

Legislative Council,

Friday, 22nd December, 1933.

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Sitting resumed at 2.30 p.m.

RETURN—MINISTERIAL TRAVELLING ALLOWANCES.

The CHIEF SECRETARY: I have here the return relating to ministerial travelling expenses, ordered on motion by Mr. Hall, and I lay the return upon the Table.

BILL—STATE TRANSPORT CO-ORDINATION.

Third Reading.

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

BILL—FARMERS' DEBTS ADJUSTMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the 20th December.

HON. C. F. BAXTER (East) [2.36]: I regret that the Bill has been brought forward. When the Farmers' Debts Adjustment Act was being considered by Parliament I do not suppose any member in either House anticipated that it would prove so successful. That Act has achieved signal success, and so it is only natural that other States should have prepared legislation on similar lines. The Government of New South Wales decided upon a like measure, and borrowed an officer from the Government of Western Australia to help them in

their task. As yet we do not know what success they have had, but certainly in this State the Farmers' Debts Adjustment Act has done a power of good to all concerned, especially to the wheat-growing industry. That success has been achieved mainly through all parties working in unison, and great credit is due to the merchants and financial houses for their ready assistance. Having got that far, we now find before the House this Bill which I am afraid will largely destroy the success achieved. I cannot read it in any other light than that it means the building up of another big Government department, which is not what is required. Not that I have no faith in Government departments and their officers, but the ramifications of a Government department are very different from those of a commercial house. Under the existing Act a great deal of responsibility rests on the shoulders of the receivers who, in handling estates, are placed in a far better position than any Government department would be. A receiver can attend to any urgent matter of business within an hour or two of receiving an application from the farmer. No Government department could do that, because of the ordinary routine of a Government department. You may call it red tape if you will, but whatever it be called it means a careful keeping of records. That must be attended to, for the officers are responsible to the department and to Parliament. The Bill, if it be agreed to in its present form, will give a tremendous setback to the operations under the Act, for it means nothing but forcing all the debtors into a Government department. The only possible objection that could be raised to the working of the Act is that the receivers may be getting a little too much remuneration. I do not know whether they are or not, but when I was carrying the responsibility of getting the parent measure through this House I had no doubt as to the remuneration to be paid to receivers. I felt then, as I do now, that the provision in the Act meant that the receiver was to receive 10 guineas per annum.

Hon. G. W. Miles: That was not the opinion of the Committee when the Bill went to a conference.

Hon. C. F. BAXTER: In my opinion the intention was that 10 guineas per annum would be allowed to the receivers.

Hon. H. V. Piesse: I did not read it that way.

Hon. C. F. BAXTER: Well I did, and I was responsible for handling the Bill in this Chamber. The 3 per cent. added to the 10 guineas may be too much in some cases and not enough in others. However, that could be rectified. But the effect of the Bill will be to force all the accounts into the hands of a Government department which will be controlled by the director. I say that is absolutely wrong. Under the Bill as printed we are not going to maintain the success we have achieved in the past, because we shall lose the confidence of those who have been finding the wherewithal to carry the business to a successful issue, namely the creditors and the financial backers. One provision in the Bill makes it retrospective. I fear the effect of that retrospection, for this reason: that the creditors and financial institutions, before finding the wherewithal to carry on the debtor for another year, may take the view that the retrospective effect of the Bill will alter the whole position.

Hon. H. Seddon: What is the attitude of the banks; do you know?

Hon. C. F. BAXTER: It is that if the Act is to be amended by the Bill before us, they will not feel disposed to go to the same length as they have done in the past.

The Chief Secretary: Which banks?

Hon. C. F. BAXTER: The commercial banks. I can assure the Minister that if the Bill be passed as printed, there will be grave doubts as to whether the commercial banks will be disposed to do as much as they have done in the past. I have it in black and white from one of the biggest institutions in Australia. It would be a false move to allow to creep into the Act any amendment which would throw the debtors into the hands of a Government department. The Act has been wonderfully successful in its operations. Why interfere with it? The director is working in such a way as to build up and control a big department. This House should not allow that. As we have had success from this measure, let us continue to have it, and refrain from putting in anything that will mean forcing debtors into the hands of Government departments. Surely the Government themselves do not want that responsibility. What we desire is good and expeditious work. We should not interfere too much with the working of the

Act, and should certainly not force debtors into the hands of a Government department. We need only continue on the same lines as in the past, with the Director representing the Government, and overseeing the general work. Certain amendments contained in the Bill are all right, but others may be very dangerous. We should not pass anything that may destroy the confidence of financial houses or of the creditors. We want the whole business to work as smoothly as it has done in the past. I support the second reading, subject to certain amendments being made in Committee.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [2.47]: It is difficult to understand Mr. Piesse's objections to the minor changes that the Bill proposes to make. The hon. member can rest assured that the relationship between the debtor-farmer and his creditors will remain practically unaltered, although the rights of certain creditors will receive more recognition than heretofore. Mr. Piesse contends that a receiver under this Act is allowed more freedom than a trustee in bankruptcy. A trustee is, however, a separate entity with full control, whereas receivers are appointed by the Director and their services may be dispensed with by him, with the result that the well-defined policy of administering the Farmers' Debts Adjustment Act and the control that exists, have resulted in the confidence of creditors. I do not quite understand Mr. Piesse's attitude in regard to fees. He stated, in the first place, that he regarded the amendment as reasonable. He then goes on to say that he considers £20 would be a reasonable minimum, but that he would prefer to see the maximum even less than £30. This does not appear to be very logical.

Hon. H. V. Piesse: I said £10 10s. was a reasonable minimum.

THE CHIEF SECRETARY: The fixation of a minimum amount of £10 10s. is to ensure that a receiver will get some payment from his work in the event of a crop failure, and, even in normal times, the average payment will only be about £20. It had been intended that the £10 10s. was to be chargeable from the first year only, but a Supreme Court decision was to the effect that it could, under certain circumstances, be a recurring charge, and, moreover, that arrangements made by the debtor to pay

additional amounts subject to confirmation by a resolution at a creditors' meeting, would empower the receiver to charge any such amounts agreed upon.

Mr. Piesse and Mr. Baxter express a fear that a big Government department will be created to control farmers' estates. That is not the intention of the Government, but, at times, it is necessary for some difficult and unfinancial cases to be run from the director's office. Hon. members can rest assured that the creditors have responded equally well in these cases, as they have in others. Many such estates would not have returned sufficient to pay an outside receiver's fee in the first year, and it has been the custom for outside deputy-directors to look to the central office for meeting fees in the case of unfinancial estates which could not be carried on by them. In fact, fees to a large amount have had to be written off on account of such estates.

Mr. Piesse is in error when stating that there are only three receivers operating in the country. I think he is confusing them with deputy directors, of whom there are nine in the city and one at Geraldton. The deputy directors conduct meetings which are not held at the central office, but the receivers are the persons appointed under the stay order to see that the resolutions of the creditors are carried out and to protect those who are financing the farmers' operations. Their duties also include arrangements for the prompt despatch of necessary supplies. The operations of these men are supervised by the director, and those administering a number of estates are bound by sureties in sums up to £2,000. There are 15 receivers operating in the country, eight of whom are Agricultural Bank officers. Mr. Piesse also overlooks the fact that the fundamental principle of the Act is that the farmer himself is responsible for the working of his farm and not the receiver.

The hon. member is doubtful of the effect of Clause 4. The clause is designed to ensure that all the farmer's assets are protected by the stay order, and not merely the farm assets, but Clause 13A provides that all duly registered bills of sale must be honoured, except only for fees and any small disbursement necessary to keep the farmer going until the first meeting only has been held. Why should not wool products bear the proportionate cost

along with other proceeds on a mixed farming estate? The deletion of Clause 4 would conflict with Section 13A. The substitution of director for receiver in connection with security matters is necessary to expedite the business of country clients. All such documents are registered in Perth by head office representatives of the institutions concerned, and documents other than bills of sale and liens have to be stamped at the director's office before acceptance at the Titles Office.

Mr. Piesse is of opinion that Clause 9 (b) may tend to give the director power to over-ride the power of a mortgagee, but this is not so. Subsection 3 of Section 12 of the Act sets out clearly that the director cannot do anything unless the mortgagee himself proposes to do something to his security. Moreover, the interests of other creditors are conserved owing to the fact that additional improvements must be "calculated to be of benefit to the farmer and his creditors in general." In any case, a mortgagee cannot be compelled to find the funds. The same remarks apply to the provision of wire netting, but wire netting is very often necessary, and it pays for itself by the saving effected in the prevention of destruction of crops by the rabbits. Clause 13A will not in any way over-ride bills of sale over stock on the property, as the clause expressly refers to bills of sale or liens over produce only. Mr. Baxter has referred to the associated banks I would point out that these institutions, on reference of the matter to them, submitted their own solicitors' amendments, which they considered essential to protect their security, and these amendments have been accepted by the Government without any question.

