

# **BILL—FREMANTLE MUNICIPAL TRAMWAYS AND ELECTRIC LIGHTING ACT AMENDMENT.**

*Second Reading.*

**MR. SLEEMAN** (Fremantle) [11.16] i—moving the second reading said: There are only two phases of the Bill which I wish to bring before the House: one is to provide for the Fremantle Tramways Board to increase its overdraft in order to save floating a loan, while the other is to make it lawful for the board to provide the Rockingham Road Board with power and light. The Fremantle Municipal Tramways and Electric Lighting Undertakings completed their first 10 months' operations on the 31st August, 1906, with £100,000 owing in respect of loans and visible assets including stores to the value of £92,598. The present position is that the loan indebtedness is unprovided for by sinking fund, and after deducting £5,000 for which the Fremantle City Council is responsible, it amounts to only just over £33,000 with assets, including stores, amounting to over £330,000, and by the 31st August, 1938, provided the present policy of the board is maintained, the undertaking will be absolutely free of debt, with assets to the extent of approximately £350,000. It is with the object of achieving this desirable result that the board wishes to obtain the increased overdraft authority in preference to raising additional money by loan to carry out the work of extending the electric supply to Rockingham and relaying the tramway track in the Melville Road Board district. I move—

That the Bill be now read a second time

On motion by the Minister for Railways, debate adjourned.

*House adjourned at 11.19 p.m.*

# **Legislative Council,**

*Thursday, 6th December, 1934.*

Bills: Public Dental Hospital Land, 2r.	1806
Land Act Amendment, 2r.	1807
Roads Act Amendment (No. 4), 1r.	1809
Inspection of Machinery Act Amendment, 2r.	1809
Administration Act (Estate and Succession Duties) Amendment, Com.	1810
Financial Emergency Tax Assessment Act Amendment, Assembly's message	1815
Financial Emergency Act Amendment, Assembly's message	1815
Mines Workers' Relief Act Amendment, 2r.	1815
Com. recon.	1815
Agricultural Bank, 2r.	1817
Resolution: State forests, to revoke dedication	1809

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

# **BILL—PUBLIC DENTAL HOSPITAL LAND.**

*Second Reading.*

**THE HONORARY MINISTER** (Hon. W. H. Kitson—West) [4.36] in moving the second reading said: Some time ago the Perth Dental Hospital was granted Perth lot 654 situated in Pier-street for the purpose of a dental hospital. When the association desired to complete plans for the proposed hospital, it was found that the site was not as suitable as it should be. One of the essential requirements of a dental hospital is a permanent south light. Otherwise it is necessary to use artificial light to a great extent. In addition the block was found to be a little smaller than was desired, and that would have necessitated the erection of a building of at least three storeys and the provision of foundations to carry an additional storey at a later date. Those discoveries having been made, it was decided that a more suitable site should be secured. Another site has been offered to the association—a block in Murray-street which would permit of the building of a hospital of two storeys, give better facilities and possess the desired south light. In order to take advantage of the offer of the second site, it will be necessary for the association to dispose of the Pier-street block, and this Bill is intended to give the association the right to sell it and utilise the proceeds for the purchase of the other site. A building of two storeys would be more satisfactory in every way than would one of three storeys, more particularly from the view—

point of control of patients and staff. A three-storied building would require several flights of stairs, and as many old-age and invalid pensioners utilise the hospital, it would not be fair to require them to mount stairs when there is really no necessity for it. The association have been doing valuable public work at very small cost to the Government. We are anxious to assist the association. As the negotiations for the purchase of the second block have not been completed, no mention of it is made in the Bill. Until permission is given to sell the Pier-street block, the transaction cannot be completed.

Hon. W. J. Mann: What is the area of the second block?

The HONORARY MINISTER: It has a frontage of 70 feet, and an area sufficient to permit of a two-storied building being designed.

Hon. J. Nicholson: Where is the block?

The HONORARY MINISTER: In Murray-street, close to Havelock-street.

Hon. L. Craig: Then it would face south.

The HONORARY MINISTER: Yes. No definite agreement can be entered into for the purchase of the block until the measure has been passed. As the transaction has not been completed, it is possible for a hitch to occur and it may be necessary to consider the purchase of some other block. The Bill provides for power to vest in the Governor to approve of the purchase of a suitable site. The Government would then be in a position to satisfy themselves as to the suitability of the block. I do not think any member will deny the need for a properly equipped dental hospital; in fact we must all agree that the need for it is becoming more apparent every year. As we are anxious to facilitate the work of the association, we are asking for the permission mentioned in the Bill. I move—

That the Bill be now read a second time.

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

## **BILL—LAND ACT AMENDMENT.**

### *Second Reading.*

**THE HONORARY MINISTER** (Hon. W. H. Kitson—West) [4.43] in moving the second reading said: Members will recollect that last year we passed a consolidating

Land Act. It was a very comprehensive measure which repealed over 20 Acts. As a result a large number of amendments were involved, and it is not surprising that after a year's experience, quite a number of omissions have been discovered, and that it is necessary to introduce an amending Bill to facilitate the working of the Act. The amendments are of more or less importance, and it is highly desirable that they be agreed to this session. Certain weaknesses have been discovered in the Act. It has been found necessary to arrange for better co-ordination between departments, particularly the Lands Department and the Titles Office. One important amendment deals with the necessity for giving some measure of relief to farmers whose conditional purchase leases have expired, or will shortly expire, but who, through present-day difficulties, are unable to pay off arrears of land rent so as to obtain their Crown grants, and thus find it is not possible to make any further financial arrangements until such time as the registration of the necessary documents at the Titles Office has been accomplished. That, of course, is rather a serious position for some conditional purchase holders; and an amendment in the Bill deals with the point. Hon. members will recollect that the consolidating measure contained very many and some very involved amendments. It has now been found necessary to make provision for what are described as co-ordinating channels between the Titles Office and the Lands Department with respect to adjustments of Crown leases registered under the Transfer of Land Act pursuant to action taken under the Land Act. Those matters, which I regard as really a subject for discussion in Committee rather than on second reading, comprise the amplification of the powers of the Minister for Lands, as a body corporate, to hold real and personal property; the delegation of certain powers to officers to sign documents; the limitation of the area of leases; the provision of statutory powers to notify or direct the Registrar of Titles to adjust Crown leases; the power to reduce the price of land and defer payment of rent and extend terms of existing conditional purchase leases; the power to resurrect expired leases and give extension of term to pay off the balance of purchase money and also allow of the registration of further dealings on such leases; the alteration of the term of occupation cer-

holders of homestead farms from seven years up to 25 to 30 years to coincide with the terms of conditional purchase leases forming part of the same surveyed location, and the removal of protection against seizure or bankruptcy proceedings with respect to homesteads after the first seven years; the conferring of the right on aboriginal natives to enter upon any unenclosed or enclosed but unimproved parts of a pastoral lease, to seek their sustenance in their accustomed manner. Originally, in fact since 1851, natives have had the right to enter upon any enclosed or unenclosed but otherwise unimproved parts of pastoral leases. That stipulation was for many, many years included in the pastoral leases which were granted. When the consolidating measure was before Parliament, that condition was deleted from the Bill. As a result, it became necessary for the condition to be excised from any new leases granted. As a consequence, the aboriginal had no rights whatever in regard to a large area of Western Australia. At this stage I may mention that this Bill when introduced in another place included an amendment which would have restored to the natives the right they had for so many years.

Hon. G. W. Miles: That right was deleted in another place?

The HONORARY MINISTER: No. It was amended in another place so as to provide that natives may enter upon any unenclosed and unimproved part of a pastoral lease. One has only to examine the provision for a few moments to realise what that means. There are few pastoral leaseholds in this country which are not enclosed by a fence. If the provision is allowed to stand as it is now, the effect will be that the area of pastoral leases which natives may enter will be exceedingly small. In fact, the logical outcome would be that before long the natives would be confined to those areas which are native reserves.

Hon. J. Cornell: Can you explain why another place foists these impossibilities upon us?

The HONORARY MINISTER: To me it is hard to explain why another place should agree to an amendment of this kind, which is so far-reaching. I can only conclude that another place did not appreciate how far the amendment goes. Of course it is possible that another place meant what the Bill says. From a conversation I have had

with one member who took part in the debate elsewhere, I understand that he did mean what the provision says. However this House has a duty to perform, and that duty is to alter the provision in question. Again, it is one of those matters which lend themselves more to discussion in Committee than on the second reading. All that the Aborigines Department at present desire is that the natives shall have the same right as they have had since, at least, the year 1851. Otherwise numerous natives will be placed in the position of not being able to secure their usual subsistence, so that they must necessarily fall back upon the Government for rations. The logical outcome is that they would eventually be confined to the small areas comprised in native reserves.

Hon. J. Cornell: Either that or break the law.

The HONORARY MINISTER: Yes. I propose to place on the Notice Paper an amendment to which I hope the House will agree.

Hon. E. H. Angelo: The dogs the natives have are the trouble.

The HONORARY MINISTER: That aspect may require some other action. However, at present I say we have no right to take away from the natives something which they have enjoyed since the year 1851. I would be inclined to say they have a Constitutional right to enter upon those millions of acres from which, under the provision as it stands, they are to be debarred. Many of the areas in question contain the natural waters which the natives have always used. The provision cuts them off from water. Under the provision as it stands they will not be able to encroach on any pastoral area which has a fence around it. Those who know our pastoral areas will realise what that means.

Hon. H. Tuckey: There may be a desire to keep them away from those waters.

The HONORARY MINISTER: I should say we could not possibly do that.

Hon. G. W. Miles: I think the objection is that the dogs of the natives destroy the sheep and also disturb them in the lambing paddocks and so forth.

The HONORARY MINISTER: Even if that is the reason, it is not sufficient justification for taking up the attitude that is adopted in the Bill as it stands.

