

Hon. J. J. Holmes: Cannot we get out of the difficulty by reporting the Bill to the House, and then dealing with the new clause on the third reading?

The CHAIRMAN: I suggest that the Minister move that I report the Bill to the House, and that when the question of the adoption of the report is stated he should move that consideration of the report be made an Order of the Day for the next sitting.

The CHIEF SECRETARY: I move—

That the Chairman do now report the Bill to the House.

Question put and passed.

Bill again reported without amendment.

The CHIEF SECRETARY: I move—

That the consideration of the report be made an Order of the Day for the next sitting of the House.

Question put and passed.

BILL—EDUCATION.

Assembly's Further Message.

Message received from the Assembly notifying that it had agreed to the Council's request for a conference, and had appointed Mr. Davy, Mr. Wilcock and Mr. Millington as managers, the Ministers' room as the place, and 5.45 p.m. on the following day as the time.

BILL—LOAN, £4,800,000.

Received from the Assembly, and read a first time.

House adjourned at 11.27 p.m.

Legislative Assembly,

Wednesday, 12th December, 1928.

	PAGE
Assent to Bills	2402
Questions: Bran and pollard supplies	2402
Government offices, site	2403
Railways: 1, Leonora service; 2, Metropolitan service	2403
Engineer's dismissal	2403
Bills: Licensing Act Amendment (No. 2), 12.	2403
Agricultural Bank Act Amendment, 12.	2403
Kojouup Cemetery, 12.	2403
Appropriation, all stages	2403
Land Agents, Com.	2409
Health Act, Amendment, Com.	2413
State Trading Concerns Act Amendment, 22.	2416
Education, Council's request for Conference	2430
Loan, £4,800,000, all stages	2430
Land Act Amendment, 22., Com.	2431
Water Boards Act Amendment, Council's further message	2441

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

ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:—

- 1, Forests Act Amendment.
- 2, Bunbury Electric Lighting Act Amendment.
- 3, Feeding Stuffs.
- 4, Land Tax and Income Tax.
- 5, Wheat Bags.
- 6, Railways Discontinuance.

QUESTION—BRAN AND POLLARD SUPPLIES.

Mr. LINDSAY asked the Minister for Agriculture: 1, Has his attention been called to the Press statement to the effect that the by-products of the flour milling industry are being exported to Japan, Java, China, and Egypt? 2, Is he aware that the quoted prices for bran and pollard in Melbourne are £2 5s. less than in Perth? 3, Will he bring under the notice of flour millers the importance of the dairying, pig, and poultry industries, with the object of ensuring ample supplies of mill offals at reasonable rates and similar to those obtaining in the Eastern States where other conditions are similar to those in Western Australia?

The MINISTER FOR AGRICULTURE replied: 1, Yes. 2, In to-day's Press the relative prices quoted are—Melbourne, bran

£5 15s., pollard £6 5s.; Perth, bran £8, pollard £8. The Perth prices are subject to the following reductions—2s. 6d. per ton for cash and a further 7s. 6d. per ton for 100 ton lots. 3, Yes.

QUESTION—GOVERNMENT OFFICES, SITE.

Mr. C. P. WANSBROUGH (for Mr. Thomson) asked the Premier: 1, Has the special committee of departmental officers appointed to select and recommend a central site for offices to embrace all Government departments submitted its report? 2, If so, will he make it available to the House?

The MINISTER FOR WORKS (for the Premier) replied: 1, Yes. 2, Yes, after consideration by the Government.

QUESTIONS (2)—RAILWAYS.

Leonora Service.

Mr. COWAN asked the Minister for Railways: 1, Is he aware that no through train at present appears on the schedule for Leonora? 2, Having regard to the importance of Leonora as the terminus of the railway serving an extensive area of pastoral and mining country, will he consider the advisability of immediately providing a through train?

The MINISTER FOR WORKS (for the Minister for Railways) replied: 1, The question of through service has been given consideration, but the present service which has been in operation for some considerable time is most suited to the general public. 2, Answered by No. 1. If further representations regarding alterations are made the whole position can be reviewed.

Metropolitan Service.

Mr. PANTON asked the Minister for Railways: In view of the crowded state of the second-class carriages on the metropolitan railways at 8 a.m. and 5 p.m. will he suggest to the Commissioner that more second-class carriages be placed at the disposal of the workers during those periods?

The MINISTER FOR RAILWAYS replied: Trains are being specially watched during peak periods, and several have already been strengthened.

QUESTION—ENGINEERS' DISMISSAL.

Mr. NORTH asked the Minister for Works: 1, Was Mr. A. Fotheringham, formerly of the Public Works Department and Main Roads Board, dismissed without any cause of complaint? 2, If his service was unsatisfactory, has it been brought to his notice? 3, How long was he with the Public Works Department? 4, How long was he with the Main Roads Board?

The MINISTER FOR WORKS replied: 1, No. 2, Yes. 3, 13 years 9 months. 4, 1 year 5 months.

BILLS (3)—FIRST READING.

1, Licensing Act Amendment (No. 2).

Introduced by Mr. Mann.

2, Agricultural Bank Act Amendment.

3, Kojonup Cemetery.

Introduced by the Minister for Agriculture.

BILL—APPROPRIATION

Message.

Message from the Governor received and read recommending appropriations for the purposes of the Bill.

All Stages.

In accordance with resolutions adopted in Committees of Supply and Ways and Means, leave obtained to introduce the Appropriation Bill, which was read a first time.

Second Reading.

On motion by the Minister for Railways. Bill read a second time.

In Committee.

Mr. Lutey in the Chair: the Minister for Railways in charge of the Bill.

Clauses 1, 2, 3, Schedules A, B, C—agreed to.

Schedule D:

Hon. Sir JAMES MITCHELL: I notice that the vote "Departmental" this year amounts to £232,000. It represents a recoup to the departments for work done by them on account of loan expenditure. In 1923-24 a

sum of £90,000 was so transferred for precisely the same class of work. Last year the amount was £180,000. This year it is some £230,000, or an increase of £50,000 on last year. Last year's Loan Act was only slightly greater than the previous year's, and the difference is not justified. This is a means of strengthening revenue. I consider that £100,000 is being transferred from loan to revenue wrongly, and that this lessens the expenditure on works, thus lessening employment. I protest against the transfer as unnecessary and wrong. An amount should be transferred, but not this amount. The effect is to reduce the deficit which would otherwise result from the revenue transactions of the year. I cannot expect hon. members to take much interest in financial matters, but they are important, and I consider it my duty to protest against these increases. All expenditure on works, including salaries, is paid by direct charge to loan. The amount to be spent on works is perhaps a little greater than it has been, but nothing like sufficient to justify the large increases in the amount transferred. I hope that another £50,000 increase in the item will not be disclosed by next year's Estimates. It is easy to balance the ledger if we keep on increasing this vote long enough.

THE MINISTER FOR RAILWAYS: A considerable proportion of this expenditure is due to the fact that extensive plans and specifications have to be prepared for various works.

Hon. Sir James Mitchell: That has always been so.

THE MINISTER FOR RAILWAYS: The work is done by the departments and recouped to loan. In connection with roads especially, plans and specifications and surveys have to be prepared and submitted to the Commonwealth for information and approval. All that work is done by departmental officers. We know that in connection with the contract system there is considerable expenditure on plans and specifications. I do not know that such expenditure is always necessary from a utilitarian point of view, but it is necessary here because the Commonwealth will not approve of roads unless surveys, plans and specifications are prepared. In the same way, with regard to large water supplies the departmental officers have to make investigations and put

up the whole scheme so that the Government understand exactly what is proposed to be done. Those are the main reasons why the departmental vote has increased during the last three or four years.

Hon. Sir JAMES MITCHELL: I am glad to have the explanation. The increase, however, is not right; and we cannot have such an increase every year. Our loan expenditure is not being seriously increased, while the vote rises by £50,000 annually. I know the Federal Government expect us to do a good deal of work on paper before we expend money on roads.

The Minister for Railways: Too much.

Hon. Sir JAMES MITCHELL: I protest against the use of loan money to help revenue.

Schedule put and passed.

Schedules E, F—agreed to.

Schedule G:

Mr. LATHAM: It has been pointed out that a great deal of public money is being wasted through work being done by day labour instead of by contract. The Leader of the Country Party drew attention to the fact that losses were being made because the men on the Norseman-Salmon Gums railway refused to carry out more than half a mile of plate-laying per day. The Minister for Works said the statement was not correct. I have before me the "Western Australian Industrial Gazette" of the 31st March, 1927, and I shall quote some extracts from the minutes relating to the platelayers award, Norseman-Salmon Gums railway—

Mr. W. L. Dartnell, the engineer in immediate charge of the Merredin-Narembreen line, gives the following reasons why only 40 chains per day were laid:—On account of the conditions, the material was not coming forward fast enough for culverts, bridges and so on, and by laying more than half a mile per day we should have caught up too soon with the work, and had a plate-laying gang on our hands. To suit the organisation it was preferable to lay half a mile per day.

Organisation must have been very bad, because otherwise the necessary material would have been to hand so that more than half a mile per day could be laid. That is a serious matter, and the difficulty would have been obviated by a contractor. I quote further from the minutes—

Mr. George Knowles, a ganger in the employ of the Public Works Department, referring to the Lake Grace-Newdegate line, says the rea-

son that 40 chains only per day was done, was owing to shortage of material, and that those in charge were wiring all the time for material, and they got it from five different places. Another instance in support of the establishment of the custom on behalf of the workers was that of the previously constructed portion of the Norseman-Esperance line. A diagram was submitted showing that portion of the line, which was constructed in 1923, was done at the rate of three-quarters of a mile per day, and another portion at the rate of half a mile per day.

That shows a differentiation to the extent of a quarter of a mile per day.

Mr. C. R. A. Stewart, the engineer in charge of the construction, was called to explain why the three-quarters of a mile was cut down to half a mile, and his explanation is as follows:—The chief factor was that our loco. could not haul out 60-chain material for the distance, and only having one loco. there was no option. Another cause which would have been manifest later on was that we could not get our material to Esperance to keep up the supply. This (that is, the change from three-quarters of a mile to half a mile) was done by the engineer himself. There was no request from the men for the change from three-quarters of a mile to half a mile.

The President of the Arbitration Court goes on to say—

After carefully considering all the evidence, the only conclusion I can come to, notwithstanding the strenuous efforts of Mr. Costello for the contrary, is that such a custom or usage has not been proved.

Surely, if the Public Works Department are carrying out work under such a system, it is time the Government made an effort to have the work done by contract. If it were done by contract, there would not be these delays, and we would get greater value than is obtained under the present system. The Minister might read these minutes.

The Minister for Works: I have read them.

Mr. LATHAM: Then he might have been fair to the Leader of the Country Party when referring to him the other evening.

The Minister for Works: I was not referring to that matter.

Mr. LATHAM: The statements of the Leader of the Country Party are practically borne out by these minutes. The organisation of the Public Works Department should be more complete before any further work is carried out by the department. The minutes refer to several railways built by the department on the day labour system.

Hon. G. Taylor: By the present Government?

Mr. LATHAM: Some of them were. All of them were finished by the present Government. I have never yet heard of a contractor who had to reduce platelaying to the extent of a quarter of a mile per day because material was not at hand. The Minister, even if he continues day labour, should see that there is no recurrence of that kind of thing.

The Minister for Works: There has not been a recurrence.

Mr. LATHAM: The minutes afford some very damning evidence. The Leader of the Country Party was anxious that I should bring this matter forward.

The MINISTER FOR WORKS: I realise that the hon. member is at a disadvantage. I do not know whether he is really aware of the statement actually made by the Leader of the Country Party, to which he has referred.

Mr. Latham: I was not present at the time.

The MINISTER FOR WORKS: The statement made by the Leader of the Country Party was that the union had forced on the Government a policy of railway construction that would not admit of more than half a mile being laid per day; that the Government had submitted to the dictation of the union; and that the Esperance line had been constructed on that basis. At the time I told him that his statement was inaccurate, and I referred him to the records of the Arbitration Court. I told him that if he did refer to these records, he would find that he was wrong and that instead of the union having forced the issue upon the Government, the matter had gone to the court for decision.

Mr. Latham: At any rate, the evidence I quoted proved that there was a lack of proper organisation.

The MINISTER FOR WORKS: The hon. member did not prove the accuracy of the statement of the Leader of the Country Party. On the other hand, he disproved it and showed that the statement made by the member for Katanning was quite wrong. The position was that some platelayers asked that a policy of constructing half a mile a day should obtain, and they actually started to lay the railway at that rate. The department refused to accept the position and stopped the construction work. When the representatives of the union came to see

me about it, the position was thrashed out. The men did not receive any support from the union, but subsequently the matter was referred to the Arbitration Court for decision. The advocate for the men contended in court that the practice of laying half a mile per day had been in operation for many years. The evidence that the hon. member read was given in support of that argument. In reply, the engineers explained that in one instance there was only one engine on the job, while in others, there had been a shortage of material. In consequence of that, it had been necessary to slow down construction to half a mile a day for a while. At the same time, that does not mean that the construction under those conditions was any more expensive than it was when three-quarters of a mile per day was laid. With the shorter length of construction the gangs are reduced accordingly. I suppose it would be a little more expensive because the great bulk of the overhead charges have to continue.

Mr. Latham: Platelayers would not do any work other than their own job.

The MINISTER FOR WORKS: Of course not. The point is that the gangs are reduced according to the decreased length of line laid per day. If the hon. member takes the trouble to read the decision of the Arbitration Court, he will find out that the number of men to constitute a gang for three-quarters of a mile of railway construction per day is set out. At the same time, it does not follow that costs are increased 50 per cent. if the rate of construction is reduced 50 per cent.

Mr. Latham: You reduce the number of men when the length of line laid is decreased.

The MINISTER FOR WORKS: Yes, that is the whole point. Then it has to be remembered that three-quarters of a mile of railway per day can be constructed more economically than a mile per day, owing to the conditions surrounding the work.

Hon. Sir James Mitchell: The Newdegate railway was the cheapest line laid down in those areas.

The MINISTER FOR WORKS: I think so. I do not think that line was even ballasted. The rails were practically thrown down on the surface and the line was rushed through in order to allow the settlers to get their harvest in and their fertilisers out. I believe that line has been strengthened since it was originally laid. However, the mem-

ber for York has merely proved the accuracy of the statement I made, and disproved the statement made by his own leader.

Mr. Latham: But I proved that the departmental organisation was bad.

The MINISTER FOR WORKS: If the hon. member were to read the whole of that evidence, together with the court's finding, he would see that the Government refused to go on with the work under the conditions that a few men on the job desired to impose upon us.

Hon. G. Taylor: The work was held up for a time until the court decided the issue.

The MINISTER FOR WORKS: Yes; we stopped the job when the men said they would lay half a mile only per day. When they told me that, I informed them there was to be no limit placed upon the mileage to be constructed. As they would not agree to that, I declined to go on with the work and the case was referred to court.

Hon. G. Taylor: When the court decided to continue the practice of constructing three-quarters of a mile per day, did you increase the number of gangs accordingly?

The MINISTER FOR WORKS: Yes; that was provided for in the court's decision. We were bound to abide by the decision of the court just as others are bound.

Mr. LATHAM: I am prepared to accept the statement of the Minister, but I have been able to ventilate the fact that the departmental organisation at the time was in an appalling condition; otherwise the work would not have been held up. All that has been said seems to indicate that good reason exists for work of this description to be done by contract. Unless the Minister can advance something substantial in support of his contentions, I shall have something more to say when we deal with the next Loan Estimates. Under the heading of "Development of Agriculture," for which £225,668 is provided from the General Loan Fund, allocations are made for increasing the working capital of the Agricultural Bank, assistance to settlers and to industries as well. I would like to point out that the operations of the Agricultural Bank have been extended to the No. 2 zone and it is proposed to make advances up to £1,500 to settlers in that area. The first instalment is to be £400, of which £50 is for a hut, £100 for water conservation, and the balance for clearing. Hitherto the policy has been not to make any further advances to settlers for machinery and horses

until 250 acres have been cleared. To-day men without capital are being put on the land, and many of them may not have the necessary area cleared when they desire to get a further advance to procure horses and machinery. Surely that policy is wrong. The bank should make provision to enable the men to effect the necessary clearing. I have communicated with the trustees of the bank on this question, but I have not been able to make much headway. More liberal assistance should be made available. Some settlers are being sent out 40 or 50 miles away from the railway, before even roads or water supplies are provided. I know of one instance of a man with a wife and eight children who has gone out under those conditions, and he has to cart water for a distance of 19 miles. Despite those conditions, the Lands Department have insisted upon the man taking immediate possession of his farm. Surely that is not reasonable or just!