Legitimate securities are not interfered with at all, except for fees and small disbursements, up to a maximum of £30, necessary to maintain a farmer until the first meeting is held. The provision is already in the principal Act and is a necessary provision to ensure that farm activities shall not be interrupted at a critical time, such as harvesting time, because of a stoppage of supplies. The references to the Bills of Sale Act indicate that liens and bills of sale, including the Agricultural Bank's statutory lien, are protected. Regarding the replacement of worn-out machinery, an understanding with the principal machinery firms already exists, under which, if it is

necessary to provide new machinery, the matter is submitted to a creditors' meeting and, on approval, the machinery firms will supply the item required subject to the first instalment being made a preferential debt and satisfactory terms being made for the payment of the balance of purchase money.

It appears to me that some members are inclined to overlook the fact that the main purposes of this legislation is to assist the farmers, and not the receivers. The scale of remuneration allowed has proved to be a fair payment for the work performed. Mr. Piessé, who has had practical experience of this class of work, admits that the maximum amount allowed was a generous payment. Mr. Hamersley and Mr. Wittenoom seem to be of the opinion that it is the intention of the head office to absorb the administration of all estates, but this is not so. It is not intended to abolish outside receiverships.

Mr. Seddon appears to think that the provisions of this Bill will upset the harmony at present existing between the parties concerned, but I fail to see that there is any danger of that. The relationship between debtors and creditors should remain unaltered. After all, the receivers are not responsible for the organisation, and, under the provisions of the Act, they are subject to the control of the director. Mr. Hall adopted the right attitude by drawing attention to the farmers' viewpoint, and the present position of the wheat industry. Mr. Bolton appears to be under the impression that the proposed amendments aim at bringing more of the assisted farmers under the control of a Government receiver, and so to create a big department. I can only reiterate that that is not the intention of the Government.

Mr. Nicholson thinks that the provision of this Bill may upset the present amicable relations that exist between farmer debtors and their creditors. I may say that the amendments proposed are only what experience has proved to be necessary to ensure the efficient working of the measure.

Mr. T. Moore emphasised the fact that the farmer is the main person to be considered. He also stated that he considered that sustenance should be a first charge on proceeds. This point will most likely be given consideration by the Minister in charge when bringing in new legislation which he has foreshadowed.

Hon. G. W. Miles: He mentioned about the writing down of debts.

The CHIEF SECRETARY: We have not yet gone into that question, but it will be dealt with next session. Mr. Cornell stated that debtors and creditors are making arrangements outside the Act. That is so, but in the majority of cases, the provisions of the Act are used as the basis of these arrangements, which goes to prove that the Act is serving a very useful purpose, both directly and indirectly, and its importance will be enhanced now that amendments have been made to the Commonwealth Bankruptcy Act to allow State Acts, such as the Farmers' Debts Adjustment Act, to function freely.

Members object to the retrospective clause in regard to fees, but as I stated before, this provision is only made to adjust a condition that was not intended to apply when the original Act was drafted.

The main attack, indeed practically the only attack on the measure was made by Mr. Baxter, but it seems to me that it was groundless. He told us that the associated banks were in a state of alarm about this measure becoming law, that they were nervous about their securities being affected. After the banks had perused the Bill and certain amendments had been placed on the Notice Paper in my name the banks were satisfied about the position of their securities.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1, 2—agreed to.

Clause 3—Amendment of Section 4 of principal Act:

Hon. H. SEDDON: I move an amendment—

That in line 2 of paragraph (a) the word "or" be struck out and "and" inserted in lieu.

The object of the amendment is to continue the existing scale of fees.

The CHIEF SECRETARY: I cannot accept the amendment, because it will mean increased remuneration to the receiver who will get ten guineas and in addition, the

three per cent. The opinion is that the receiver is well remunerated at the present time.

Hon. H. SEDDON: Under the original Act the receiver got £10 10s. and a percentage. By deleting "or" and substituting "and" we restore the position to what it was under the original Act. As a matter of fact, I should like to see the whole clause deleted because it is unsatisfactory. The original provision is fairer because it places control in the hands of those most concerned, namely the creditors. In addition it provides for the supervisory work of the director. The retrospective feature of the clause is objectionable. It would be better to retain the existing provisions than to introduce the innovations proposed. In the case taken before the court it was definitely decided that the Act provided for £10 10s. plus three per cent. Unless we amend the clause in the direction I have indicated or delete the clause, there would not be sufficient money in many instances to recoup the receiver for his work. I understand that many estates have been placed in the director's hands because they would not be profitable for any other receiver to handle, and obviously the result would be that the Government would get all the "rough stuff." There must be one of two consequences—either many of the estates will be taken over by the director and a Government department will be instituted, or the creditors may decide that the estates will not be handled any better than they are being handled at present and may make arrangements under the Federal Bankruptcy Act.

Hon. H. V. PIESSE: The Chief Secretary said I considered that a minimum of £20 would be reasonable. I said that £20 would be a very good maximum, but as the Government had proposed to make it £30, I was satisfied that that was a reasonable amount, and that a minimum of £10 10s. would be reasonable. Therefore I intend to support the Government. I also spoke of the signing of bills of sale or the approval of such. I have conferred with the director who pointed out that he intended to depute the power to receivers in Perth. I shall oppose the retrospective provision, and shall move for the deletion of Sub-clause 5 dealing with out-of-pocket expenses. I repeat that £30 remuneration for trustees is a reasonable maximum.

Hon. J. M. Macfarlane: For all estates?

Hon. H. V. PIESSE: Yes. That would be allowed on the total returns from a farm, which would include wool.

Hon. L. B. Bolton: There are farms and farms.

Hon. H. V. PIESSE: I think the maximum would be paid in most instances. As to the estates I supervise under the Federal Bankruptcy Act, I charge as little as £3 3s. and £6 6s.

Hon. G. W. Miles: You are black-legging on the profession.

Hon. H. V. PIESSE: I am not in the profession. I undertook the business to protect the farmer's interests and am not looking for large fees. Business men of the country have a duty to protect the farmers who are keeping the assets of the State operating. A man who is running 30 or 40 estates receives quite a decent cheque. He has not the responsibility under this legislation that he would have under the Bankruptcy Act. If I were asked to-morrow to transfer from estates under the Bankruptcy Act to those under the Farmers' Debts Adjustment Act, I would willingly do so.

The CHIEF SECRETARY: The decision of the court to which Mr. Seddon referred was not along the lines he indicated. It was that the Act did not prevent farmers from contracting out of the Act. Advantage was taken of that weakness—

Hon. Sir Charles Nathan: By whom?

The CHIEF SECRETARY:—and the receivers were getting higher fees than they were entitled to draw. Mr. Seddon would make statutory provision for a much higher remuneration for receivers.

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

Ayes	..	..	..	5
Noes	..	..	..	13
Majority against				8

AYES.	
Hon. L. B. Bolton	Hon. H. Seddon
Hon. E. H. Harris	Hon. J. Nicholson
Hon. J. M. Macfarlane	(Teller.)
NOES.	
Hon. J. M. Drew	Hon. Sir C. Nathan
Hon. G. Fraser	Hon. H. V. Piesse
Hon. E. H. Hall	Hon. E. Rose
Hon. V. Hamersley	Hon. A. Thomson
Hon. W. H. Kitchin	Hon. C. H. Wittenoom
Hon. G. W. Miles	Hon. E. H. Gray
Hon. R. G. Moore	(Teller.)

Amendment thus negatived.

Hon. H. V. PIESSE: I move an amendment—

That in sub-paragraph (b) of paragraph (a) the figures "1933," line 13, be struck out, and "1934" inserted in lieu.

I have already spoken on this matter. Arrangements for the distribution of remuneration are made at the meetings.

Amendment put and passed.

Hon. Sir CHARLES NATHAN: The figures "1933" occur again in the sub-paragraph. Will they be consequentially amended to "1934"?

The CHAIRMAN: Yes.

Hon. H. V. PIESSE: I move an amendment—

That paragraph (b) be struck out.

In ordinary business procedure petty cash accounts are kept; but it is rather strenuous for receivers to have to ask the director for authority to expend petty cash, as, for instance, in sending a telegram for a spare part that is required urgently. The approval of the director should not be necessary for such a purpose. I do not know how the provision has crept in. The maximum remuneration for a receivership has now been reduced to £30. The amount involved in this paragraph would probably be 30s. or £2 for a whole year. Receivers can be trusted with regard to such small out-of-pocket expenses.

The CHIEF SECRETARY: I understand that a fairly large amount of responsibility is vested in receivers. If spare parts are required, it is not necessary to consult the director unless the cost is high.

