide the money for carrying on education generally. On the Loan Estimates there are items covering school buildings, etc., and embracing many of those subjects referred to by members, such as renovations, additions, etc. I am not in a position to inform the Committee of the particular schools that are to receive attention, but I will bring under the notice of the Minister for Education the particular schools mentioned by members as standing in need of urgent repair, and other matters to which reference has been made.

Vote put and passed.

Votes—Police, £268,395; Crown Law offices, £86,850; Licensing £3,085; Native Affairs, £42,900; Harbour and Light and Jetties, £29,120; Fisheries, £6,925; North-West generally, £200—agreed to.

Public Utilities:

Votes—Goldfields Water Supply Undertaking, £133,000; Kalgoorlie Abattoirs, £4,590; Metropolitan Abattoirs and Sale-

yards, £75,190; Metropolitan Water Supply, Sewerage and Drainage, £109,555—agreed to

Vote—Other Hydraulic Undertakings, £61,536.

MR. DONEY (Williams-Narrogin) [12.58]: Earlier in the session I asked the Minister for Water Supplies for information with regard particularly to boring in those parts of the wheat belt that are outside the scope of the artesian basin. I asked, without getting any reply, whether any artesian or sub-artesian boring had been done, or whether it was the intention, in view of the drought we have experienced, to institute a plan for concerted boring. Prior to 1928 I think that quite a number of Interstate conferences were held on artesian water questions. About that time conferences were being held every two or three years. These added substantially to our knowledge of the subject. Since 1928 I do not think there have been any conferences. I suggest that the Minister might take into consideration the initiation of another such conference, or he might suggest to his colleagues that one could with benefit be held. The suggestion was made to me about two months ago, just after the tour of members of the Country Party in the wheat belt, that the Minister might consider allowing one of his hydraulic engineers to lecture to members on problems connected with artesian and sub-artesian water supplies. Some few months ago Professor Ross delivered an interesting lecture to members on the subject of motor car lights. I trust the Minister will consider asking one of his hydraulic engineers to deliver the lecture to which I have referred, as it would prove very useful to those concerned. Perhaps the Minister will be good enough to say what can be done in the matter.

THE MINISTER FOR WATER SUPPLIES (Hon. H. Millington—Mt. Hawthorn) [1.0]: I attended the Sydney conference called by the Minister for Lands of New South Wales. With the exception of the South Australian Minister for Agriculture and myself, the conference consisted of experts. It made a most interesting report on artesian water supplies. I shall be glad to make that report available to the member for Williams-Narrogin. The conference recommended to the Common-

wealth Government that a survey of the artesian belt of Australia should be made in co-operation with the States, and that then a further conference should be convened. The whole question is highly important. In Queensland, artesian supplies were found to be receding; bores that used to be overflowing had to be pumped. Thus, quite contrary to the general opinion, there is not an inexhaustible supply of artesian water. The same holds true of our North-West. On one station in the North-West a new bore had to be put down.

Hon. C. G. Latham: That might have been due to erosion of the pipes.

The MINISTER FOR WATER SUPPLIES: As regards sub-artesian supplies the Government has several plants out, lent to local authorities. I shall give consideration to the remarks of the member for Williams-Narrogin. Needless to say, the Government is keenly interested in country water supplies of any kind. Meanwhile the departmental officers are busily engaged in connection with sub-artesian supplies, and reports have been received from various districts on that subject. There is also a suggestion, well worthy of consideration, that University lectures should be given on the subject.

MR. SAMPSON (Swan) [1.4]: I take the opportunity of drawing the Minister's attention to the great need for water at Swan View. The position there is particularly difficult. I realise that because possibly of shortage of water from Mundaring the Minister was unable with safety to agree to an extension there. Now that a decision has been made to connect up the Canning and Mundaring reservoirs, I hope the Minister will be able to give a supply to the Swan View people. I have had letters from residents stating that if they cannot get water they will have no alternative to leaving the district—which would be a great pity.

Vote put and passed.

Progress reported.

BILL—ELECTORAL ACT AMENDMENT (No. 3).

Second Reading.