Mr. Withers: The department did not force the man to take up the land.

Mr. LATHAM: But the department made the land available for people to take up.

Mr. Withers: And I suppose there were others who applied for the land.

Mr. LATHAM: If the hon. member's attitude is an indication of the sympathy likely to be extended to settlers in such a position, the outlook is a poor one for them. I know it is not an indication of the feeling of members generally. There is not much hope for men making good under those conditions if they are to be forced to take possession of their holdings at this time of the year.

The Minister for Railways: If a settler went out under the conditions you suggest, no block would be forfeited.

Mr. LATHAM: I am glad to hear the assurance of the deputy Premier. I think it is scandalous that people should be forced to go out to take possession of their holdings at this time of the year. They should not be asked to take possession before March or April, when the conditions would be more suitable. To-day settlers are being terrorised by the department.

Hon. Sir James Mitchell: Surely those settlers are not expected to go out without water supplies.

Mr. LATHAM: That is the position regarding this man.

The Minister for Railways: Of course we know it is necessary to put some fear into the hearts of land jobbers.

Mr. LATHAM: But that does not apply to this settler, for he is a one-armed man with a wife and family. His is not an isolated instance, because he is surrounded by other settlers.

The Minister for Railways: If that man can get work elsewhere, until he has a water supply, his block will not be forfeited.

Hon. Sir James Mitchell: And no man ever has been forced off his block under such conditions.

The Minister for Railways: Certainly not.

Mr. LATHAM: I am glad to have the assurance that people in the position I have indicated will not be forced into an unfair position.

The MINISTER FOR AGRICULTURE: The difficulty that has confronted the department has been to prevent people from going long distances from railways. During the time I have been acting Minister for Lands, applications have been received from people desirous of taking up land well away from railways. If we prevent new areas from being thrown open, we are accused of stifling the progress of land settlement.

Hon. Sir James Mitchell: But that is no reason why you should not throw the land open.

The MINISTER FOR AGRICULTURE: But there have been complaints that the Agricultural Bank will not advance money to settlers on account of their distance from a railway. All are endeavouring to get the Agricultural Bank to go outside their policy and the bank trustees are coming to the stage of advancing 50 per cent. within a given distance of a railway. All the enterprising people are forcing the Agricultural Bank to alter their policy.

Hon. Sir James Mitchell: They cannot be forced.

The MINISTER FOR AGRICULTURE: No, but the continual pressure is influencing the bank trustees against their better judgment.

Mr. Latham: I do not think they would do anything against their better judgment.

The MINISTER FOR AGRICULTURE: I wish that all specific cases were brought to the department. In no instance would land be forfeited because of delay occasioned through the settler having to cart water 19 miles. The conditions would never be enforced against people working in those circumstances.

Mr. Latham: They should be notified that it is unnecessary for them to take up their land at this season of the year.

The MINISTER FOR AGRICULTURE: In no case would they be penalised by the department. Another thing: in recent months the policy has been tightened up, but the department has had great difficulty in compelling people to comply with the improvement conditions. I mean, of course, people who are in a position to comply with those conditions. It is a complaint with many settlers that the residence and improvement conditions are not being complied with by men who should be made to comply, since other people are prepared to take the blocks and carry out the conditions. The difficulty of the Lands Department is to enforce those conditions. In that respect the department has far more complaints to make than have the settlers themselves. As for the case quoted by the member for York, of course those people need not fear anything at all. I do not know of an instance of the department or the Agricultural Bank coming down hard on a genuine settler. The general practice is quite the reverse of that.

Hon. Sir JAMES MITCHELL: I do not know of a case of ill-treatment. If I did know of a case of a settler being badly treated, I would ventilate it promptly. Everybody should take possession of his land as soon as he can after it is allotted to him. But a man cannot go on a virgin block at this season of the year; he cannot keep a horse, he cannot afford a tractor, and therefore he cannot go on his block.

The Minister for Railways: If he did, all he would be doing would be to cart water and horse feed.

Hon. Sir JAMES MITCHELL: That is so. The settled policy of the department is to give the utmost consideration to genuine selectors. They are not harshly treated. I know of new blocks of land on the eastern fringe of the wheat settlement which it would be impossible for the settlers to take up at this season of the year. When winter comes they might put up a shed and catch some water, or even put down a dam, but at this season of the year it is quite impossible. We can hardly ask a man to take possession of his block and get on with his clearing unless he is within reasonable distance of water. No man having a reasonable excuse for not taking possession of his land would be harshly treated by the department. We need not have any fear of this Govern-

ment or any other Government treating genuine settlers inconsiderately.

Mr. GRIFFITHS: I have a deal of sympathy for those people mentioned by the member for York. Men have come to me in great trepidation because they had been warned that they must get out on to their blocks. The Deputy Premier has stated that any cases of hardship will be investigated. That is very satisfactory. In regard to railways, the main contention of the member for York was that the organisation—

The CHAIRMAN: We are now on agriculture. We have passed railways.

Mr. GRIFFITHS: Very well. Perhaps I may say that the various things brought up by the Leader of the Country Party were put up at the request of the party, and that when we hear terms such as collector of political garbage—

The CHAIRMAN: Order!

Mr. GRIFFITHS: Naturally we resent it, particularly as—

The CHAIRMAN: Order! The hon. member will deal with the question before the Chair.

Mr. GRIFFITHS: The member for York contended that money should be made available to enable the settlers to clear 250 acres as required by the department before they can get balances for further improvement. That matter might well be considered by the Minister, for we help the men to a certain position and then leave them high and dry. That has occurred repeatedly and so money has been lost through an unwise policy.

Mr. MANN: Here is a case brought under my notice: A man named John Thompson applied for 3,800 acres of sand-plain country. It was granted to him by the board, and he explained to the board that his father-in-law had a farm in the district and was going to help finance him. Later, the father-in-law decided not to do so. Consequently Thompson went back to the department and explained the position, saying that he would dispose of his carrying plant in Perth in an endeavour to finance himself. At the end of August he was advised that the land had been allotted to him, and on the 10th September he received a demand for £35 in payment of survey fees. He explained his position to the department.

The CHAIRMAN: All this should have been submitted earlier. We are now on the schedules.

Mr. MANN: I am sorry. At all events, on the 30th September he received notification that the land had been forfeited. Will the Minister undertake to look into this?

The Minister for Agriculture: You know the place to which to refer these things.

Mr. Latham: But the Minister is the best man when one wants to get a fair deal.

Mr. MANN: One can get no satisfaction from the department. Will the Minister promise to look into this?

The Minister for Agriculture: Certainly.

Schedule put and passed.

Schedule H—agreed to.

Preamble, Title—agreed to.

Bill reported without amendment, and the report adopted.

Third Reading.

Read a third time and transmitted to the Council.

BILL—LAND AGENTS.

In Committee.

Resumed from the 6th December. Mr. Angelo in the Chair, the Minister for Justice in charge of the Bill.

Clause 9—Fidelity bond may enure so as to apply to renewals of license (partly considered):

Clause put and passed.

Clause 10—Deposit in lieu of bond:

Mr. DAVY: This is a new clause inserted in order that an applicant for a land agent's license may have the alternative of putting up the cash instead of producing a bond.

Clause put and passed.

Clause 11—Notice of application for license:

Mr. LATHAM: Objections may be raised in a court of petty sessions against the granting of an application for a license. It appears that very little time will be given in the case of a country applicant to deal with such objections. Some provision should be inserted to enable the applicant to be informed of the steps that have been taken against him.

Mr. DAVY: I had not seen any difficulty in this. The objections have to be filed in the court. No doubt the court would grant an adjournment in certain cases.

Clause put and passed.

Clauses 12 and 13—agreed to.

Clause 14—Provisions as to the renewal of licenses:

Mr. DAVY: We have cut out of the clause the words "financial position." It was considered that if a man put up the cash or a bond, it was not necessary to ask for any further guarantee.

Clause put and passed.

Clauses 15 to 24—agreed to.

Clause 25—Duty of land agent with respect to moneys received in course of his business:

Mr. DAVY: After the words "land agent" in line 1 of the clause the words "on behalf of a principal" were inserted. As the person would be selling subdivided land of his own, it would be absurd to ask him to put that money into a trust fund.

Clause put and passed.

Clause 26—agreed to.

Clause 27—Apportionment of rates, taxes and outgoings:

Mr. DAVY: The words "sewerage house connections" were inserted at the request of the Minister.

Clause put and passed.

Clause 28—Cancellation of licenses:

Mr. SAMPSON: Paragraph (b) of Sub-clause 3 appears to be very severe in its effect. An offence may have been committed 20 years ago, but that is to prevent a man from securing a license, or holding one.

The Minister for Justice: It is only a ground for objection. The matter will be decided by the magistrate.

Mr. SAMPSON: Full atonement will probably have been made for the offence, and it should not be revived at that stage.

The MINISTER FOR JUSTICE: This may be given as one of the grounds why a license should be cancelled. If the holder has since been living a good life and is competent to carry out the duties of a land agent, the magistrate would no doubt take all that into consideration.

Mr. Sampson: But the offence may be used to prejudice the case.

The MINISTER FOR JUSTICE: I think not.

Mr. MANN: The clause is all right as it is. If the Bill had been in operation when certain people arrived from the Eastern States, and they had applied for licenses, it would have been fair to put forward their convictions in the other States as a reason for their not getting such licenses. Some of those particular people had recently committed frauds in land deals, and should not be permitted to have the opportunity to do so again.

Mr. SAMPSON: The clause supports the principle of looking back into a man's past. Although he has paid the penalty, he would have the offence brought up again, and it might prejudice his application. A prosecuting sergeant is not permitted in the court to bring up anything that may have happened in the life of the accused. I do not like the spirit of the clause.

Mr. DAVY: These provisions are not exceptional. It is necessary to go into a man's past before determining whether he is a proper person to be licensed. If a man is a swindler, he should not be given an opportunity to swindle the public again.

Mr. LATHAM: A man may have committed some trivial offence at the age of 20, and this may be brought up against him without any real justification. I am not prepared to hand over such powers to land agents. This is a wonderful piece of legislation and creates a close preserve for men who are engaged in a very lucrative business.

The Minister for Justice: Oh no!

Mr. LATHAM: They should not be permitted to raise these objections for business reasons.

Mr. SAMPSON: I move an amendment—

That in paragraph (b) of Subclause 3, all the words after "Act," in line 2, down to "Act," in the last line, be struck out.

Unusual protection is being asked which is not asked in any other calling. No such requirements are sought in connection with the sale of shares or anything else.

The MINISTER FOR JUSTICE: The hon. member has not a grip of the subclause. The first part says that application may be made by a person for the cancellation of a license, and this particular

clause says that the application may be granted because of the fact set out. We say that a man's license can be cancelled for several reasons, and the hon. member would not want to cancel it because the man had been convicted of the offence of dishonesty. That should certainly not be cut out. It would be extraordinary to say that a magistrate could not disqualify a man from having a license when it had been proved that that man had been guilty of dishonesty in this very calling. If there is a clause that should remain in the Bill it is this.

Amendment put and negatived.

Clause put and passed.

Clause 29—agreed to.

Clause 30—Removal of name from register on cancellation of license:

Mr. LATHAM: The clause provides that the name of an agent shall be removed in the event of death. Surely we are not going to strike off the name until the widow has an opportunity of adjusting the estate.

The Minister for Justice: There is the opportunity to transfer to another party.

Mr. Davy: This is purely a personal license.

Mr. LATHAM: Then why the provision for transfer?

Mr. Davy: I do not know; I do not believe in it myself.

Mr. LATHAM: I am glad to have the assurance of the Minister that if a man dies his business will not immediately lapse.

Clause put and passed.

Clause 31—Evidence of contracts of agency:

Mr. DAVY: I call attention to the addition that the select committee made to the clause. These lines were added—

Nor shall any person be entitled to sue for or recover such commission, reward, or other valuable consideration at a rate higher than the recognised rate unless the agreement to pay such higher rate be in writing signed by the person to be charged or his duly authorised agent.

It was considered a wise provision to prevent agents claiming a special rate of commission unless they had evidence to that effect.

Mr. LATHAM: No agent has a right to sue for anything more than the commission set by the Chamber of Commerce. Every

land agent knows what that rate is. I cannot see why we should give them the privilege to make their charge higher than that fixed by the Chamber of Commerce. A man who may have two blocks of land will not be able to sell them unless he places them in the hands of a land agent.

The Minister for Justice: No.

Mr. Davy: Do you say he has to employ a land agent to sell the two blocks?

Mr. LATHAM: Yes, or take out a license himself. The clause provides that land agents shall be paid more than I am prepared to let them have. I have read the evidence taken by the select committee and I am fully convinced that there is every necessity for the House to be as tight as possible with legislation of this kind. There is no need to protect the keen business man; he will protect himself. I move an amendment—

“That the following words be struck out:—
“unless the agreement to pay such higher rate be in writing signed by the person to be charged or his duly authorised agent.”

Mr. DAVY: The select committee thought it wise to protect persons dealing in land by stipulating that not only must authority to act be in writing, but that if the agent claimed a special rate of commission he must produce written evidence of it. It would be drastic to provide that in no circumstances may a principal and agent make a special bargain, but we do say that if a special bargain is made, it should be in writing. If a person had property in the Kimberley district to dispose of, a special commission might be justified, because unusual difficulties and expense might attend the work of selling it.

Mr. LATHAM: Land agents will still be able to fix their charges in the usual manner, namely after consultation with the Chamber of Commerce.

The Minister for Justice: No, they fix their charges and send them to the Chamber of Commerce for endorsement.

Mr. LATHAM: Well, what is the difference? Surely that is reasonable power.

Hon. Sir James Mitchell: You cannot object if a contract is made in writing between the owner and agent.

Mr. LATHAM: The evidence tendered to the select committee convinces me that we should be strict. The only evidence

taken was that of land agents, stock and station agents, a hotel broker and a lawyer.

Mr. Teesdale: All interested parties.

Mr. Sampson: This clause is entirely against the wishes of the people who gave evidence.

Mr. Davy: The select committee added it; it is not inserted at the request of agents.

Mr. LATHAM: The select committee seem to have taken a determined stand because they did not agree to a lot of the proposals submitted to them. If there are special circumstances to be considered in selling a property in the Kimberleys, a special rate could be stipulated for the North. Honest land agents will be lucky to have such legislation for their protection.

Mr. MANN: The amendment of the member for York will remove a necessary safeguard. If a higher rate of commission is charged by an agent, he should produce evidence of it in writing before he is permitted to sue for it.

Mr. Teesdale: The member for York wants to remove the possibility of a higher rate being charged.

Mr. MANN: But that is not the effect of his amendment. If the amendment be passed an agent could sue for a higher rate even if there was no agreement in writing.

The Minister for Justice: No, he will not be able to sue for a rate higher than the authorised rate.

Mr. MANN: I think I have rightly interpreted the clause.

Mr. TEESDALE: I wish to make it illegal for an agent to charge higher than the prescribed rate and to ensure that no higher rate will be charged. A purchaser has a certain amount of protection if the commission is confined to the usual Chamber of Commerce rates. We do not want a clause that can be manoeuvred to suit certain parties. Reference was made to the difficulty of selling a property in the North. It could be sold just as a cottage in Subiaco would be sold. If an inspection is necessary, it is made and paid for without demur. We should not give agents the right to sign up for a higher rate.

Hon. Sir JAMES MITCHELL: Surely we cannot prevent one person from making a contract with another! I suppose the Chamber of Commerce rates can be altered at any time. This pettifogging tin-pot leg-

isolation leads nowhere. Under the clause a contract may be made.

Mr. Davy: And if it is in excess of the usual rate, it has to be in writing.

Hon. Sir JAMES MITCHELL: That safeguard should be retained.

Amendment put and a division taken with the following result.

Ayes	..	..	..	15
Noes	..	..	..	21

Majority against .. 6

AYES.

Mr. Brown	Mr. Latham
Mr. Chesson	Mr. Maley
Mr. Coverley	Mr. Sleeman
Mr. Cowan	Mr. J. H. Smith
Mr. Doney	Mr. Teesdale
Mr. Ferguson	Mr. C. P. Wansbrough
Mr. Griffiths	Mr. Panton
Mr. Lambert	(Teller.)

NOES.

Mr. Corboy	Mr. Munslie
Mr. Cunningham	Mr. North
Mr. Davy	Mr. Rowe
Mr. Kennedy	Mr. Sampson
Mr. Lamond	Mr. J. M. Smith
Mr. Lindsay	Mr. Taylor
Mr. Lutey	Mr. A. Wansbrough
Mr. Mann	Mr. Willcock
Mr. McCallum	Mr. Withers
Mr. Millington	Mr. Wilson
Sir James Mitchell	(Teller.)