Hon. J. Nicholson: This paragraph would compel the receiver to consult the director.

The CHIEF SECRETARY: I should like to hear the views of farmers' representatives on this matter. So far those views have not been expressed.

Hon. Sir CHARLES NATHAN: I am not quite certain that Mr. Piesse's construction of the paragraph is correct. The proposed subsection seems to give the director the right to agree to payment for services which cannot be strictly called ordinary office expenses. I put a wider interpretation on the subsection than Mr. Piesse does. I can imagine that a receiver might be put to some expense not coming within the category of ordinary office expenditure. In that case the subsection authorises the director to allow the receiver any special charges

he may have incurred for the benefit of the farmer's business.

Hon. H. V. PIESSE: I take it that the proposed subsection means that postages and similar expenses in connection with the office of a receiver are not allowed unless agreed to by the director. It seems to me absurd to have a receiver writing for authority to expend, say, a twopenny stamp.

Hon. L. B. BOLTON: Speaking as a farmer, I incline to the view that if the proposed subsection is enacted, it will often bring about disputes as to the advisability of a receiver's actions. If it is necessary for him to obtain approval every time, he will be extremely cautious. On the other hand, if given a free hand he will be able to render the farmer much better service. Under the subsection endless petty disputes might arise between the receiver and the director.

Hon. E. H. H. HALL: The more authority given to the receiver, who is on the spot and in close personal contact with the farmer, the better. Much trouble has been occasioned by the loss of time involved in getting authority from Perth for necessary action.

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

Ayes	..	..	..	12
Noes	..	..	..	7

Majority for 5

AYES.

Hon. L. B. Bolton	Hon. J. Nicholson
Hon. J. T. Franklin	Hon. H. V. Piesse
Hon. E. H. H. Hall	Hon. H. Seddon
Hon. V. Hamer	Hon. A. Thomson
Hon. W. J. Mann	Hon. C. H. Wittenoom
Hon. Sir C. Nathan	Hon. J. M. Macfarlane

NOES.

Hon. J. M. Drew	Hon. G. W. Miles
Hon. E. H. Gray	Hon. R. G. Moore
Hon. E. H. Harris	Hon. C. B. Williams
Hon. W. H. Kitson	(Teller.)

PAIR.

AYE.	No
Hon. E. Rose	Hon. T. Moore

Amendment thus passed.

Hon. H. SEDDON: The Committee would be well advised to allow the original Act to stand as it is. The amendments we have made will prove adverse both to the creditors and to the farmers themselves. The old arrangements with regard to remuneration proved satisfactory, particularly when

it is considered that so many of the estates dealt with are small. In my opinion, it would be better to strike out the whole clause.

Hon. J. M. MACFARLANE: I agree with Mr. Seddon. The information furnished to me has been to the effect that the Act in its original form proved satisfactory to both creditor and debtor. Experience has shown that the receivers have operated to the advantage of all parties concerned. If we start tinkering with the position and restrict operations, all concerned will lose interest. The receivers will not work as efficiently and both creditor and debtor will suffer in consequence.

Hon. A. THOMSON: Mr. Macfarlane seems to be more concerned about the position of receivers than of the farmers.

Hon. J. M. Macfarlane: My concern is for the creditors and the debtors.

Hon. A. THOMSON: It is all a question of co-operation. Although the receivers do efficient work, the cost of that work is a first charge against the estate. We should be guided by those who have had experience of the operations of the Act. After all, we must view the position from a practical standpoint, and it can hardly be said that a receiver in Perth can manage a farm 200 miles away. Of course, the receiver is in control, but the farmer must do the work. I support the clause as amended.

Hon. H. SEDDON: I am well aware that a large proportion of the business management of the farm is carried out by the receiver, and that this work is in addition to the essential book-keeping. The purpose of the receiver is to allow the farmer to get on with his work of farming. The receiver has to arrange for credit and do all he can to relieve the farmer of distractions.

Hon. G. W. MILES: The receivers during the last year or two have been in a very good position making money out of the adversity of other people, and I think the amounts they are to receive should be restricted.

Hon. H. V. PIESSE: I agree that the receivers have had a little money, but that does not depreciate the value of their work. A receiver can assist greatly in putting a farmer on to his feet, as I explained on the second reading, when I detailed some of the services I, as receiver, have been able to render to the farmer whose estate I have been running.

Hon. G. W. Miles: That was because you are a practical farmer as well as a receiver.

Hon. H. V. PIESSE: The receivers in Perth have practical experience in buying for the farmers.

Hon. J. J. Holmes: You cannot vote on this Bill.

Hon. H. V. PIESSE: Yes I can, as a representative of a farming district. We here should do our best to give embarrassed farmers an opportunity to get out of their difficulties. Unless water be supplied to the farmers in order that they may run a few sheep, how is a man to surmount his difficulties with wheat at 2s. a bushel? While the receiver is well worth his remuneration, the farmer must have first consideration.

The CHIEF SECRETARY: I desire to express my appreciation of the view taken by Mr. Miles. I have been here ever since the Bill entered the Committee stage, and with the progress of the discussion I have been almost forced to the conclusion that the receiver is the chief man in all this, and that the farmer on the road to bankruptcy does not count. We have heard nothing about the number of estates the individual receivers administer, the main object with some members being apparently to secure more remuneration for those gentlemen. I was very glad to hear Mr. Miles, who evidently has a wider outlook than some other members, and wider sympathies, extending altogether beyond the receiver.

Clause, as previously amended, put and passed.

Clauses 4 to 8—agreed to.

Clause 9—Amendment of Section 12 of the principal Act:

Hon. H. SEDDON: I move an amendment—

That paragraph (a) be struck out.

Hon. H. V. PIESSE: Originally I had intended to move the same amendment, but on discussing the matter with the director I found that he wishes the power to sign bills of sale for the receivers in the country, and that consequently the proposed amendment is not necessary. It was only devised for the convenience of receivers in the country when handling bills of sale. I will oppose the amendment.

Hon. H. SEDDON: I cannot reconcile Mr. Piesse's explanation with the original Act,

which says that the farmer shall not do certain things without the consent of the receiver, whereas paragraph (a) provides that it is the consent of the director which must be secured.

Hon. J. NICHOLSON: Mr. Piesse says the director informed him that this was only to apply to receivers in the country. If that is really the intention, the paragraph does not give effect to it. The consent of the director would be necessary and the receiver would have no voice in the matter. Everything would have to go through the director.

The CHIEF SECRETARY: The word "director" includes a deputy, and all the deputies would have the powers of the director. There are nine deputies in the city and one in the country—at Geraldton.

Hon. J. NICHOLSON: The receiver is appointed through the director, but becomes the officer by whom all the negotiations are carried out. The existing arrangement has worked so well that there is a strong feeling against the proposal, which would mean the concentration of all the estates in one office in the city, and would also mean that the receiver would become more or less a nonentity.

Hon. Sir CHARLES NATHAN: The principle of the Act was that in no circumstances should the farmer's liberty be interfered with. He was to run his own farm. The director was to provide the machinery to permit of the creditors coming together and, in conjunction with the farmer, appoint a receiver, and for them to work out the farmer's salvation. By inserting the word "director," we shall be putting one individual in complete control regardless of what the farmer or the receiver might say. The great virtue of the Act was the spirit of conciliation. The farmer was not to be under the direction of anyone. That is why the director was made the farmer's agent. Now it is desired to make the director the farmer's dictator.

Hon. H. V. PIESSE: After hearing the arguments in support of the amendment, I shall vote for it.

The CHIEF SECRETARY: The departmental explanation of the provision is as follows:—

All security documents are dealt with and registered in Perth by head office representatives of the institutions concerned, and they must be stamped at the director's office before

being presented at the Titles Office. Thus delays would be obviated. Bills of sale over crops, etc., can be registered without notice if they are approved by resolution of creditors and those receivers who are deputy directors would be given authority to give formal consent to such documents. Receivers are widely scattered over the State, and if bills of sale can be finalised in Perth, much delay in many cases would be obviated. In some parts the mail services are such that cross country letters must pass through Perth, so that a letter on its way to a settler, and then to a country receiver does the double trip. Further, in security matters, a little closer supervision would be in the interests of all parties.

The director would not be likely to suggest anything that would impede the farmer's business.

Amendment put and passed.

Hon. H. V. PIESSE: I move an amendment—

That paragraph (b) be struck out.

The paragraph would permit of the director allowing the mortgagee to spend money for the benefit of the farmer.

Amendment put and passed.

Hon. H. V. PIESSE: I move an amendment—

That after "may," in line 5 of Subclause 5, the words "with the consent of the majority of the creditors at the review meeting" be inserted.

The subclause deals with the supplying of wire netting. Secured and unsecured creditors should be consulted as to whether a farm should be netted. Power should not be given to the director to decide that question, seeing that a review meeting is held once a year.