Hon. G. W. Miles: The pastoralist needs some power to keep the natives out of the lambing paddocks, surely.

The HONORARY MINISTER: He has that power at the present time. The lambing paddock is usually a paddock which has been improved.

Hon. G. W. Miles: The natives are not to be allowed in the lambing paddocks?

The HONORARY MINISTER: No. They are not allowed on any enclosed and improved part of a pastoral lease. They used to be allowed to enter on any enclosed or unenclosed and unimproved portion of a lease.

Hon. G. W. Miles: The Bill as originally introduced provided that they should not be allowed on enclosed and improved portions?

The HONORARY MINISTER: That is so. I would like hon. members to give attention to that amendment, because it is most important, not only from the point of view of the natives but also from that of the Government. If the provision passes as it stands, it will raise a world-wide controversy. The position as regards the native question is bad enough at present. If it goes out that we are preventing the natives from living as they have lived from time immemorial, that we are debarring them from natural waters and preventing them from obtaining their subsistence as they have been accustomed to get it, and that we are in effect confining them to small native reserves, there will arise a controversy which will not be very creditable to the people of Western Australia. It has also been found necessary to make provision for machinery for the registration at the Titles Office of transfers of portions of pastoral leases after approval thereof by the Minister for Lands. The Bill also gives power to reduce the price of land in existing leases in repurchased estates. The present power in that regard applies only to unselected land. Further, there is provision to carry caveats forward from leases on to Crown grants, a power that now applies to mortgages only. Since the passing of the Bill through another place, further specific difficulties have been discovered in dealing with amendments of Crown grants and leases in the Titles Office. After discussion with the Commissioner of Titles, the necessary adjustments have been provided in regard to Clauses 5 and 10 of the Bill. I propose to put the corresponding amendments

on the Notice Paper. I have a considerable amount of information which I can make available to hon. members in the Committee stage; and I only desire to add that I hope they will be able to agree to the amendments in the measure, as they are highly necessary from the point of view of the departments concerned. I move—

That the Bill be now read a second time.

On motion by Hon. H. V. Piesse, debate adjourned.

### BILL—ROAD DISTRICTS ACT AMENDMENT (No. 4).

Received from the Assembly and on motion by the Hon. T. Moore read a first time.

### RESOLUTION—STATE FORESTS.

#### *To Revoke Dedication.*

Message from the Assembly read requesting concurrence in the following resolution:

That the proposal for the partial revocation of State Forests Nos. 4, 15, 20, 22, 27, 28, 36, 37 and 38 laid upon the Table of the Legislative Assembly by command of His Excellency the Lieut.-Governor on the 5th December, 1934, be carried out.

### BILL—INSPECTION OF MACHINERY ACT AMENDMENT.

#### *Second Reading.*

THE HONORARY MINISTER (Hon. W. H. Kitson—West) [5.5] in moving the second reading said: The object of the Bill is to make certain small but necessary amendments to the Inspection of Machinery Act. The first proposal is to amend the definition of a winding engine so as to include any engine used for raising or lowering men or materials in a tunnel or open cut. The present definition deals with shafts and does not refer to tunnels or open cuts. The amendment in the Bill will relate principally to the haulage of coal at Collie. At the present time haulage appliances are not mentioned in the Act with regard to certificated or other drivers, and it is necessary to have a definition to include such appliances. A further amendment deals with the question of passenger lifts, and it represents an addition to the Act. There has been considerable agitation for some

time past in regard to lifts in private and Government buildings, and a request has been made that there should be a man in control where lifts are frequently in use by passengers. Under the proposed new Subsection 4A the Chief Inspector of Machinery will have power to instruct the owner of a lift to employ a competent attendant to control the lift. He will have discretionary power to order that a lift be manned at certain times of the day, in order to meet cases where there are rush periods and slack periods. Provision is made to allow the owner of a lift to appeal to a stipendiary or resident magistrate against the direction of an inspector at any time during the currency of the notice to comply with the instruction. The magistrate will have power to modify or determine the order. Another provision is to require the driver of any winding engine to hold the necessary certificate. This is essential because the present provisions of Section 53 of the principal Act do not include electric winding engines.

Hon. J. Cornell: We had that three years ago.

The HONORARY MINISTER: Something like it.

Hon. T. Moore: It must be a good Bill if it has come here twice.

The HONORARY MINISTER: Another amendment is intended to make the exemptions under Section 53, Subsection 3(e), more explicit and it will apply to any winding engine within the stated limits of weight and depth, for material only, on the surface or underground. The Chief Inspector has power to insist on the provisions of this section being observed if he does not approve of exemption in any particular case. Provision is also made to require drivers of electric winding engines used for raising or lowering men to satisfy the board of examiners that they are competent to drive electric winders, before they will be permitted to do so. A driver already in possession of a certificate endorsed by the board of examiners on his winding engine-drivers certificate, will be exempt from the provision, and any person holding a winding engine-driver's certificate who can prove to the satisfaction of the board that he has been in charge of and has driven an electric winding engine for at least one year within the two years immediately preceding the commencement of this section may also be

exempted. The other clauses of the Bill are required to adjust consequential alterations rendered necessary by the provisions I have outlined. I move—

That the Bill be now read a second time.

On motion by Hon. J. Cornell, debate adjourned.

## **BILL—ADMINISTRATION ACT (ESTATE AND SUCCESSION DUTIES) AMENDMENT.**

*In Committee.*

Resumed from the previous day.

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

Postponed Clause 18—Reimbursement of duty paid by executor:

The CHAIRMAN: An amendment had been moved to insert after the word "Act," in line 4, the words "and subject to any directional provision in any deed, writing or will, to the contrary."

The CHIEF SECRETARY: I understood that Mr. Nicholson intended to confer with the Assistant Crown Solicitor on this clause.

Hon. J. NICHOLSON: That was my intention, but I have not yet been able to do so. This, I think, is a fitting opportunity to acknowledge the valuable assistance which was rendered to the select committee by the Assistant Crown Solicitor, Mr. Wolff. I should be glad if the Chief Secretary would agree to the consideration of the clause being again deferred.

The CHAIRMAN: Is it proposed to proceed with the new clauses to-day?

Hon. J. Nicholson: I am quite prepared to move them.

The CHAIRMAN: Then the simplest procedure would be to amend Clause 18 in accordance with the select committee's report, agree to the clause as amended, and later recommit the Bill. If the consideration of the clause is further postponed, it will not be possible to move the new clauses.

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

Postponed Clause 40—Where too much duty paid:

The CHAIRMAN: Mr. Nicholson had moved an amendment to add to the clause the following words:—"together with interest at the rate of £5 per centum per annum calculated from the date when such duty was paid to the commissioner."

The CHIEF SECRETARY: It is not advisable that the rate of interest should be fixed. It may be increased or decreased at any time. The clause was entirely satisfactory as it stood.

Hon. J. NICHOLSON: In another portion of the Bill provision is made for interest. The select committee felt it would be better to fix the rate, and that 5 per cent. was a reasonable amount. In the event of the rate varying considerably, the Act could be amended later. I would be quite prepared to accept a rate of 4 per cent. if the Chief Secretary would agree to that.

Hon. H. S. W. PARKER: The Commonwealth Government charge 10 per cent. If the matter is left to the Treasurer, he too may fix 10 per cent. if the taxpayer has to pay, and 2½ per cent. if he himself has to pay. It would be better to have a definite rate fixed of, say, 4 per cent. On judgments, interest at 8 per cent. is paid here, and in England it is 4 per cent. The Bills of Exchange Act provides for 8 per cent.

The CHIEF SECRETARY: It is far better that power should be given to fix the rate as circumstances suggest.

Hon. H. S. W. PARKER: In the case of a big estate it is invariably necessary to submit an amended statement of assets. The Crown then charge interest on the outstanding difference. Very rarely does the Crown make a refund, because the cost of getting the refund is generally more than the amount is worth. On the other hand, the Crown rarely fails to secure the maximum payment that is due to it. If the rate is fixed, executors will know precisely where they stand.

Hon. J. NICHOLSON: I move—

That my amendment be amended by striking out the word "five" and inserting "four" in lieu thereof.

Amendment on amendment put and passed: the amendment, as amended, agreed to.

Clause, as further amended, agreed to.

Postponed Clause 42—Procedure on appeal:

The CHAIRMAN: Mr. Nicholson had moved in Subclause 3 to strike out the words "fixed pursuant to subsection 4 of this section, which is for the time being current" in lines 12, 13 and 14, and to insert the following in lieu thereof:—"of four pounds per centum per annum," and to strike out Subclause 4.

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

Postponed Clause 43—Interest on duty:

The CHAIRMAN: Mr. Nicholson had moved to strike out the words "fixed pursuant to subsection (2) of this section which is for the time being current" at the beginning of Subsection (1), and insert the following in lieu thereof:—"of four pounds per centum per annum"; to strike out the words "in any case where the amount of duty has not been assessed within three months after the same became chargeable" in lines 7 and 8; and to strike out Subclause (2).

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

Postponed Clause 49—Duty on arrears in foreign company on death of shareholder:

The CHAIRMAN: Mr. Nicholson had moved amendments as follows:—To delete the clause and insert the following:—

"(1) Whenever after the commencement of this section a member domiciled in this State of any foreign company carrying on business in Western Australia dies, the shares or interest of such member in such company shall, for the purpose of assessment of duty under this Act, be considered as locally situated in Western Australia.

(2) (a) Whenever after the commencement of this section a member domiciled out of Western Australia of any foreign company carrying on business in Western Australia dies, there shall be chargeable and payable under and subject to the provisions of this Act, and except as hereinafter provided, without any deduction or exemption whatever, a duty, at such a rate as Parliament may prescribe, on the net present value of the shares or stock in the company held by the member at the time of his death: Provided that—

(i) the duty mentioned in this subsection shall not be payable where the net present value of the shares and stock in the company held by the member at the time of his death does not exceed one thousand pounds as ascertained by the next following paragraph.