Amendment thus negatived.

Sitting suspended from 6.15 to 7.30 p.m.

Clause put and passed.

Clauses 32 to 34—agreed to.

Clause 35—Offences in connection with subdivided land:

Mr. LINDSAY: There is a mistake in the clause. Subclause 3 was recommended by the select committee for deletion. A letter from the Solicitor-General to the member for West Perth states that the subclause should be deleted. I move an amendment—

That Subclause 3 be struck out.

The MINISTER FOR JUSTICE: I am not prepared to accept the amendment. If there is one aspect of land agency which has been the subject of fraud and of public comment, it is action of the kind mentioned in Subclause 3. Prospective sales ought not to be held out as an inducement to purchase. The inducement is, however, frequently held

out when there is no possibility of its being realised. In such circumstances the purchaser has no redress, although undue influence has been used. Unsophisticated persons are deceived by such representations. The land agent says, "I guarantee that if you buy this block, you will in three or four months make a substantial profit on it." Those things have occurred so often that we think it desirable to prohibit the holding out of the inducement. A section of the public need protection against delusive promises. The land agent does not give his promise in writing, when it would be binding; he merely talks persuasively. Such agents hawk city and suburban blocks round amongst country people, who have no idea of the value of such lands. Representations are also made with regard to future tramway extensions, as to which no one can speak authoritatively, not even members of the Government. This is a common type of misrepresentation made to induce unsophisticated people to buy land. The Solicitor-General has suggested to me that the subclause might be amended as regards the penalties, which, though similar to those obtaining in South Australia, appear drastic. For the penalties we might substitute a provision that a contract obtained by means of representations of the kind described shall be deemed to have been obtained by undue influence, and may be set aside at the suit of the purchaser within six months. Up to the present, these misrepresentations have not been deemed undue influence, but part of the ethics of salesmanship.

Mr. Mann: The clause does not relieve the purchaser of the contract. It is simply a penal clause.

Hon. Sir James Mitchell: Let us put in the Bill that everybody shall be honest.

Mr. Sampson: Does not the Minister think the Criminal Code meets the position?

The MINISTER FOR JUSTICE: This matter is not dealt with in the Criminal Code.

Mr. Mann: It is, in effect, imposition.

The MINISTER FOR JUSTICE: Absolute imposition.

Mr. Mann: That is provided for in the Criminal Code.

The MINISTER FOR JUSTICE: No, because there is no contract, but merely an expression of opinion by the salesman. People so deceived have found that they have no redress. Consequently it is necessary to legislate against such frauds. The subclause should be retained, though the set-

ting aside of the contract might be substituted for the penalties.

Hon. Sir James Mitchell: What about the owner of the land?

The MINISTER FOR JUSTICE: The owner would be no worse off if he did not make a sale in the absence of undue influence; he would still have the land. If a man cannot without a mass of misrepresentations and falsehoods sell land he owns, he should keep it.

Mr. Latham: The member for Toodyay intends to move that progress be reported so that the point may be looked into further.

Progress reported.

BILL—HEALTH ACT AMENDMENT.

In Committee.

Resumed from the previous day. Mr. Panton in the Chair: the Minister for Health in charge of the Bill.

The CHAIRMAN: Clause 35 is before the Committee.

Clause put and passed.

Clauses 36 to 40—agreed to.

Clause 41—Insertion of new section after Section 323:

Mr. NORTH: Is the clause intended to provide power to enable a local authority to recover from a third party the cost of installing a septic tank? The Minister was asked to make provision in the Bill to meet that situation.

The Minister for Health: The clause is not intended for that purpose.

Clause put and passed.

Clauses 42 to 44—agreed to.

New clause:

Mr. SAMPSON: I move—

That the following new clause, to stand as Clause 16, be inserted:—

16. Section ninety-three of the Health Act is hereby amended by the addition of a subsection, as follows:—“(3) After the end of the year nineteen hundred and thirty, no nightsoil collected in any district shall be deposited in any other district, except with the consent of the local authority of such other district, or of the Commissioner; provided that the Commissioner shall not give any such consent unless he is satisfied that the local authority has unreasonably refused an application made to it for its consent.

The new clause is intended to deal with the position created by a local authority that

establishes a sanitary depot in territory belonging to a neighbouring local governing authority. There may be instances where that course may reasonably and properly be followed, but if it can be shown that there is a suitable site in the territory of a local authority, it is only equitable and proper that that authority shall be compelled to deposit its nightsoil on that area, instead of being permitted to continue depositing it on the territory of the neighbouring local authority.

The Minister for Health: Why do you bring the Commissioner of Health into a dispute between one health authority and another?

Mr. SAMPSON: I do not think that portion of the new clause is really necessary, but it was included by the Parliamentary draftsman. If the Minister is agreeable, I am prepared to move the new clause without the references to the Commissioner.

The Minister for Works: Who decides such questions now?

Mr. SAMPSON: There is no provision for that at all. If there is no suitable site within a local authority's territory, then it should be permissible for the existing conditions to be continued, and nightsoil from that area be deposited in the neighbouring territory.

Hon. W. J. George: What districts have you in mind?

Mr. SAMPSON: Does that affect the position?

Hon. G. Taylor: Of course it does!

Mr. SAMPSON: The nightsoil from the Canning Road Board district is deposited in the Darling Range Road Board area on a site practically adjacent to the main road.

Mr. Clydesdale: And the Perth City Council deposit nightsoil on the Perth Road Board's area.

Mr. SAMPSON: The City Council should make other arrangements; I think that only fair and proper.

The MINISTER FOR HEALTH: I hope the Committee will not agree to the new clause. I do not think it necessary, particularly as it is worded. If the Committee agree to the new clause, it will mean that the Commissioner of Health will be kept busy dealing with disputes between local authorities. Sufficient power is already provided under the Health Act to enable the Commissioner to close a sanitary depot at

any time he thinks fit, should it become a nuisance.

Hon. G. Taylor: And he has been called upon to do so.

The MINISTER FOR HEALTH: Yes. In existing circumstances, sanitary depots are necessary. If we had every place sewered or fitted with a septic tank, the sanitary depots would disappear. In the metropolitan area there is a local authority which has not any ground at all for use as a sanitary depot. To secure such a piece of land it would have to buy an area on which houses are already built. The amendment is not necessary, because we have sufficient power already. While there is any necessity for a depot, I must have reasonable grounds before ordering it to be closed down. I have power now to close any such depot. As to the difficulty between one local authority and another, I am satisfied that no local authority would object to a neighbouring local authority setting up a sanitary depot, so long as it was sufficiently far removed from a residential area. I prefer the power we have under the Act to the power given in the amendment.

Mr. A. WANSBROUGH: I hope the amendment will not be agreed to. At the present time the same thing obtains as between the Albany Municipal Council and the Albany Roads Board. A number of municipalities find it utterly impossible to deposit nightsoil in their own territory. I will oppose the amendment.

Mr. SAMPSON: The Albany local authority will find ample protection under the amendment. The Minister says there is plenty of power at present. But it is inconceivable that the Commissioner would take up the matter on his own initiative. The Minister says that if the area to which I have referred became closely populated, something would be done. But while the sanitary depot remains, it is unlikely that population will settle there in any numbers.

The Minister for Health: They have done so in other places. At Mt. Lawley they have built right up to the edge of the sanitary reserve.

Mr. SAMPSON: There is a disinclination in the people of the district along the Welshpool-road to settle close to the sanitary depot. The Welshpool-road is a long road, and the only road in the Darling Range Road Board district that has received benefit under the Federal aid road

scheme. Much of that road is well constructed. There is a frequent bus service along it, and that district should be much more closely populated than it is. If the Minister will agree to the amendment, I promise him that the population in that district will very soon increase.

Hon. W. J. George: How far is the sanitary depot from the road?

Mr. SAMPSON: About a couple of hundred yards. Wherever there is a sanitary depot, however well the work may be carried out, there is a thick effluvia over the whole of the area. It imposes an unfair burden on the immediate district, for it should be the burden of the neighbouring district.

Hon. G. Taylor: Where would you remove this depot to?

Mr. SAMPSON: To any of many places in the district served by the depot.

The Minister for Health: If it is a nuisance, it is remarkable that there should have been no complaints.

Mr. SAMPSON: Wherever a sanitary depot is established a handicap is imposed on the progress of the immediate district. Every authority is protected by the amendment, and I hope it will be agreed to.

Hon. G. TAYLOR: It is extraordinary that one local authority should be able to deposit its nightsoil in the area of another local authority. How is that brought about?

The Minister for Health: By making application to the Health Department and having the area declared.

Hon. G. TAYLOR: Apparently the Commissioner has already decided where the depots shall go, and in some instances he has decided that they shall be in the territory of other local authorities.

The Minister for Health: No, he has not decided that.

Hon. G. TAYLOR: Before Leederville was included in the Greater Perth scheme the Leederville sanitary depot was over in Subiaco. As population increased, people built close up to the depot and were always making complaints to the Leederville council. The Mt. Lawley people have been complaining to the City Council about having the council's sanitary depot in their territory. There is some force in the contention of the member for Swan that to have one local authority depositing nightsoil in the territory of another local authority is scarcely fair. It may be very convenient for the one local

authority, but it is most objectionable to the other.

The Minister for Health: There has been no complaint during the last four years.

Hon. G. TAYLOR: The Minister is trying to follow the line of least resistance. He desires to have an Act that will work smoothly for the department.

The Minister for Health: We must have sanitary depots somewhere.

Hon. G. TAYLOR: But you ought to recognise that the people in the surrounding districts should have some say as to the establishment of a sanitary depot. The Committee will not be justified in passing a provision when serious objections to it have been voiced. We should give the people greater protection than we did in the past, when many of these areas were relatively unpopulated. The rights of the people must be recognised.

Mr. SAMPSON: The member for Mt. Margaret has suggested that this has been going on for many years. That is exactly the position. About 20 years ago approval was given for the establishment of this sanitary depot.

Hon. G. Taylor: There was no one there to raise any objection.

The Minister for Health: No one has raised any objection that I know of.

Mr. SAMPSON: I could bring many deputations to the Minister representative of objectors. The depot was established about 20 years ago.

The Minister for Health: Thank God I was not responsible for it.

Mr. SAMPSON: The whole outlook has now altered. There was no road to Kalamunda then, and very few people lived along the route, but to-day there is quite a big population there and a bus passes four times a day. If the depot were removed it would be of great advantage to the residents. Should local authorities be empowered to make a decision which can never be reviewed?

The Minister for Health: That is not the position.

Mr. SAMPSON: I hope members will realise that the proposed new clause will injure no community.

Mr. GRIFFITHS: I support the member for Swan. The request is reasonable and equitable.

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

Ayes	..	..	..	19
Noes	..	..	..	18

Majority for .. 1

AYES

Mr. Angelo	Sir James Mitchell
Mr. Barnard	Mr. Richardson
Mr. Brown	Mr. Sampson
Mr. Doney	Mr. J. H. Smith
Mr. Ferguson	Mr. Stubbs
Mr. Griffiths	Mr. Taylor
Mr. Latham	Mr. Teesdale
Mr. Lindsay	Mr. C. P. Wansbrough
Mr. Maley	Mr. North
Mr. Mann	(Teller.)

NOES.

Mr. Chesson	Mr. McCallum
Mr. Corboy	Mr. Millington
Mr. Coverley	Mr. Munsie
Mr. Cowan	Mr. Rowe
Mr. Cunningham	Mr. A. Wansbrough
Mr. Kennedy	Mr. Willcock
Mr. Lambert	Mr. Withers
Mr. Lamond	Mr. Willson
Mr. Lutey	(Teller.)
Mr. Marshall	

PAIR.

AYE.	NO.
Mr. J. M. Smith	Miss Holman

New clause thus passed.

Title—agreed to.

Bill reported with amendments.

BILL—STATE TRADING CONCERNS ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. SIR JAMES MITCHELL (Northam) [8 25]: The Minister for Works asks this House to agree to the establishment of another State trading concern, altogether distinct, though he has not said so, from the manufacture of implements. He has told us that the Implement Works have failed. Everyone knows it was the scheme of the Labour Government years ago to establish not only State Implement Works, but many other trading concerns. It must have been very uncomfortable for the Minister to have to admit failure. All State trading concerns are doomed to failure, but when it comes to manufacture they are more rocky than the ordinary trading concerns. The Minister says as an excuse that they have tried to

manufacture too many implements. There is no doubt that is so. They tried to manufacture all kinds of agricultural implements in addition to doing other engineering work. These works have failed and are responsible for considerable losses of money. I shall show directly that in a little time the manufacture of implements will disappear altogether under the agreement. As they have failed in the manufacture of implements we are asked to consent to a partnership agreement under which we shall trade. Under that agreement the implement works are no longer to manufacture harvesting machinery as they are doing now, and a good deal of their operations will go by the board. I understand the agreement is that we shall take up an agency in conjunction with the Westralian Farmers for the sale of harvesting implements, and because we get the agency we must agree not to manufacture. We did not succeed in manufacturing them in a satisfactory way, and so to that extent we should stop doing so. We are also told that the implement works will continue to manufacture ploughs, harrows and other simple things, and sell them through the new firm, the State Government and company. The new company will never be required to sell these State-manufactured implements if the quality and the price are not satisfactory. If these are satisfactory the new company must give preference to State-manufactured implements, in competition with all other ploughs, harrows, etc., that are made in Australia. I am afraid the Minister's partner will be able to show that the quality is not satisfactory. I do not know about the price. It is evident that far fewer men will be employed at North Fremantle than are now there. If we manufacture fewer kinds of machines and are not going to sell more than we have been selling, notwithstanding the new selling organisation, we shall need fewer men, and in time this will mean the end of the implement works.

The Minister for Railways: You are not adopting your usual rôle to-night.

Hon. Sir JAMES MITCHELL: Yes I am, and am giving my usual warning to the House. We are engaged in setting up a new trading concern and destroying an existing one. It is time the business stopped because we are losing upon it every year. I do not know what the Minister proposes to do about the necessary parts for implements already sold. We shall have to supply those

parts so long as the machines are working. What I am principally concerned about is the new company. The nominal capital is to be £300,000. The amount to be subscribed is not stated. Each partner, the Westralian Farmers and the Government, is to pay into the account such moneys as may be required from time to time. I should have thought the Government would have put up their £150,000 and the Westralian Farmers theirs, and that the partners would have started off with a trading capital of £300,000. That is not to be the case. I suppose each partner will put in about a fiver apiece to start with.

Hon. W. J. George: Less than that if possible.

The Minister for Works: The Commonwealth Bank started without a shilling.

Hon. Sir JAMES MITCHELL: The liability of the State may run into half a million of money. The object of the partnership is to import and sell machinery, tractors and motor cars.

The Minister for Works: Where do you get the motor cars from?

Hon. Sir JAMES MITCHELL: The Bill says "tractors, machinery and implements." That, of course, will cover motor cars. We know that the Westralian Farmers have the agency for Case cars.

Hon. W. J. George: They sell Case tractors.

Hon. Sir JAMES MITCHELL: The object of the partnership is to sell all these things. As a matter of fact if the partnership gets going it will sell anything in the way of machinery and motor cars. I should say that the advantage of the partnership would be entirely with the Westralian Farmers. By the way, we have heard nothing about the agreement and we have not seen it. I understand that the Westralian Farmers will be the selling agents and that they will get commission.

Mr. Latham: We should have a select committee to inquire into it.

Hon. Sir JAMES MITCHELL: The Minister told us that the Westralian Farmers had a wide organisation that would make the sales and that there would be more sales in the future than had taken place in the past. In any case the Westralian Farmers would get their commission, and of the profits I suppose one-half will go to the State and the other half to the Westralian

Farmers. I do not know whether it is proposed to establish another State trading concern and whether the House is willing to become responsible for the total liability of this partnership. We are told that the Bill is needed because the Minister wishes to lease a portion of the building at Fremantle to the new firm.

Hon. W. J. George: Which portion will be leased?

Hon. Sir JAMES MITCHELL: The partnership is to be controlled by a committee of management numbering six. Of those, three will be nominated by the Westralian Farmers and the other three by the Government. The Minister did not let us know where he would draw his three from, whether they would be drawn from the departments, whether they would be men experienced in the business of importing and selling or whether they would be just ordinary people without any experience at all. It has to be remembered that this is not a partnership for the manufacture of implements. The State does that quite apart from the partnership. The partnership will only take possession of the manufactured article and will sell it if it can.