HON. C. G. LATHAM (York) [1.7 a.m.] in moving the second reading said: This is a very simple Bill to amend Section 66 (a)

of the principal Act. In 1921 Parliament in its wisdom passed a measure providing that—

Notwithstanding anything to the contrary in the principal Act contained, whenever any vacancy occurs in the Council or the Assembly by reason of any member resigning his seat for the purpose of seeking election for the Parliament of the Commonwealth of Australia, if such member tenders his resignation within twenty-one days prior to the date of the issue of the writ for the said election, and notifies in writing to the President or the Speaker his intention to seek such election, and his intention in the event of his failing to secure such election to become again a candidate for the vacancy aforesaid, then the issue of the writ for the election of a member to fill such vacancy shall be delayed until the result of such Commonwealth election shall have been first officially declared by the returning officer. If the member so resigning his seat and notifying the President or the Speaker as aforesaid—(a) fails to secure election for the Parliament of the Commonwealth; and (b) is nominated as a candidate for the vacancy occurring through his own resignation as aforesaid, the returning officer to whom the writ is directed shall forthwith, without holding a poll, publicly declare him to be duly elected, and the writ shall be so returned notwithstanding anything to the contrary contained in the principal Act.

The reason for that amendment was to permit any member of either House of the State Parliament to contest a Federal seat, and to permit the consequent vacancy in the State Parliament to remain a vacancy until the poll for the Federal seat had been finalised, when, if the member of the State Parliament had not been elected, he could again take his seat in the State House without an election for the vacancy. I propose to ask the House to repeal the amendment, because the Federal Parliament, in order to counter-act that amendment, has amended Section 70 of the Commonwealth Electoral Act, which now reads—

No person who—

- (a) is at the date of nomination a member of the Parliament of a State; or
- (b) was at any time within fourteen days prior to the date of nomination a member of the Parliament of a State; or
- (c) has resigned from the Parliament of a State and has the right, under the law of the State, if not elected to the Parliament of the Commonwealth, to be re-elected to the Parliament of the State without the holding of a poll,

shall be capable of being nominated as a Senator, or as a Member of the House of Representatives.

Paragraph (c) was incorporated in the amended Act but, prior to that Section 70 read—

No person who is at the date of nomination, or was at any time within fourteen days prior to the date of nomination a member of the Parliament of a State, shall be capable of being nominated as a Senator, or as a member of the House of Representatives.

Thus, the Federal Parliament inserted extra provisions in order to disqualify members of a State Parliament from nominating. Obviously, the intention was to debar members of a State Parliament from being eligible to take seats in the Federal Parliament in such circumstances. On that point the debate in the Federal Parliament, which I have read, was interesting. I do not propose to read extensively from the discussion, but I shall quote the following remarks of Mr. Charlton in the House of Representatives on the 8th December, 1921—

Mr. Hector Lamond.—Who is to determine the qualifications for a seat in this Parliament?

Mr. CHARLTON.—This Parliament, certainly; but I do not see why we should pass restrictive legislation which, as I have said, is really retaliatory. I can quite understand a Federal member on the platform opposing State legislation of this kind, but beyond that I think we should not go.

Section 66 (a) of our State Electoral Act, which I ask the House to repeal, is quite valueless because of the amendment that was included in the Federal Act. I know the point at issue has given rise to some doubt and there is disagreement even among eminent King's Counsel as to whether, in the light of the existing legislation, members of a State Parliament have not been deliberately and permanently disqualified, even if they have resigned their seats for more than fourteen days prior to nomination day, from contesting a Federal vacancy, although there is that right in our Electoral Act. I think the widest choice should be given to the people in the selection of their representatives in the Federal Parliament. Members will agree with me that the intention was that the opportunity should be available for individuals to graduate from the State Parliament to the Federal Parliament, and I consider that to be very wise. A little while ago there was a suggestion that the member for Brown Hill-Ivanhoe (Mr. F. C. L. Smith) should stand for the Kalgoorlie vacancy in the House of Representatives. Mr. Smith was well qualified to contest the seat and he would probably have been an

acquisition to the Federal Parliament because of his previous Ministerial experience. I also found myself debarred from standing for the Swan seat in the House of Representatives. It was principally on that account that I decided it would be too risky because some individual might take legal action to unseat me if I won the election. That risk will continue so long as Section 66 (a) remains in our Electoral Act.

Mr. Needham: Would not reciprocal action on the part of the Federal Parliament be necessary?

Hon. C. G. LATHAM: No, because of the amended Federal legislation and the inclusion of paragraph (c), which I have already quoted. While the present legislation stands, no member of this House can contest a Senate or a House of Representatives seat. I admit that unless a member who stands and is elected, is challenged, it is all right, but should any person take upon himself the responsibility of instituting the necessary legal proceedings, there is some doubt as to whether the objection could be successfully set aside.

The Premier: The provision in our Electoral Act is useless.

Hon. C. G. LATHAM: Yes. Two King's Counsel have advised me that there is some doubt on the point and because that doubt exists, I ask the House to agree to amend the State Act by deleting Section 66 (a) and thus clarify the position. I move—

That the Bill be now read a second time.

On motion by the Minister for Justice debate adjourned.

House adjourned at 1.16 a.m. (Friday).