

**MR. THOMSON** (Katanning) [10.35]: In connection with the settlement of our lands, the Government have unfortunately, though in all good faith, surveyed and thrown open certain blocks which have been taken up by soldiers. While in those cases an allowance of half the price has been made, yet the soldiers find themselves unable to carry on after remaining on the blocks for as long as six years, and after the expenditure of considerable sums of money. The trustees of the Agricultural Bank, after having given these men the best opportunities and facilities available, are compelled to write down their indebtedness. Apparently we must face the question whether, not through any fault of the Government or of the settlers, the land has proved not to be of such a character as will maintain settlers. I hope the Premier will be sympathetic in dealing with the particular case that was brought under notice to-day.

The Premier: Those things are not handled by me, but by the trustees of the Agricultural Bank.

**MR. THOMSON:** The trustees are quite all right. The fault does not lie with them. It does, however, seem a distinct hardship that after working on the block for a period of six years the settler should have to walk off. In such circumstances the Government should be in a position to make some allowance. Before throwing land open the Government should satisfy themselves, by analysis of the soil, as to its productivity. The case which has been quoted is a hard case indeed, and I trust the Government will see their way to do justice to a couple who have worked strenuously to establish themselves. I understand that under the soldier settlement scheme an amount of money is available to meet such cases. Particulars will be furnished to the Minister for Lands, who unfortunately is absent. The position as it stands at present, is not fair.

Progress reported.

*House adjourned at 10.40 p.m.*

## Legislative Council,

*Wednesday, 6th November, 1929.*

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

### QUESTION—WATER SUPPLIES; LOAN PROVISION.

Hon. J. CORNELL asked the Chief Secretary: Have any funds been placed on the Loan Estimates for the current year for the following proposed water supply extensions:—(i)—Geelakin; (ii) Bullfinch; (iii) Turkey Hill; (iv) Wheatley; (v) Moorina Rock; (vi) Miners' Settlement, Southern Cross? If so, what amount will be available for each locality quoted.

The CHIEF SECRETARY replied: It is regretted that the limited sum available will not enable the Government to make all of the water supply extensions referred to, but it is hoped that some minor extensions can be made during the year.

### BILLS (2)—REPORTS OF COMMITTEE

1, Industries Assistance.

2, Land Agents.

Adopted.

### PAPERS—STATE SHIPPING SERVICE

*Hold-up of m.v. "Kangaroo."*

Debate resumed from the 31st October on the following motion by Hon. A. Lovekin—

That all papers relating to the last voyage of the "Kangaroo," and particularly with regard to the events which happened in connection with her crew at Derby, and the subsequent hold-up of the ship at Fremantle, and the negotiations which resulted therefrom, be laid on the Table of the House.

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central) [4.38]: Mr. Lovekin is dissatisfied with the answers I gave to his questions in connection with the hold-up of the "Kangaroo." He says that the question he asked was, "What was the cost of conveying men by the 'Centaur'?" and that my reply was that the extra cost of conveying men on "Centaur" as against passages on the "Kangaroo" was £611. He asserts that my answer was misleading. It would certainly have been misleading to the public if I had answered it in the way he desired; in other words, if I had stated that the amount paid to the "Centaur" represented a loss to the State. Mr. Lovekin says the State has paid to the owners of the "Centaur" £2,870 (including freight) and the "Kangaroo," which has been lying idle at the wharf all the time and earning nothing, is credited with £2,150, and this House has been told that the cost of the hold-up of the "Kangaroo" was £611, whereas it was £2,870. In the first place, I never told the House anything so ridiculous. I never said the cost of the hold-up of the "Kangaroo" was £611. I said the extra cost of bringing the men by the "Centaur" was £611. There is no doubt the amount paid to the "Centaur" could be treated as a loss to the Government if the "Kangaroo" were a spectral ship, moved by some mysterious supernatural power, and able to call spirits from the vasty deep to perform the duties of officers and crew. But apart from "The Phantom Ship," to which Sir Walter Scott alludes in one of his poems, I am not aware of one instance in which a ship has been able to plough the seas without some financial expenditure resulting from the process. Mr. Lovekin overlooks the important fact that the "Kangaroo" lying idle at the wharf earning nothing is quite a different proposition from the "Kangaroo," fully manned and burning oil over a three weeks' trip to Wyndham and back. It does not require many words of mine to show how fallacious is the line of reasoning followed by Mr. Lovekin at the opening of his speech. I say "at the opening of his speech," because towards the close of his remarks he takes up a course which demolishes all his previous arguments. For instance, Mr. Lovekin says—and I quote him word for word—"The working expenses for this year are £204,000, and the earnings of the 'Kangaroo' are estimated at £170,000. So that there is an apparent loss of £34,000 plus

interest." If there is to be this loss on the "Kangaroo" plus interest, surely it would be better that the "Kangaroo" should be tied up, not for four weeks, but forever, than eating her head off in this way."

Hon. G. W. Miles: She should have been sold years ago.

The CHIEF SECRETARY: I am not admitting that Mr. Lovekin's figures are correct; but he thinks they are, and the fact that he thinks so makes one wonder what degree of seriousness can be attached to his complaint that "the 'Kangaroo' has been held up at the wharf for four solid weeks doing nothing." However, the hon. member's figures are not correct, for the £204,000 does not represent the estimated expenditure of the "Kangaroo," nor does the £170,000 represent the estimated earnings of that vessel for this year; but they represent the whole shipping service, and the figures include interest and all overhead expenses on the entire fleet. This means that, although a heavy loss will be incurred on the "Kybra" owing to the unprofitable south-east trade, and although the "Kangaroo" will lose money on some of the northern trips she is forced to make in the interests of the people there, the income of the ships, taken as a whole, will cover all working expenses. The "Kangaroo" herself costs on an average over £220 a day to run. It would take her 22 days to make the return trip from Wyndham. She was to have left for that port via Carnarvon on 20th September. Her mission was to bring the meatworks employees down, and some frozen meat as well. Except for a call at Carnarvon to lift 3,000 sheep, she was to have come straight back. Through the hold-up she could not go to Wyndham, and she lost the passage money of the men at the meatworks, and £758 of freight from the works on articles that were urgently needed here. Mr. Lovekin gives the figures as £770, but £18 of this represented freight on a portion of the goods to the Eastern States. The amount paid the "Centaur" for passages was not £2,100 as stated by Mr. Lovekin. It was more than that. It was £2,500. The total amount received by the "Centaur" was £3,258. Mr. Lovekin will, of course, say that that was all a loss to the Government. We shall see whether it was or not. Let us find out what it would have cost if the "Kangaroo" had performed the work which the "Centaur" carried out. The cost of running for 22 days at £220 a day would

have been £4,840. That would have been her debit.

Hon. G. W. Miles: She should have been scrapped years ago if that is the cost of running her.

The CHIEF SECRETARY: What would she have earned in bringing down what the "Centaur" brought down, and the Carnarvon sheep as well, had she taken them? From the Wyndham meat workers she would have earned £1,910, freight £758, and 3,000 sheep from Carnarvon, £525, a total of £3,193. This would have left a debit balance of £1,647. That shows that the "Kangaroo" could not have performed the work performed by the "Centaur" without incurring a loss of £1,647. If Mr. Lovekin will make that his basis, and credit the "Kangaroo" with this saving, he will be able more accurately to arrive at the loss sustained by the Government through the industrial trouble that occurred. I do not mean that the "Kangaroo" could not have taken more from the Wyndham Meatworks than the "Centaur" did. There is a large quantity of frozen meat at Wyndham and by-products which she could have shipped, and which she can ship equally well on this trip. The "Kangaroo" has large carrying capacity, the trouble being that it is not often it can be utilised to the fullest extent on the north coast. But when the meatworks men are aboard her, space is very much restricted. Cargo cannot be carried between decks; hence she comes practically direct to Fremantle.