(ii) where the company carries on business within and without Western Australia the duty payable by the company under this subsection shall be assessed on that part of the value of the shares of the deceased which bears the same proportion to the full value thereof as the assets of the company situate in Western Australia bear to the total assets of the company, wherever situate. In this subsection the term "assets" means the gross amount of all the real and personal property of the company of every kind, including things in action, and without making any deduction in respect of any debts or liabilities of the company;

(iii) no duty shall be payable by a foreign company under this subsection where estate duty has been paid under this Act in respect of all shares or other interest in the company held by the deceased at the time of his death:

Provided further, that no duty shall be payable by any foreign company which the Treasurer certifies to be a bona fide railway, timber, mining insurance or developmental company: provided that the Treasurer may at any time revoke such certificate, if in his opinion any such company ceases to come within any of the categories hereinbefore mentioned.

(b) Duty shall be payable as aforesaid by the company, and may be recovered by the Commissioner at any time after the expiration of six months from the date when the company shall receive notice of the death of the deceased member.

(c) Any payment by the company of any duty imposed in respect of shares or stock in the company held by a member at the time of his death shall be deemed to be a payment on behalf of the estate of such member, and may be deducted by the company from any moneys payable by the company to the personal representative of such member in respect of the shares or stock, or recovered by action from such representative.

(d) On receiving a notification of the death of any member, upon whose death the company would be liable to pay duty hereunder, the company shall cause to be delivered to the Commissioner a return giving the name and address of such member, the number, description, and value of the shares in the company held by such member at the time of his death.

(e) If any such return is not delivered in accordance with the provisions of this subsection, the company making default shall be liable to a penalty not exceeding fifty pounds: provided that it shall be a defence on the part of any such company if it be proved that it had no notice of the death of any such member.

The Chief Secretary had moved to amend the amendment in Subclause 2 by striking

out the words "one thousand pounds" in paragraph (a) (i) of the amendment, and to insert the words "five hundred pounds"; and to add a subparagraph in Subclause 2 (a) as follows:—

(iv) Where such deceased person holds at the date of his death shares or stock in more than one foreign company carrying on business in Western Australia then for the purpose of subparagraph (i) of this section the total value of such holdings determined in accordance with the provisions of this section shall be assessed, and duty shall be chargeable and payable under this section if such total value exceeds the sum of one thousand pounds.

The CHIEF SECRETARY: One person might have to pay duty on a large number of shares in different companies. He is exempted now, but the select committee's amendment proposes an exemption up to £1,000. That will apply as an exemption in connection with every company. If a person held shares in a number of companies it would mean that his estate would be exempt up to £1,000 in each. I am opposed to that.

Hon. J. NICHOLSON: I hope the Chief Secretary will realise what the difficulties of companies would be if the Committee agreed to this amendment. It has to be remembered that the select committee's amendment provides that notice must be given in respect to each company, and that the companies affected are foreign, not local. There will be very few people who will hold such a variety of investments as the Chief Secretary suggested.

Hon. H. S. W. PARKER: The Chief Secretary's suggestion would merely cause confusion and would be of no benefit to the Treasury. The clause as originally drafted set out that "whenever a member of any foreign company carrying on business in Western Australia, dies, wheresoever the member may have been domiciled, there shall be chargeable and payable . . . without any deduction or exemption whatever, a duty . . . on the net present value of the shares or stock in the company held by the member at the time of his death." The select committee propose in their amendment to divide holders of shares in foreign companies into two divisions. The first deals with shareholders in foreign companies domiciled in this State, and in that event the shares will be considered as shares held locally. If the shareholder is domiciled outside the State, duty will have to be paid on the shares held in the company operating

in this State, with an exemption up to £1,000.

Hon. T. Moore: How would Claude de Bernaldes be regarded?

Hon. H. S. W. PARKER: His estate would be entirely exempt because it is represented by mining shares. In most instances companies will have a small percentage only of their financial interests concerned with commercial activities in Western Australia. An enormous amount of capital would have to be involved before companies would be concerned to any degree. One effect of the Chief Secretary's amendment would be to tie up estates for a long time and would give rise to confusion in administering and finalising such affairs. Pinpricks such as these tend to frighten away capital.

Hon. G. W. MILES: At one stage the select committee proposed to include in their amendment words to the effect that "subject to the Government amending the Companies Act and the Stamp Act," these provisions should apply. I trust the Government will take that matter into consideration. If the Companies Act were amended as we suggest, foreign companies would be compelled to have a share register in Western Australia. In its present condition the Stamp Act has the effect of driving capital away from the State, and it should be amended to place it in a more satisfactory condition.

The CHIEF SECRETARY: I have made a note of both the points mentioned by Mr. Miles and intend to bring the whole question before Cabinet.

Hon. H. S. W. PARKER: The Press references to the report of the Commonwealth Royal Commission on Taxation seem to support my view that where shares are registered, that is where they are domiciled, and the country where they are domiciled receives the benefit of any probate duty payable. If we could amend the legislation accordingly, it would mean that if Swan Brewery shares, for instance, were registered in Western Australia, this State would derive the benefit of probate duty that, under existing conditions, is payable in Victoria. As to the question of stamp duty, I had occasion to sell some shares on behalf of a client recently, and I ascertained that all that was necessary to avoid duty was to sign a paper and the shares were transferred to Sydney. At the same time if the person in Sydney wished the shares to be held in Western

Australia, all he had to do was to sign another piece of paper and the shares came back here. In those circumstances the avoiding of taxation would be simple.

The CHIEF SECRETARY: After listening to the arguments I ask leave to withdraw my amendment on the amendment.

Amendment on amendment by leave withdrawn.

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

Postponed Clause 59:

On motion by Hon. J. Nicholson (moved in a previous Committee), the clause was amended by striking out, in lines 8 and 9 of Subclause 2, "fixed pursuant to Section 43" and inserting in lieu the words "of £5 per centum per annum."

New clause.

Hon. J. NICHOLSON: I move—

That the following new clause be inserted to stand as Clause 3A:—

"3A. This Act shall apply in the case of any person dying after its commencement but subject as aforesaid the provisions of Part VI. of the principal Act shall apply to any person dying before the commencement of this Act."

The CHIEF SECRETARY: The Parliamentary Draftsman points out that this clause should be inserted at the end of Part I. of the Bill.

The CHAIRMAN: That would mean re-numbering all the clauses right through.

Hon. J. NICHOLSON: That is so, and that is why the select committee suggested it should go in where it is proposed.

New clause put and passed.

New clause.

Hon. J. NICHOLSON: I move—

That the following new clause be inserted to stand as Clause 36A:—

36A. In the assessment of all duties payable under this Act there shall be deducted from the assessable duty the ad valorem duty paid on any deed instrument or settlement in respect of any property becoming liable to duty: Provided that no deduction hereunder shall exceed the amount of the duty assessed or payable in respect of the property liable to such duty and such deduction shall only be deducted or allowed in cases where the deed, instrument, or settlement relating to such property is produced to the Commissioner, or he is otherwise satisfied as to the payment of the ad valorem duty thereon.



There should be inserted after "ad valorem" in lines 3 and 13 the word "stamp." It will serve to make the meaning clearer.

The CHAIRMAN: That shall be attended to.

The CHIEF SECRETARY: The Parliamentary Draftsman informs me that evidently this has been taken from the Queensland Act. An objection comes from the officers of the Treasury Department, who say that if the donor is willing to make a gift with the idea of evading duty, and is gambling on living for two years, the State ought to get a set-off in ordinary stamp duty.

Hon. J. Nicholson: In this State it is £1 per cent. It is not so much in other States.

Hon. H. S. W. PARKER: If in the past one transferred a block of land to his wife for what is termed natural love and affection, he had to pay only 10s., whereas now he would have to pay £1 per cent. It would be rather rough if, on the day after he paid the £10 duty he should be fatally run over and, in consequence, probate would also have to be paid.

New clause put and passed.

New clause:

Hon. J. NICHOLSON: I move—

That the following new clause be inserted to stand as Clause 36B:—

36B. Insofar as beneficial interests pass to persons bona fide residents of and domiciled in Western Australia, and occupying towards a deceased person the relationship set forth in the Third Schedule to the principal Act, duty shall be calculated so as to charge only one half of the percentage or rate upon the property acquired by such first-mentioned persons.

This seeks to bring in a provision which exists in the Act now being repealed. It is to provide for part of the duty being charged to persons standing in certain relationship to the deceased.

The CHIEF SECRETARY: The existing Act is an assessment Act and a taxing Act combined. But that sort of thing cannot be done now. This provision should be in the taxing Bill, and I have the assurance of the Parliamentary Draftsman that he will put it in that Bill.

Hon. J. Nicholson: But we have no power to amend the taxing Bill.

Hon. H. S. W. PARKER: If this new clause should be rejected, the Third Schedule

is still left in the Act. It is necessary to insert this new clause in order to keep in the Third Schedule.

Hon. G. W. MILES: While we have the assurance of the Chief Secretary that this will be found in the taxing Bill, the select committee thought it advisable to have it in the Bill before us, because we cannot amend a taxing Bill. I hope the Chief Secretary will not oppose this new clause.

The Chief Secretary: I will have to.

New clause put and a division taken with the following result:—

Ayes	..	..	..	..	17
Noes	..	..	..	..	3
Majority for					14

#### AYES.

Hon. E. H. Angelo	Hon. R. G. Moore
Hon. L. B. Bolton	Hon. J. Nicholson
Hon. L. Craig	Hon. H. S. W. Parker
Hon. C. G. Elliott	Hon. H. V. Piesse
Hon. J. T. Franklin	Hon. H. Tuckey
Hon. G. Fraser	Hon. O. H. Wittenoom
Hon. V. Hamersley	Hon. H. J. Yelland
Hon. W. J. Mann	Hon. T. Moore
Hon. G. W. Miles	(Teller.)