Hon. G. Taylor: If it is as good as anything that is on the market.

Hon. Sir JAMES MITCHELL: If the people are willing to buy ploughs manufactured by the State, then the new concern will make the sale and all will be well.

Hon. G. Taylor: And if there is a better plough on the market?

Hon. Sir JAMES MITCHELL: Then the farmer will buy it.

The Minister for Works: The implement Works make good ploughs.

Hon. Sir JAMES MITCHELL: It just depends on the use to which a plough is put. At any rate, what I have suggested is as far as we shall go. This is to be a new concern, another trading concern, with new capital, and it seems to me with unlimited State liability and with limited State control. So far as I can see, the six gentlemen who will control the concern will have the right to pledge the State to any amount they please. This new concern is to be a simple business of importing and dealing, and of course it will be a retail business as well. If the Government wish to enter upon this kind of business, I do not know why they did not advertise for a partner and give everyone engaged in the implement

business an opportunity to join up with the State. No; the Government selected the Westralian Farmers as a suitable partner. If the Government had put an advertisement in the newspaper saying, "Wanted a partner with or without capital; apply to the Minister for Works," they would have got a good many replies, and perhaps some more favourable than that of the Westralian Farmers. We might have taken into partnership a concern with very much better agencies than those held by Westralian Farmers. We know that the Massey-Harris agency is very good, and we know that the Sunshine Harvester people are worthy of being taken into partnership. There are other good firms also, and if the Minister had advertised, I have no doubt many concerns would have replied and it would have been possible for the Minister to make a wise choice. But the Minister decided that all those machinery people should not be given a chance. We know that State trading has proved disastrous. Some concerns have paid and others have lost considerably. If we turn to the Auditor General's report, we find that the sawmills made a considerable profit, that the brickworks also made a profit, and the State hotels and ferries also came out on the right side. The sawmills profit was £238,000 and they have had £589,000 by way of capital. The State trading concerns altogether have absorbed £3,587,000. We have £2,848,000 in the businesses now, and we have written off £141,000 in connection with the implement works and £595,000 off State shipping. It will thus be seen that the losses have been considerable. We made a profit of £367,000 but the total losses have been £1,363,000. Thus it will be seen that the losses have been greater than the profits by £996,000, and this with capital written down amounting to £739,000 we get a total loss of £1,735,000.

The Minister for Works: You are exaggerating; there has not been a penny loss.

Hon. Sir JAMES MITCHELL: You cannot get behind the Auditor General's report.

The Minister for Works: It does not say that. Taking the State trading concerns as a whole, there has not been a single penny loss.

Hon. Sir JAMES MITCHELL: Of course there has been. The Minister is reckless in the statement that he makes. I admit

that the State Sawmills showed a profit of £238,075 up to the end of June last, that we made a profit on the brickworks of £22,820, a profit on the hotels of £93,691, a profit on the ferries of £30,128, a total of £367,756. On the other hand we lost on shipping £464,000, on the implement works £156,000, on the Wyndham Meat Works £743,000, on the Boya Quarry £130, a total of £1,363,000. There is no question about these figures. They are taken from the Auditor General's latest report.

The Minister for Works: You know all about it.

Hon. Sir JAMES MITCHELL: I do know all about it, and the Minister knows nothing. Members opposite may smile, but they do not care a tuppenny jot, so long as they are able to run the trading concerns. In addition to the figures I have quoted, the capital of the State shipping concern has been written down by £595,000 and the implement works by £120,000. If hon. members turn to page 49 of the Auditor General's report, they will find the whole position therein set out. So it will be seen that on the implement works we made a trading loss of £156,000 and written off capital to the extent of £120,000 in one lot. This £276,000 is borrowed money on which we are paying interest. But we gaily write down the capital of these concerns when the total capital put in is borrowed money. All it means is that these works are not charged with interest, so that year by year we are not showing the true loss. I shall be very glad if the Minister can show that the position is better than the Auditor General declares it to be. The Wyndham Meat Works have not paid any interest, and that amounts to £80,000 a year. That interest on the Wyndham works has for years been charged to revenue. It seems to me that if this Bill is agreed to—and in any event since the Minister has made his statement about the inability of the Implement works to satisfy the public and make a profit—it will be the end of State manufacturing and the beginning of State dealing in imported manufactured goods, probably the manufacturers of America and of the Eastern States. I suppose most of the implements will come from America or from the Eastern States. The Case tractor will come from America. I believe the Minister said the Case people have agreed that we should manufacture

some parts of their machinery at North Fremantle. The negotiations must have been going on for some months if America was communicated with and the Case company were persuaded that we might make some parts for them. It is the beginning of a new idea in trade, even for the present Government, because we propose to enter into partnership with individuals. Could any partnership between the State and an individual or a company be on even terms, no matter how great the capital of the individual or company might be? Of course not. It does not follow that a very great liability incurred by any company in the State could be quite as easily met or met at all. Do members think it right that the Government should, as in this instance, help in the trade of one company to the hurt of other companies who are taxpayers? Is it a fair thing for the Government to join this concern or that concern to compete in trade with our own people—other people engaged in the same industry? It is a monstrous proposal. Why, the very people who are engaged in trade in opposition to the Westralian Farmers Limited will have to help to finance that company if the proposal is agreed to. There is no suggestion at all that the proposal will cheapen implements for our farmers.

Mr. Griffiths: Is not that one of the merits claimed?

Hon. Sir JAMES MITCHELL: No; there is no suggestion that the implements will be any cheaper. I do not think the Westralian Farmers Limited will ever be able to sell their imported machinery cheaper than other importers. How can they?

Mr. Griffiths: No; but what about the manufacture of parts and duplicates?

Mr. Lutey: Will not the assembling of implements in this State mean a saving to the farmers?

Hon. Sir JAMES MITCHELL: The hon. gentleman would have us believe it is right to engage in this trade because the partnership will assemble machines not at present being assembled in the State. I do not know that they are not assembled in the State now; I believe they are.

Mr. Latham: By the Sunshine people.

Hon. Sir JAMES MITCHELL: Yes, and by other other people as well. I should imagine that unless it was a harvester or a machine that occupies considerable space, it would probably be cheaper to put the im-

plements together in Adelaide or Melbourne and ship them over here.

Mr. Withers: They say not.

Hon. Sir JAMES MITCHELL: How much work will be occasioned by the assembling of a seed drill here?

Mr. Withers: Hundreds. Do not say one.

Mr. A. Wansbrough: Freight has to be paid on measurement, not on weight.

Hon. Sir JAMES MITCHELL: Members are trying to persuade us that the assembling of a few machines at North Fremantle will provide as much work as the manufacture of the machinery provides now. Nothing of the sort will happen.

The Minister for Works: The Westralian Farmers Limited and ourselves will employ 80 to 100 men all the year round in assembling machines.

Hon. Sir JAMES MITCHELL: They have to be assembled now.

The Minister for Works: They are not assembled here. They are now being assembled in Adelaide.

Hon. Sir JAMES MITCHELL: Some of the firms like Bagshaws may send over a few more machines that are not assembled, but it will not require 80 to 100 men to put them together. They will have to prove to the farmer that it is cheaper to send them here unassembled than in the assembled form. The machines have to be built, packed, carted, shipped over here and unpacked and all that work is done by men who get considerable wages. I do not believe the Westralian Farmers Ltd. or Bagshaws are doing this work in the most expensive way. Of course they are not. The difference between putting machines together here, I should think, would be very small. If the machines were being shipped from the Old World and had to bear the cost of long freight, it would be another matter. I suppose implements are being assembled in Western Australia at present. If members who did believe years ago that the nationalisation of industries was the right thing can satisfy their consciences that it is now enough to put some Yankee machines together here, very well; I am glad to see them championing that view. They are not quite as socialistic as they were a little time ago. They are growing a little wiser.

The Minister for Works: Yankee machines?

Hon. Sir JAMES MITCHELL: Yes, Case tractors and motor cars.

The Minister for Works: Motor cars are not covered by the agreement.

Hon. Sir JAMES MITCHELL: I have not seen the agreement, but I take it that it covers all machines.

The Minister for Works: You heard my statement and I told you what the agreement covered.

Hon. Sir JAMES MITCHELL: I can only judge what is possible under the Bill. It is possible to run a motor agency. We shall probably find the name "Western Australian Government & Co." over Winterbottom's motor works before long. That will be quite possible if we pass this Bill. If we agree to the establishment of this importing concern and this retailing business, it may be extended. It would be possible to deal in sausage machines, separators and any jolly machine the Government liked. It would all be machinery. Tractors, engines, machinery of any kind—everything could be dealt in. The Government could have a great jamboree, and the Minister could utilise any money the House would vote him and incur any liability under this trading concern, and the House would have mighty little control over it. By the way, we have not seen the agreement, and before we consider the Bill we ought to see it.

Hon. W. J. George: Hear, hear!

Hon. Sir JAMES MITCHELL: We should not give the Minister a blank cheque.

Mr. Richardson: Hear, hear!

Hon. Sir JAMES MITCHELL: The Minister is asking us to say, "You may establish another trading concern. You may enter into a partnership with some individuals in the conduct of that business." I hope he has been frank with regard to the agreement so far as he has gone. He has told us that the agreement will last for ten years. There will not be much time to consider this matter during the few days that remain of this session. The Bill certainly ought to be submitted to a select committee, as the member for York (Mr. Latham) suggested, before being approved. At any rate, the agreement is to last for ten years, and during that time the House will have very little more to do with the business. We shall be committed to this partnership and will not be able to retreat from the business as easily as we should if the Minister were conducting

it himself. If he sent his orders to the Case people for tractors and to Adelaide for implements, he could at any time say, "I have had enough of it," as he now says with regard to manufacturing implements. But having pledged the State to remain in the partnership for ten years, he will not be able to get out and we shall be committed to this trade.

Mr. Richardson: Who will stand the loss?

Hon. Sir JAMES MITCHELL: The Western Farmers Ltd. and the Government between them.

Mr. Richardson: They will have a limited company?

Hon. Sir JAMES MITCHELL: I do not know how they can limit the liability of the company. While I admire the frankness and the courage with which the Minister told us of the failure in manufacturing implements, I do not agree with this proposal, and I hope the House will not approve of it. I have already mentioned the financial results of our State trading, and I do not suppose members wish to see further losses incurred. Our job is to carry on the legitimate function of government and not to sink money in concerns of this sort. If we have money available it should be put into works of development of a character that will keep in employment our own men and not men of the Eastern States. I know the Minister will say that if the implements were not brought in by the Government they would be brought in by some other agent. That cannot be avoided, but Government funds should be used for the development of the country. There is a great deal still to do. A great many men want work. By the judicious use of our money we can create wealth and do a great deal more than we can possibly do at this stage of our history or certainly for the next hundred years by entering upon trade. The Minister has told us he is anxious that the man who is helped by the Government to develop some of our territory should be helped by the Government in the purchase of machinery. The one has really nothing to do with the other. If the Minister's idea is that where the bank lends money he will be able to say to the borrower, "You must take implements from my company," then a very great injury might be done. The man who borrows money from the Agricultural Bank or from any Government institution—

The Minister for Works: We have not done that up to date and it is not likely under any partnership, is it?

Hon. Sir JAMES MITCHELL: It would be quite wrong to do it, but the Minister may assume the right and he could force upon the farmers, being helped by the Government, machines imported by the partnership. The Minister says it has never been done. I know it was done before the Minister's time.

The Minister for Works: It has not been done in the time of the present Government.

Hon. Sir JAMES MITCHELL: I expected the Minister to say that but I wish to correct him.

The Minister for Works: You cannot correct that because it is a fact.

Hon. Sir JAMES MITCHELL: I do not know that the statement of the Minister makes any difference. I can show the Minister half an acre of State implements that have been returned by farmers—unsuitable implements sent to group settlers.

The Minister for Works: That you bought.

Hon. Sir JAMES MITCHELL: I did not buy them.

The Minister for Works: Yes, you did. I can show you a lot of other things you bought.

Mr. Sleeman: You mean the groups are unsuitable not the implements.

Hon. Sir JAMES MITCHELL: I dare say the hon. member thinks the group settlers are unsuitable men.

Mr. Sleeman: No, the groups you put them on.

Hon. Sir JAMES MITCHELL: The land in the South-West is very good.

Mr. Sleeman: Some of it is good.

Hon. Sir JAMES MITCHELL: There is no reason why the hon. member should not think so if he wishes. A great many people agree with the hon. member—people who know as little about the South-West as he does.

Mr. Sleeman: You make me laugh.

Hon. Sir JAMES MITCHELL: It is a pity some hon. members ever migrated to this country, since they think so little of it. It is easy to say that the South-West is wrong, that the group settlements are wrong, that the men on the group settlements are wrong—

Mr. Sleeman: Who said that?

Hon. Sir JAMES MITCHELL: I think the hon. member said it.

Mr. Sleeman: You do not think anything of the sort.

Hon. Sir JAMES MITCHELL: I think every other member of the House thinks the hon. member said it. All who heard the hon. member know what he said. I do not for a moment think that the hon. member believes what he said about the South-West.

The SPEAKER: Order!

Hon. Sir JAMES MITCHELL: I suppose the House will decide whether it is willing to engage in this business of re-tailing machinery, whether it is agreeable that the Government should join with a firm already operating in this business in Western Australia. I hope the House will consider whether it is fair that this one firm should be singled out and offered a partnership with the Government. I do not know whether the Government singled out the firm and offered them a partnership, or whether the firm singled out the Government and offered the Government a partnership.

Hon. W. J. George: It would be the latter.

Hon. Sir JAMES MITCHELL: I am sorry the proposal comes down to us in the dying days of the session. Certainly it is a most important proposal, and ought to receive the most serious consideration. I have no doubt it will pass this House, because hon. members opposite will have already considered the matter and decided how to vote. The negotiations must have been going on for months. I do not know how the thing was so secretly, so quietly done. It is unusual that negotiations of this sort, which must have occupied a considerable time, should be conducted so quietly. The Minister had a ream of typewritten notes, apparently taken during the discussion. There was no necessity, it seems, to communicate with America; or else communications must have taken place by cable. We know that an agreement of this kind cannot be brought off with people in South Australia in the course of a few days. It must take weeks. If the Minister had the matter in his mind weeks ago, it is a pity that he did not mention it in this Chamber, so that hon. members might have had an opportunity to look into the question. For my part I shall certainly vote against the

Bill. I hope, too, that hon. members will determine the system of entering into partnership for the conduct of trade. Are we to have the Western Australian Government and Company, grocers, the Western Australian Government and Company, agents for machinery, agents for this thing, that thing, and the other thing, agents for all the things already dealt in by people? It is a ridiculous proposal, and absolutely wrong, and it ought not for a moment to be considered by hon. members.