Hon. H. A. Stephenson: Could she not take cargo up the coast?

The CHIEF SECRETARY: She took it up on her last trip. She loaded on her up voyage a considerable quantity of wool, and more will be awaiting her return. She will be able to lift the frozen meat and the by-products at Wyndham, and she has been able economically to fit in a trip due to Port Darwin by the "Koolinda." She should return fully loaded. There could not possibly have been so much cargo favourable to the "Kangaroo's" carrying capacity had not the hold-up created such a glut of traffic. There is no doubt the industrial trouble on the "Kangaroo" gravely inconvenienced the people of the North, and it has seriously damaged the prestige of the State ships. I do not wish to minimise those aspects of the case, but, taking everything into consideration, I do not think that the resulting loss will affect the finances of the

Service to any great extent. Mr. Lovekin says—

According to the Auditor General's report, £395,674 was written off the capital of the Shipping Service. The working expenses of the State ships therefore are not charged with the interest on over half a million of money, but the country is paying interest and sinking fund all the same.

There was no need to await the report of the Auditor General for this information. Parliament sanctioned the adjustment and in reply to a question from Mr. Miles, I gave the reasons. The necessity for it was also pointed out by me as far back as 1924. Let me briefly explain now. During the war the "Kangaroo" made enormous profits, and £211,000 of those profits were taken into revenue and no interest was allowed to the trading concern. Not only that, when an overdraft was required—as it was required soon afterwards—The Treasurer charged from 6 to 6½ per cent. interest on it to the State Shipping Service, despite the fact that the service was in credit. This was contrary to the State Trading Concerns Act, but it was done. Then again, some years ago, as Mr. Lovekin knows, the "Kangaroo" was insulated to enable her to carry 300 tons of frozen meat, and, although the vessel was bought for £140,000 the cost of the insulation amounted to £175,000, £35,000 more than was paid for the vessel, and nearly as much as the "Koolinda" cost, and the "Koolinda" is insulated for 100 tons of frozen meat. In the first place the service has been paying interest upon interest on an overdraft which should not have existed if it had been allowed to use the profits that it earned. Compound interest was therefore paid, and paid over a period of from eight to ten years—on money which belonged to the service.

Hon. G. W. Miles: What about the losses the other ships have made?

The CHIEF SECRETARY: All that has been taken into consideration. The s.s. "Western Australia" was disposed of at a profit of £40,000, and this profit was taken to the credit of Sale of Government Property Trust Fund, instead of remaining in the account of the service as a reserve. This was in conformity with the statute, but an injustice to the Shipping Service, as Mr. Miles will admit. It was used for revenue purposes.

Hon. C. F. Baxter: It ought not to have been.

**THE CHIEF SECRETARY:** Had the usual methods adopted by a public company been applied to the concern, the finances would have been put in order by the increased trading profits, and by the profits from the sale of assets being allowed to remain in the business as provision for reserves for the leaner years which followed soon after. Taking the figures I have quoted, and allowing for interest and compound interest wrongly charged, reducing the enormous debit for insulation to something reasonable, the amount which was written off in 1927 and which the Under Treasurer in consultation with Mr. Glyde considered a fair amount, removed a liability which was a fictitious one and which should not have been permitted to remain. Mr. Lovekin wants to know why "on some 'footling' matter the 'Kangaroo' was held up for four solid weeks doing nothing." Mr. Lovekin already knows why the vessel was held up, but, if he is blaming the administration, I would like to know what he would have done in the circumstances. What would Mr. Lovekin's remedy have been?

**Hon. G. W. Miles:** He would have prosecuted the crew for desertion at Derby.

**THE CHIEF SECRETARY:** I have a lively recollection of the daily newspapers of Perth—in one of which the hon. member had at least a paternal interest—ceasing publication for something like four solid weeks over what appeared to be a "footling" matter but which the proprietors regarded as an important matter of principle.

**Hon. E. H. Harris:** Did he not prove he was right?

**THE CHIEF SECRETARY:** It is unfortunate that Mr. Lovekin was away in the Old Country at the time, otherwise he could have given to his brethren of the press some valuable advice as to how the trouble could be settled. As it was, the proprietors sat down for four solid weeks and did nothing, sacrificing the large profits they would have made in the interval.

**Hon. E. H. Harris:** The proprietors did nothing until he came back.

**THE CHIEF SECRETARY:** Strange to say, instead of cabling to Mr. Lovekin for advice, the newspaper proprietors and the men involved, after four weeks, agreed to the appointment of a board to settle the dispute.

**Hon. A. Lovekin:** Where did you get the information?

**THE CHIEF SECRETARY:** I know all about it, because I was chairman of the board. I did not intend to mention that fact, but it became necessary for me to do so in self-defence. The board sat, and within an hour reached a decision which was accepted with professed satisfaction by both parties concerned. In my case, an Industrial Magistrate was offered from the commencement, and agreed to in the end.

**Hon. A. Lovekin:** Do you say I was away when this happened?

**THE CHIEF SECRETARY:** I give the hon. member the benefit of the doubt. I may have made a mistake. It would certainly strengthen my argument if the hon. member had been here.

**Hon. A. Lovekin:** I was here all the time but I wondered where you got your information.

**THE CHIEF SECRETARY:** There is no doubt that the "Kangaroo" "hold-up" was an unfortunate happening, the first of such magnitude or of any magnitude that has occurred within the Service. It was aggravated by the fact that there are two different Unions controlling the crew—there is the Federated Seamen's Union and the Western Australian Union, locally registered, with whom we have an agreement. In addition, there is the Steward's Union, which is a federated body, and therefore considered to be more in sympathy with the Federated Seamen's Union than with the Western Australian Union which has no connection outside the State. It will be seen that the position was full of difficulty and, apart from agreeing to the original requests of the men—which could not in justice have been done—the only safe course to adopt except as a last resort, was to tie up the ship, which was done. Mr. Lovekin may have acted differently. He is no doubt a more skilled general than I am, and I would like to know what he would have done, and he might be good enough to fortify his advice with some concrete instances of what he himself did when he was faced with an ugly industrial situation. We have it from his own lips that he sat down for four weeks and did nothing in connection with the newspaper strike.

**Hon. A. Lovekin:** I did not say that; I merely said I was here.

**THE CHIEF SECRETARY:** Very few results accrued from the hon. member's oper-

ations up to the end of the four weeks. At the same time—although it has nothing to do with the case—he might venture to suggest what he would have done, if he had been proprietor of the “Daily News” at the time, to settle the newspaper dispute. I think I have shown that Mr. Lovekin has exaggerated the losses occasioned to the State Shipping Service by the industrial trouble which occurred; that the Wyndham trip which the “Kangaroo” missed could only have been undertaken at great cost owing to its being practically a direct trip; that the accumulated cargo awaiting her at every port, without any restrictions on her carrying capacity, should make the present trip highly profitable; that the amount written off the capitalisation of the State Shipping Service two years was a bogus liability; and that the course which I adopted for the settlement of the dispute, even if it were ill-advised in the opinion of Mr. Lovekin, was one for which I have been able to supply an illustrious precedent. I have no objection to laying all the papers connected with the “Kangaroo” hold-up on the table of the House, and I have brought them along this afternoon.

On motion by Hon. G. W. Miles debate adjourned.