#### NOES.

Hon. J. M. Draw	Hon. E. H. Gray
Hon. W. H. Kitson	(Teller.)

New clause thus passed.

New clause:

Hon. J. NICHOLSON: I move—

That the following be inserted to stand as Clause 71:—"If property, in respect of which any duty has been chargeable and duly paid under this Act on any occasion becomes liable on a further occasion to duty hereunder by reason of the death of any person within a period of two years from the date when such first-mentioned duty became chargeable, the duty with which such property would otherwise be chargeable on such further occasion shall not be payable in any case where such property passes to the widow or widower, or any parent or issue of any such person who dies."

Hon. H. S. W. PARKER: There have been occasions when husband and wife have been killed in an accident. The husband has willed everything to the wife and she has died a little later than the husband. Double duties have been charged and hardship has thus been inflicted. I do not think the Government intend that double duty should be charged. The new clause provides that only one duty shall be chargeable where a property passes in the family within a period of two years.

Hon. V. HAMERSLEY: Recently a farmer and his son were killed in a motor car accident. The property was willed to the son and the coroner found that the father had died a few minutes before the son. Thus double probate was charged on the property. The select committee have acted wisely in proposing the new clause.

New clause put and passed.

Title—agreed to.

Bill reported with amendments.

The CHIEF SECRETARY: I move—

That consideration of the report be made an order of the day for the next sitting.

Hon. J. NICHOLSON: On behalf of the select committee, I should like to acknowledge the great assistance we received not only from the Parliamentary Draftsman, Mr. Wolff, but also from the various witnesses who tendered evidence on a measure which occasioned very much thought.

Hon. G. W. Miles: And from Mr. Byfield, Chief Stamp Assessor.

Hon. J. NICHOLSON: Yes. They spared no pains to meet the committee's wishes and to furnish the information and help required. It was the desire of the select committee to present as full a report as possible, and we trust that the measure will prove to be satisfactory. I should like to express thanks also to the clerk of the select committee, Mr. L. L. Leake, who worked out the intricacies of the many amendments which the Chairman of Committees has had such a laborious task to handle.

Hon. G. W. Miles: And the "Hansard" staff should be included.

Hon. J. NICHOLSON: Yes.

Motion put and passed.

## **BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.**

### *Assembly's Message.*

Message from the Assembly received and read notifying that it had disagreed to the Council's amendment No. 3 and had agreed to amendments Nos. 1 and 2 subject to further amendments.

## **BILL—FINANCIAL EMERGENCY ACT AMENDMENT.**

### *Assembly's Message.*

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

## **BILL—MINE WORKERS' RELIEF ACT AMENDMENT.**

### *Second Reading.*

Debate resumed from the 4th December.

HON. J. CORNELL (South) [6.12]: The subject of mine workers' relief seems to be a hardy annual. The original measure was passed in 1932; it was necessary to amend it in 1933 and now again we are asked to amend it. When the original Bill, introduced by the late Mr. Scaddan, was before us, I directed attention to the extraordinary length and involved nature of the clauses, and last session, with Mr. Williams, I protested against the extraordinary amount of verbiage imported into the Bill to express a few ideas. That state of affairs is perpetuated in this Bill. The measure now under consideration provides for two or three simple things. One is that a man may obtain a provisional certificate until such time as he can be examined by the laboratory. If, after examination, he cannot obtain a certificate, his contributions to the fund are to be returned to him. Yet the Bill takes, if I may so express it, about a fortnight to say those few things. Another provision is that when a recipient of compensation under the Third Schedule of the Workers' Compensation Act finds the amount insufficient for himself, wife and family, he may get a further £1 a week. To say that, as many words are used as are employed to state the other provision. Another clause deals with prospectors. That is all that the Bill contains. I would urge on the Minister the absolute necessity for recasting the Act and wording it in simple language. With the exception of the chairman, who I understand is Mr. McGinn, the magistrate, the members of the board are laymen, and when they are called upon to interpret this important statute, I venture to say that the only interpretations they would adopt would be those based on the

Crown Law Department's opinion of the prolix and vexatious provisions of the law. I support the second reading.

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

**HON. R. G. MOORE** (North-East) [7.33]: I have no criticism to offer on the amendments proposed in the Bill. I merely wish to emphasise what Mr. Cornell stated regarding the length of those amendments, and generally regarding the length of the sections in the various Acts which have been amalgamated. It almost seems to be the object to make the meaning as obscure as possible. I am reminded of those puzzles in which one has to find the person supposed to be in the picture. As regards the Acts I refer to, one has to read them half a dozen times to discover their meaning. A leading article, or a subleader, in the newspaper tells one the meaning of a Bill in language that is quite simple and readily understood by any ordinary person. Frequently, when a Bill has been passed, the Crown Law Department declare the meaning of the Act to be something different from what Parliament intended. Then, next session, the Act has to be amended in order to impart to it the meaning desired. A great deal of time might be saved if Acts of Parliament were expressed in simpler language. There have been complaints from outside sources about the length of time members of Parliament occupy in speaking on various measures. There would be every excuse for us if we took our cue from the number of words used to express some simple meaning in a Bill. Apparently the idea is that the greater the number of words used, the more valuable the meaning.

Hon. J. Cornell: Perhaps the Parliamentary draftsman is paid by the word!

Hon. R. G. MOORE: Yes, perhaps he is paid on the same basis as a linotype operator. It would be a good plan to recast this Bill and omit many of the words altogether. The people affected by these measures get to know eventually what is meant, but not from reading the Acts. They arrive at the intention by inducing someone to tell them what it is. They make their claims, and then find out where they stand. It is time some simpler method of wording Bills was adopted, so that a great deal of verbiage might be dispensed with. In the

session before last an explanatory statement was furnished with a Bill, but that explanatory statement was far more difficult to understand than the Bill itself. I do not think anyone succeeded in understanding the explanation; probably every member simply threw the statement aside. Simple language is what we want. There is too much "nevertheless," "notwithstanding," and "whereas" in our measures.

Question put and passed.

Bill read a second time.

*In Committee.*

Bill passed through Committee without debate, and reported without amendment.

*Recommittal.*

On motion by the Chief Secretary, Bill recommitted for the purpose of further considering Clause 3.

*In Committee.*

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

Clause 3: Amendment of Section 16:

The CHIEF SECRETARY: When the Bill was in another place, a proviso was added to Clause 2 to permit of the refund of contributions made by a man who had been forced out of the industry after having worked under a provisional certificate and eventually failing to pass the laboratory test. In the interim the man would have paid contributions to the fund. Somehow or other, a similar proviso was not added to Clause 3. I move an amendment—

That the following be added to paragraph (ii) of proposed new Subsection 3:—“Provided that where any person referred to in either paragraph (i) or (ii) of Subsection 3 of this section is a person to whom Subsection 1 of this section does not apply, then upon such person ceasing to work as a mine worker, or becoming prohibited from being further employed as a mine worker by reason of a notice issued and served by the Minister under and in accordance with the Second Proviso to Regulation 6 (e) of the regulations made under the Mines Regulation Act, 1906, such person shall be entitled to receive from the board, and the board shall repay to him, the amount of all contributions then paid by such person to the board as a mine worker under this Act.”

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

Bill reported with an amendment.

**BILL—AGRICULTURAL BANK.***Second Reading.*

Debate resumed from the previous day.

**HON. J. CORNELL** (South) [743]: Before dealing with the Bill itself, I find it necessary to traverse some of the reasons which led up to its introduction. The blame, if any, for the origination of the Bill is to be laid at the door of the late Government, inasmuch as they appointed a large and thoroughly representative Royal Commission to inquire into the transactions of the Agricultural Bank and the rehabilitation of the rural industry, and into laws and institutions applicable to that industry. The late Government also appointed a representative Royal Commission to inquire exhaustively into group settlement. Both Commissions made exhaustive inquiries, and what was the result of the expenditure of money and time? Practically nothing. No effort was made by the previous Government to implement, in even the minutest degree, the recommendations of those two thoroughly representative Royal Commissions. Following on the inaction of the Government who appointed those commissions and subsequent to the election of the present Government, there was an agitation for a further Royal Commission, and it resulted in what is known as the Hale Royal Commission. To date I have not expressed any opinion with regard to that commission. When the report is being implemented is the time to do so. It can be said that factions of the Primary Producers' Association and the Wheatgrowers' Union, the militant portions thereof, were mainly responsible for the pushing ahead of the appointment of the latest Royal Commission. Now one of the ironical results of the appointment of that commission appears to be that those who were responsible for its appointment, the principal agitators, are not likely to participate under the Bill before us, and the same can be said with regard to the proposed Federal scheme for the rehabilitation of the industry. If hon. members read the Bill they will find that a condition precedent, or one of its main features, stretched very much by the propagators of the commission, is the question of writing down, and a condition of the writing down in the Bill is that relief will be given only to those applicants whose past relations with the Agricultural Bank are

satisfactory. If that part of the Bill—Clause 64—is given tangible interpretation, a lot of the agitators for the Royal Commission will get very short shrift. Exactly the same can be said with respect to the proposed Federal Royal Commission, since it has been laid down that the recipients are to be those who are not hopelessly involved. Again I say many of those who agitated for the Royal Commission will be hopelessly out of it.

**Hon. L. B. Bolton**: What is the good of carrying on the man who is hopelessly involved?

**Hon. J. CORNELL**: He and others like him are responsible for the Bill we are considering. We find that there are many features in the Bill that will hit the good chap in the neck. I hold little brief for some of those who agitated for the appointment of the Royal Commission, but I cannot help saying that when it comes to the final showdown they will be right out of it.