Hon. A. THOMSON: I should like to hear from the Minister the reason for the subclause. On a tour of my province I learned that 20 per cent. of the crops were being consumed by rabbits. The saving of that loss would probably pay for the netting.

Hon. J. Nicholson: The creditors should decide whether a farm should be netted.

The CHIEF SECRETARY: If the amendment were passed, the supplying of wire netting would be delayed until the review meeting was held. At a review meeting there may not be an urgent necessity for wire netting, although it is intended to raise the question at review meetings this year. It is thought that the

creditors in general would be content to leave it to the director to decide on their behalf whether, in order to protect the crops on which they rely, wire netting should be supplied.

Hon. H. V. PIESSE: Review meetings are held in January, February and March. Why should not the creditors at the meeting have the right to say whether netting should be supplied? There is a first charge out of the crop proceeds for the wire netting. I do not believe I am asking anything unreasonable when I suggest that the creditors should agree to provide something towards the extra expense that is going on.

Hon. J. NICHOLSON: If it is left to the review meeting, time might be lost to the farmer.

Hon. H. V. PIESSE: There are advantages to be gained from putting netting around a farm. Without such rabbit-proof netting the average farm would soon become a depreciated asset.

Hon. A. THOMSON: I suggest that after the word "may" there be inserted "after consultation and with the consent of the majority of the creditors."

Hon. H. V. PIESSE: I would accept such a suggestion, and will withdraw the amendment I have just moved.

Amendment, by leave, withdrawn.

Hon. A. THOMSON: I move an amendment—

That after the word "may," in line 24, the following be inserted:—"after consultation and with the consent of the majority of the creditors."

The CHIEF SECRETARY: The amendment will not get us anywhere. Anything can be done now with the consent of the majority of the creditors. The proper course for the hon. member to adopt is to vote against the clause.

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

Clause 10—Rights of secured creditors:

Hon. J. NICHOLSON: I move an amendment—

That in proposed new Section 13A all the words after "thereof" down to "eight," at the end of paragraph (ii) be struck out.

The arrangement has been that when a lien has been taken over a crop, the proceeds are first applied to the payment of the amount advanced for the putting in of

a crop. When sheep are purchased under a lien, the wool proceeds are first used to pay off the indebtedness involved. If this amendment is passed, it is my intention to move to insert other words.

The CHIEF SECRETARY: The hon. member might tell us what he proposes to put in as a substitute for the words he proposes to take out.

Hon. H. V. PIESSE: I have discussed this matter with bankers, who tell me that the proposed section is sufficiently clear to protect their interests.

Hon. J. NICHOLSON: I will withdraw my amendment.

Amendment, by leave, withdrawn.

The CHIEF SECRETARY: I move an amendment—

That after the word "provide," in line 10, the words "in regard to any such security" be inserted.

All the amendments on the Notice Paper in my name have been drafted to meet the wishes of the banks, who were not satisfied with the soundness of their securities under the Act. The amendments were drafted by the Crown Law Department, and sent to the representatives of the financial institutions, who made one or two additions which have been accepted by the Government.

Hon. H. V. PIESSE: The amendments will assist in the carrying on of the affairs of different farmers. I understand the banks will advance money, provided the suggested amendments are agreed to.

Amendment put and passed.

The CHIEF SECRETARY: I move an amendment—

That in line 4 of paragraph (d) of the proviso to proposed Section 13A all the words after "shall," to the end of the paragraph be struck out, and the following inserted in lieu:—

"(i) If the same requires registration under the Bills of Sale Act, 1899, and its amendments, and does not comply with the formalities prescribed, or is not duly registered under the said Acts; or

(ii) in any case where the same does not require such registration, if the produce or the actual proceeds of the produce the subject thereof have not been received by the creditor in whose favour such order, authority, or writing is given before the date of the stay order

be absolutely void as against the receiver and the other creditors of the farmer."

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

Clauses 11 to 13—agreed to.

Progress reported, and leave given to sit again at a later stage of the sitting.

BILL—FINANCIAL EMERGENCY ACT AMENDMENT.

Assembly's Message.

Message from the Assembly notifying that it disagreed to all the amendments made by the Council, now considered.

In Committee.

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

No. 1. Strike out Clause 2.

The CHAIRMAN: The Assembly's reason for disagreeing to all the amendments made by the Council is—

The amendments suggested attack the vital principles of the Bill submitted in accordance with the policy emphatically endorsed recently by the electors of the State, and the deletion of the said clauses cannot be agreed to.

The HONORARY MINISTER: I move—

That the amendment be not insisted on.

I do so for the reason which has been read by the Chairman.

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

Ayes	..	..	..	10
Noes	..	..	..	12
				—
Majority against	..	..	..	2

AYES.

Hon. C. F. Baxter	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. R. G. Moore
Hon. G. Fraser	Hon. H. Seddon
Hon. E. H. Gray	Hon. C. B. Williams
Hon. E. H. H. Hall	Hon. J. T. Franklin

(Teller.)

NOES.

Hon. L. B. Bolton	Hon. G. W. Miles
Hon. V. Hamersley	Hon. Sir C. Nathan
Hon. E. H. Harris	Hon. J. Nicholson
Hon. J. J. Holmes	Hon. H. V. Piesse
Hon. J. M. Macfarlane	Hon. A. Thomson
Hon. W. J. Mann	Hon. C. H. Wittenoom

(Teller.)

PAIR.

AYES.	NOES.
Hon. T. Moore	Hon. E. Rose
Hon. A. M. Clydesdale	Hon. Sir E. Wittenoom

Question thus negatived; the Council's amendment insisted on.

No. 2. Delete Clause 3.

The HONORARY MINISTER: I move—

That the amendment be not insisted on.

I move this for the reason already stated.

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

Ayes	..	..	..	10
Noes	..	..	..	12
				—

Majority against .. 2

AYES.

Hon. C. F. Baxter	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. R. G. Moore
Hon. J. T. Franklin	Hon. H. Seddon
Hon. G. Fraser	Hon. C. B. Williams
Hon. E. H. Gray	Hon. E. H. H. Hall

(Teller.)

NOES.

Hon. L. B. Bolton	Hon. Sir C. Nathan
Hon. V. Hamersley	Hon. J. Nicholson
Hon. J. J. Holmes	Hon. H. V. Piesse
Hon. J. M. Macfarlane	Hon. A. Thomson
Hon. W. J. Mann	Hon. C. H. Wittenoom
Hon. G. W. Miles	Hon. E. H. Harris

(Teller.)

PAIRS.

AYES.	NOES.
Hon. T. Moore	Hon. E. Rose
Hon. A. M. Clydesdale	Hon. Sir E. Wittenoom

Question thus negatived; the Council's amendment insisted on.

No. 3. Clause 4—Delete this clause:

The HONORARY MINISTER: I move—

That the amendment be not insisted on.

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

Ayes	..	..	..	9
Noes	..	..	..	14
				—

Majority against .. 5

AYES.

Hon. J. M. Drew	Hon. W. H. Kitson
Hon. J. T. Franklin	Hon. R. G. Moore
Hon. G. Fraser	Hon. H. Seddon
Hon. E. H. Gray	Hon. C. B. Williams
Hon. E. H. H. Hall	

(Teller.)

NOES.

Hon. C. F. Baxter	Hon. G. W. Miles
Hon. L. B. Bolton	Hon. Sir C. Nathan
Hon. V. Hamersley	Hon. J. Nicholson
Hon. E. H. Harris	Hon. H. V. Piesse
Hon. J. J. Holmes	Hon. A. Thomson
Hon. J. M. Macfarlane	Hon. C. H. Wittenoom
Hon. W. J. Mann	Hon. H. J. Yelland

(Teller.)

PAIRS.

AYES.	NOES.
Hon. T. Moore	Hon. E. Rose
Hon. A. M. Clydesdale	Hon. Sir E. Wittenoom

Question thus negatived; the Council's amendment insisted on.

The CHAIRMAN: As amendments Nos. 4, 5 and 6 are consequential upon those already insisted on, I shall report to the House that all the amendments made by the Council have been insisted on.

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

BILL—APPROPRIATION.

Second Reading.

Debate resumed from the 8th December.