## **BILL—COMPANIES ACT AMENDMENT.**

### *Second Reading.*

**HON. H. STEWART** (South-East) [5.5]: in moving the second reading said: I have been asked by the Co-operative Federation of Western Australia to pilot this Bill through this House. The object of the measure is to guarantee to members of the co-operative movement continuity of co-operative principles in regard to its administration. So far as agricultural co-operation is concerned, the movement started in this State with the old Producers' Union, in respect of which, those interested in co-operation know that they were under a great debt of gratitude to the late Charles Harper for the unstinted attention he gave to that body. Later on, in 1914, the movement received new blood. Mr. Harper had then passed across the Divide and the old Producers' Union was incorporated in what is now the Westralian Farmers, Ltd. There are in this State, so far as I know, eight

societies, at Armadale, Bunbury, Collie, Dangin, Geraldton, Gwalia and Leonora, all registered under the Co-operative and Provident Societies Act, 1903. The Bill does not propose to interfere with them. There are 59 co-operative companies registered under the Companies Act, 1893, and those companies are now combined in the Co-operative Federation of Western Australia and that federation has asked me to take charge of the Bill in this Chamber. In 1917 the Westralian Farmers, Ltd., called the first conference of the co-operative societies in this State, industrial, as well as producers' companies, being invited to attend. That was opened by the then Governor, Sir Ellison Macartney, and there was a large and representative attendance. The same body has called a conference annually to discuss matters of mutual interest, and the outcome was that the Co-operative Federation of Western Australia was formed for the mutual assistance and protection of its members, which now number 59 companies and 10 branches of the Westralian Farmers, Limited. These companies are mostly producers' co-operative companies and have served a useful purpose, firstly for the supply of requirements to its members, and secondly the improvement and organisation of the marketing of their produce. In this connection they have dealt satisfactorily and beneficially with the marketing of wheat, wool, and fruit, and to such an extent with fruit that they have followed the good example set by the Mt. Barker Fruitgrowers' Cool Storage Co-operative Society, Ltd., which, without any assistance from outside their own district, and with the aid only of one of the associated banks, founded their cool stores, which have been a source of protection and considerable profit. The Westralian Farmers, Ltd., have supplied a similar want to the Bridgetown district and it has proved very beneficial in connection with the safeguarding of the fruit industry and the marketing of that product. Also they have assisted in connection with the provision and the marketing of livestock. They have gone to considerable expense in connection with the organising of those engaged in the production of milk and butter. They have to a large extent practically organised and arranged the marketing of eggs in England and also in Europe and have also organised the apiarists of this State and brought about the standardising and marketing of honey.

That is not quite a comprehensive and complete statement of what they have done, but it is an indication of what has resulted from the efforts of a large section of growers acting co-operatively. Then also, as the outcome of the formation of co-operative companies and affiliation of companies in this State, there has come into being the Overseas Co-operative Federation in which the companies of New South Wales, South Australia, Victoria and Western Australia have combined with New Zealand and South Africa for the marketing of colonial produce in London. In that city they have now their own selling organisation. The Co-operative Federation of Western Australia have, ever since their inauguration, desired a measure such as the one I am now submitting. It is a short Bill of nine clauses and aims at providing means to ensure that organisations using the title "Co-operative" in their name will be genuinely co-operative in character. It has been frequently pointed out that the essential difference between a joint stock concern and a co-operative undertaking is that the first aims entirely at earning and paying dividends on capital, while the objective of a co-operative concern is to distribute profits in proportion to the amount of trading which members give to the co-operative concern. To ensure this the Bill provides—

The rate of dividend on paid-up capital of co-operative companies is not to exceed 5 per cent. per annum in excess of the rate of interest paid by the Commonwealth Bank on fixed deposits lodged for a term of two years.

Under the Articles of Association of most of the co-operative companies registered in Western Australia, the present maximum is 7 per cent. per annum. The second proviso in the Bill—Clause 3 (b) ensures—

That surplus profits after providing for interest on capital and reserves, shall be distributed as bonus on trading done by members with the company.

The next proviso is—

3 (c). That the basis of voting at meetings or polls of shareholders shall be on the basis of one shareholder one vote.

In the working of co-operative companies in this State, difficulties have arisen in regard to the disposal of shares in deceased members' estates, and in the case of removal of the shareholder from the district in which

the company of which he is a member operates. Under the provisions of the Bill it is proposed to permit companies to purchase such shares out of its reserve funds, but the amount of such purchase in any one year is not to exceed one-twentieth of the paid-up capital of the company. The Bill further provides that any distribution of reserves, or alternatively the assets of the company in case of winding up, must be distributed on the co-operative basis. That provision will be found in Clause 7. A co-operative company shall not be wound up voluntarily if its net assets are in excess of the subscribed capital, except with the consent of not less than three-fourths of the shareholders or with the sanction of a judge of the Supreme Court. As I have already pointed out, there are eight companies registered under the Co-operative and Provident Societies Act, and the Bill will in no way interfere with them. Clause 8 preserves the position as far as the past is concerned, and provides that any society after the commencement of this Act shall be registered under the Act of 1893 as a co-operative society. When the Bill is in Committee, it will be necessary to make a slight amendment in Subclause 2 of Clause 7. This sets out—

A co-operative company shall not be wound up voluntarily if the assets are in excess of its subscribed capital.

Before the word "assets" the word "net" has been inadvertently left out. It is also considered advisable that Clause 8, instead of reading—

No society shall, after the commencement of this Act, be registered under Co-operative and Provident Societies Act, 1903, as a co-operative society.

it would be better to strike out the word "society" so that the clause shall read—

No co-operative company shall, after the commencement of this Act, be registered under the Co-operative and Provident Societies Act, 1903, as a co-operative society.

I am informed that that is a clerical error, which should have been corrected when the Bill was before another place.

Hon. A. Lovekin: Thank goodness, we have an Upper House!

On motion by Hon. G. A. Kempton, debate adjourned.

## BILL—ROYAL AGRICULTURAL SOCIETY ACT AMENDMENT.

### *Assembly's Message.*

Message from the Assembly notifying that it had agreed to the Council's amendment subject to a further amendment now considered.

### *In Committee.*

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

Council's amendment—Clause 2.—Add a proviso as follows:—"Provided that such exemption shall not apply to any land vested in or held by the Royal Agricultural Society and leased by the society otherwise than for agricultural show purposes."

Assembly's amendment—Clause 2.—Insert after the word "land" the words "other than the land mentioned in the Schedule hereunder."

Schedule.—Add the following Schedule.

### *The Schedule referred to.*

Swan Location 1797, the subject of Certificate of Title, Volume 264, Folio 116.

Portion of Swan Location 2267, the subject of Certificate of Title, Volume 446, Folio 134.

Swan Location 2266, being the balance of the land, subject of Certificate of Title registered Volume 365, Folio 67.

Portion of Swan Location 2105, the subject of an agreement for Sale and Purchase, bearing date the 21st September, 1928, entered into by the University of Western Australia as Vendor of the one part, and the Royal Agricultural Society of Western Australia, Incorporated, as purchaser of the other part.

The CHIEF SECRETARY: I move—

That the Assembly's amendment to the Council's amendment be agreed to.

Under Clause 2 the Royal Agricultural Society would be exempt from the payment of rates. The Council inserted a proviso that the exemption should not apply to leased land. The Assembly has modified that and made provision for the exemption of the Claremont show ground. The Schedule simply covers the Claremont show ground, although that ground may be used from time to time for athletic sports or for depasturing sheep.

Hon. A. LOVEKIN: There can be no objection to the Assembly's amendment. The Agricultural Society has land at Guildford and other places apart from the Claremont show ground, and it is not advisable to exempt from rates land outside the ground used for show purposes. The Assembly's amendment will limit the area not subject to rates to the actual show ground. If the show ground were let for an evening's sport, I do not think anyone would contend that it should be regarded as being leased and subject to the payment of rates.