**Hon. H. V. Piesse**: Every man must be treated on his merits.

**Hon. J. J. Holmes**: Treated on past performances.

**Hon. J. CORNELL**: That is what the Bill says, but I think some would not stand close scrutiny. Disguise it as you like the Bill is the result of the work of the Royal Commission, because we find that it contains some of those changes that the Royal Commission recommended, and some of them, too, without rhyme or reason. I ask myself what qualifications two of the members of the Royal Commission had to deal with the important task entrusted to them. What special qualifications had the chairman? I admit he has followed many and varied occupations.

**Hon. H. V. Piesse**: The commission took evidence.

**Hon. J. CORNELL**: They listened to hearsay statements and took the evidence that suited them. Many witnesses went along and aired their personal grievances.

**Hon. H. V. Piesse**: Everyone had the right to give evidence.

**Hon. J. CORNELL**: The commission used only that portion of the tales told them that it suited them to use. The chairman of the commission is a lawyer, and a farmer by proxy, as well as a lot of other things. I ask what special qualification had he to carry out the job that was entrusted to him? I venture to say that if his past transactions

with the Agricultural Bank were disclosed they would not redound to his credit, and his name would be added to the brilliant band of so-called patriots whose desire some years back was to sell properties to the Bank for soldier settlement purposes. I am prepared to move that the papers be laid on the Table of the House, and if they were presented to us it would be found that this gentleman would not come out creditably as far as his transactions in the direction I have suggested were concerned. It will be to the everlasting credit of the trustees of the Agricultural Bank that, despite the personal attack made on them by some members of the commission, they were honourable enough not to divulge anything respecting the transactions between the chairman of the Royal Commission and the Bank. I repeat that will redound to the everlasting credit of the trustees. The second member of the commission was Mr. Diamond. What special qualifications had he? It could only have been that he desired to import into the findings of the commission some opinions as to how the Agricultural Bank could be run from the trading banker's point of view.

Hon. W. J. Mann: There is very little analogy between a trading bank and the Agricultural Bank.

Hon. J. CORNELL: I presume Mr. Diamond in the course of his experience as the manager of a trading bank, had very little to do with the advancing of money to farmers in this State. I admit that there was one representative on that commission who, like many more of us, will be prepared to admit his limitations. But he did have this to his credit that for the last 27 years he has followed the occupation of a farmer and earned his living by farming. Members will find that towards the end of the deliberations, this third member of the commission disagreed with the views expressed by the other two. He disagreed seriously by virtue of the fact that he had close contact with the land for 27 years inasmuch as it was from the land that he earned his livelihood. One of the reasons stated for the introduction of the Bill is that it would do away with political influence, and one of the chief indictments levelled by the Royal Commissioners against the trustees, was that they were subservient to political influence. I have had a good deal to do with the trustees of the Bank over a period

of 20 years, and I venture to say that on no occasion—though I came into personal contact with them and the officers—did I ever find them susceptible to political pressure from the ordinary parliamentarian.

Hon. H. V. Piesse: I agree with you.

Hon. J. CORNELL: That will redound to their credit. We all know that members of Parliament frequently had occasion to interview the trustees, and that probably they pleaded the special circumstances of a settler. But it began and ended there, and so we can brush aside any idea at all of pressure being exercised by the member of Parliament. Now I turn to the other side of the picture. Had the commission reported or found that the trustees were subjected to Ministerial pressure, they would have found correctly. On the admission of the trustees themselves they had to listen to the Ministerial head, or the head of the Government of the day. I can cite instances where the trustees did yield in the direction of granting full loans to certain agricultural districts. Sir James Mitchell was Premier, and during his period of office the trustees yielded to full loans being granted in the Karlgarin district on the understanding that a railway would be built. Returned soldiers were to be settled on new land in that area, and it was beyond the 16-mile radius. The promise regarding the railway was that it would be built within a stipulated period. As my friends who represent the South-East Province know, the railway was built 11 years afterwards.

Hon. H. V. Piesse: But good returns were produced in the interval.

Hon. J. CORNELL: I am not disputing that, I am stating that the trustees yielded when Ministerial pressure was applied. Then there was a similar instance in connection with the Newdegate lands. In order to absorb returned soldiers the trustees of the Agricultural Bank—and in spite of adverse opinions—were practically directed to advance full loans in that district. The area like the other one I referred to, was also outside the 16-mile radius which ordinarily prohibited it from receiving full loans. All this was the result of Ministerial pressure, not the pressure of the ordinary garden variety of Parliamentarian.

Hon. H. V. Piesse: With good results for the country.

Hon. J. CORNELL: There is another story to show that Ministerial pressure upon

the trustees has been an all-round concern. Take the 3,500 farms scheme. The Agricultural Bank under pressure from the Minister for Lands—the present holder of the office may deny that—advanced full loans on holdings from north of Holleton to Mt. Madden. In some cases full advances were made to settlers over 60 miles from a railway. For yielding to the Government and thus opening up and developing the country the trustees are more or less vilified by the Royal Commission. Some of those who were unfortunate enough to get into this tragedy are still trying to farm 60 miles from a railway. The trustees only advanced the full loans in that locality on the promise of a railway, such as was given in the case of Karlgarin and Newdegate. The Government said, "You make the advances under the Agricultural Bank Act, and we will provide a railway within a specified period." The bottom fell out of the 3,500 farms scheme, but the blame is cast upon the trustees.

Hon. J. J. Holmes: What happened to the railway?

Hon. J. CORNELL: There is none.

Hon. H. V. Piesse: There is a railway to Newdegate.

Hon. J. CORNELL: Had the trustees taken a definite stand and declined to make those advances, what would have happened? They would have been charged with hanging up the development of the State, and particularly of the wheat lands. There was the problem of settling the Yilgarn district east of Noongaar where the best railway services in the State and excellent water supplies were available, and no further water supplies were required along the line. Only half loans were advanced by the Bank with a degree of caution for two years. Any amount of land in the district was cleared for 15s. an acre. Because of the pressure from the Government of the day, and in order to open up and develop the State, the trustees then advanced full loans. They were right in doing so. I prophesy that if the Bill becomes law and commissioners are appointed, when pressure is brought to bear upon them by the Cabinet they will yield to it just as the trustees yielded to the will and the decisions of the Government of the day. I venture to say that the Commonwealth Bank board also yield, in the interests of

Australia generally, as much to the political as they do to the economic pressure that it brought to bear upon them. It is all camouflage and flapdoodle to talk about the commissioners not yielding to political pressure if this Bill is passed. The measure will certainly not have that effect. Legislation never has had that effect upon Government institutions and never will have. If a member of Parliament does go along to the commissioners and suggest that this or that case should be treated leniently, will he be committing a sin? Is there anything wrong in his recommending a client of the Bank as a person who should be assisted? I have urged that the personal equation of an applicant is such that he is worthy of assistance if it can be given, and I have also said, "Do not give your money to that person; let him do the best he can for himself."

Hon. J. Nicholson: The opinions of members would be useful to the commissioners.

Hon. J. CORNELL: So much for the events which have led up to the introduction of the Bill. I understand that 85 per cent. of the Bill is in operation either directly or by implication. Is any member green enough to swallow the bait that the switching over from trustees to commissioners will ease the present situation? The only thing that will count in the acid test is the designation "commissioners," which is more high sounding and high falutin' than that of "trustees." Who will be the commissioners? I suggest that we shall be heading more or less for disaster, chaos and dissatisfaction if the appointments go beyond two of the present men now acting as trustees. We shall certainly be heading for greater disaster unless the Government appoint one of the present trustees, and at least one high official of the Bank, as commissioners. We cannot bring in outsiders and expect them to obtain a grasp of the affairs, the conditions, and the purposes of the Bank as these other men have.

Hon. H. V. Piesse: It means practically a life-long training.

Hon. J. CORNELL: Undoubtedly. It is a myth to suggest that we should bring in outsiders to alter the state of affairs. I have turned over in my mind who might be capable of acting as commissioners. I cannot see anyone outside who will give the same practical consideration, and be able

to extend the same kindly administration as has been the case with the principal officer who has been administering the Act, or one or two of the other high officials of the Bank. It is consoling to me that I should be almost certain that two members of the Royal Commission, who have hit the Bank below the belt, are not likely to be appointed. One member of the Commission may, however, be selected. He has one redeeming feature in that he knows his own limitations, but unless the chairman is a man of training and experience, he is bound to fail. Let us paint the Bill as we may. What is going to be the actual work of the commissioners for the next few years? We cannot assume that for the next five or ten years there are going to be any new developments in the agricultural areas.

Hon. H. V. Piesse: Not on the abandoned farms.

Hon. J. CORNELL: We are satisfied that unless we can evolve a new species of wheat and get a good price for it we have reached our limit of agricultural development for many years to come, and must confine ourselves to our present activities. Several years ago two of the trustees told me they were satisfied that the limit of safe farming had been exceeded. They yielded to Ministerial pressure and public demand, and took a chance beyond the safe line. For the next 10 years the new commissioners will only have to implement and consolidate the debt position and keep the worthy farmers on the land. From the point of view of fresh development we can dismiss all there is in the Bill. We shall have to confine our attention to the safe farming area. The Royal Commissioners told us that the Bank had lost two million pounds. The State Implement Works lost a million, and what have we got to show for it? We have something to show for the losses incurred by the Bank.

Hon. H. V. Piesse: We have lost a great deal on State trading concerns.

Hon. J. CORNELL: Last week I travelled over thousands of acres of country much of which has been abandoned, but it now consists of as good grass land as can be seen anywhere in the State. Some years ago the Managing Trustee told me that for grazing purposes the improvements made on most of the land in the Yilgarn district were worth 30s. an acre. It only required water conser-

vation to be brought into good grazing use. That is an asset for some of the £2,000,000. The same thing applies in other parts of the State. I could cite the loss on the Wyndham Meat Works. When we sum up the position and give credit where it is due, we must agree, if we consider what the Agricultural Bank has done for this State, that it stands as a monument throughout the British Commonwealth.