HON. H. SEDDON (North-East) [5.8]: It appears to me the Bill covers the general attitude of the Government. One cannot help being impressed with the fact that the Government have placed in the forefront of their activities, the question of unemployment. They went to a great deal of trouble in attempting to deal with that problem, to a far greater extent than their predecessors in office. They established the Economic Council and we have noted the activities in which that body has been engaged. Many of them are such as to indicate that the members of that organisation are actuated by a sincere desire to deal with the greatest problem of to-day. As a matter of fact, the unemployment problem is having such a searchlight directed upon it in every country of the world, that I am inclined to think the very intensity of that light is having the effect of carrying people away in their estimate of the extent of the problem and the manner in which it is affecting the community generally. I refer to the condition of affairs existing to-day as seen by us. This condition can properly be viewed only by making a comparison with statistics regarding the normal state of affairs 30 or 40 years ago in the older countries of the world. It is because scientific research has been concentrated on the problem to-day that it is more fully appreciated and that we have a knowledge of the actual magnitude of its effects on the community generally. It appears to me that there is a field of activity to which the Economic Council can turn their attention, a field which will not be productive of quick results but will lay the foundations for tack-

ling the question on scientific lines. I referred on a previous occasion to a meeting held in Amsterdam in August, 1931. It was the International Economic Conference, at which papers were presented by leading authorities from nearly all the countries of the world. After carefully dealing with the question of unemployment, the conclusions arrived at were that there was need for a scientific and thorough review of the economic situation, with a view to maintaining that balance that makes for prosperity throughout the whole community. Since that gathering, the Economic Conference in London was held and it really boiled down to a currency conference. Unfortunately, it did very little good in dealing with the question of unemployment. I desire to refer to a new approach to this question, which, I think, offers great possibilities, a line of approach that could well be recommended to the Economic Council, the members of which are doing such good work in Perth. In America there has arisen a new school of thought that deals with what is known as "technocracy," which is being given a great deal of attention and support not only in the universities but also amongst the leaders of various activities in the community. The principles they lay down are these: First of all they approached the question of our modern civilisation from the standpoint that because of the advance in machinery and because of the way in which labour has been subdivided, the unit upon which we must estimate production is not the old unit of man power as determined by the number of man-hours devoted to the production of a given article. They have gone a great deal further than that and they point out that by the production of machinery and the subdivision and simplification of labour, the new unit on which they base their calculation is really the kilowatt hour or the electrical energy unit that is consumed in replacing human energy in the production of many forms of commodities. They point out that in the advance in various lines of manufacture and many fields of agricultural production, the extent to which machinery has been introduced, has been such that the production per man in those activities has been increased out of all proportion to the old system and standards, on which our old

civilisation was established. They were further led to pursue a line of research in the direction of working out a series of charts relating to the production of 3,000 different commodities, and they again demonstrated the extent to which man has been subordinated to the tremendously increased productive power afforded by the introduction of machinery. Their activities have been advertised very largely through the United States as a result of the disorganisation which occurred there from the stock market crash in 1929. That crash was so wide and severe in its effect that the whole country was stirred, and a series of inquiries were instituted that left a malodorous sense of wrong-doing and scandal. The people felt that many of their financial institutions had departed from the lines of business integrity, and that only too frequently those institutions had taken undue risk in handling the funds entrusted to them. As a result of that, the attention of the public was directed to the claims of the technocrats, and those people by means of their propaganda have turned the thoughts of that great country in the direction of approaching their problems from the scientific aspect. They point out that technical efficiency in industry had increased production in the United States to such an extent that employment, no matter how many new industries might be initiated, would inevitably decline steadily, having reached its peak in 1918; that while temporary revival to prosperity levels might follow a policy of inflation, it would result in a sky-rocket boom followed by an utter collapse of the price system; that while industry had reached an efficiency where further expansion was impossible, it had accrued a burden of debt that brought it to the verge of collapse. The debt structure had pyramided because equipment became obsolete before the bonds with which it was purchased were amortised. The world crisis, it was contended, is essentially technological, and there is no solution but a technical one worked out scientifically by men with the engineer's outlook. That is typical of industry in the United States. The policy of that country is that when a new machine is put on the market and can show an improvement in output on the machine used in the factory, there is not the slightest hesitation in scrapping a comparatively new machine in order to introduce the latest model. This, of course, can only be done by

means of additional finance in the forms of bonds or securities. The result has been the piling up of debts in that country, seriously menacing the stability and security of the whole of their business finance. Up to 100 years ago the human machine was the basis for energy conversion; to-day the rate of energy conversion by machinery is thousands of times that of man. Although the war has been blamed for the depression, it has been the result of factors operating long before the war and apparently far more influential. It is these little understood factors that have bewildered and perplexed mankind. The true analyses of modern economies is the actual business of production and consumption, divested of commercial considerations or considerations of price. Progress comes from the amount of national energy which man has harnessed and made to serve his purpose. These ideas have been steadily propagated to the community, and I think as a result of those investigations they have found it possible to establish something like a definite ratio between the actual amount of requirements of the community and the number of men that will be found necessary in order to fulfil those requirements. One can readily understand how, if the whole of our production system to-day was approached from that standpoint, it would be possible for us year by year to estimate the number of boys or girls who could be introduced into any given line of employment in order to cope with the growing demand of the community. If, for instance, one farmer by new machinery is able to produce enough wheat to feed 1,000 men, obviously it is a comparatively easy sum to work out what would be the additional number of farmers needed to cope with the actual requirements of the country. This of course, leaves out of consideration the effect of drought or crop failures. The machine is far more definite and can be handled far more effectively when we go into the field of manufacture. I have raised these points because here is a line of activity that might well be undertaken by the Economic Council with a view to ascertaining the number of people necessary to supply us with the commodities needed to maintain our present standard of civilisation; after which they could go farther and see to what extent it is possible to increase the standard of living of the community. It would be well worth their attention. It would in-

volve a considerable amount of work, but would result in benefit to the whole of the community. I have pleasure in supporting the second reading.

HON. J. M. MACFARLANE (Metropolitan-Suburban) [5.22]: I have a few remarks to make on the proposed expenditure on the Canning reservoir, which the Government have undertaken. I understand the sum of £440,000 is being allocated to this work, and that a good deal of that money will be used in the construction of the dam. Anyone who is concerned with the consumption of water in the metropolitan area will realise that the expenditure is likely to be an important factor to water consumers. On a previous occasion I referred to plans perfected by Mr. William Shiel, a civil engineer who has been associated with the construction of dams, including the Mundaring dam, for nearly 40 years. In that plan which Mr. Shiel has perfected, he claims a saving of 66 per cent. on the cost of construction of a dam, which if it be true means that a very substantial saving could be made on the Canning weir. A little time ago I asked the Minister if any portion of Mr. Shiel's plans had been adopted for use on that weir, and the answer given was "No." Therefore I am a bit concerned, because if 66 per cent. saving could be effected on that work, I feel it is for this House to ask the reason why Mr. Shiel's plans have not been adopted. I should like to know if the plans have been thoroughly examined and whether any faults have been found in them. If there are no faults in them, I cannot understand why they have not been adopted. I should like to ask the Minister to secure me an answer to that question, for the consumers of water in the metropolitan area are vitally concerned, since they will have to foot the bill for the construction of the weir. Much has been said about the reclamation work along the foreshore. Here I differ from those members who say it is a work that could well be allowed to stand over until the financial position is more favourable. As the result of 7½ years experience as a member of the Perth City Council, when I was constantly in touch with the health officers of that body, I hold the view that it is a most important work from the health standpoint. In the first place, the escape of gases has been an intolerable nuisance during the summer, when the

marshes are exposed to the sun, and in the second place the dried algae is equally offensive. I understand that could be dissipated by the construction of waterways. If for that reason alone, it is necessary that the work should be carried out. Moreover, it will provide employment for large numbers of men, which is another reason why it should be undertaken. Then there is the beautification of that part of the river, a matter which concerns every member of the community. From time to time we have to conduct over the Causeway important visitors who, we desire, should carry away favourable impressions of the city. Again, it is important that those charged with the uplifting of the amenities of the city should see that the noisome conditions along by the Causeway are removed.

Hon. G. W. Miles: Would it not be better to expend the money on a sewage farm?

Hon. J. M. MACFARLANE: Perhaps so, but even then the other work would have to be undertaken, just the same. This reclamation and the cleansing of the river are very important, and no Government should overlook them. Then there is the report that the anophele mosquito is to be found in that area in large numbers. We are told we run the risk of malaria in Perth when malaria-stricken people come down from the tropics and take up their residence here; it is understood that those people are not a menace to us unless we have the anophele mosquito present. But I have been assured that the anophele mosquito, which is a carrier of malaria, is likely to become infected and so spread the disease all over the place.

Hon. H. J. Yelland: Are anophele mosquitoes present down by the Causeway?

Hon. J. M. MACFARLANE: Yes, in large numbers, and I am very much concerned about it. I am advised that we are running a great risk in that way. I commend the Government on that work in spite of the condemnation it has received from many sources. I should like to obtain some information as to the probable cost of the Canning dam, particularly as the gentleman who supplied the details to me is a well-known engineer and has been concerned with the construction of dams for many years. If his assertion that he can effect a saving of 66 per cent. in construction costs can be substantiated, the matter assumes considerable importance and should not be lost sight of. I support the second reading.