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

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

## BILL—MAIN ROADS ACT AMENDMENT.

### *In Committee.*

Resumed from the 30th October. Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 10—Repeal of Section 30 and substitution of a new section:

[Subclause 5 had been amended by striking out the word and figures "year 1926-27" with a view to inserting in lieu other words and figures.]

The CHIEF SECRETARY: I have a statement from the Chairman of the Main Roads Board that I would like to read for the information of the Committee—

In Clause 10 of the Bill, Subclause 5, it is set out that apportionments for the year 1926-1927 only are waived. It is clear, therefore, that apportionments for the years 1927-1928 and 1928-1929 are, by the wording of the clause, to stand. This was the intention when the Bill was originally drafted, but the financial statements submitted to the recent select committee in another place were designed to show the position for the currency of the Federal Aid Roads Agreement, which is for the ten years ending 1935-1936. In those statements it was proposed that interest and sinking fund contributions, as provided for by Section 30 of the principal Act, should be made by the local authorities up to and including that year, viz., 1935-1936.

It has been estimated that the amount derivable from the percentage of traffic fees proposed to be enacted by the Bill will show a deficit of £100,000 when compared with that which would be forthcoming by the operation of Section 30 of the principal Act. This

£100,000 is the deficit for the ten years currency of the Federal Aid Agreement. The select committee of another place, as a result of their investigations, had the Bill redrafted as it now appears before the House. As I have said, it contemplates the payment of interest and sinking fund on expenditure for a period of 30 years from the date when such expenditure was incurred, although the financial statements submitted to the committee contemplated such payments during the currency of the Federal Aid Agreement only. In other words, the local authorities would, for nine years of the ten years period, be required to pay interest and sinking fund in addition to percentage traffic fee contributions, which latter would be payable from the 1st July, 1929.

There appears to have been confusion of ideas as to exactly what was intended by the provisions of the Bill dealing with this particular aspect, but what I have stated should make the position clear.

On the Notice Paper there appears an amendment to Clause 10 of the Bill. This will have the effect of curtailing the liability of the local authorities in regard to the payment of interest and sinking fund. Summarised, the position will be that the liability of the local authorities in respect of expenditure during 1926-1927 is entirely waived, but in respect of the expenditure during 1927-1928 they will be required to contribute for the year the assessment is made, and for the following year; and in respect of the expenditure during 1928-1929, they will contribute for the one year only. So their liability in this connection will entirely cease after these three payments have been made.

These payments, it is contended, should be made because of the new order of things—that is to say, the percentage traffic fees contributions—will operate only as from the 1st July last, and the three payments spoken of are in respect of expenditure prior to that date, to which otherwise the local authorities would not contribute.

This amendment of the original intention is made owing to the widespread understanding that the liability of the local authorities on the interest and sinking fund basis, in respect of contributing towards expenditure prior to 1928-1929, should not extend beyond that date, but the percentage of license fee contributions should be substituted therefor.

**Hon. H. STEWART:** I move an amendment—

That the words and figures “years 1926 1927 and 1928-1929” be inserted in lieu of the word and figures struck out.

I do this in view of an amendment on the Notice Paper that the Chief Secretary intends to move. To the proposed amendment a proviso has been added which limits the contributions under Section 30 of the Act to two annual payments, namely, 1927-28 and 1928-29. I want to convince the Committee from documentary evidence that in all the negotiations between the Minister for Works

and the executive of the local authorities there was an honourable understanding that the one contribution for the year 1927-28 would be asked for and the rest of the payments would be waived. I should like members to look at the report of the select committee, that sat a few weeks ago particularly the table on the first page of the evidence. The chairman of the Main Roads Board presented a series of figures that clearly set forth his estimate of the receipts from license fees. The table shows that in the 10-year period 1926-27 to 1935-36 this measure will cover, the estimated total yearly liability of the local authorities under the existing Act would be £551,236, and to meet it the proposal was to take 25 per cent. of the traffic fees. On the basis of a 10 per cent. annual increase of license fees, 25 per cent. of the fees would amount to £310,208, so that the local authorities would have contributed roughly £260,000 more than the amount required to meet the 10 years' commitments. A table was also furnished showing a 5 per cent. increase, and further showing that on the basis of the 5 per cent. increase the 25 per cent. of the traffic fees would yield £698,204, or approximately £147,000 more than the commitments for the 10-year period. It is a 10-year period the Bill deals with. Later the chairman of the Main Roads Board was recalled; and he submitted another table, printed on page 61. In the discussion with the select committee he had said he was not satisfied that an increase of 10 per cent. would be realised. The select committee wired to the Eastern States to learn what the increases there had been, and also got the Under Secretary for Works to give evidence on that aspect. The latest figures available show that the increase for the metropolitan area is well over 10 per cent.; I think that for the year 1928-29 it is 15 per cent. All the country returns are not available, but apparently the increases there are equally great. The first table of estimates brought before the select committee, because a new working basis was wanted to get money to cover commitments, showed that on the basis desired by Mr. Tindale there would be a substantial surplus. It was not anticipated by the select committee, or by the local authorities, that any claim would be made for payment in respect of the previous year. When I moved my amendment on Wednesday of last week, my object was primarily to obtain from the Minister in charge of the



Bill a definite expression of opinion as to what the measure would effect. Mr. Tindale's second table on page 61 shows the total yearly liability of local authorities under the new estimates as increasing to £639,776—from the £551,000 estimated in the first table. Mr. Tindale took a new basis for estimating maintenance. Half the cost of maintenance of main roads is a charge the local authorities have to meet each year. The report of the select committee shows the increase to be due entirely to heavier maintenance charges.

The CHAIRMAN: Order! Is the hon. member justifying the amendment by all these quotations?

Hon. H. STEWART: Yes, Sir. I have to justify to the Committee the contention that the Main Roads Board would be getting all the money needed for commitments and requirements and that the Minister for Works' statement that one year's payment only would be required under Section 30 is correct. However, the Chief Secretary proposes to move an amendment to provide for three years' payments. The select committee's report shows the Minister as stating that he had not been able to declare complete lengths of road, and that some parts of main roads were not in a good state of repair because the local authorities through whose areas they ran did not maintain them adequately. The Minister also said that he had not sufficient funds for the purpose, but that if the proposed system of finance were adopted he would be able to declare extra lengths of main road. As a result Mr. Tindale prepared the table on page 61, showing that the outcome would be heavier maintenance costs to the Main Roads Board. A comparison of the table on page 61 with the table appearing on the first page of the evidence shows maintenance as jumping in 1929-30 to £56,000, from some £32,000. In every subsequent year the maintenance stands at £56,000, instead of increasing gradually, as shown in the first table, to £54,000 in the tenth year. Under the new provision making funds available by the method of taking a percentage of the traffic fees, the Minister will be able to place under the Main Roads Board's control all main roads, declaring them to their full length, with the result that, as shown by a comparison of the two tables, there will be in the last seven years an increased cost of maintenance amounting roughly to £88,000.

Hon. G. W. Miles: Maintenance costs must increase.