Hon. C. F. Baxter: Without it, there would not have been half the wheat production that has been undertaken.

Hon. J. CORNELL: We cannot adequately estimate what part it has played in the development of the State. That development could not have been undertaken without the Agricultural Bank. Without it, land that is to-day traversed by roads and railways would still be in a state of nature. Another point that has been stressed is that the Bill contains borrowing powers and the new commissioners will be able to borrow even as much as £1,000,000. I understand that similar borrowing powers are embodied in the Finance and Development Board Act. I understand also that the Finance and Development Board borrowed a lot of money from the Commonwealth, and that most of it has not been paid back. That was borrowed for the purpose of carrying on the industry. What does that mean? It means that people will not lend money to the Finance and Development Board. Who will subscribe if debentures are issued by the commissioners to be appointed under the Agricultural Bank Bill? Will not any such proposed issue of debentures be subject to the Loan Council? I believe it will. If the money cannot be raised by way of debentures, we will be forced to adopt the channels that are open to us now.

Hon. C. F. Baxter: Those debentures will not be subject to the Loan Council.

Hon. J. CORNELL: In the final showdown, they will be.

Hon. C. F. Baxter: I do not think so.

Hon. J. CORNELL: If not subject to the Loan Council at the outset, ultimately the Loan Council will decide, as loan money will have to take the place of the debentures. That will mean that we will get back to our present position and fresh capital will have to be voted by Parliament in order to carry on the operations of the Agricultural Bank. That be-

ing so, there is nothing new in that phase. Another feature of the Bill affects the staff. I have been astounded at the appalling degree of silence on the part of the Civil Service Association regarding the proposals in the Bill.

Hon. C. F. Baxter: Hear, hear! I quite agree with you.

Hon. J. CORNELL: In the course of about nine lines, the Royal Commission on the Agricultural Bank said that the staff should be lifted out of the Public Service. The Bill does that very effectively.

Hon. H. J. Yelland: I do not think it does deal with the staff very effectively.

Hon. J. CORNELL: It effectively lifts them out of the Public Service. I was astounded at the silence in another place regarding this particular feature. Last night Mr. Piesse dealt with this vital issue. I am given to understand that the Public Service Commissioner, under whose control the staff of the service have been placed by Act of Parliament, was not consulted in this matter at all. The Bill does not, in my opinion, extend to the staff of the Bank, if they are to be placed under the control of the commissioner, privileges that are enjoyed by the porters who sweep the railway stations, under the provisions of the Government Railways Act. If members turn to Part IV. of the Bill, they will find that all officers of the commissioners shall, as regards engagement and dismissal, as well as terms and conditions of service, be under the immediate control of the commissioners and also infers that the provisions of the Public Service Act, 1904, are to apply. It also sets out that the commissioners may engage those officers in the employ of the Bank whose services they desire to retain and the remaining officers, who are now under the Public Service Act, shall continue under the control of the Public Service Commissioner. I should think that the commissioners could not engage until they had sacked. In my opinion, the first three lines of Clause 32 carry the dismissal of the whole staff, with the proclamation of the Act. Under existing conditions, the staff of the Bank are under the Public Service Act and are controlled by the Public Service Commissioner. What about those officers whose services will not be retained by the commissioners? As they are not required in the Bank, they will be retired as excess officers for whom no jobs are available. Then it is also provided that

any officer of the Bank, whose services are not retained by the commissioners shall be eligible for, and be appointed to, any vacancy in the Public Service. Are we to assume that, on their re-engagement in some other branch of the Public Service, those officers will be paid the same rates of salary as they enjoyed when they were dismissed? If so, what is Paragraph (f) doing in Clause 77, which deals with regulations? Paragraph (f) refers to the control and discipline of the staff of the commissioners. How can the control of the staff be in the hands of the commissioners and in those of the Public Service Commissioner at the same time? It is ridiculous. If this particular part of the Bill is agreed to in its present form, this House will not act with a sense of responsibility. I hold no special brief for the Public Service. I have always received the utmost courtesy and consideration from civil servants. I will admit that there may be misfits in the service, but that does not get away from the fact that the public servants are rendering great services to the State. If we stand idly by and allow the employees of the Agricultural Bank to be subject to the meagre provisions embodied in the Bill, we shall be remiss in our duty. I have a return that shows the staff of the Agricultural Bank as at the 1st July. This shows that at the head office there were 60 permanent employees, of whom 15 were returned soldiers and 15 women. Their salaries range from £70 to £1,500 per annum, and their length of service from two months to 38 years. In the district offices there are 76 permanent employees, of whom 11 are returned soldiers and 15 women. Their salaries range from £115 to £475 and the length of service from three months to 36 years. In the Group Settlement Department there are five permanent employees, of whom two are returned soldiers. Their salaries range from £115 to £630 per annum, and their length of service from one month to 30 years. Then there must be added the 10 employees of the Lands Department, who are administering the Wire and Wire Netting Act. Those officers will be under the control of the commissioners. Then we come to the temporary employees. At the head office there are 17, of whom one is a returned soldier and four women. Their salaries range from 4s. 9d. to 12s. 9d. a day and their length of service from one year to 18 years. In the



district offices there are 13 temporary employees of whom seven are women. Their salaries are the same as those received by the other temporary employees at head office and their service ranges from one to 18 years. In the Group Settlement Department there are five temporary employees, of whom one is a returned soldier and two women. Again the pay is the same and their length of service ranges from one to 10 years. On top of those there are at least 50 field inspectors, 60 per cent. of whom are returned soldiers. They are not under the Public Service Commissioner, but it stands to the credit of the Agricultural Bank trustees that those men enjoy practically the same privileges as the permanent employees. There we have 141 permanent employees, 35 temporary employees, over 50 field inspectors, and 10 permanent employees engaged in the Wire Netting Department, giving a total of, roughly, 240 affected by this Bill. With regard to the 38 returned soldiers, it is safe to say that practically every one enlisted from the Public Service, and in doing so gave up something either in respect of pay or, as was the position in many instances, promotion. What will be the position of those men if lifted out of the Public Service, unless Parliament makes suitable provisions to safeguard their future? The position will be that they will be forced to form a State union.

Hon. H. V. Piesse: Why not join the Bank Clerks' Union?

Hon. J. CORNELL: They could not possibly do so.

Hon. H. V. Piesse: The Minister suggested that.

Hon. J. CORNELL: Then the Minister does not know anything about it. I have it on the authority of the Secretary of the Civil Service Association that the men could not join the Bank Clerks' Union because it is a Federal body, not a State organisation. In order to protect themselves, these men will be forced to form a trade union. It was suggested by an hon. member in another place that it was more in accord with the policy of the Labour Party to keep men in an association rather than to force them out of it. The position of the permanent man in the Agricultural Bank is this: That he can be transferred to another branch of the public service and rise to be even Under Treasurer. But what chance of promotion has he if he

be denied continuity in the service? His only promotion will be in the Agricultural Bank, which has its ramifications all within the State. If he were in an ordinary trading bank, he would be open for transfer anywhere in Australia.

Hon. H. S. W. Parker: Is it not an advantage that he cannot be shifted out of Western Australia?

Hon. J. CORNELL: He can be starved out of Western Australia. The great majority of these men who to-day are under the aegis of the Public Service Commissioner and the Agricultural Bank are not there of their own choice. Originally they were put there by the Public Service Commissioner or by promotion. Mr. Grogan, the assistant General Manager, I understand was transferred from another department to the Agricultural Bank and so, too, were Mr. Courtney, the present accountant, and others. There is one peculiar feature of the Bill which is a new departure in the way of amending the existing Act. Clause 36 practically says that the Industries Assistance Act, the Discharged Soldiers' Settlement Act, the Group Settlement Act, the Group Settlers' Advances Act, and the Wire and Wire Netting Act shall all come under the control of the commissioners. The effect in operation of this will be that the provisions of those several Acts will become dead letters, and the administration of all the transferred activities will come under this measure.

Hon. H. V. Piesse: It will give smoother working to all those Acts, to come under the one department.

Hon. J. CORNELL: I have my doubts about that. But what I am pointing out is that by a simple over-riding clause in this Bill, all those Acts will be practically repealed. There cannot be much exception taken to some of those Acts coming under the commissioners, inasmuch as the Industries Assistance Act is now administered by the present trustees. Then the Wire and Wire Netting Act comes under the Minister for Lands, and the two group settlement Acts are administered by the trustees. So to the transfer of those Acts not much exception can be taken; but I object to the Discharged Soldiers' Settlement Act being handed over to the Bank. That Act contains the provision that one member of the Discharged Soldiers'

Settlement Board shall be a returned soldier. It is, I believe, the first time that any State Parliament has endeavoured to take from the returned soldiers that measure of representation given to them many years ago. It may be said that the returned soldiers' representative is to-day subservient to the other members of the board. Certainly, if they like to outvote him he can do nothing, but at all events he does provide a medium whereby the soldiers' viewpoint can be brought under the notice of those administering the Act. And it is to the credit of the present trustees that they all take cognisance of the opinions of the returned soldiers' representative on that board. In view of this latest proposal, one would think the problems of the returned soldiers were all solved. Unfortunately they are a long way from being solved, and I trust this representation will be continued.

Hon. H. V. Piesse: It should be continued while there is one of them left alive.