HON. E. H. H. HALL (Central) [5.31]: I did not intend to speak on the Bill and would not have done so but for Mr. Macfarlane's commendation of the Government for spending money on the Canning reservoir and on the beautification of the Swan River. I admit that Mr. Macfarlane was quite within his rights in referring to those matters. I realise also that the present Government are no more blameworthy for what I am about to refer to than were past Governments. We are continually being reminded that Western Australia is a primary producing State, and surely we should put first things first. If there is one thing more than another that demands the attention of the Government, it is the provision of water supplies in the agricultural districts, and every penny available should be devoted to that purpose. My experience of the past few months must have been shared by other members who represent agricultural districts. I have received six or eight letters from different parts of my province requesting me to make representations to the Minister for urgently needed water supplies in those districts. I must admit that the present Minister for Water Supplies has treated my requests very generously. I sometimes feel that my voicing of these matters in the House time after time is somewhat like beating the air, but it is the duty of members to persist in preferring their requests on behalf of the people they represent until their efforts are rewarded. I do not think any doubt exists in the minds of Ministers that the provision of water supplies in the agricultural districts is a matter of the utmost importance. Not only does such provision save the time of settlers, but it enables them to carry sheep. We all hope that the recent rise in the price of wool will be maintained and will help to counterbalance the depressed price of wheat. Another matter to which reference is frequently made is that of the future of the North-West. During the last few days members have been admonished not to be parochial. I quite agree with that. If the State has not the money with which to develop the North-West, we should not adopt the dog-in-the-manger policy of refusing or neglecting to make arrangements to obtain the requisite funds. If the Government are not prepared to hand over the North-West to the Commonwealth, the Minister might be able to inform us whether the Premier

has been able to devise any other scheme for developing the North. If we cannot make any arrangements with the Federal Government, would it not be possible to negotiate with one of the big financial companies in the Old Country. Companies of the kind have done valuable work in developing other parts of the Empire. We are continually being reminded of the menace of the empty North. You, Mr. President, on your world travels have met prominent men from different parts of the Empire and have heard from them that the empty spaces in our North are a source of danger. There are now fewer people in the North than were there 15 or 20 years ago. I should like to know what the Government are doing, and whether they consider that any practical steps can be taken by them to develop the North.

HON. R. G. MOORE (North-East) [5.38]: I wish to make a few references to the goldmining industry which affects so greatly the people I represent. One member in particular has called attention to what the goldmining industry has cost the State, and he never misses an opportunity to bemoan that cost. He entirely overlooks what the goldmining industry has done for the State. If we could reckon on the one side what the goldmining industry has cost the State directly and indirectly, and estimate on the other side what the industry has done for the State, we should hear no more about the cost of the industry to the State. Complaint has been made that people on the eastern goldfields are purchasing commodities from the Eastern States. That moan has also come from the metropolitan area.

Hon. L. B. Bolton: It is true, is it not?

Hon. R. G. MOORE: But there is another great truth to be considered, namely that from the inception of the eastern goldfields railway, that utility has been used by every Government as a taxing machine.

Hon. E. H. Harris: Hear, hear!

Hon. R. G. MOORE: Whereas most of the railways in the State have not been able to pay expenses, the goldfields line has consistently had to bear the burden of losses on other lines. Yet people forget that important fact when they speak of the cost of the goldmining industry. When the east-west railway was constructed and the Commonwealth undertook to convey goods to the goldfields from the Eastern States at a reasonable rate of freight, there was another

moan from Perth. The quantity of goods carried from the Eastern States is a mere bagatelle as compared with the quantity imported from the Eastern States and landed over the Fremantle wharf. Since the gold-fields people have been importing small quantities over the east-west line at a reasonable rate of freight, because of the iniquitous taxation imposed by our own railway rates on first, second and third class goods, the people of Perth have raised objection.

Hon. L. B. Bolton: It is mostly beer that is brought over cheaply. I am surprised at your supporting it.

Hon. R. G. MOORE: If that was a fact, there might be some substance in the interjection, but for the hon. member to say that mostly beer is brought over—

Hon. L. B. Bolton: I said it was mostly beer that was brought over cheaply.

Hon. R. G. MOORE: If the other commodities are not brought over cheaply, why moan about their being brought over the transcontinental line? The only concern of the complainants is that the money is going to the Eastern States and not to Perth. The benefit of the mining industry to the State cannot be estimated. A continual stream of new wealth is flowing every week, and it benefits every industry in Western Australia as well as many industries outside the State. I consider that for all the Governments have done for the goldmining industry, they have received back full measure, shaken together, pressed down and running over. If it were possible to discover another Golden Mile, the party in power, whoever they might be, would fall over themselves to do for the industry what was done before, because they would recognise the benefit that such a discovery would confer upon the State. When the Workers' Compensation Act came into force the premium was fixed at £10s. 10s. A great fund was built up which cost the Government nothing. The previous Government took out of that fund and paid into consolidated revenue £45,000, and the present Government anticipate taking £25,000 this year for the same purpose. It would be interesting to know whether the Government now intend to reduce that premium of £4 10s. per cent. In his reference to a tax on gold Mr. Baxter evidently forgets that not only did the goldmining industry put this State on its feet, but many individuals on their feet. He also overlooks the fact that for many years the industry was struggling for an existence,

and so much capital was lost in it that it was difficult for it to carry on. Immediately there is a rise in the price of gold, the suggestion is made that the Government should snatch some of the profits which the industry so richly deserves. He should recall what our gold-mining industry has done for the whole of Australia. I am glad the Government have allocated a considerable sum of money for the further development of goldmining. It would be a good thing if the present State battery system were augmented at Kalgoorlie, Coolgardie and Ora Banda, by the establishment of Huntingdon mills under the battery management, so that the overhead expenses would not be materially increased. This would be a tremendous help to the districts concerned. I commend the Government for the assistance they have rendered to the industry, and for sending out so many of the unemployed prospecting. Although the results of this prospecting scheme may not have been commercially satisfactory, we must not forget that a duty devolved upon the Government to find employment for the people concerned. There was a strong possibility of this proving very reproductive work, for the whole of the expense involved would be recouped if only one good mine were discovered. Some good results have already been achieved, but nothing of great importance. A considerable army of prospectors is now scattered over the goldfields, and it is more than likely that some profitable discovery will be made. Despite what has been said by some members of the cost of the industry to the State, we know that the discovery of one good mine would more than repay the State for the expenditure. When I spoke on the Appropriation Bill last year I said it was just as much the duty of the Government to find work for the unemployed as it was to balance the Budget. I am still of that opinion, and would commend the Government for what they have done in this respect. With others I could wish it was no longer necessary to offer special facilities for placing our unemployed, but that is a fact we have to face, and we know the Government have to the best of their ability battled with the situation. I again commend the Government for sending out prospecting parties in the hope that fresh goldfields will be discovered, and additional wealth brought to this State.

Question put and passed.

Bill read a second time.

Remaining Stages.

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

Read a third time, and returned to the Assembly without amendment.

Sitting suspended from 5.57 to 8.15 p.m.

**BILL—STATE TRANSPORT
CO-ORDINATION.**

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to amendments Nos. 1 to 17 and 19 to 42 inclusive made by the Council, and had agreed to No. 18 subject to an alternative amendment in which the Assembly desired the concurrence of the Council, now considered.

In Committee.

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

No. 18. Clause 14, Council's amendment.—In line 27 delete the word "ten" and substitute the word "five." Assembly's alternative amendment: strike out "five" and insert "six."

The CHIEF SECRETARY: I move—

That the alternative amendment suggested by the Assembly be agreed to.

This refers to the fee for omnibuses, and the percentage basis of gross earnings whereby the fee shall be arrived at.

Hon. C. F. BAXTER: As the mover of the amendment made by the Council, I wish to say I am in favour of the motion just moved by the Chief Secretary. The advisers of the Government have had more opportunity of arriving at the correct figure than we in this Chamber.

Hon. J. NICHOLSON: I support the motion. The Bill is a very important one, and it involved sending to another place 42 amendments. This showed that great care was necessary in dealing with the measure. If anyone wished to call attention to the need for a House of review they would find ample evidence for it in this Bill.

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

The CHAIRMAN: On behalf of the Committee, I should like to thank the clerks of the House for the excellent work they performed in connection with this Bill.

Hon. A. THOMSON: I endorse the remarks of the Chairman of Committees concerning the clerks of the House, and desire to pay a tribute to the Chief Secretary for his patience to us all, and to Mr. Woolf for the valuable assistance he gave to us all.