Hon. H. STEWART: But the first table provided for a gradual increase. Another table of Mr. Tindale's, on page 63, gives the amount that will be received from local authorities under the new measure, the metropolitan area contributing 25 per cent. of its traffic fees less 10 per cent. for cost of collection, and the local authorities outside the metropolitan area contributing on the basis first proposed. The table shows that the total amount collected under these proposals would be £603,526. At the last meeting of the select committee, however, Mr. Tindale put up the final figures shown in table 4, printed on page 68. On the exaggerated basis of £56,000 annual maintenance cost during the period 1929-30 to 1935-36, instead of gradual increase in maintenance cost over those seven years, the table shows the total liability of the local authorities over the period of ten years as £639,776. I submit that the amount estimated for maintenance is too great. Then on the highly conservative basis of a 7½ per cent. increase in traffic fees, working out the yearly collections exclusive of the North-West, and less 10 per cent. for cost of collection in the metropolitan area, taking the traffic fees for the various years of the 10-year period and taking 25 per cent. of the contributions by the local authorities, Mr. Tindale arrives at £607,000. I refer hon. members to the table appearing on page 68 of the select committee's report. The general tenor of the evidence given before the select committee is that on the basis of what can be obtained by this means of securing revenue, and on the basis of the Bill and the estimated requirements of the Main Roads Board for cost of construction and reasonable maintenance charges, the traffic fees will, for the period onward, meet the position. As regards the year 1926-27, the subclause we are dealing with wipes out any liability of the local authorities. By reason of the amount received from petrol tax £90,000, and of the amount to be received in contributions for traffic fees, there will be sufficient to meet the Main Roads Board's commitments on the basis of the estimates made by the chairman of the board. On the basis of the correspondence between the Government and the executive of the Road Boards Association, the Government would receive sufficient money to meet the contributions

required from the local authorities for half the State's expenditure on the construction of main roads and their maintenance. The Government are not behaving in any way with unusual generosity in wiping out the amount required in 1926-27 because they received £90,000 from the petrol tax. The whole of the cost under Section 30 for the construction of main roads, as shown in Mr. Tindale's tables Nos. 1, 2, and 4, is about the same figure. Half the State's expenditure for 1926-27 amounted to £69,545 and the sum required for maintenance was £182. Thus, the petrol tax more than paid for the whole of the capital expenditure, and there is no justification for making any claim under that heading. So far as the second year's finances were concerned, there is £20,000 from the petrol tax still available and in hand. Instead of acting as the Bill provides, the Minister has placed an amendment on the Notice Paper which will have the effect—

The CHAIRMAN: Order! The Minister has moved no amendment, and I will ask the hon. member to confine his remarks to his own amendment.

Hon. H. STEWART: I wish to make clear the reason why I propose to insert, in place of what has been struck out, the years 1926-27 and 1928-29. The explanation is that there is an amendment on the Notice Paper in the name of the Minister which affects the position. Under the proposal we had before us last week there was provision for contributions from the local authorities extending over 30 years. The Minister's new amendment, however, contains a proviso that will require only two payments for 1927-28 and one for 1928-29.

The CHAIRMAN: I will ask the hon. member to reserve his comments on that amendment until the Chief Secretary has moved it.

Hon. H. STEWART: I was pointing out why I had not included 1927-28. That is what I was leading up to.

The CHAIRMAN: The hon. member is a long while getting there..

Hon. H. STEWART: I have not yet known of a member being gagged in Committee when dealing with matters relevant to his amendment! The reason why I included 1928-29 in my amendment is that the Minister has an amendment on the Notice Paper which indicates that the Government

do not propose to ask for contributions from the local authorities for a period of 30 years and the proviso sets out that there shall be two contributions only for the year 1927-28 and one for the year 1928-29. Now I come to the point as to why I include the year 1928-29. I do so because it is a breach of an honourable understanding arrived at between the Minister for Works and the executive of the Road Board Association to the effect that payments should apply only to 1927-28, and that only one payment should be made. That was for the year 1927-28. To bear that out I will quote from the report of the proceedings of the executive committee of the Road Board Association of Western Australia on the occasion of their meeting on the 18th October, 1929. I would mention that July is in the new financial year and an interview that took place with the Minister for Works in that month would mean that the Minister at that time knew exactly what the financial position would be. If an interview with him took place in July that would not justify any alteration in the position. Hon. members will bear that in mind when I read the following extracts from the executive committee's report:—

It was reported that since the July meeting of the committee, the Minister for Works had submitted the Main Roads Act Amendment Bill to Parliament for the purpose of financing the expenditure on main road construction and maintenance, and it had been proposed to repeal Section 30 of the Main Roads Act and substitute provision for the setting aside of 25 per cent. of all traffic license fees, except in the North-West portion of the State, for the required purpose; and that assessments made on local authorities under Section 30 of the Act for the first year, namely, 1st July, 1926, to 30th June, 1927, should be cancelled. During the second reading of the Bill it was decided to appoint a Parliamentary select committee—

The CHAIRMAN: Order! There is no need to quote that; we all know about the appointment of the select committee.

Hon. H. STEWART: Then I will quote another portion of the report and it may save some time:—

The committee expressed the view that from the information and figures which had been before them, and when they had agreed to not more than 25 per cent. of license fees being retained for main road expenditure, they had in mind that such should be on motor license fees only, and not on all traffic license fees, while the figures submitted later to the select committee indicated that considerably less money would be needed for main road require-

ments than had been provided for in the Minister's original proposals. Under the circumstances, the percentages of motor license fees to be set aside should be reduced to provide sufficient for main road expenditure financing only. Road boards will be aware that the Main Roads Board if the Bill is passed, would take over the entire control of main roads and the responsibility of financing the construction and maintenance of same.

This is the important part I want to impress upon members of the House. Here is the copy of a letter addressed to the Road Board Association by the Minister for Works under date the 16th July, 1929. In deference to your desire, Mr. Chairman, that I shall be as brief as possible I will read only the salient paragraph.

The CHAIRMAN: I have no desire in the matter at all.

Hon. H. STEWART: Although I will read this paragraph away from its context, it does not alter the sense in any way. In his letter the Minister said—

In response to the suggestion made by your reports, and for reasons then given, I agreed when introducing the necessary amending legislation to ask for power to write off the charges which had been levied by the Main Roads Board covering the first year of its operations, the local authorities to meet the charges in respect of the second year's operations. Thereafter moneys made available from traffic fees should meet their obligations.

That is the real gist of the whole matter as arrived at between the local authorities and the road board executive on the one hand and the Minister on the other. It shows that the 1926-27 debits against the road boards were to be wiped out because the Government could well afford to do so, as they had the petrol tax which yielded £90,000 available, and that legislation would be introduced under which the local authorities were to meet the charges in respect of one year's operations and that the money derived from the traffic fees should meet their obligations. In addition to that, I have received the following letter from the secretary of the executive of the Road Board Association of Western Australia. In it he says—

Now that the provisions of this Bill are being debated in the Legislative Council, I am addressing this communication to you, so that you may be aware of the views and attitude of the Executive Committee of the Road Board Association of Western Australia on a couple of important aspects of the proposed legislation.

In the first place, the chairman of the executive committee, when giving evidence before the Parliamentary select committee, made it clear it was thought that any percentage set aside for main road expenditure should be on motor license fees only, and not on all traffic license fees, as provided for in the Bill.

Then, as to the proposal of the hon. Minister for Works that legislation should be introduced to provide for the writing off of the charges levied by the Main Roads Board for the first year of its operations (1926-1927), the local authorities to meet the charges in respect of the second year's operations (1927-1928), and thereafter moneys were to be made available by the setting aside of 25 per cent. of all traffic fees collected by local authorities (later altered in accordance with the Parliamentary select committee's recommendations), it was undoubtedly understood by the executive committee and I am sure, by the representatives of individual road boards who gave evidence before the select committee, that the amounts due by local authorities on account of apportionments for the year 1927-1928, would represent the entire liability of local authorities on main road construction and maintenance; and any further obligations as to that year's expenditure, so far as they were concerned, would lapse, should the amending Bill's proposals, which are the subject of your deliberations, become effective.

Had it entered the thoughts of members of road boards that it would be sought to include a clause in the Bill, as is now being done by the hon. Minister in charge of same, to provide for a recurring payment annually on account of main road expenditure for 1927-1928, in addition to setting aside percentages of license fees for the third year's operations and thereafter, I feel sure that very vigorous protest would have been made to the select committee by such members.