Hon. J. CORNELL: One of the phases of the ex-soldiers' affairs is that a returned soldier shall sit on the board dealing with those affairs. All the other returned men are loyal to their representative, who carries much more weight and does much more work than is shown in the public Press. Take Colonel Denton: We all respect him, for although he talks very little he does a lot and carries a great deal of weight. I could give an illustration: After many years, when a lot of people thought the returned soldiers' affairs were solved, what happened? The Federal Government gave an overriding power to a body when the Repatriation Act had been in operation for about 14 years. They formed a tribunal, on which the soldiers had representation and the Commonwealth had representation, to deal with the question of the right to receive a pension when the Repatriation Commission had decided against it. Then they created another body of returned soldiers' representatives to assess pensions, and when a returned soldier thought he was not getting sufficient, this tribunal re-assessed the pension, and the Repatriation Commission had to pay it. I am afraid the Minister for Lands is under a misapprehension. He spoke of sympathetic consideration. I will give credit to the present Government, and indeed to successive Governments, for having given returned soldiers reasonable con-

sideration, but I think the greatest consideration that could be given to returned soldiers generally is that their representative shall be continued on the Discharged Soldiers' Settlement Board.

Hon. H. V. Piesse: Hear, hear!

Hon. J. CORNELL: Then there is another phase: Clause 50 prescribes that the commissioners shall have first charge over the whole of the proceeds of the farm for one year's interest. To-day the Bank have statutory power to claim from the proceeds of the crop one year's interest; but I know men who paid their interest and paid other creditors, and then had to go to the trustees and get a refund of half their interest with which to pay deposits on machinery. I speak as a member of the Returned Soldiers' Land Committee who for many months had to deal with that part of the country represented by Mr. Piesse and Mr. Wittenoom, where the returned soldiers settled on repurchased estates. I understand to-day that quite a few of them have gone in for a cow or two.

Hon. L. Craig: Much to their sorrow.

Hon. J. CORNELL: At all events, it has helped to keep them, where previously they relied upon condensed milk. But their position was acute. It is said the Agricultural Bank found the money, cleared the land and provided everything for the settler, and then the stock firms came along and offered their stock to the settlers, and so collected all proceeds from sales of wool, whereas the Bank got nothing.

Hon. H. V. Piesse: They created great wealth for the State.

Hon. J. CORNELL: Sir James Mitchell agreed to an easement and the price of wool went up. That later did more to ease the situation than all the Parliamentarians and Premiers and everyone else. However, I believe those men are now back again nearly where they were. Let us turn to the other side of the picture. Throughout the wheatbelt, how many sheep have been provided for the farmer by the Agricultural Bank? None, or at all events very few. Any man worth keeping on the land growing wheat must have come to the conclusion that unless he has some sheep he might as well walk off.

Hon. H. V. Piesse: He certainly cannot carry on.

Hon. J. CORNELL: He must have more sheep. Where is he going to get those sheep?

Hon. H. V. Piesse: The Government will have to find the capital.

Hon. J. CORNELL: There is no provision for it in the Bill. I presume the stock firms will be asked to grant stock loans as heretofore, and therefore the position will be as of old. The settler is expected to stick where he is and produce wealth, but he cannot get sheep.

Hon. L. Craig: He can, by arrangement with the Bank.

Hon. J. CORNELL: Wiser administration would take into consideration the necessity for the farmer having sheep. The provision of sheep by the stock firms ought to be welcomed. The Bank ought to be able to see that when the settler has sheep the Bank has a greater chance of getting some of its interest and improving its security. In administering Clause 50 the commissioners should use much discretion on this point. However, we cannot convince the chaps in the bush. I have told them this over and over again, but without avail. The psychological effect of this clause will be damaging. If the good farmer is going to be discouraged it will not be beneficial to this country's continuity of production. I am perfectly satisfied that it will break down the general morale of many good farmers. Last week-end I met quite a number of diggers and said to them, "I am surprised that you have got the wind up about this Bill." The reply was, "If during the last four years you had been trying hard as we have been to get a cow and a few sheep to keep; the weeds down, without help from the Agricultural Bank, and you found it now provided that you could not handle those proceeds, you would be ready to pack up and walk off." That is the position under Clause 50 as it appeals to settlers. The writing down proposals under Clauses 63 and 64 are new. As I interjected when Mr. Piesse was speaking last night, any writing down must be done as heretofore; every case must be dealt with on its merits. As regards the Agricultural Bank, the question of writing down capital and accrued interest is not new. I know numerous instances in which the capital has been written down to a price commensurate with the conditions. Unfortunately some farmers would not make a success of their holdings if the properties

were given to them. Writing down is nothing new with business people who give the farmers credit.

Hon. H. V. Piesse: Of course not. We have done it every day all our lives.

Hon. J. CORNELL: Creditors apart from the Government are writing down.

Hon. W. J. Mann: They have written off a lot.

Hon. H. V. Piesse: Every reasonable firm writes off.

Hon. J. CORNELL: Creditors are only too anxious to carry on a man who is pulling his weight and who would have a chance if the wheel turned and better prices were obtainable. I could instance men whom I have advised to keep clear of the Farmers' Debts Adjustment Act. I told them my experience was that all they would be doing would be adding another creditor to their list. I gave them this advice, "Go to your creditors and tell them the best you can do from the harvest. Tell them that if they think you have not pulled your weight, to say so, and you will finish. If they consider that you have pulled your weight, will they carry you on for another year?" The dictionary meaning of the word "require" is clear. If the commissioners decide that they will write down a property, and that the creditors ought to write down their debts, they can demand that the creditors write them down.

Hon. H. V. Piesse: There would be no objection if they wrote down in the same proportion.

Hon. J. CORNELL: I think there is an objection.

Hon. H. V. Piesse: Why? It is State money.

Hon. J. CORNELL: If we could manufacture a perfect pair of commissioners and they said, "We will write down this man's capital by £500 or £700 conditional on creditors writing off a certain amount of their debts, and if they do not do so, we will compel them," what would be the reply? They would answer exactly as they do under the Farmers' Debts Adjustment Act, "We will cut the loss and not carry him on any further."

Hon. H. V. Piesse: The measure provides for a four-fifths majority.

Hon. J. CORNELL: Compulsion is one of the objects of the measure. If a creditor was satisfied that the best course was

to cut his loss, he would do so. Then the Agricultural Bank would either find other accommodation for the farmer or let him go out. I submit that there cannot be compulsion with any degree of success.

Hon. H. V. Piesse: Unless it is a composition.

Hon. J. CORNELL: If the creditors, after due consideration, are not satisfied with a proposition submitted by the commissioners for carrying on a farmer, there will be only one way out, namely, to let the farmer walk off. If they are satisfied that he can be carried on and there is a chance of his making good, they will carry him in their own interests.

Hon. H. V. Piesse: That is so.

Hon. J. CORNELL: My considered opinion is that the implementing of the Federal loan scheme of £15,000,000 for rehabilitation, bearing in mind Clauses 63 and 64, will necessitate fresh legislation. If Clauses 63 and 64 be passed in the present form the psychological effect of compulsion on traders will be the same as under Clause 50. It is proposed to have internal auditors for the Bank. That proposal commends itself to me more than any other. Of all the millions of money handled by the Agricultural Bank, I do not think a thousand pounds has gone astray. A system of internal auditing, however, will do more than check losses by speculation. The auditors should not be any Tom, Dick or Harry. They should be men of character with a wide knowledge of auditing and a good working knowledge of the Act. Their value will lie in a much wider field than the accounts side only. I think Mr. Piesse will agree with that.

Hon. H. V. Piesse: The average business has that system.

Hon. J. CORNELL: It will discover the man who is trying to dodge his work, and who is not giving that satisfaction which the Act or regulations demand. Let me recall the orgy of expenditure, extravagance and neglect in connection with War Service Homes. Internal auditors discovered the weaknesses, and were responsible for the sacking of the whole box and dice, including the War Service Homes Commissioner himself. Mr. Piesse said this innovation was overdue. I agree with him and add that it could well be extended to all departments of the public service. Accountants of the Bank told me

long ago that this was what was required. It appears to me that the second reading of the Bill will be passed. I agree entirely with Mr. Piesse that the Bill should be referred to a select committee. There would be no need for the select committee to deal with the whole of the Bill, because 85 per cent. of the provisions are in operation today. Those parts of the Bill that introduce new features such as staff, transfer of other activities, particularly the matter of the soldiers' representative, the pooling of proceeds under Clause 50, and the writing down under Clauses 63 and 64 should be the subject of close scrutiny.

Hon. H. V. Piesse: A select committee could report very quickly on those questions.

Hon. J. CORNELL: If that course were adopted I believe we would get a degree of satisfaction equal to that obtained when a select committee dealt similarly with the original Farmers' Debts Adjustment Bill. When that measure was received in this House, I suggested that in view of certain information received and of the drastic effect of compulsory provisions, it should be referred to a select committee. The committee dealt merely with essential and policy features, and called evidence on those points alone. The Chief Secretary was chairman of the committee, and with him were Sir Charles Nathan, Mr. Kempton, Mr. Hamersley and myself. Though Mr. Drew did not move for the appointment of the select committee, we made him chairman of it, and I think the bulk of the work fell on him. In order to expedite the business we met after the House had adjourned and on Saturdays, and did not let up until we had completed the work. That is what should be done with this Bill. If the suggestion were adopted, it would have the effect of removing the atmosphere of suspicion that surrounds the new proposals.

Hon. H. V. Piesse: It would clear the atmosphere effectively.

Hon. J. CORNELL: The greater part of the Bill need not be considered. After all it is a question of common-sense administration by the commissioners. The features I have mentioned, however, should be modified. If the commissioners were appointed to-morrow, it would be impossible for them to get into their stride and administer the measure inside the space of some months. In those months to come, what

appears to be repugnant to those who are called the good chaps on the Agricultural Bank may have the effect of nullifying the good that is in the Bill. I am sure that five members of this Chamber, as a select committee, are prepared to examine the Bill, and I advocate that course in the general interest of the Agricultural Bank, its clients, and the State.