HON. W. J. GEORGE (Murray-Wellington [9.7]): My chief has gone over the ground so thoroughly that I can make my remarks brief, dealing with what appear to me the main points for the consideration of those who wish a practical business to be made of this arrangement, if a practical business is to be made of it. I see a certain difficulty in the Bill. There are members of this House, as there are many people outside, desirous that the State trading concerns should be done away with. The outside public, not only those interested in Perth and Fremantle but also those interested in the country, have for many years been desirous that State trading should cease. They have said—and I think they are right in saying it—that the interference of the State in the avocations which its taxpayers follow is altogether wrong, and that to use the money of the taxpayers to sharpen the knife to cut the taxpayers' throats is worse than murder. The State trading concerns have never been otherwise than opposed by me, although as Minister I had to do my duty by the State and make the best of them—which I did to the utmost of my ability. Now, how are those of us who are against the State trading concerns going to vote? The Bill carries with it, in my opinion, the break-up of the State trading concerns. I believe that to be the case even as regards the State trading concerns which were mentioned by my chief, the State Sawmills and the State Brickworks. Although originally in a bad position, those two State trading concerns have been made to pay. I consider that all State trading concerns, without exception, should be disposed of, so that the State may carry on its function of government. We do not believe that the mere election of an hon. member to this House endows him with ability to deal with things which

in ordinary business it takes a lifetime to understand. We might as well take a boy from school and put him as head of an engineering establishment, and expect him to succeed there. All members, except where they have had special training, are in that position. In the course of our lives we may have acquired knowledge of particular concerns, but if we have not the early training and have not learnt the concern from A to Z, nothing but failure can result. Many people have the idea that all that is needed is a little capital and the sticking up of a sign that you have goods to sell, and that then trade will come to you and you will make profits. There is a great deal more than that in it. As a rule it takes a considerable time for the season of profits to come along. The difficulty, however, is how are we going to vote on this Bill? If we are sincere in our desire to do away with State trading concerns, let us vote for the Bill, and let us be unanimous about it. But I shall show directly that the Bill, when analysed, is seen to contain items which should give everybody, even the Minister who introduced the measure, occasion for very serious thought. It is easy enough to pass the Bill if there is the necessary majority to pass it, but when it comes to dealing with the funds of the State—as I understand the Bill does to the extent of £150,000, which amount may even be exceeded as the business goes on—members have the right to be informed of the full details of the proposed agreement. If there is an agreement, let us know what it is. Without a knowledge of its terms, how can any member form more than the general idea that the Government wish to do something, but what exactly we do not know? From my point of view, at any rate, every member of the Chamber has a right to know from the Government how far we have been committed, not merely as regards the £150,000, but as regards the partnership, which may lead us we know not where. I understand that the agreement is to be for a term of 10 years. Most partnership agreements and most company agreements contain a provision by which, if circumstances show it to be necessary, the agreement can be dissolved. If this agreement should prove too big a financial strain on the Government, whoever they may be, surely there ought to be some provision by which steps may be taken

to relieve the State of the burden. I take it that what the Minister has in his mind is that with a large business concern like the Westralian Farmers Limited practically undertaking the selling of agricultural implements, the State Implement Works would be relieved of the need for a selling organisation. We ought to know whether a commission is to be paid the Westralian Farmers for selling implements, or whether it is to be a profit-sharing business, not in manufacturing, but in importing and selling and collecting. If it is to be a selling arrangement—this is the point I am trying to lead up to—who has got the bigger end of the stick? Not the Government of Western Australia. By looking after the books and so forth—I do not wish to suggest that there will be cheating, I do not wish to be misunderstood—they will be able to see how the business progresses. But here is the position. At the present time the State Implement Works have a connection amongst farmers, and that connection is one worth having. The Westralian Farmers also have a connection amongst farmers and others, and that connection too is worth having. But in the hands of the selling agents, who will be the Westralian Farmers, will be placed the whole of the State's connection, and the State Implement Works will have nothing whatever to do with it. In case of a rupture of the agreement the selling agents have the thick end of the stick, and they will keep it from start to finish. It is easy to see that the person who does the business of selling does it because of his personal influence and power with those to whom he sells. The man in the background who imports or manufactures, can see to those aspects, but when it comes to a question of selling the implements, with other articles imported, the seller is the man who can continue the business, and the seller need not care a snap of the fingers for his partner. I do not desire to suggest that the Minister has not taken the necessary steps to safeguard the position, and has not looked into various phases of the problem. At the same time, it may be asked what will happen if it is found that this scheme does not prove advantageous. The reply to that query will be that if it is not profitable, neither party will desire to continue the arrangement. That is the position exactly. If they agree to dissolve partnership in due course, the

Westralian Farmers, with their imported lines, will be able to proceed with their business because they have their regular customers. On the other hand, the State Implement Works will have to go afield and find customers. Anyone who has engaged in business knows what that means. It is always difficult to work up a connection from the very inception. The Leader of the Opposition made references to those who originated the negotiations. With reference to the Westralian Farmers, I can only say that years ago, when I was Minister for Works, we had an arrangement with that firm. Under the provisions of that arrangement the Westralian Farmers were to sell implements and machinery manufactured by the State Implement Works. After we had proceeded accordingly for some time, it was found that the arrangement did not work very satisfactorily. The Minister can find out what happened from Mr. Shaw or from Mr. Brodribb. Should he make those inquiries, I am convinced the Minister will be informed as to the correct position. We found it necessary to terminate the arrangement, and to send out extra travellers with the object of securing sufficient orders to keep the works going. The explanation for the position that arose was that the Westralian Farmers were selling lines upon which they could make more profit than was possible by selling State implements. I know that we attended a public meeting that was held in Barrack-street when the whole position was discussed. The truth was that the business went down and down, and at the end of about two years we had to establish our own selling organisation. I know I had a jolly good row with the Westralian Farmers over the way our business was being handled, and finally we parted company, and the State Implement Works had to deal with its own affairs. I do not want to appear anxious to make political capital out of what happened with the Westralian Farmers in those days, but I do know that our experience was not satisfactory. There is another point that I wish to make. If I were handling my own private business, I would require to know every detail of any agreement between myself and my partners. That is an ordinary condition attaching to a partnership. Then again, Clause 2 of the Bill sets out that the State Implement and Engineering Works may lease to the partnership portion of the premises at Rocky Bay. If that means anything at all, it is

that there will be a complete division between the manufacturing part of the State Implement Works and the selling portion. If the business were entirely in the hands of the Government, I would be quite prepared to accept that position. As a matter of fact, that is in accordance with my views and represents what I endeavoured to carry out myself. On the other hand, when we know that the selling part is to be placed in the hands of people who will have the thick end of the stick, I ask the House to consider whether it is wise to pass a Bill of this description until we are in possession of all the facts. I do not know whether a select committee, if appointed, could get the information that I should require myself, in time to enable us to deal with the Bill before Parliament is prorogued. If we agree to pass the Bill without knowing fully how the measure will affect the interests of the community, then I consider a grievous wrong will have been done to the people of Western Australia.

MR. ANGELO (Gascoyne) [9.20]: Years ago when the question of continuing the State Implement Works was being discussed, I suggested to the then Government that they should dispose of the works to the two sections of the community who most benefited by the existence of that institution. I refer to the farmers and to the workers. The one feature I like about the Bill is that it brings in the farmers, through their co-operative organisation, to become a partner in the industry.

Mr. Sleeman: You want to make the workers shareholders as well, and then it will be all right!

Mr. ANGELO: That is what I want. I think that is the only way in which these works can be made to pay. We have often heard of such things being done in other parts of the world. When I was in Sydney recently I heard of the successful flotation of a company in that State. There was a coal mine that had been operated for many years, but it had to close down. According to the information I received it was not so much on account of the high wages that had to be paid, but because of the go-slow policy adopted by the workers.

Mr. Sleeman: But you did not believe that part of the tale?

Mr. ANGELO: That was the information I was given.

Mr. Wilson: Were the men on piece work?

Mr. ANGELO: They were not. During the pre-war period the output of the mine was 1,200 tons, but it gradually declined to 400 tons. When it got to that stage the employers were forced to close down the mine because operations were unprofitable. Recently there was an agitation, partly by the old miners themselves, to have the mine re-opened. The owners placed before the men a proposal to start the mine on a co-operative basis, the miners to take over portion of the shares and the owners to take up fully paid-up shares for their mine. Within a month of the mine re-opening under those conditions, the output had risen to 700 tons and it is now a profitable concern.

Mr. Withers: With the same number of employees?

Mr. ANGELO: Yes. The manager of the mine promised to send me a copy of the articles of association, but I have not received them yet. I suggest to the Minister that he should endeavour to get a copy of them and I will write to the manager myself with that end in view. The Government will be well advised to dispose of the State Implement Works to the two sections of the community who benefit from the operations—the farmers who buy and use the machinery, and the workers who manufacture it. The question may arise as to how such a scheme can be financed.

Hon. G. Taylor: By the Primary Producers' Bank, of course.

Mr. ANGELO: This is a serious matter, too serious for our old friend to make a joke of it. In due course, the Primary Producers' Bank may be able to assist in such an undertaking, but I am discussing what could be done at the present moment. It is stated that the Westralian Farmers are prepared, somehow or other, to contribute £150,000.

Mr. Mann: What do you mean by "somehow or other"?

Mr. ANGELO: The firm may take shares, or they may contribute the money in some other form.

Mr. Mann: You do not know how the Westralian Farmers will be able to find the money?

Mr. ANGELO: No, but the firm have capital behind them.

Mr. Mann: Have they?

Mr. ANGELO: I think so. The firm are able to carry on very satisfactorily. At any rate, the Minister is satisfied that the firm

can find half the capital necessary. He must have satisfied himself on that score.

Mr. Mann: The State is a good partner at all times.

Mr. ANGELO: That is so. At all events, what has been done elsewhere regarding the workers being taken in as partners should be followed in this State, and each of them, from the manager down to the smallest boy employed, should take a certain number of shares. Where the manager may take 500 shares, the boy may take one share. It should also be provided that one-fifth of all wages paid should go in the reduction of the purchase price of the shares by each individual employee.

Mr. Lindsay: Is that provided for in the Bill?

Mr. ANGELO: No. I am advancing this as an alternative proposition to the Minister. I cannot vote for the Bill as it is at present, but at the same time I would not like to see the State Implement Works abandoned. There are too many men employed there, and we do not want them to be thrown out of work. On the other hand we should be prepared to allow the works to be taken over by those mostly interested. If the employees were taken into the partnership, they would do their best to see that the works were run profitably. Each employee would be interested in seeing that the other man did his fair share. I have spoken with people who have been interested in such schemes and they have told me that no trouble has been experienced because each man has pulled his full load. In the past that has not been the experience.

Mr. Sleeman: But you do not believe that?

Mr. ANGELO: We know that where the bricklayer formerly laid 1,000 bricks a day, he now lays 400.

Mr. Panton: But he lays bricks under piece-work conditions!

Mr. ANGELO: I do not refer to piece-work conditions.

Mr. Panton: But 90 per cent. of the bricklaying is done by piece work.

Mr. ANGELO: If my suggestion were adopted the employees would be encouraged to assist in making the works pay. I am certain that if that were done the works would pay. The farmers will play their part by taking an interest and purchasing the implements, and the workers will do better work in order to make the co-opera-

tive scheme profitable. It has been most successfully tried elsewhere. Let us try it here. One feature of the suggestion would be that the mere fact that these men were paying away one-fifth of their wages in an investment of that kind would stop a lot of them from wasting it, as they do to-day, and they would have something to be proud of later on.

Mr. Sleeman: They would starve if they had to lose one-fifth of their wages.

Mr. ANGELO: No; they would not. The average worker spends more than one-fifth of his wages on things he could well do without. Yet the member for Fremantle says the worker would starve if deprived of a fifth of his wages. I do not believe it. I guarantee that most of the men concerned are already putting by more than one-fifth of their wages. The annual report of the State Savings Bank shows that. But under this suggestion, instead of putting it into the Savings Bank each of those workers would be investing in an undertaking that some day under proper control would be something to be proud of.

MR. C. P. WANSBROUGH (Beverley) [9.32]: Those on this side who have spoken have expressed their opposition to the Bill. I am a supporter of the measure.

Mr. Mann: One of the interested parties.

Mr. C. P. WANSBROUGH: Every ratepayer and every elector is a shareholder in this concern. I have had an opportunity to peruse some of the chief clauses in the agreement. Actually I have not seen the agreement, because there is no agreement in existence. What I saw was a draft. There is nothing in that draft that anybody need be afraid of.

Mr. Latham: Well, let us see it.

Mr. C. P. WANSBROUGH: Pass the proposition the Bill embraces, and you will have an opportunity to see the agreement. Previously I have been a strong critic of State trading concerns, and I have included the State Implement Works in that category. Still I have always been tolerant of those works, because behind them is the idea of rendering a service to the farmers. For many years past I have been a member of the co-operative organisation of this State. I represent the co-operative organisation on the board of the Westralian Farmers Ltd. I am elected, not by the share-

holders of the Westralian Farmers Ltd., but by the units of the co-operative organisation, numbering 82. If the Bill be passed you will have their hearty co-operation.

Mr. Mann: They represented the State Implement Works once before and did not make a very good job of it.

Mr. C. P. WANSBROUGH: Some of them were representing the works. There the first error was made, inasmuch as they did not have a good type of machine to handle, although the ploughs, the plough shares and the discs were first-class. But, generally speaking, the bigger machines, more particularly the harvesters, were faulty, and the faults have never been overcome.

Hon. W. J. George: How many harvesters have they turned out?

Mr. C. P. WANSBROUGH: I am not sure.

Mr. Latham: One, for the museum, I think.

Mr. C. P. WANSBROUGH: When the works started and during a large portion of the time since they had to curry favour against strong opposition. Some of that opposition came from the Westralian Farmers Limited, who have been running various lines of implements during that time, and who to-day have come down to a line popular with the farmers. More particularly am I referring to the harvester. The Minister, in moving the second reading, pointed out not only that under the clauses of the agreement shall we act as the selling agency for the manufacture of certain implements, but that there is another phase of the question of still more importance to a big section of the farmers, namely, the manufacture of parts. Those parts will not be limited to those hitherto manufactured at the State Implement Works. I want to congratulate the Minister's officers and the management and staff of the Westralian Farmers Limited in bringing about this agreement.

Mr. Mann: Who first made this proposal?

Mr. Clydesdale: You want to get a stable secret now.

Mr. C. P. WANSBROUGH: Among the agencies the Westralian Farmers run to-day is the Case tractor. There have been enormous sales of that implement throughout Western Australia. Under the agreement quite a number of the spare parts of

that tractor will be manufactured at the State Implement Works. And so long as the implements generally are manufactured to the satisfaction of the committee representing the parties to the agreement, we shall have an opportunity to take over the present agencies held by the Westralian Farmers Limited. Among them are the Horwood-Bagshaw machines. They have met with the general approval of the farmers and during last year the sales were very considerable. There again the Westralian Farmers were up against a difficulty, because when first that machine was put on the market it had a faulty part. However, in the following year that fault was remedied, and to-day that machine will stand up with any other machine manufactured in Australia. I believe that at the expiration of this agreement between the Government and the Westralian Farmers Limited, we shall be taking over the works as a manufacturing concern. It will be the means of satisfactorily disposing of the State trading concern.

Hon. G. Taylor: We told you that last night.

MR. C. P. WANSBROUGH: We are in fifty-fifty in respect of the capital, and any success attaching to the enterprise—

Hon. G. Taylor: The Westralian Farmers will get it.

MR. C. P. WANSBROUGH: No, the farming community will get it. The Westralian Farmers Limited have an immense organisation behind them. It has been said by members on this side that the State trading concerns should be disposed of. I have said it myself. Here is an opportunity to enter upon a gradual process by which one of the State trading concerns will be put on a satisfactory basis, if not actually disposed of. It will be converted into a paying proposition instead of remaining a losing one. For years the State trading concerns have been a losing proposition, and no Government have been game to dispose of them. Indeed, no Government have had an opportunity to dispose of them on a good basis, although I have heard reference to an offer made years ago by a commercial firm. I regard the present proposition as having within it the germ of success, and I say it is up to the House to give that proposition its blessing and agree to the Bill.

MR. J. H. SMITH (Nelson) [9.40]: I am going to oppose the Bill. The Minister will remember that there was a time when I was one of those that thought the State trading concerns were going to be the salvation of the State. I thought the people would be given the benefit of those concerns and that they would be grouped into one co-operative system. However, experience has proved very much to the contrary. I will admit that certain districts of the South-West would never have been opened up but for the State Sawmills giving widespread employment. But this is where I say that members on the Government side who believe in nationalisation are not true either to their trust or to their promises. Here is the forerunner of an amalgamation between the State Implement Works and a section of the community known as the Westralian Farmers Ltd. We have no guarantee that no outside companies have been asked to come in on the same basis. In the near future Millars' timber concessions will cut out in this State. We have huge karri forests in the South-West. What guarantee have we that the Minister for Works will not come along again and say, "For want of capital we have agreed to combine with Millars and have a monopoly of the timber trade." What guarantee have we that the present proposed amalgamation will not follow in the footsteps of the State Sawmills? Those mills entered into a trade agreement with every other timber company in the State to refrain from charging one penny more or less than the other concerns. The same thing will apply here. The danger at the State Implement Works is that they cannot make all classes of machinery. I am told that they make a very fine plough. It may be all right for the wheat areas, but it is not very satisfactory in the heavy country of the South-West.

Mr. Sleeman: Is that the fault of the State Implement Works?

MR. J. H. SMITH: Yes, they could not make the plough. Dozens of implements have had to be scrapped; not only under this Government but under the previous Government. In an endeavour to build up the State Implement Works the Minister for Works insisted that all machinery for the group settlements should be made at those works.

Mr. Sleeman: Quite right, too.

Mr. J. H. SMITH: It did away with all competition. Those implements were not a success and in consequence many thousands of pounds were lost on them. Then it was discovered by the department that the group settlers could not work the land with those ploughs and so the department gave the settlers an advance with which to buy the machinery they thought suitable.

Hon. G. Taylor: What was the result of that?

Mr. J. H. SMITH: It has not been a success. Perhaps the cost was too great.

Mr. Sleeman: They made exactly what was ordered, and the department would have no other.

Mr. J. H. SMITH: There was a bungle. One hon. member said it would be the forerunner to the abolition of the State Implement Works, and he was undecided as to which way he would vote. The member for Gascoyne showed how the works could be run on a co-operative basis. He forgot to say how they would be financed from the beginning. He said they could be run by taking so much out of the weekly wages of the employees. We were not told how the capital would be forthcoming in order to construct these works.