There is really no need to take much notice of the last paragraph in the letter, in view of the amendment that the Minister intends to propose.

The CHIEF SECRETARY: We have heard a lot about the select committee in another place, and I doubt if we are in order in discussing it. To say the least of it, that committee had nothing to be proud of in the work it accomplished. As the Bill came to this Chamber, there was provision for the payment of these fees for 30 years. That was how I interpreted it, and my interpretation was correct. What is the position now? Mr. Stewart wishes to deprive the Main Roads Board of everything that is their due. We have decided to abandon the 30 years' proposal, and all we ask for are two payments with regard to 1927-28 and one payment regarding 1928-29. That is the position. We have heard a lot about it being an unfair proposal. It was viewed from every aspect

in another place and the amendment of which I have given notice is in accordance with the desires of those who thoroughly investigated it.

Hon. E. H. HARRIS: You mean the select committee?

The CHIEF SECRETARY: Yes, and by the amendment we propose that the Government will lose £100,000 in 10 years, being at the rate of £10,000 per year.

Hon. H. Stewart: It was never intended the Government should take that money.

The CHIEF SECRETARY: The position regarding the operations of this particular clause was not understood. It was not understood that it would go on for 30 years, but that is how the provision appeared in the Bill. Hence the reason for its amendment, but now it is proposed that the local authorities shall pay nothing! The Government propose to waive the collections for 1926-27, and Mr. Stewart proposes to waive the rest.

Hon. H. STEWART: That is not so. I moved to insert "the years 1926-27 and 1928-29." I leave out the intermediate year, in accordance with the statement of the Minister for Works, which I have read.

Hon. G. W. MILES: The Committee should thank Mr. Stewart for having gone so thoroughly into this matter and made the position so clear. He pointed out that the petrol tax collected by the Government more than covered the contributions of 1926-27. So the Government are not waiving anything there, and I understand there is a surplus which will partly provide for 1927-28. The letter written by the Minister for Works to the Main Roads Board clearly showed that only the contributions for one year had been collected before this basis was adopted. Under Mr. Stewart's amendment the Government will not collect for 1926-27 nor for 1928-29, but will collect for 1927-28, and from 1929 onwards will get the 22½ per cent. of traffic fees. I will support the amendment.

The CHIEF SECRETARY: I strongly advise the Committee to exercise great care in dealing with this matter. I am afraid, indeed I am sure the Government will not accept the amendment. And if the amendment is not accepted by the Government, Section 30 of the Act will remain operative.

Hon. G. W. MILES: Surely the Government cannot go back on the written word

of the Minister for Works in the letter quoted by Mr. Stewart. In that letter the Minister said that contributions would be collected for only one year. It is the duty of the Committee to carry this amendment, for it will mean that the matter will be further considered.

Hon. H. SEDDON: I agree we should have more information before we vote upon the amendment. What puzzles me is how the select committee arrived at the basis of 22½ per cent., 15 per cent. and 10 per cent. for the three grades of road boards. I should like to see what figures the select committee had before them and upon which they arrived at that basis. It is necessary that we should have those figures in order that we might compare them with those quoted by Mr. Stewart, and also to enable us to determine how much the Government have allowed for in the loss mentioned by the Chief Secretary, namely, £100,000, calculated on the basis proposed in the amendment. In the absence of those figures we are asking the Committee to take a step in the dark. In view of the evidence contained in this report, I cannot understand how the select committee arrived at their recommendation. There must have been other figures submitted to that committee.

The CHIEF SECRETARY: Perhaps it would be better to report progress so as to afford opportunity for further inquiries.

Progress reported.

## BILL—ROAD DISTRICTS ACT AMENDMENT.

### *Second Reading.*

Debate resumed from the previous day.

HON. E. H. HARRIS (North-East) [6.9]: This Bill is somewhat on all fours with that which we had presented to us in 1925-26. In the earlier Bill were several clauses to which members took strong exception, but those provisions have been eliminated from the measure before us. Since it deals largely with the civic life of the State, the Bill should command the attention of members. Mr. Nicholson pointed to the desirability of a comprehensive consolidating measure. I, too, think that might have been better. Also we should have a consolidation of the Municipal Corporations Act. Indeed the Government promised to introduce such a mea-

sure three years ago. There are in the Bill before us some contentious clauses to which hon. members should devote a good deal of time before agreeing to them. The Bill extends and widens the powers of boards and grants entirely new powers, such as that of acquiring recreation grounds, and establishing reading rooms, libraries and hospitals. I understand that at present no such powers are granted to municipalities. Touching libraries, I might say that on the eastern goldfields we have the two municipalities of Kalgoorlie and Boulder, and that the occupied territory lying between them is administered by a road board. Each of the municipalities has a library, but there is no provision for one in the road board district. The Bill provides that road board districts may subsidise libraries. I should like to see it extended, so that the Kalgoorlie Road Board might subsidise the libraries in both Boulder and Kalgoorlie, where naturally the residents of the road district frequently assemble. From time to time the Government have urged uniformity of method in the casting of votes. I suggest the present is an opportune time for the Government to do something in that direction with the local authorities. Recently we had a Federal election, and as one who assisted in the scrutiny of votes I may say it was appalling to see the number of ballot papers upon which the electors had indicated their votes by crosses, as is done in both road board and municipal elections. The Bill presents an opportunity for the Government to introduce the preferential voting that obtains in all Commonwealth and State elections. Then we would have a uniform system, and so would minimise the number of informal votes cast. Even at this late stage the Chief Secretary might consider the desirability of submitting the necessary amendments to bring road board and municipal elections into line with those for the State Legislature. It has been seriously alleged that "district council" would be a more all-embracing designation than that of "road board." I do not want to argue much about that. Where we have two municipalities so close together as are Kalgoorlie and Boulder, with the intervening territory administered by a road board, we shall have district councillors and municipal councillors; and at the elections we shall have nominated groups of men, some of them bearing similar names and it will all be very confusing. I submit that if any alteration

be made, instead of "district council" we should have "road council," which I consider would be a much better name.

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

Hon. E. H. HARRIS: I consider that the term "road council" would be more appropriate than that of "road district." There is a further suggestion that a vice president should be appointed. In another place the Minister said that confusion had arisen through the absence of the chairman, when it had been necessary to appoint a vice chairman. If the President of this Chamber is absent or the Speaker of another place is absent, another member is put in his place. I do not know why the same principle should not apply to a road board when it applies to bodies of greater importance. It is proposed to dispense with some road boards whose general rates do not reach £600 a year. In the measure that was introduced in 1926 the limitation of £500 was embodied. On this occasion the amount has been increased to £600. In order to ascertain what boards would be affected, Mr. Hall asked a question in the House, and was informed that 12 or 13 of these local bodies collected rates which for two successive years did not reach that amount. I find that in the case of Nullagine, Port Hedland, Roebourne, Shark Bay and Tableland, the road boards could be wiped out or amalgamated into a lesser number, on the ground that the general rates did not exceed £600. Some stronger reason should be advanced for dispensing with these boards other than the statement that the rates do not reach a certain amount. If the Government can show that a board is inefficiently managed or that an unduly large percentage of the rates is absorbed in administration, some case might be made out against them. I should also like to know why the amount has been increased from £500 to £600. It may have been done with a view to effecting a compromise at £500, but, just as I said on a former occasion, I think a fair compromise would be £400 and not £500. I still maintain that if a board is fairly efficiently managed, £400 would be a more reasonable amount than £600. Mr. Stewart indicated that there was a board within his province whose rates did not reach £600, and who were complaining about the possibility of being abolished. The name of that board is not included in the list. The