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

BILL—TRAFFIC ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [8.33] in moving the second reading said: The purpose of the Bill is to continue the operations of Section 10A of the Traffic Act for a further period of six months. In the event of certain other legislation being passed, the provisions of this section of the Traffic Act will not be necessary after the 30th June, 1934. Section 10A of the Traffic Act provides that motor trucks using certain roads specified in Part II. of the Act, shall pay an extra license fee. It was recognised that these vehicles were carrying heavy loads and were causing excessive wear and tear to the roads, and it was considered to be only fair that they should pay at least a proportionate cost of the upkeep of such roads. Provision is made in the Act to ensure that the whole amount of such fees collected, less only the cost of collection and administration, must be made available for the maintenance, repair and improvement of the roads. It was recognised that some measure of control or co-ordination of this class of traffic must eventually be introduced, in order to safeguard public utilities, and for this reason the Bill was enacted from year to year only. It is hoped that the necessary legislation will be on the statute-book before the period provided for in this Bill expires, and it will not then be necessary to continue to re-enact this measure. The Government were bound to assume that the State Transport Co-ordination Bill would be passed in an acceptable form, and would become law; and therefore

it is necessary to re-enact Section 10A of the Traffic Act in order to cover the period between the 31st December of this year and the 30th June, 1934, after which date it is hoped that the proposed transport board will have control over all commercial vehicles and, in addition, omnibuses. If this section of the Traffic Act is not re-enacted, then those persons who have been paying the extra license fees would be enabled to carry on without paying any license fees for the remaining six months of this financial year, and, moreover, others who have never paid a fee for the right to use main roads would also have the right to use any road in the State without the payment of an extra fee. Hence the Government's desire to cover the period in question. I move—

That the Bill be now read a second time.

Question put and passed; Bill read a second time.

Remaining stages.

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

Read a third time, and *passed*.

BILL—FARMERS' DEBTS ADJUSTMENT ACT AMENDMENT.

In Committee.

Resumed from an earlier stage of the sitting. Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 13—agreed to.

New clause:

Hon. J. NICHOLSON: I intended to submit a new clause, but after consultation in the interval with hon. members I have decided not to move it.

Hon. J. M. MACFARLANE: I find myself in somewhat the same position as Mr. Nicholson regarding the proposed proviso standing in my name on the Notice Paper. I gather from the Chief Secretary that there is no intention to enlarge the scope of the director as to receiverships, and that most of the estates in his hands are such as do not interest outside receivers, and that the director has supervised them in preference to their passing into the Bankruptcy Court.

Having these assurances from the Chief Secretary, I shall not move the amendment of which I have given notice.

Title—agreed to.

Bill reported with amendments and the report adopted.

Third Reading.

Read a third time and returned to the Assembly with amendments.

Sitting suspended from 8.47 to 11 p.m.

BILL—FARMERS' DEBTS ADJUSTMENT ACT AMENDMENT.

Assembly's Message.

Message from the Assembly notifying that it had agreed to the Council's amendments Nos. 1, 3, 6, and 7, and disagreed to Nos. 2, 4, and 5, now considered.

In Committee.

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

No. 1. Clause 3.—Delete paragraph (b).

The CHIEF SECRETARY: I move—

That the amendment be not insisted on.

The restrictive clause as to out-of-pocket expenses should be retained in the Bill.

Hon. H. V. PIESSE: I consider the small amount of money involved is not worth consideration. We should insist upon our amendment.

Hon. J. NICHOLSON: I agree with Mr. Piesse, because in the existing Act there is quite sufficient to meet the position.

The CHAIRMAN: The Assembly's reason for disagreeing to the amendment is—

Having regard to No. 1, office expenses are already amply provided for.

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

Ayes	..	..	..	8
Noes	..	..	..	15
				—
Majority against				7
				—

AYES.		
Hon. A. M. Clydesdale	Hon. E. H. H. Hall	
Hon. J. M. Drew	Hon. W. H. Kitson	
Hon. G. Fraser	Hon. C. B. Williams	
Hon. E. H. Gray	Hon. C. F. Baxter	
		(Teller.)

NOES.

Hon. L. B. Bolton	Hon. Sir C. Nathan
Hon. J. T. Franklin	Hon. J. Nicholson
Hon. V. Hamersley	Hon. H. V. Piesse
Hon. E. H. Harris	Hon. H. Seddon
Hon. J. J. Holmes	Hon. A. Thomson
Hon. J. M. Macfarlane	Hon. C. H. Wittenoom
Hon. G. W. Miles	Hon. W. J. Mann
Hon. R. G. Moore	(Teller.)

Question thus negatived; the Council's amendment insisted on.

No. 4. Clause 9.—Delete paragraph (b).

The CHIEF SECRETARY: I move—

That the amendment be not insisted on.

The CHAIRMAN: The Assembly's reason is—

The interests of creditors are beneficially affected by the secured creditor being able and willing to provide further productive assets.

The CHIEF SECRETARY: That is my argument, in brief form.

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

Ayes	..	..	..	..	8
Noes	..	..	..	..	15

Majority against 7

AYES.

Hon. C. F. Baxter	Hon. E. H. H. Hall
Hon. J. M. Drew	Hon. W. H. Kitson
Hon. G. Fraser	Hon. C. B. Williams
Hon. E. H. Gray	Hon. A. M. Clydesdale
	(Teller.)

NOES.

Hon. L. B. Bolton	Hon. R. G. Moore
Hon. J. T. Franklin	Hon. Sir C. Nathan
Hon. V. Hamersley	Hon. J. Nicholson
Hon. E. H. Harris	Hon. H. Seddon
Hon. J. J. Holmes	Hon. A. Thomson
Hon. J. M. Macfarlane	Hon. C. H. Wittenoom
Hon. W. J. Mann	Hon. H. V. Piesse
Hon. G. W. Miles	(Teller.)

Question thus negatived: the Council's amendment insisted on.

No. 5. Clause 9, paragraph (c).—After the word "may" in the twenty-fourth line, the following words be inserted:—"after consultation and with the consent of a majority of the creditors".

The CHAIRMAN: The Assembly's reason for disagreeing to the amendment is "The same as outlined on the previous amendment."

The CHIEF SECRETARY: I move—

That the amendment be not insisted on.

The principal Act already allows the secured creditor to give advances for the protection

and preservation of the security, and there is no compulsion. This provision applies to wire-netting.

Hon. J. NICHOLSON: This amendment was agreed to after full consideration by the Committee. We recognised it was necessary that the creditors should have some voice in the matter because a charge would not be created upon the property alone. Under the Wire and Wire Netting Act, charges incurred under it can be given priority over other securities that are dealt with in the Bill. That charge will be against the proceeds of the farmer's business, and therefore the creditors should be consulted. Naturally if the transaction were of advantage to the estate, the creditors would give their consent. I urge the Committee to insist on the amendment.

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

Ayes	..	..	..	..	7
Noes	..	..	..	..	16

Majority again 9

AYES.

Hon. A. M. Clydesdale	Hon. E. H. H. Hall
Hon. J. M. Drew	Hon. W. H. Kitson
Hon. G. Fraser	Hon. C. B. Williams
Hon. E. H. Gray	(Teller.)

NOES.

Hon. C. F. Baxter	Hon. G. W. Miles
Hon. L. B. Bolton	Hon. R. G. Moore
Hon. J. T. Franklin	Hon. Sir C. Nathan
Hon. V. Hamersley	Hon. J. Nicholson
Hon. E. H. Harris	Hon. H. V. Piesse
Hon. J. J. Holmes	Hon. H. Seddon
Hon. J. M. Macfarlane	Hon. C. H. Wittenoom
Hon. W. J. Mann	Hon. A. Thomson
	(Teller.)

Question thus negatived; the Council's amendment insisted on.

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

BILL—FINANCIAL EMERGENCY ACT AMENDMENT.

Assembly's Request for Conference.

Message from the Assembly received and read requesting a conference on the amendments insisted on by the Council, and stating that if a conference were agreed to, the Assembly would be represented by three managers.

The HONORARY MINISTER: I move—

That a conference be agreed to, that the managers for the Council be Hon. Sir Charles

Nathan, Hon. H. V. Piesse, and the mover, and that the conference be held forthwith in the President's room.

Hon. Sir CHARLES NATHAN: With every desire to fulfil my responsibility as a member of this House, I shall be glad if I may be allowed to withdraw my name from the list of managers. I do not think I am physically fit to undertake a task of such a nature.

The PRESIDENT: Under Standing Order 323, if upon such a motion as that before the House any member shall so require, the managers for the Council shall be selected by ballot.

Hon. G. W. Miles: I require that the managers be selected by ballot.

Hon. H. V. PIESSE: I also feel that there are in the House older members who should be on the manager's committee.

Hon. E. H. Harris: For physical reasons?

Hon. H. V. PIESSE: I am not going to say that I am not either physically or mentally capable of taking the position, but there are other members who dealt much more trenchantly with the Bill than I did.