Mr. Angelo: They are already constructed.

Mr. Panton: They could be run on an overdraft.

Mr. Angelo: Or terms could be given for their purchase.

Mr. J. H. SMITH: There is an agreement between the Westralian Farmers and the Minister for the conduct of these works and the manufacture of certain plant. The Minister thinks this will lead to more employment. I disagree with that. Different firms are bringing their machines here and re-assembling them locally. The Sunshine Harvester people tried to open a factory here, but the workers refused employment under the conditions proposed. State trading concerns were supposed to police other similar industries. As soon as the State Sawmills were established they set out to work in conjunction with their competitors. The same argument was used when meat and fish shops were established by the Government. Members opposite say we are no longer going to act as policemen, but are going to hand these works over to the Westralian Farmers, which is what would happen in ten years' time. There have been men

in the State during the last two or three months representing other big firms. I have a suspicion that the £150,000 is not being provided by the Westralian Farmers, but that their principals, the manufacturers of certain machinery, are trying to make more profit out of the farmers by using these works as a place in which to assemble their machinery, and that they are the people behind the gun.

Mr. Mann: Are you referring to the Case people?

Mr. J. H. SMITH: Yes, and there may be others. It is remarkable that such an important measure as this should be brought down at the close of the session.

Mr. Teesdale: An unholy compact.

Mr. J. H. SMITH: It may be the pious hope that another place will turn it down.

Mr. Panton: Do not suggest that.

Mr. J. H. SMITH: Something must have been in operation for the last three months for an agreement to have been drawn up. The member for Beverley (Mr. C. P. Wansbrough) gave the show away. He is on the board of directors of the Westralian Farmers. He says he has seen a copy of the agreement and knows what is in it.

Hon. W. J. George: We should have had a copy of it.

Mr. J. H. SMITH: Before the Minister asked us to vote upon this Bill he should have provided us with a copy of the agreement.

The Minister for Works: Do you not believe me when I say there is no agreement? I have said there is none.

Mr. J. H. SMITH: Some arrangement must have been drawn up, and there must have been conferences between the Minister and his advisers and the Westralian Farmers, before the Bill was framed.

The Minister for Works: I have told the House the position.

Mr. J. H. SMITH: The member for Beverley says he has seen the tentative agreement.

The Minister for Works: He did not say that. He may have seen a draft. There have been half a dozen of those.

Mr. J. H. SMITH: He saw a draft of the proposition, and we too should see it.

The Minister for Mines: We cannot finalise an agreement without the permission of the House.

Hon. G. Taylor: We want to know what the basis of it is.

Mr. J. H. SMITH: I cannot understand the interjection. If we pass this Bill, of what use is it to us to see the agreement? I propose to vote against the second reading. We know nothing about the question, which is too dangerous to tackle in the circumstances.

MR. LAMBERT (Coolgardie) [9.52]: Those who have the welfare of the State at heart should welcome the opportunity to support this Bill.

Hon. G. Taylor: Join up with the spring onions.

Mr. LAMBERT: Yes. For some years these works, in which a considerable capital has been invested, have not been paying. If they were only making a monetary loss, and it could be proved that they were of great advantage to the farmers, I do not know that the position would be regarded as so serious. We have a quarter of a million pounds invested in that industry. We must realise that some of the implements the works attempted to make in a desire to assist the farmers were not satisfactory to them. In the circumstances it was right for the Government to take the opportunity to endeavour to put the industry on a better footing so that it might return a reasonable amount to the State, and provide that service to the farmers which they set out to give. The member for Gascoyne by way of an excuse for voting against the second reading put forward a fantastic case.

Mr. Latham: You are not very generous.

Mr. LAMBERT: It was a specious excuse for voting against the second reading. In all the speeches I have heard the hon. member make I have not heard him strike a note in support of co-operation. I have never seen him identified with it.

Mr. Angelo: That is absolute rot.

Mr. LAMBERT: He is connected with some big local concerns.

Mr. Angelo: All of a co-operative nature.

Mr. LAMBERT: That is news to me.

Mr. Angelo: There is a lot more news for you.

Mr. LAMBERT: They are certainly all-embracing. He puts up a fantastic plea for some system of co-operation, which he knows is impossible. He puts this forward very forcibly in his old age, whereas he knows it is impossible for the Government or for the co-operative societies in Western

Australia to run this concern on purely co-operative line. The time may come. If the hon. member thinks more of his fantastic idea than of saving the State £20,000 or £25,000 a year, and of providing a service to pastoralists and farmers as well as the whole community, he is entitled to nurture to his breast the idea that he has become possessed of in his declining years.

Mr. Angelo: How much older than you am I?

Mr. LAMBERT: Whether it was right or wrong to establish these works, it is too late in 1928 to hold any futile inquests upon them. Surely the hon. member would not sacrifice a quarter of million of money!

Mr. Angelo: I am not going to.

Mr. LAMBERT: The industry is not paying, it has provided no service, and has a declining output.

Mr. Lindsay: The member for Fremantle will not agree with that.

Mr. LAMBERT: Nevertheless, it is true. Many members opposite will agree that the works can still carry out useful functions. There is a charge upon us to protect the assets of the State, and we have a charge upon us to render an effective service to a big portion of the State. Overshadowing that in an indirect sense is the opportunity to provide employment for a large proportion of the people of the State. We are an agricultural community of a comparatively few years old. We are fetching into Western Australia annually practically a million pounds worth of agricultural machinery and manufacturing little or nothing locally. It is time we had a stocktaking and asked ourselves whether we could not make some attempt to establish an industry of this kind. Would the member for Gascoyne and other opponents of the Bill rather see these works closed down?

Mr. Angelo: I said not.

Mr. LAMBERT: Would they not rather see mechanics at work there? Would they narrow the opportunities afforded to our bright young men to learn the business and become useful citizens and mechanics, so that they may enter into the arena of progress that will eventually make this State perhaps the paramount agricultural section in Australia? I have no fault to find with the member for Gascoyne but in all probability this will be the last but one of the sessions that he will have the privilege of attending,

for he will no doubt be asked to walk the plank of reform. The hon. member knows very well that this is not the opportunity to preach co-operation on the basis he would desire. Of course I wish him to understand that my remarks are intended to be complimentary. I have heard the hon. member often speak of the necessity for having industries in this State. He is aware that the balance of trade with the Eastern States is against us to the extent of close on eight millions sterling annually; he knows also that our boys and girls have not the opportunity to learn a trade, and that in Western Australia we are creating a big army of unskilled labourers. We have our University, our technical schools, our School of Mines and other educational establishments giving necessary training, but there is not a single opportunity for the absorption of any of the students into the industries of the State. It is regrettable that when a departure could be made that would suit a useful purpose, apparently there are people who are so lost to their sense of public duty, so saturated in their slavish regard for party politics, that they will not let up on any proposal that will place an establishment like the implement works on a proper basis. What has been done by the fertiliser companies in Western Australia? Here we have two large concerns manufacturing superphosphate—Cumming Smith & Co. and the Mt. Lyell Coy.—that have found a co-operative institution growing up in Western Australia that has no other purpose than to cull out and cut out, surgically too I hope, the middleman who is an absolute vampire in the country. The fertiliser companies realise that while they go on producing superphosphate, the other people have the selling agency, and that they are represented in almost every important centre. If the fertiliser companies had not been prepared to allow the Westralian Farmers to distribute their product, which is their proper function, no doubt the Westralian Farmers would themselves have started fertiliser works. But the fertiliser companies, powerful and well-organised though they be, realised that if they had to succeed they had to get into line and keep in step with the forward movement of co-operation.

Mr. Lindsay: They only found that out when another company started here.

Mr. LAMBERT: Here we have an opportunity to put the implement works on a good

footing, the opportunity also to absorb our boys who are workless to-day.

Hon. G. Taylor: Have you read the Bill?

Mr. LAMBERT: Yes.

Hon. G. Taylor: What about Clause 6?

Mr. LAMBERT: I had a great deal to say when the parent Act was before us and I think the hon. member at that time performed quite a useful service in making a terrible noise and putting up opposition to the passing of the Act. I know very well now that he will not be cajoled by any of the specious arguments—

Hon. G. Taylor: You have used.

Mr. LAMBERT: No, not used by me but by others in opposition to the measure. The Government should be praised for having come to an agreement with the Westralian Farmers, who apparently have met them in a proper spirit. The Government should also be commended for endeavouring to place the implement works on a permanent footing. The farmers of Western Australia will be gratified at this forward move and I hope it will be the forerunner of the fantastic dream of the members for Gascoyne and Pingelly that these works will be run on a co-operative basis with only two people benefiting, the workers employed there and the farmers who use the implements.

MR. LATHAM (York) [10.10] I move—

That the debate be adjourned.

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

Ayes	..	..	..	..	32
Noes	..	..	..	..	6
Majority for					26

AYES.

Mr. Angelo	Mr. Mann
Mr. Chesson	Mr. Marshall
Mr. Clydesdale	Mr. McCallum
Mr. Coverley	Mr. Millington
Mr. Cowan	Sir James Mitchell
Mr. Cunningham	Mr. North
Mr. Doney	Mr. Panton
Mr. Ferguson	Mr. Richardson
Mr. Griffiths	Mr. Rowe
Mr. Kennedy	Mr. Sleeman
Mr. Lambert	Mr. Taylor
Mr. Lamond	Mr. Teesdale
Mr. Latham	Mr. C. P. Wansbrough
Mr. Lindsay	Mr. Willcock
Mr. Lutey	Mr. Withers
Mr. Maley	Mr. Wilson

(Teller.)

NOMS.

Mr. Barnard
Mr. Brown
Mr. Munroe

Mr. Stubbs
Mr. A. Wansbrough
Mr. J. H. Smith
(Teller.)

Motion thus passed.

BILL—EDUCATION.*Council's request for conference.*

Message from the Council received and read, requesting a conference on the amendments insisted upon by the Assembly and notifying that at such conference the Council would be represented by three managers.

On motion by the Minister for Railways, resolved.

That a Message be transmitted to the Council agreeing to a conference, that the Minister for Agriculture, Mr. Davy and the mover be appointed managers on behalf of the Assembly, and that the conference meet in the Minister's room at 5.45 p.m. on the 13th inst.

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

BILL—LOAN, £4,800,000.*Message.*

Message from the Governor received and read recommending appropriations for the purposes of the Bill.

All Stages.

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

Second Reading.

THE MINISTER FOR RAILWAYS (Hon. J. C. Willecock—Geraldton) [10.17] in moving the second reading said: It will be noticed that the amount asked for under this Bill is £4,800,000, a little less than the authority for last year when the amount was £4,940,000. With one exception the works have already been authorised by the Loan Estimates, the exception being Point Philip jetty, King Bay, Roebourne district, £40,000. That is not the whole of the estimated cost of the work. From the engineer's report the cost is expected to be much greater. Provision was made on this year's Estimates under the bulk item for preliminary works, but as the estimated

cost is so great, it was considered that special authorisation in the Loan Bill was justified. The Bill in itself does not authorise the spending of any money. That was done by the Loan Estimates which were considered last week. The Bill merely empowers the Government to place a loan on the market when a favourable opportunity arises. The purposes for which the money will be raised are shown on page 3 of the Bill. As in the case of the Loan Estimates, the development of agriculture is the largest individual division, and railways, etc., come next. The items included in the schedule on page 3 are, with the one exception I have mentioned, authorised by the Loan Estimates, which have been fully discussed, so there is no need to deal with them in detail now. It is true that our loan indebtedness is steadily increasing. It is impossible to prevent that owing to the need for developmental work being so great. We are fortunate in the fact that the indebtedness of the State is covered by assets of a value equal to, if not greater than our indebtedness. A large amount of this money will come under the agreement with the Imperial and Commonwealth Governments, and a lower rate of interest will be payable on it. I cannot say exactly what the amount will be, as that will depend upon the progress of the works, but it will certainly be a substantial sum. The usual procedure will be observed in submitting our loan requirements to the Loan Council under the voluntary arrangement with the Commonwealth that has been in existence for some years. Not until the Financial Agreement passes the Commonwealth Parliament will the Loan Council be created statutorily. As we have fully discussed all these matters on the Loan Estimates, I do not propose to say anything further. I move—

That the Bill be now read a second time

HON. SIR JAMES MITCHELL (Norham) [10.21]: As the Minister has said we have passed the Loan Estimates and this Bill is intended to authorise the raising of the money. Without this measure we cannot raise the money; we can issue securities only under the authority of Parliament. The Minister said a good deal of this money will be obtained under the migration agreement. That will be the money at one percent.

The Minister for Railways: For the first five years.

Hon. Sir JAMES MITCHELL: Yes. That will be money for agriculture, water supplies and railways. It means a considerable saving to the State in interest because the difference between one per cent. and $5\frac{1}{4}$ per cent. is tremendous, especially when it is applied to £1,600,000 of this year's borrowing. It is money that must be spent on real development work. Altogether we shall be saving $4\frac{1}{4}$ per cent. on £5,000,000 under the migration agreement. I always feel satisfied at having had a hand in inaugurating that system throughout the British Dominions. It was a Western Australian suggestion that brought about the present position. It is a great help to this State. While £4,800,000 is a tremendous amount to raise year after year, we can look forward to using this cheap money during the next ten years and it will help us to a large extent to carry our other loan money. I said before that too much of this money is being devoted to small things that will not increase the production of wealth, but we have works under construction that must be completed. Before another Loan Bill is brought down we ought to consider seriously whether it would be possible to devote the money for a couple of years to real solid developmental work that will increase our national income. I am glad the £40,000 has been included for the jetty at Roebourne. It is impossible to keep the people there much longer without this accommodation. I am glad it is the intention of the Government to build a jetty soon and that they have provided a substantial sum for the works. The House has already authorised the loan work to be undertaken during the year and the Bill will merely sanction the raising of the money. The amount does not differ considerably from the amount on the Loan Estimates and it is for the same work. I do not know whether we are permitted to borrow money without reference to the Loan Council.

The Minister for Railways: There is the voluntary arrangement that has existed for some time.

Hon Sir JAMES MITCHELL: That is only with regard to borrowing in Australia, not in London.

The Minister for Railways: We do consult the Loan Council about borrowing in London, too.

Hon Sir JAMES MITCHELL: But the Loan Council have no control there; we can do as we like.

The Minister for Railways: Yes.

Hon. Sir JAMES MITCHELL: We can borrow this money without going cap in hand to the Loan Council.

The Minister for Railways: Yes.

Hon. Sir JAMES MITCHELL: That is satisfactory.

MR. J. H. SMITH (Nelson) [10.25]: Before I agree to commit myself to the second reading of the Bill I should like the Minister to give us certain information. Does the item "Additions and improvements to opened railways, £200,000," apply to the re-sleeping of railways?

The Minister for Railways: No, that comes out of suspense account, out of revenue.

Mr. J. H. SMITH: It is rather disappointing to find that provision is not made for certain railways. There is an item of £50,000 for the Bridgetown-Jarnadup extension. That is the railway to Denmark, the construction of which, I suppose, will be proceeded with immediately.

The Minister for Railways: You know we are going on with the clearing now.

Mr. J. H. SMITH: That work was started to relieve unemployment among the timber workers. It is disappointing that provision has not been made for the other two railways. I fully expected that money would have been provided for them.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Read a third time and transmitted to the Council.

BILL—LAND ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

MR. ANGELO (Gascoyne) [10.32]: I am not rising to oppose the Bill, but I wish to point out to the Minister in charge that one part of it might cause undue hardship

to certain of the smaller pastoralists. The measure permits pastoralists who for certain reason did not take the opportunity of getting under the new Act some 10 years ago, to have their leases extended for the next 20 years on certain conditions, which really are that those pastoralists pay up what is necessary to make double rent and also interest for the past 10 years. Thereupon the lease is reappraised, and if the appraisers consider that the lease is worth less than the £1 or the double rent per annum, there is to be a refund. On behalf of possibly only two or three of the smaller pastoralists who have not been doing well, I now make an appeal to the Minister. The fact that they have not been doing well probably explains why they did not apply to come under the new legislation before. The Bill asks them to pay double rent together with interest. If the appraisers consider the value of the lease much higher than the holder does, the Bill makes it impossible for him to abandon his leasehold without forfeiting the double rent and interest. Let me put a case. A pastoralist holds 200,000 acres. He considers that the land is not worth more than 10s. He is quite prepared to have the lease extended for 10 years at the rent he has been paying, or perhaps a little more. But before he can get the opportunity of doing that, he must put up £1,000 back rent and over £400 for interest. Some men are not in a position to do that, especially if their financiers know that if the appraisers put an exorbitant figure on the lease and it has to be abandoned in consequence, the whole of their money will be gone. The position is not fair, and I do not think the Minister will insist on it. In the case I have suggested, the man should be given an opportunity to abandon the lease and have his deposit refunded, less cost of reappraisal and rent to the time of abandonment. If a man is satisfied with the reappraisal and it is double rent or more, of course he continues with the lease. There is no fault whatever to find with that aspect. But there is just the one point where the man who considers the appraisal too high cannot abandon the lease without forfeiting the money which he must put up before the appraisers can deal with the matter. Apart from that aspect I approve of the Bill.