other districts with the exception of Greenbushes, are on the goldfields. Big areas are involved. If a board has a large area to cover it may be discovered on some occasions that the administration will cost more than the particular job is worth. The boards may be amalgamated, but it is not convenient to have the office of the board in the centre of a large district. The Leonora district adjoins Menzies and embraces Leonora, and Mount Malcolm, and recently took in the Lawlers district. It has been suggested that the district might include Mount Margaret. According to the list, the rates were £346 in one year and £321 in another. The head of the line runs into this district. An attempt has been made to raise capital in London to re-open the big mines which have been closed down for many years. It is considered that special consideration should be given to that district. In the opinion of the departmental officers the Leonora board is one of the most efficiently conducted in the State. Regard should be had for the efficiency of the board as well as for the area that is covered by it. In introducing the Bill the Minister said the distances were extensive, and it was almost impossible for a road board as such to carry out its functions and render useful service in each and every part of the district under its control. I happened to hear his remarks. He did not put them in the sense that I am giving them now, namely of covering the area. He illustrated why the Bill provides for the appointment of committees to assist road boards. He pointed out the necessity for this by drawing attention to the huge areas that have to be administered. I suggest that his words have an application in another sense than that of covering the whole district. I should like to know from the Chief Secretary which boards it is proposed to abolish. Answering Mr. Hall's question he added a footnote that the clause in the Bill was a permissive one only, and that even if it was passed as printed the department would not abolish some of the boards at this stage. The Bill also deals with the term of office of a council, namely three years. Speaking in a political sense I would say the fight is always on. That is emphasised in this clause. Only a Government with a keen political sense would introduce a measure that could have for its object the election of all the members of a board at the one time. There might be a board which had

a certain loan policy under which works might be carried out. By terminating the period of office at the one time, a hue and cry might be raised over some paltry question, and members who had given long and efficient service might be thrown out of office without any regard being had to the work they had performed. This can be illustrated by the recent Federal elections. The ex-Prime Minister said there was a certain issue before the country, but a hundred and one others were introduced into the campaign. Probably only a small number of electors voted on the original issue. We had a Bill before us which warranted us in appointing a select committee to inquire how it was that ground was being acquired in the Claremont Road Board district. I understand that some of the sporting bodies decided that owing to the shortage of grounds they would establish their own. We might have an election of road district members to decide such a point, and on a small issue like that all the members of the board might be displaced. The system as it prevails in this Chamber provides for a continuity of policy and is the proper basis to follow. It would be more beneficial than to dispense with the whole of the members of the board at one time, and possibly over some trivial question. Some very sound arguments will be required to justify such an alteration. I should like to quote from the remarks of the Minister when he said that in the case of ratepayers who took a keen interest in the administration of the board, the alteration of the period would give them ample opportunity to voice their objections against any acts of administration or work of which they disapproved, and also to deal with any other matter that they considered to be of sufficient importance to be decided by way of a general election of the whole of the members of the board on the one day. This would amount to introducing into the governmental life of a road district or municipality a political atmosphere which would not be beneficial to it. I wish to direct member's attention to Clause 9. This amends the principal Act by providing that the deposit shall be legal tender or a cheque marked "good." I do not know why we have departed from the cash system, the procedure that is followed in other elections.

Hon. J. Nicholson: I do not think the banks would issue such a cheque now. They would issue their own cheque.

Hon. E. H. HARRIS: I do not know that it is beneficial to have cheques. If a person is nominating for a position, let him put up the cash. No reason has been assigned for such an amendment, but the Chief Secretary may be able to afford one. Sub-clause 5 of Clause 9 says—

The nomination paper shall be enclosed in a sealed envelope addressed to the returning officer or the secretary and endorsed "Nomination paper," and shall be opened by the returning officer at the time and place appointed for the nomination, and not before.

I want to give the reason why that clause is there and to rivet the attention of hon. members who do not believe in having everyone elected on the one day. All one would have to do to keep certain people from nominating when a sealed envelope is used instead of the present method would be to put in it the necessary pound note or the cheque, or even a piece of blank paper, and indicate that Mr. Drew or Mr. Kitson were candidates. The result would be that my friend, Mr. Brown, for instance, and myself would decide it was no good starting against Mr. Drew and Mr. Kitson because of their popularity. The outcome of it all might be that some other person would put in a nomination paper and he would be declared elected unopposed, because no one would know whether there were one or a dozen starters. That is a matter that deserves consideration when drafting this legislation. We should not do anything that would permit an undesirable thing to happen, or, to use a slang term, render possible a "frame-up" in connection with the nominations. If we adhere to the present system we shall have done all that is necessary to prevent what I have described happening. I also wish to draw attention to Clause 11 of the Bill which provides that an "employee" may be entitled to receive some consideration in the same way as an "officer." If I quote Section 129 of the principal Act I shall assist hon. members to see the point I wish to make. That section says—

On the resignation or death of any officer, or on the cessation or abolition of the office of any officer, the board may, with the approval of the Minister, cause to be paid to such officer or to such of his surviving relatives as the board may think fit, any gratuity not exceeding the amount of one month's salary for each year of the service of such officer.

I submit that the clause will enable a board to change the occupation of an employee or perhaps abolish his position and give him

another. For instance, the employee might be a stableman, and he becomes a motor driver by reason of the fact that a motor vehicle has taken the place of the horse-drawn vehicle. At the end of the year he takes his annual holiday and he claims a gratuity for one month which would give him a consideration for 313 working days, and at the basic wage of £4 17s. a week he would be entitled to 1s. 1d. a day. It frequently happens that the job on which a man is employed by a road board runs out. If we leave the clause as it is framed, it will permit the employee to make a claim on the board equivalent, as I have stated, to 1s. 1d. a day for all the working days of the year.

Hon. J. Nicholson: Look at the proviso of the clause.

Hon. E. H. HARRIS: Yes, but the parent Act provides that "on the resignation or death or on the cessation or abolition of an office of the employee." That is why I have drawn attention to the parent Act. Reverting now to the matter mentioned by Mr. Nicholson, the removal of ratable property. That is of some importance to road districts that are on the goldfields. It frequently happens that ratable property is removed from a block before the rates are paid. It is demolished or placed on a jinker for removal to another district. We have experienced great difficulty in that direction on the goldfields, so much so that road boards have had to frame a by-law not only to prevent folk removing rateable property, but to ensure that after the wood or iron or hessian building has been demolished, the rubbish remaining shall be cleared up to the satisfaction of the health inspector. When the Bill is in Committee I propose to submit an amendment on the lines embodied in the by-law framed on the goldfields to provide that before a building is demolished the owner shall give not 14 days' notice, as set out in the Bill, but that a deposit of £3 shall be paid to the board and held until such time as the block is cleaned up to the satisfaction of the local authority. Another important matter as it affects the goldfields roads districts is in relation to main roads that connect towns in the northern areas. With the rapid development of the pastoral industry, fences have been erected and it frequently happens that these are across the roads. I believe that in travelling from Kalgoolie to Meekatharra one has to go through no fewer than 86 gates. Pastoralists have

reason to complain that drivers of motor vehicles frequently leave those gates open. To overcome the difficulty, some pastoralists have erected cattle pits at those gates and have left a pathway just wide enough for the wheels of the vehicle to cross the cattle pit. I understand that this action is illegal, but it has given a good deal of satisfaction. The secretary of the Leonora-Malcolm Road Board, in writing to me on that subject, said—

These ramps are very prevalent in the Eastern States, and with the increase in motor traffic in this State are not only desirable but necessary. With adequate regulations covering construction and warning signs, they are perfectly safe, and for the convenience of travellers their erection should be compulsory when a road is fenced across.