**HON. C. H. WITTENOOM** (South-East) [9.1]: I support the second reading. Generally speaking, this is a good Bill; and I commend the Chief Secretary and other Ministers on having introduced it. Still, the measure is not entirely satisfactory. On the Notice Paper appear some 50 amendments already.

**Hon. H. V. Piesse**: And there will be another 20 to-morrow.

**Hon. C. H. WITTENOOM**: Apparently there are some defects in the Bill. Yet, although the amendments are many, the important ones among them are but few. Taken all round, the measure is fairly unsatisfactory. In my opinion, it represents an honest attempt on the part of the Government to rehabilitate the farmers and the farms. It is about the first practical effort—I hope it will prove effective—put forward by any Government while I have been a member of this Chamber. A large portion of the Bill, as mentioned by various members, represents a reconstitution of the existing Agricultural Bank Act. The Government are to be congratulated on not having hesitated to accept many of the suggestions put before them by meetings of farmers. The Bill is one of many clauses, and justice could only be done to it on the second reading by a long speech, with references to numerous provisions. I shall not adopt that course, but shall follow the suggestion which you, Mr. President, made on Tuesday, when you pointed out that this is really a Committee Bill. Therefore I shall refer to only one or two aspects. Like other members, I feel that if I attempted to deal with the clauses individually, I should have to speak at great length; and the amount of time left to us before the end of the session is not great. First let me refer to our old friends, the retiring trustees. They have been subjected to much strong and adverse criticism, especially by the recent Royal Commission on the Agricultural Bank. Many members who, like

myself, have frequently come in contact with the trustees, will not be in accord with that criticism. The fact that the Bill proposes two commissioners with whole-time jobs and adequate salaries is an admission that the present trustees, engaged for only part of their time and on comparatively small salaries, were not given a fair chance to carry out their work efficiently. I am quite confident that had Mr. Moran and Mr. Maley been given full-time jobs with commensurate salaries, the Agricultural Bank would not be in quite so bad a position as we find it in to-day. Mr. McLarty had a full-time job.

**Hon. H. Tuckey**: He had half-a-dozen jobs.

**Hon. C. H. WITTENOOM**: At all events, Mr. McLarty had a full-time job; but he had to depend on information obtained for him by the other two trustees, who, engaged for only part of their time and on small salaries, could not furnish him with all the information he needed. I am not suggesting that those two trustees are not partly culpable. Personally I think they are. They must have known that throughout the farming areas things were anything but satisfactory. They must have known the position of the farmers. They must have known that many of the field officers were totally inefficient. We know those things now. The two trustees must have known them all along. They must have known that their own position was untenable, and that it was out of the question for them to supervise adequately the affairs of the Bank in the country. I take it that presently they will be applicants for appointment as commissioners, and I certainly hold that careful consideration should be given to their applications, as it would be most regrettable if their years of experience, and all the knowledge they have gained, were wasted. It has already been suggested, by at least one hon. member, that it would be indeed difficult to replace those men. Both have been practical farmers. I knew Mr. Maley when I was a boy, and he has been associated with farming all his life. Mr. Moran also is a practical man, and well up in farming work. Moreover, he had a large property near Waging.

**Hon. J. Cornell**: Both Mr. Moran and Mr. Maley have been Ministers of the Crown as well.

Hon. C. H. WITTENOOM: I was about to refer to that aspect. Mr. Moran and Mr. Maley have held high and important Parliamentary positions. Both of them have been Ministers of the Crown.

Hon. H. V. Piesse: And both are men of undoubted integrity.

Hon. C. H. WITTENOOM: The Bill has been more or less built up on the report of the recent Royal Commission. The Royal Commissioners have been spoken of pretty roughly this evening, but those three men were qualified to report on the Bank. Could any Government, by searching around, have secured men better fitted for the work? Mr. Diamond is an ex-bank manager, with a life experience in banking. The knowledge he has acquired should have made him highly suitable for the work of the Royal Commission. Mr. Hale is a lawyer of lifelong experience, and also has a practical knowledge of farming and of business generally. With Mr. Donovan I am not acquainted, but I understand he has been associated with farming all his life. Surely those men had sufficient knowledge for the work they took on as Royal Commissioners. Anyway, they did an excellent job, and a good Bill has been evolved from their report. It has been suggested that the names of the new Bank commissioners should be submitted to Parliament. I am totally against that suggestion. Mr. Troy will have a good deal to do with the new Bank commissioners. He has been associated with farming, and its different types in various parts of the State, for many years. Surely Mr. Troy, in consultation with others, is qualified to select the new commissioners. It has been said repeatedly that a limit should be placed in the Bill on the salaries to be paid to the commissioners. With this contention I do not agree. It is most important that the right men should be selected, and if men capable of making a success of this tremendously difficult task are available, the Government should be permitted to pay well for their services—whether it is a matter of £1,000, £1,500, or £2,000 or even £3,000. The right men, when secured, should be paid well; and the Government ought not to be tied down in any way regarding selection. The new commissioners will handle huge sums of money, including £1,000,000 to be raised on debentures. The positions are some of the most important any Western Australian Gov-

ernment were ever called upon to fill. The third commissioner is to be the Under Treasurer of his deputy, and the Minister has stated that he is to be a specially trained man. However, the hon. gentleman did not give us the information we should like to have, whether the third commissioner is to be a full-time man or not. It is most important that the representative of the Treasury should be a full-time man. Presumably he would be the chairman.

Hon. C. F. Baxter: No.

Hon. C. H. WITTENOOM: Then I am wrong. Personally, rather than take a man out of the Treasury, I would like to see a good man selected outside and added to the Treasury staff. His should be a full-time job. No one wants to see the new Bank in any way under political control; but it seems to me that except for the circumstance that members of Parliament will not be allowed to come much into contact with the commissioners, there will be nearly as much political influence as before. Under the Bill the commissioners will be closely associated with the Treasury. That cannot be helped, but I am sorry that some method has not been devised whereby close association with the Treasury would not be absolutely necessary. Where the commissioners will be in close association with the Treasury, there is bound to be some sort of political control. I should have thought it would have been possible to make some arrangement similar to that existing in connection with the railways of the State, and a grant made by Parliament. The commissioners are to be appointed for a period of seven years. I approve of that, especially as it will be possible to put them off at any time for incompetence or other good reason.

Hon. H. V. Piesse: What about continuity of control?

Hon. C. H. WITTENOOM: Yes, it would have been better to adopt the suggestion made by Mr. Piesse, that the commissioners should be appointed for different periods. They are to be appointed for seven years, but there will still be a possibility of political interference. The Government that may be in power may say, "We have had enough of them; we will put them off and appoint someone else"—perhaps good supporters of the party in power. I do not say that will

happen but it is possible. The commissioners should be given permanent appointments as are judges of the Supreme Court. Everything will depend upon the success of the commissioners, so much so that the commissioners are really the Bill. To carry on for the first few years we will require super men. It is almost inconceivable to understand how it will be possible for any two men to clean up the affairs of the Bank. Mr. Piesse made a good suggestion and that was that Mr. McLarty should still be associated with the commissioners. It will certainly require someone with experience to assist the commissioners, who will have a staggering amount of work to attend to. They will have to determine the applications for advances, enforce the payment of money on existing securities, take over the Industries Assistance Board and Soldier Settlement Scheme, the administration of group settlements, the administration of the provisions of the Wire Netting Act, and continue their association with the Finance and Development Board. Truly, their responsibilities will be tremendous, though they will be lessened by their not being obliged to take on settlements which they do not think will be paying propositions. Many knotty points will have to be considered, especially the claims of the Bank and the farmer debtors. If the commissioners are to retain the right to exercise a priority lien over everything, then the farmer's credits will be nil. At the same time I cannot conceive that the commissioners will go along and with both hands seize the pigs belonging to the wives and the eggs belonging to the daughters. This part of the Bill should be made less drastic. I have received a lot of correspondence from many districts in my province, but I intend to read a portion of only one letter.

Clause 50 gives far too much power to the commissioners under its dragnet provisions. The inclusion of the farmer's side lines (which are almost invariably the efforts of the farmer's wife and family) in the attachable proceeds under this clause will cause heart-burnings and resentment throughout the farming areas of the State. The same provision was included in the South Australian Act, and has rendered the working of that Act extremely difficult. To guard against the pre-supposed double-dealing of the farmer, it is proposed in this clause to knock all incentive to the production of sidelines on the head.

There is a lot in that if the Bill is to go through as it is. Farmers' wives and daughters will not be able to sell pigs, eggs, or even a pound of butter.

There is no protection for the farmer in the provision of his living allowance, and the grabbing by the commissioners of the whole of the farm proceeds will be strenuously fought. We consider that the Bill is an honest attempt to improve the conditions under which farmers exist, but we appeal to you to use your vote and influence to amend the Bill in order to prevent a grave injustice being done to the one person above all who has kept the farmer on the land during the past four years, and that person is the farmer's wife.

The writing-down and conditioning of debts figure largely in the Bill, but the Government are fortunate because Federal aid has come at an opportune time. Apparently the Federal Government are prepared to provide money free of interest for distribution amongst the States for the reduction of farmers' debts. Farmers should then be able to resume profitable production. Apparently there is no Act now in force which can compel or require a person to reduce his claims, and the writing-down by private creditors can only be voluntary. In cases where a creditor's claim is hopeless without Federal aid, naturally the creditor will fall into line with the Government's suggestions. From information one gains in the city, creditors generally are welcoming the opportunity of falling into line and meeting debtors. I support the suggestion made both by Mr. Thomson and Mr. Piesse, that there should be direct R.S.L. representation on the board, if only for a few years. This is a big scheme and will require a good deal of individual attention. The Bill should protect the road boards in connection with the payment of rates and licenses on abandoned and taken-over properties. If roads are allowed to go to ruin, through the impoverishment of road boards, then the Bank properties must decrease in value. I intend to support the second reading.

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

*House adjourned at 9.25 p.m.*