HON. G. TAYLOR (Mount Margaret) [10.37]: I desire to make a few remarks on the second reading, for reasons which I will give to the House. On the 15th March, 1917, when the Land Act was being amended, I moved a new clause to stand as Clause 4—

Section 38 of the principal Act is amended by striking out the word "six," in line 2, and inserting "five" in lieu thereof. By striking out the words "Central Division" and the description of the boundaries immediately following, and by striking out the word "Central" in the description of boundaries of the Eastern Division.

The addition of the new clause brought the Eastern Goldfields area into what had been known as the Eucla Division. That meant that the rent of pastoral leases in the Eastern Goldfields area would be 5s., as against 10s. When the land was originally taken up, the lessees paid 5s., but an amendment Act prior to that of 1917 brought them into another division, but this without a word being said about increase of rent. The moment they were in that division, their rent was raised to 10s. At that time there were only two or three people raising cattle between Kalgoorlie and Lake Way. When the 1917 Bill was before the House, I realised where the mistake had been made, and I discussed the matter with the then Minister for Lands, Sir Henry Lefroy. After I had put my case to him and to the Lands Department, the new clause was drafted by the Parliamentary Draftsman and was agreed to by the then Minister for Lands. I moved it, and it was carried. The remarkable feature was that the new clause restored that area of land to the Eucla Division, where the rent was originally 5s. The pastoralists in question were, however, for some few years charged 10s. The department have continued to charge 10s. instead of 5s. ever since. The fact that these pastoralists have paid the 10s. rent shows how anxious the people in the pastoral areas are to abide by the law, or by what the Lands Department suggest is the law. I told them what the law in the matter was, but they did not feel disposed to test it in the courts. As a consequence the Government have been charging those people 10s. instead of 5s. ever since. I made a strong plea to the then Under Secretary for Lands, Mr. Clifton. His reply was, "No. That only refers to new land taken up. The old holdings must remain as they are." I said, "We

have placed that area in its original condition. That having been done, it comes under the original law. I cannot convince you. You want the money. You are grabbing at the money. The only thing to do is to test the question at law in view of the new section." I have not made this appeal to the Government for seven or eight years. I did all I could at the time, but I was not a pastoralist and could not test the matter in the courts. In view of the remarks made by the Minister for Agriculture earlier in the evening as to the difficulty the department have in carrying out the land laws as they exist, it is remarkable how readily the department can carry out conditions which the law does not authorise as regards a certain section of our pastoralists. I hope the Minister for Agriculture will render justice to these people even at this late stage. Thousands of sheep are being raised in that area now, all the way from Menzies northwards, and many tons of wool have been put on the market from up there during the last two years. The relief would be highly appreciated by people in the pioneering stage, engaged in providing water, in fencing their country, and in fighting wild dogs. I fought to obtain some relief for them in 1917. I did get relief for them by Act of Parliament, but the Lands Department would not recognise it. That sort of thing is absolutely unbearable in a British community.

Hon. Sir James Mitchell: They did get it for the first five years.

Hon. G. TAYLOR: I want to know whether the Minister will go into the matter and ascertain whether these pastoralists are paying 5s. too much. Under the Act as it has stood since 1917, 5s. is the legitimate rental charge. I have no desire to oppose the Bill, but when the law is flouted as in this instance, it makes one reluctant to take part in framing legislation. I must seize this opportunity to enter a protest against administration of that sort.

MR. J. H. SMITH (Nelson) [10.45]: I do not intend to oppose the second reading of the Bill, although I believe the Minister has been very dilatory in bringing forward the measure. I remember the strenuous debates that took place in 1923. They extended over many hours and members of the then Opposition, who now sit on the Government side of the House, fought

strenuously for two days against the extension of the leases. I felt then that if it was good enough for the people in whose interests the measure was introduced, it was good enough for people in other parts of the State. I voted with the Government, and the Bill was agreed to by a majority of one. I know that different conditions apply in the north and the east of the State compared with those obtaining in the southern portion. Down south the land is more open to selection under C.P. conditions, and the lessee is paid for any permanent improvements should his land be resumed. Complications have entered into the question in recent years, as certain areas have been dedicated for forest purposes. The result is that people are somewhat confused. A greater feeling of security would be engendered if the Bill were agreed to, and the Minister might make it clear as to whether the settlers who desire a renewal of their leases in the South-West, should lodge their applications with the Forests Department direct or whether they should send them to the Lands Department to be forwarded to the Forests Department.

Hon. Sir James Mitchell: Those people come under the Forests Department once the land is dedicated for forest purposes.

MR. J. H. SMITH: The trouble is that the people do not know, and I want the Minister to clearly state what the procedure should be. I want him to make it clear so that there shall be no possibility of the people losing their leases. The Minister proposes to allow an extension of three months to those who enjoy the 1923 tenure. I would like him to say if he intends the same privilege to be extended to people in the South-West. They do not see a paper there for two or three months at a time, and if the privilege I suggest is extended to the small pastoralists of the south, it will be duly appreciated.

HON. SIR JAMES MITCHELL (Northam) [10.48]: The Bill will deal with 4,000,000 acres of pastoral leases, whereas we have already dealt with 200,000,000 acres of pastoral land. The 4,000,000 acres are held by about 120 lessees, so that they average about 33,000 acres each. I have no objection to raise to the renewal of the leases, but I consider they should have been renewed when opportunities were made available on two occasions in the past. The

lessees neglected to take advantage of those opportunities, but now they are being permitted to make application.

Mr. Teesdale: They are very lucky people.

Hon. Sir JAMES MITCHELL: Yes, because, owing to their neglect to apply for an extension on the former occasions, they have escaped increased road board taxation and increased payments in other directions, including land tax. If the leases are granted without the lessees being called upon to shoulder any financial responsibility, such as the other lessees have been called upon to undertake, the lessees who will come under the Bill will be in a better position than those who renewed their leases some years ago. It will be hardly right if, through their neglect to renew, they are now placed in a more advantageous position than the other lessees. Regarding pastoral leases in the South-West, it must be remembered that large areas in that part of the State have been dedicated for forest purposes. That land is now under the control of the Forests Department and it cannot be leased by the Lands Department. The Forests Department may grant a renewal of the pastoral leases, or they may refuse to do so. Of course, if leases are cancelled, I take it that compensation will be paid for improvements made.

Mr. J. H. Smith: That is what I want to find out.

Hon. Sir JAMES MITCHELL: If land is to be leased by the Forests Department, it should be leased to those who hold it now, not to some other applicant. I think the Minister should give some assurance on these points. I am certain the Premier would not allow it to be otherwise, and if we receive the assurances that have been indicated, we should agree to the passage of the Bill. It has to be realised that the Forests Department desire to protect the interests of the trees in the areas that have been dedicated, and may refuse to lease land for grazing purposes. That would probably apply in tuart country although I do not know that it would in jarrah country. Under the Group Settlement Act, certain duties are entrusted to the general manager of the Agricultural Bank in regard to the issuing of special permits to occupy land. The general manager of the bank is no longer in control, because the Minister seeks to substitute the Group Settlement Board for him. The board will then do what Mr. McLarty, the General Manager of the Agricultural Bank, is able

to do now. I do not think it will make the slightest difference to group settlement matters, but it would probably have been better to substitute the chairman of the board for the general manager and not the board as a whole. I think the Minister is wrong in the attitude he has adopted. Should a group settler vacate his area for which he has a permit to occupy, that land will revert to the department and then the Government can deal with it as they please.

The Minister for Justice: But with the provision in the Bill, a lot of arguments will be saved.

Hon. Sir JAMES MITCHELL: It may have that effect, but still I think the general manager could do all that is necessary.

The Minister for Agriculture: There are some people who insist upon remaining on their holdings.

Hon. Sir JAMES MITCHELL: And they should be allowed to remain there so long as they pay the interest on advances made to them. The Government should not desire to rush them off their holdings.

The Minister for Agriculture: But that would be under the different conditions under which they have held the land.

Hon. Sir JAMES MITCHELL: Yes, and have accepted responsibility for certain debts.

The Minister for Agriculture: Those people will not be able to get any further advances.

Hon. Sir JAMES MITCHELL: I do not suppose they will require further advances, for they should be producers very soon. Of course a permit to occupy is really a perfect title to the holding.

The Minister for Agriculture: The point is that the general manager will cease to operate and the board will take his place.

Hon. Sir JAMES MITCHELL: That is so. I have very little confidence in the work of boards and for that reason I would be inclined to substitute Mr. Hewby. As the Minister thinks otherwise, it is hardly worth while worrying about that point.

MR. MARSHALL (Murchison) [10.56]: I do not intend to oppose the second reading of the Bill, but I cannot allow it to pass without contributing to the discussion. I marvel at the attitude of the present Government with regard to the few remaining lessees who are principally small holders. The Government might consider the advisability of renewing the leases and being a

little more generous than the clauses of the Bill would indicate. I remember when the amending Acts of 1917 and 1923 were being considered, the argument did not rage around the question of prices, but the right to extend the pastoral leases throughout the State. In opposition to the suggestion that the tenure of the leases should be extended as proposed, the members of the present Government, when they were sitting in opposition, strenuously fought at great length, pointing out that the question of prices was a subsidiary matter compared with the disposal of the heritage of young Australians over such a long period of years. That, too, was strictly in accordance with my ideas.

Mr. Mann: They have changed their minds since then.

Mr. MARSHALL: Yes, but I take objection to the Hebrew-like desire to exploit the few remaining leaseholders who have fulfilled their contract with the State. It was optional with those who remained to have come in under either one or other of the Acts. The Bill was not introduced to compel all pastoralists to come in under it; it was for the purpose of giving them the right to extend their leases to 1948 if they so desired. The argument advanced by the million acre parties, the big companies and the big individual holders, was that if they could not get an extension of tenure of their leases, they could not secure the money with which to improve the country. On that argument alone they got that extended tenure. But those small holders have not enjoyed that privilege at all. They did not get an extension of tenure. They stuck to the contract that it suited the Government of the day to make with them. They fulfilled that contract. Now the present Government say, "Notwithstanding that you have complied with the contract you made with the Government of the day, and although you have received no concessions and your tenure has not been increased, yet we are going to compel you to pay, just the same as the others." Also they are going to make them pay interest on the amount. If the Government can get that through, it will not be with my support. If the Government stand loyally to the substance of the Bill, if they have anything at all it is something contrary to the principle they have preached and tried to practice for many years past. They are going to squeeze

those small leaseholders out of their properties and hand them over to big trusts and holders.

Air. Mann: You think that is their intention?

Mr. MARSHALL: This is my opinion of the measure: It has been hastily drafted and I do not think the Minister has given it the consideration it deserves. I hope that in Committee the Minister will agree to certain amendments I propose to move. If he does not, he will not get my support.

Mr. Teesdale: You are very lucky to have a chance to vote on it again. You ought to be very much obliged for the second chance given you.

Mr. MARSHALL: I do not know what the hon. member is growling about. I do know what has happened in the past, and I know what the Bill contains. Its contents are not palatable to me. I am in sympathy with the small holders. They do not seek any concessions. They have fulfilled their contract with the State, and now they are asked to pay for something they have never enjoyed. Just imagine those small holders who, on application for a renewal of their present holdings, will be compelled to find immediately about £1,300, as mentioned by the member for Gascoyne.

Mr. Angelo: Over £1,400.

Mr. MARSHALL: When they lodge their applications for renewal of their leases they will have to pay at least £1,300 before the Minister will listen to them. And when they have lodged that sum, their leases will become subject to appraisalment; and if the appraisalment appears to be unduly high, and they desire to break off with the Government, the Government will say, "If you do so, we will retain that £1,300." What for? Those leases really become Crown property on the 31st December, provided the Government are prepared to pay the necessary compensation for improvements.

Mr. Teesdale: I do not think the Government will rush them.

Mr. MARSHALL: Not many will rush the hon. member on his general appearance, his intelligence, or his interjections in this Chamber.

Mr. SPEAKER: Order!

Mr. Teesdale: It does not matter. It is natural to him.

Mr. SPEAKER: Order! If I have to call the hon. member to order again I shall

have to take more drastic steps than I desire to do.

Mr. MARSHALL: The small holders, although few in number, will forfeit their leases on the 31st December, 1928, if they have not fulfilled their contract with the State. And the Government will say to them, "You have struggled for years. Your area could not possibly be reduced if you are to get a decent living off it, but before you secure a renewal we want £1,300, and if you do not like the subsequent appraisalment, we will confiscate that £1,300." I do not agree with that. The Government have no right to call on those small holders who have been struggling for years and who, on the 31st December, will be no better off financially than an ordinary wages man, except for the compensation they may receive from the Government for the improvements they have made on their holdings. I will support the second reading, but in Committee I propose to move certain amendments with a view to securing something fair and just for those small holders who have fulfilled their contracts with the State and who should have first preference to their leases in future.

Mr. Mann: They are getting that.

Mr. MARSHALL: Perhaps, if they pay the £1,300. But not many of them can finance the right to apply for a renewal of their leases. The risk is too great, because if the leases are unsatisfactorily reappraised after the applicants have paid their money, that £1,300 will be lost to them.

Mr. TEESDALE (Roebourne) [11.10]: I should like to call attention to the speech made by the member who has just resumed his seat. Incoherently he has been railing against the Government for the last quarter of an hour on the score of their scandalous treatment of the small holders. In my opinion those small holders are very fortunate in that they have had two years in which to consider their position. I do not think they require any particular sympathy. They have exactly the same rights as other people and I repeat that they are very lucky. I do not know whether the hon. member who has just sat down has inspired the Government to put this Bill through, but if so he is showing a very ungrateful response. It is interesting to find this thing going through at all. I have a lively recollection of debates on three occasions, on one of which the last

speaker took a prominent part. For the moment I cannot find in "Hansard" the speech he made, but I see here that one prominent member of his party moved that the Bill be read that day six months. There was a lot of sympathy for the small holder! Then another prominent member of their party, a Minister, said that if he were satisfied that 100 per cent. of them would gladly convert, he would still prevent them if he could do so. It's a lovely way some people have of showing sympathy and consideration for the small holders. If that was the attitude a few years ago, it is an extraordinary right about turn we have witnessed to-night.

Mr. COVERLEY (Kimberley) [11.13]: I welcome the Bill on behalf of the small holders who under it will have an opportunity to continue their pastoral pursuits in my electorate. I cannot agree with the last speaker, nor do I agree entirely with the Bill. I find myself in agreement with the member for Murchison (Mr. Marshall). The pastoralists who made a contract with the Government have fulfilled that contract. I would give them an opportunity to extend their leases to 1948 conditionally on their paying double the rental under which the leases were originally taken up, and subject to re-appraisal without a minimum of 10s. per 1,000 acres, which is double the amount they were paying under the old agreement.

Mr. Teesdale: And since reduced.

Mr. COVERLEY: That is so. But under the Bill the pastoralists will be asked to pay double the rent they were paying prior to the introduction of the last measure. I anticipated something of this and on the 16th August, 1927, I asked in the House several questions which will be found on page 330 of "Hansard" of last year. There we get the full particulars, the acreage, the rent and such like of the pastoral areas in the Kimberleys that will be affected by the Bill. The 1,760,537 acres involved are held by 12 persons, firms or companies. The largest area held by any person, firm or company, is 418,000 acres. At present the rent is 5s. per 1,000 acres. If the Bill becomes law the person holding 408,000 acres will be called upon to pay 10s. per thousand, and this payment will be retrospective for 11 years, plus interest at 7 or 7½ per cent. That comes to £1,222, not including the in-

terest. Out of the 12 pastoral lessees only two, both companies, will be able to pay as much as 2s., the remainder not being in a position to pay anything. Most of the lessees in my district will have to say "Our contract has been fulfilled, and we now ask the Government to pay us the compensation that is due for the improvements we have effected." Before the Government commit themselves it would be better for them to delete the clause imposing double rental for the past 11 years. I find myself standing behind the member for Murchison, but I will support the second reading.