Hon. J. J. HOLMES: I have been approached by a number of members of the House who have suggested that I should be one of the managers. For the last 15 years have I been dealing with the finances of the State, pointing out where the drift commenced and where it will end. During this session I was on a managers' conference on the Financial Emergency Tax Bill, and at that conference we were told that every available penny would be required to keep within the agreed upon deficit; and that if more money than expected should be derived from that tax, it would go towards reducing expenditure.

Hon. C. B. Williams: Is the hon. member in order in discussing this?

The PRESIDENT: Actually there is nothing before the Chair, but I take it the hon. member is making a personal explanation.

Hon. J. J. HOLMES: That is so.

Hon. C. B. Williams: Well, I want to see some progress made; I am not going to stay here all night.

Hon. J. J. HOLMES: What I am doing is being done to facilitate business. If elected one of the managers for this House,

I will go to the conference determined to adhere to the policy I have advocated for the last 15 years. That is what I mean to say.

The PRESIDENT: The ballot will be taken under Standing Order 332.

Hon. A. THOMSON: I should like to make a personal explanation. I wish to indicate that if the Committee decide to elect me one of the managers, I will adopt the same stand as Mr. Holmes has forecast.

Hon. C. B. WILLIAMS: Since there are so many personal explanations going, I wish to make one. We know now what to expect from the two members who have spoken, but if I should be elected one of the managers, goodness only knows what will happen.

Hon. G. FRASER: Is it the usual procedure for members to canvass for votes in order to get on such a committee?

The PRESIDENT: I have not heard that there has been any canvassing for votes. I should be extremely sorry to hear of it.

Ballot resulted in the appointment of the Hon. W. H. Kitson, Hon. J. J. Holmes and Hon. A. Thomson.

Question put and passed.

Sitting suspended from 11.35 to 12.20 a.m.

BILL—FARMERS DEBTS ADJUSTMENT ACT AMENDMENT.

Assembly's Request for Conference.

Message from the Assembly received and read requesting a conference on the amendments insisted on by the Council, and stating that if a conference were agreed to, the Assembly would be represented by three managers.

The CHIEF SECRETARY: I move—

That a conference be agreed to, that the conference be held forthwith in the Chief Secretary's room, and that the managers for the Council be selected by ballot.

Question put and passed.

Ballot taken.

Ballot resulted in the appointment of the Chief Secretary, Hon. L. B. Bolton, and Hon. H. V. Piesse.

Sitting suspended from 12.38 to 5.5 a.m.

Conference Managers' Report.

The CHIEF SECRETARY: I desire to report that the managers of the Legislative Council have met the managers of the Legislative Assembly and have reached the following agreement:—

No. 2. Subclause 5, Clause 3, page 3.—Insert after the word "any," in line 6, the word "legitimate."

This was the clause dealing with out-of-pocket expenses. They must be legitimate out-of-pocket expenses.

No. 4. Clause 9 (b) (3).—Council's amendment not insisted on.

That paragraph remains in the Bill as introduced into the Council. It aims at rendering the farmer's security more productive.

No. 5. Clause 9 (c) (5).—After the word "may," in line 24, strike out the words "by writing under his hand" and insert in lieu thereof "with the consent of a majority of creditors given in writing or by a resolution of a meeting of creditors held in accordance with Section 10 of the principal Act."

This is similar in principle to the previous amendment, except that wire netting is referred to. The provision was amended to ensure that there should be a majority of creditors or the resolution of a meeting of creditors under Section 10. I move—

That the report be adopted.

Question put and passed.

Assembly's Further Message.

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

**BILL—FINANCIAL EMERGENCY ACT
AMENDMENT.***Conference Managers' Report.*

The HONORARY MINISTER: I have to report that the managers of the Legislative Council have met the managers of the Legislative Assembly and have failed to reach an agreement.

LEAVE OF ABSENCE.

On motion by the Chief Secretary (without notice), leave of absence for six months from the 1st January granted to the President (Hon. Sir John Kirwan—South).

**ADJOURNMENT—COMPLIMENTARY
REMARKS.**

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [5.30]: I move—

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

On this last occasion of our meeting, for the present, I desire on behalf of members, my colleague and myself, to tender our hearty thanks to you for your kindness and consideration during the session. I congratulate you upon the admirable manner in which you have presided over our deliberations. In paying this tribute we fully recognise the spirit of strict impartiality which you have invariably shown to every member, realising as you have that this attitude, which is indispensable in securing harmonious and efficient co-operation, is necessary when presiding over so important a body as this House. It is the earnest wish of every member that you may be granted a long term of enjoyment of the honourable position you occupy. On behalf of members, and on my own behalf, I express the sincere thanks to the Chairman of Committees for his kindness and consideration. He has been most helpful in assisting us out of the difficulties which inevitably arise in the execution of our duties in this Chamber. The Clerk of Parliaments, and the Usher of the Black Rod have carried out their duties faithfully and faultlessly and have given valuable assistance to the members. I must again record our appreciation of the work carried out by the Chief Hansard Reporter, Mr. Ramaciotti, and his staff. Their accuracy and general efficiency are fully recognised. I have at all times received from them every courtesy, and I wish to acknowledge my great indebtedness to them for the services they have rendered to me. Other officers and the staff have rendered loyal and cheerful service, that has been appreciated by us all. I wish also to express my very cordial appreciation of the kind and sympathetic support I have received from members of the House during the session. Although, on some questions we have not been able to see eye to eye, we have, in a friendly spirit agreed to differ, secure in the belief that we were attempting, to the best of our ability to promote the welfare of the State. I wish hon. members one and all, a full enjoyment of the approaching festive sea-

son, and health and prosperity in the coming New Year.

THE PRESIDENT [5.34]: Before the close of the sitting it is but right that I should refer to three honourable members of this House who are due for retirement next May, and who have signified their intention of not again seeking election. Of these, precedence of mention must be given to the veteran Parliamentarian, Sir Edward Wittenoom, a gentleman long and honourably associated with the public life of our State. He was first elected to the Legislative Council as member for the Geraldton district as far back as 1883—fifty years ago. He was, after his first election, an active participant in the Legislative Council's efforts to secure greater powers of Government for this part of the Empire—efforts that resulted at the end of 1890 in bringing to existence the Legislative Assembly, and establishing what is called responsible government. During the half century that has elapsed since Sir Edward Wittenoom's first becoming a member of this Chamber, he filled with credit many high and important offices, including those of Minister of the Crown, Acting Premier, Agent General and President of this Council. A man of great capacity and experience, a clear and concise speaker, he has, whilst a member, very considerably helped to maintain the reputation of this Chamber as a house of review.

Another of our members who has signified his intention of not being a candidate at the coming biennial elections is the Hon. Edwin Rose. He has been a member for the last 18 years, and during that lengthy period he conscientiously and efficiently served his constituents and the State. His ~~wide knowledge~~, especially of agricultural and pastoral matters has been of immense value in our deliberations. Never a frequent nor a lengthy speaker, whenever he spoke it was to throw light on the subject under discussion, and it would be difficult to conceive of anyone more earnest or more genuine in his desire to give his voice and vote in favour of what he felt to be best in the interests of his country.

We also are extremely sorry to be losing the Hon. Sir Charles Nathan. During the four years he has been a member he has given to the Council the aid of his acute

brain and lengthy commercial and financial experience, all of which he applied with zeal and marked success to the solution of very many intricate political problems.

We trust that whilst these honourable members will in their retirement enjoy the rest they have well deserved, they will long be spared to perhaps help at times with their advice through the days that are to come.

During more than 28 years of Parliamentary life, I have never known a more trying close to a Parliamentary session. That was due to the excessive warmth of the weather and the exceedingly long hours of continuous work. The atmosphere has been mostly stifling both in and outside of doors. On Tuesday we sat from 4.30 in the afternoon until 2.30 the following morning; on Wednesday we met again at 4.30 in the afternoon, and sat continuously until 1.30 on Thursday morning. We sat on Thursday afternoon at 4.30 and continued until 8 o'clock yesterday morning. Then we met again at 2.30 p.m. and sat continuously until now, 5.35 this (Saturday) morning.

All that has been a severe strain on members, especially on the Leader of the House (Mr. Drew), the Chairman of Committees (Mr. Cornell) and the Honorary Minister (Mr. Kitson). To them—perhaps even more so to the officers, Mr. Grant, the Clerk of the Parliament, and Mr. Leake, the Clerk Assistant—the continuous mental strain and physical effort have been greater than, I believe, is generally realised.

Still the proceedings have passed off without a hitch. Tempers and nerves must have been frayed, but there was nothing outwardly to show that they were so. So far as the members are concerned it is not always easy to contend calmly and coolly on principles that are held strongly, but nothing has occurred to mar the harmony of the proceedings, or in any way to disturb the good relations that always exist personally in this Chamber.

Question put and passed.

House adjourned at 5.40 a.m. (Saturday)