THE MINISTER FOR AGRICULTURE (Hon. H. Millington—Leederville—in reply) [11.17]: This Bill does not alter the conditions imposed by previous amendments to the Act, which will still hold good. Those who have taken advantage of the amendments of 1917, 1918, and 1923 to renew or extend their leases have no grievance. The opportunity was given to them then, and is being given to them now to do the same thing.

Mr Coverley: If they pay for it.

Mr. Marshall: Have not these people fulfilled their contract?

THE MINISTER FOR AGRICULTURE: And have not the Government done so? Those who have not taken advantage of the amendments find that their leases will expire at the end of the year. The Government contracted with those people to give them the leases, and unless they are renewed or extended the obligation ceases. Leaseholders generally approve of the extension given in 1917. These hold 210 million acres, whereas those who did not approve hold 4 million odd acres. Why should some people receive special consideration, seeing that others have paid the additional rent over a period of 10 years?

Mr. Marshall: You know why.

THE MINISTER FOR AGRICULTURE: The hon. member suggests these leases were not worth the additional rental?

Mr. Marshall: Nothing of the kind.

THE MINISTER FOR AGRICULTURE: If they are worth it the holders have had an advantage over those who have been paying.

Mr. Marshall: That is not the reason. The others agreed to the new arrangement and these did not because they could not afford to do so. You know that.

THE MINISTER FOR AGRICULTURE: That may be so in some cases. If there is a law that is applicable to certain people, and some accept its provisions, it would not be just to permit others to evade it and after 10 years receive the advantage of it without payment over the period that had elapsed.

Mr. Coverley: They have not had the advantage over the ten years. They have been at a disadvantage because no one would advance them money on leases which would expire in 1928.

THE MINISTER FOR AGRICULTURE: I cannot see any disadvantage in paying half the rent provided the conditions are equal. The man who has paid the double rent is entitled to some consideration.

Mr. Marshall: One section asked that the contract should be broken, and the other did not.

THE MINISTER FOR AGRICULTURE: It would mean there had been an imposition on those who had paid the double rent on 210 million acres. Whatever grievance the others may think they have it would be as nothing compared with the grievance those who had paid would have, if the others were able to wriggle out of their liabilities in the way suggested. Certain hardship may be inflicted upon those who have not paid, but I would not like to explain to those who have paid that they have been fools, that they ought to have refused to pay, and that they could have continued until 1948 without any additional payments. If the leases are not worth the double rent, and that is ascertained when the reappraisal is made, it is possible they would be left at the old rental. In that case the difference in the amounts would be credited to the owner.

Mr. Angelo: In the meantime he would have to find £1,400.

THE MINISTER FOR AGRICULTURE: I do not know how the hon. member gets that amount.

Mr. Angelo: That is based on 200,000 acres.

THE MINISTER FOR AGRICULTURE: There are 4,000,000 acres split up amongst 120 holders. On a division that works out at 33,000 acres each. At 10s. per thousand acres for 10 years that would work out at £165. On 33,000 acres, therefore, the holder would pay £80 odd.

Mr. Angelo: You are dealing with leases, not lessees.

The MINISTER FOR AGRICULTURE: There are 120 lessees.

Mr. Angelo: I do not know where you find these small pastoralists.

The MINISTER FOR AGRICULTURE: One member spoke about holdings of 200,000 acres and another of 400,000 acres, so that some of the leases must be very small.

Mr. Marshall: I do not know where you get your figures.

The MINISTER FOR AGRICULTURE: They come from official sources.

Mr. Angelo: They are the leases, not the lessees. One man may hold 20 leases.

Mr. Marshall: Or five or six.

The MINISTER FOR AGRICULTURE: Is the hon. member putting up a case for the poor fellow who holds a dozen leases? I am assuming there are 120 lessees.

Mr. Angelo: That would be impossible.

Mr. Marshall: That is the total number of leases.

The MINISTER FOR AGRICULTURE: The extension was opposed by members on this side because of the large holders. At that time some of the holdings exceeded one million acres although the Act imposed a limit of one million acres. The biggest argument arose over the fact that the Act did not prevent companies from holding more than the limit. Another objection was that the Act tied up these large holdings until 1948. But the law was enacted and most of the pastoralists paid the double rent. If the others wish to have their leases extended they must fall into line with the provisions of the Act that has been passed. There is a clause in the Bill relating to reappraisalment. That was also provided in the 1926 Act. In the Kimberley division the rental was 10s. per 1,000 acres. It was decided in 1926 that the leases should be reappraised.

Mr. Coverley: They were reduced 1s. They might as well have been left alone.

The MINISTER FOR AGRICULTURE: The amending Act of 1917 provides for reappraisalment in 1933. I presume that the earliest opportunity will be availed of for reappraisalment. If the leases are not worth the amount fixed there is no disposition on the part of the department or the Government to charge more than the land is worth. It would be impossible to administer any department other than sympathetically. All special cases are carefully considered. I do not know of any case of hardship that is not considered sympathetically both by the department and the Government. Regarding

the time allowed for the lessees to apply for an extension of their leases, the Bill provides for an interval of three months, and that will apply to the whole of the State, including the South-West. If the Bill is passed, it must operate from the 1st January next, otherwise it would mean that all the leases would have to be renewed. That would cause inconvenience and expense. It is therefore necessary in order that the leases may continue, to make some such provision in the Bill. If that were not done, leases would lapse at the end of the year, and then would follow all the difficulties associated with renewals throughout the State.

Mr. J. H. Smith: Will the leases in the South-West be extended to 1948 as well?

The MINISTER FOR AGRICULTURE: Yes. The hon. member is aware of the provisions governing the extension of the leases. Should any of the land so held be required for other purposes, it can be resumed. That applies particularly in the South-West where that disability always confronts the lessees. As to the position regarding the forests, I am advised that the reference to the Forests Act is included because so many of the leases in the South-West division of the State are in forest country, and the Conservator of Forests does not desire to be hampered by being compelled legally to renew leases in respect of land for which leases were granted at an earlier stage. However, the pastoral lessees there will not be adversely affected, because if land is taken for forest purposes, they will be compensated for improvements made. I do not think any difficulty will be experienced from that standpoint.

Mr. J. H. Smith: Will the pastoralists there be able to make application direct to the Lands Department, or should they apply to the Forests Department?

The MINISTER FOR AGRICULTURE: I will make sure on that point. As the Bill represents an amendment to the Forests Act, I should say they will probably have to apply to the Forests Department. At any rate, I will see that all lessees are notified as to what they should do. The time is short and it is regrettable that this has been left so late. There are a number of amendments that should be made to the Land Act, but as it is so late, we have introduced merely the amendments dealing with pastoral leases. I do not know how hon. members would suggest that instances

of hardship should be dealt with, but I can assure them that the Government do not intend to deal harshly at all with those concerned. We cannot allow those who will come under the Bill to get out of it without paying anything, in view of the experience of others who applied for their extensions when they had opportunities to do so in former years.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Panton in the Chair; the Minister for Agriculture in charge of the Bill.

Clause 1—agreed to.

Clause 2—Pastoral leases:

Mr. COVERLEY: Subclause 1 indicates that lessees are to be allowed a period of three months within which to make their applications. I have at least two pastoral areas in my electorate that are very isolated, and it will be impossible for pastoralists there to send in a reply within four months. I hope the Minister will extend the period to at least six months. The small pastoralists I refer to have no agents in the metropolitan area who can act on their behalf. One man I have in mind is in the Turkey Creek district. The next steamer for the North-West is on her way down the coast now and it will probably be February before she leaves Fremantle for Wyndham again. There is no hope of getting a mail through from Wyndham to Turkey Creek for a month after the boat arrives at the northern port, and it will be three months at least before the pastoralist I have in mind can receive any notification about the Bill. That means that the man will not be able to make application inside six months. I move an amendment—

That in line 4 of Subclause 1, "three" be struck out and "six" inserted in lieu.

The MINISTER FOR AGRICULTURE: The trouble is that the clause applies generally throughout the State, and I could not possibly agree to a straight-out extension for six months. Such an alteration would upset the whole administration of the department. It may be possible to draft an amendment to extend special consideration to the pastoralists who are in the position indicated by the member for Kimberley.

Mr. Latham: You could make the six months provision apply north of the 20th parallel.

The MINISTER FOR AGRICULTURE: I would not object to an amendment of that description. I should say that 90 per cent. of those affected would be able conveniently to apply for their extensions within three months. I realise that the pastoralists referred to by the hon. member must receive consideration, and we could postpone the consideration of the clause so as to draft an amendment to overcome the difficulty.

Mr. COVERLEY: I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Mr. COVERLEY: I think we can do this in another way. I move an amendment—

After "months," in line 4 of Subclause 1, insert "or in the case of leases situated north of the 20th parallel, six months."

Amendment put and passed.

Mr. MARSHALL: I move an amendment—

That after "1917," in line 3 of Subclause 2, the words "and to the conditions following" be inserted.

The amendment will improve the reading of the subclause and will pave the way for a later amendment in paragraph (a).

Amendment put and passed.

Mr. MARSHALL: I move an amendment—

That all words after "him," in line 5 of paragraph (a), be struck out.

If I am successful in this I will move that the words "from the first day of January, 1929," be inserted in lieu of the words struck out. Under the amendment no leaseholders will be asked to make any retrospective payments whatever. They will be asked to put up double rent as a deposit when they make application for the renewal of their leases, and that only from January, 1929. It is no secret that both the amending Bills of 1917 and of 1923 were brought down at the wish of a section of the pastoralists. Those people who paid double rent asked for them.

Mr. Teesdale: You were not here at the time, and you know nothing about it.

Mr. MARSHALL: I say they did. In 1923 I was in the House, and it was then stated that the pastoralists had asked for

the Bill. Moreover a list of those who had made the request was read out. I know positively that the Bill of 1917 was introduced at the desire of the pastoralists themselves.

Mr. Teesdale: It's a wonderful knowledge you have.

Mr. MARSHALL: Those who asked for it got it and paid for it. These people should not be punished because other sections asked for something and got it. These people want only fair play.

Mr. J. H. SMITH: The member for Murchison has said that these people are satisfied to remain under existing conditions. I do not think they are.

Mr. Marshall: If they were not, they would have taken advantage of the other Act.

Mr. J. H. SMITH: I believe the big holders did make overtures to the Government in 1923.

Mr. Teesdale: You know nothing about about it, either.

Mr. J. H. SMITH: I know that overtures were made in 1923. A lease out from Lawyers was sold and provision was made that if the measure extending the leases to 1948 were carried, many thousands of pounds more would be given for the lease.

Mr. Teesdale: And not a single property changed hands with all the money to be made.

Mr. J. H. SMITH: The hon. member is under an erroneous impression. No doubt many leaseholders in the Murchison desire to have the more advantageous conditions.

Mr. ANGELO: In nearly every case where lessees did not take advantage of the opportunity to get an extension, the reason was that they were in poor circumstances and were not making a decent living out of their leases. If the appraisers do their duty properly many of the appraisements will have to be reduced. The hardship lies in asking the lessees to pay so much money before they can apply for an extension and get the appraisement done.

The CHAIRMAN: The hon. member is not in order in making a second reading speech in reply to the Minister. He must discuss the amendment.

Mr. ANGELO: I wish to point out the hardship the clause will impose on these people. They will be asked to pay about £1,400 before they can apply for an extension

of their leases. I am wondering where the dickens they will get the money. I shall support the amendment unless the Minister says the £1,400 need not be paid in cash. He might agree to a deposit that will cover the cost of appraisement and rent for six months, and lessees could apply on the understanding that they paid what the appraisers considered to be fair.

Mr. CHESSON: There should be a way to overcome the difficulty. Perhaps the period for paying the double amount could be extended. A good deal of hardship will be inflicted on small men if they have to find the money at once.

Mr. Latham: To make it retrospective for 10 years is a long period.

Mr. CHESSON: All the lessees had an opportunity to take advantage of the Acts of 1917 and 1923, but a lot of the struggling men were unable to do it. The double rent will certainly be a hardship on them.

Mr. COVERLEY: I support the amendment. I am not worrying as to where the pastoralists are going to find the money. A majority of them have not got it and cannot find it.

Mr. Angelo: Then you agree with us.

Mr. COVERLEY: Yes. My grievance against the clause is that it will penalise the small pastoralists. Instead of penalising them we should assist them to take an extension of their leases. If that is not done and the pastoralists do not continue their leases, the Government will have to find compensation for the whole of the work done on the leases. If these people in my electorate are not prepared to have their leases extended on these terms the population of the district will undoubtedly diminish. The Minister would be well advised to accept the amendment.

Mr. ANGELO: The Minister should insert a proviso to the effect that any lessee who applies for an extension must deposit, say, £100, which would cover the cost of appraisement and the rent up to the time when it was made. If after the assessment the lessee considered the rental was too high he could give up the lease, otherwise he could elect to pay the double rent.

Mr. COWAN: I must support the amendment. If the struggling pastoralists in my electorate cannot find the capital to enable them to secure a renewal of their leases, I should like to know if they will receive compensation for the improvements they have

effected when they have surrendered their holdings.

Mr. DAVY: I understand that as a condition precedent to the application for the renewal of a lease the applicant must pay double the amount of the rental from 1918, plus interest.

Mr. Angelo: With compound interest at 7 per cent., which works out at over 40 per cent. on the amount due.

Mr. DAVY: That seems usurious. When the assessment has been made the lessee will have to pay the amount of rent he would have had to pay if he had accepted the renewal at the right time, and receive back any balance that is left over. The amendment affects the amount of deposit that is necessary to secure a renewal. If the effect of it is not to place the dilatory man in a better position than those who previously accepted the altered conditions I would be in favour of it, but not otherwise.

The MINISTER FOR AGRICULTURE: It means that the lessee would pay double rent from the 1st January, 1929, and hold his lease until 1948. In that respect the dilatory man, referred to by the member for West Perth, would have a decided advantage over the other. We cannot accept the amendment.

Hon. Sir James Mitchell: You could accept some easy form of payment.

The MINISTER FOR AGRICULTURE: Yes. We do not wish to be harsh in the matter. If a lease turns out on assessment to be worth the double rental the extra amount must be paid as from 1918. If it is not worth more than the existing rate the additional money he had paid would be credited to him. We might overcome the difficulty of the inability of the holder to put up the money straight away. At any rate, reappraisement would determine the amount that should have been paid as from 1918. Under the amendment of the member for Murchison, all past liability is wiped out and the man is given a clean sheet to start off on the 1st January, 1929, at double rent. The lease would be subject to reappraisement, and even the double rent might be wiped off. Consideration can be given, however, to the man who is struggling. Probably few lessees would have the cash to put up. Still, they cannot be relieved of their liability. There will have to be some way of charging them until by way of reappraisement it is determined what the rent should be. I do

not wish to place an impossible barrier. Are there any more amendments?

Mr. Marshall: No.

Mr. Angelo: I have a further amendment.

The MINISTER FOR AGRICULTURE: I wish to know what further amendments are to be moved, so that I may go into the whole matter. I adhere solidly to the principle that these applicants are not to be given any advantage over other pastoralists. The matter of finance in connection with applications can be considered. I shall have an amendment drafted to deal with that phase.

Progress reported.

BILL—WATER BOARDS ACT AMENDMENT.

Council's Further Message.

Message from the Council received and read, notifying that it had agreed to the Assembly's request for a conference, and had appointed Hon. W. J. Mann, Hon. V. Hamersley, and Hon. W. H. Kitson as managers, the President's room as the place, and 7.30 p.m. on the following day as the time.

House adjourned at 12.15 a.m. (Thursday)

Legislative Council.

Thursday, 13th December, 1928.

	PAGE
Leave of absence	2442
Bills: Electoral Districts Act Amendment, 3r.	2442
Lake Grace-Karlgarin Railway, 3r.	2442
Appropriation, 2r.	2442
Loan, £4,800,000, 2r.	2442
Dog Act Amendment, Assembly's message	2445
Poor Persons Legal Assistance, Com.	2446
Road Districts Act Amendment (No. 1), 2r.	2446
Education, Conference Managers' report	2448
Water Boards Act, Conference Managers' report	2449
Licensing Act Amendment, Report	2449
Road Districts Act Amendment (No. 1) 2r., Com.	2449
Hospital Fund, 2r.	2451
Water Boards Act Amendment, Assembly's further message	2461
Education, Assembly's further message	2461
Electoral Districts Act Amendment, Assembly's message	2461
Coal Mines Regulation Act Amendment, 2r.	2461
Reserves, 2r., Com. report	2464
Roads Closure (No. 2), Com., etc.	2464

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