I have made inquiries and have found that a number of these ramps have been erected. I was interested enough to look up the Bill that was introduced in 1926. In that there was a clause providing for cattle pits, but at the instance of Mr. Holmes it was struck out. Mr. Holmes vigorously attacked it and said that provision was being made for people with motor cars, but not by way of ramps. The difficulty that confronted us was that on the roads that were traversing the rabbit-proof fence or paddocks, the gates were left open, and rabbits found their way through. The ramps I refer to are exclusively used for sheep or cattle in pastoral areas and they are erected to the satisfaction of the local authorities. They are also of considerable help in the way of facilitating traffic. A pastoralist from the Lawlers districts who was in this Chamber a few days ago said that if he had known it was contemplated legalising these ramps he would have brought me a plan of one that had been erected on his station. He declared it was a very good safeguard and he would be pleased if they were constructed on other sections of the road over which people had to travel. Since this measure has been presented to us, other hon. members as well as myself have received a circular letter from the Road Boards Association. It includes this paragraph—

Marble Bar and Meekatharra boards wish to know the legality of building cattle pits on roads in connection with ramps for motor traffic. Advice sent that in the event of accident to the public and claim for damages, the board would be liable, as no legislation could remove the liability at common law.

I assume that is correct. I mention this so that it may be noted by the Chief Secretary. I have an amendment framed and I realise that the road boards who grant authority for the erection of the ramps will be accepting the responsibility. Whether the Minister will be prepared to accept an amendment on the lines I propose I shall be glad to learn later on. In the Bill we provide for power to be given for the erection of bowsters and tanks in main streets and on footpaths, and I understand that at common law there is a liability in this respect. If these works are to be carried out for the convenience of the people in the city, a similar convenience might be granted to people in the country. Regarding explosives in mining districts, these have to be removed three miles from a centre, but when it is a matter of convenience for the man with the motor car, a hole is dug in the ground regardless of the fact that any person might come along and light a cigarette while petrol is being poured into the tank. Some day I am expecting to hear that a big explosion has occurred during the process of filling one of these tanks, and the question will then arise as to who was responsible, the people who erected it, or the local body who gave the authority. I have little to add beyond stating that I shall support the second reading. I regret that the Bill is not more comprehensive in nature. I should have liked the Government to include some provision for altering the method of recording votes for local bodies. Some of the clauses that materially affect the rates of country districts should receive attention. I have not touched upon them because members representing those districts are better acquainted with the method of rating than I am, and it takes a good while to compare a Bill of this kind with the parent Act and satisfy oneself that the whole of the amendments proposed are desirable. I think the Bill is capable of being improved considerably in Committee, and I intend to make an effort in that direction.

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

## **BILL—AGRICULTURAL BANK ACT AMENDMENT.**

*Second Reading.*

**THE HONORARY MINISTER (Hon. W. H. Kitson—West)** [8.2] in moving the second reading said: This Bill embodies



three amendments to the principal Act. The first one contained in Clause 2 deals with a state of affairs similar to that which the amending Industries Assistance Bill was designed to meet. The crops of many clients of the bank have either been under bill of sale to the bank, or subject to orders on wheat buyers, etc., in respect of past due instalments and interest. When such liens have been paid, the settler has often found that he had not sufficient money with which to carry on, and the bank has deemed it necessary to refund a portion, or the whole, of the instalment received. This necessitated another mortgage, thus entailing additional expense and in some instances delay, and it is desired to give the client this facility without exposing him to expense or delay. The second amendment affects Subsection 2 of Section 15 of the Act of 1906, and provides for the increase of the trustees' fees from three guineas to five guineas per sitting. There has been no increase in the trustees' remuneration since 1909. The Act was amended some years ago by increasing the annual payment allowed by the Act, but to obtain the benefit of that increase, it would be necessary for the trustees to hold additional meetings. That is not desirable because the holding of additional meetings would interfere somewhat with the administration of the bank's affairs by the managing trustee, who would have to attend each of the meetings.

Hon. G. W. Miles: How many meetings are held each year?

The HONORARY MINISTER: It depends upon the amount of business, but I do not think that at any time the trustees have held sufficient meetings to exhaust the amount provided by the Act. The third amendment deals with the question of the amount authorised to be expended on bank premises. Section 2 of the Act of 1922 authorises the trustees to expend £10,000 on bank premises. That amount has been exhausted, and authority is now sought to increase the figure to £15,000. Office and residential quarters are urgently required at Salmon Gums, and it may be found necessary to find accommodation for officers in other isolated districts. I move—

That the Bill be now read a second time.

HON. J. CORNELL (South) [8.5]: I desire to direct my attention to the question of salary mentioned in Clause 3. I am pleased that after all these years an ade-

quate fee for sittings is being provided for the trustees other than the managing trustee for the important work they are performing. Few people have a true conception of the work devolving upon the trustees of the Agricultural Bank, or of the great responsibility entrusted to them. The country should be grateful that it has such an institution and such excellent administrators. I have looked up the parent Act somewhat hurriedly and am of opinion that the amendment contained in Clause 3 is not complete. Section 10 of the parent Act provides a fixed salary of £1,000 per annum for the managing trustee. That amount has already been raised by another Act to £1,500. The parent Act also fixes the fees at not exceeding two guineas for each board meeting to the other two trustees who attend, and it also stipulates that no trustee other than the managing trustee shall in his year of office receive more than £105 for such fees. This is based on the practice of the trustees holding one sitting per week. The 1909 amendment struck out the two guineas and inserted three guineas in lieu, and also increased the maximum amount that each of the two trustees might receive per annum to £150 guineas, thus preserving the average of one sitting per week. All that this Bill will do will be to substitute five guineas for three guineas without increasing the total allowance. That appears to be an obvious omission which should be corrected. I understand that the Bill, when introduced in another place, provided for four guineas, but the Leader of the Opposition, with his characteristic good nature, said he would like to see it raised to five guineas, and the Premier, with his characteristic good nature, agreed to the suggestion, and five guineas was inserted. Unless the total amount be increased to 250 guineas, the whole system of holding an average of one sitting per week will be upset.

The Honorary Minister: Are you sure that the total at present is not 350 guineas?

HON. J. CORNELL: The Bill says that the principal Act is amended by striking out three guineas and inserting five guineas.

The Honorary Minister: I am referring to the total remuneration.

Hon. J. CORNELL: The 1909 Act amends the 1906 Act.

The Honorary Minister: Has not there been an amendment since 1909?

Hon. J. CORNELL: Not according to the wording of the clause, because it specifically amends Section 2 of the 1909 Act.

Hon. G. W. Miles: This House could not increase the amount.

Hon. J. CORNELL: No, but this appears to be an Irishman's rise for the two trustees apart from the managing trustee. It will mean their receiving five guineas per sitting for a smaller number of sittings, but once they have reached the maximum, they will be unable to collect anything further. I feel sure the Honorary Minister will investigate the point because it is important. The trustees sometimes hold three, and four, sittings a week.

The Honorary Minister: And sometimes sit all night.

Hon. J. CORNELL: Yes, and I think I am safe in saying that they have sat on an average more than once a week. If an alteration of the clause is necessary, I hope it will be made. I support the second reading.

On motion by Hon. V. Hamersley, debate adjourned.

*House adjourned at 8.12 p.m.*

## Legislative Assembly.

*Wednesday, 6th November, 1929.*

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

### QUESTION—MIGRATION AGREEMENT SUSPENSION.

Mr. THOMSON asked the Premier: 1, Has his attention been drawn to a statement appearing in the "West Australian" of the 4th inst., wherein it is stated that Mr. Scullin, Prime Minister, proposes to suspend the Migration Agreement? 2, As the suspension may have disastrous results on the progress of Western Australia, will he give the House an opportunity to express its opinion on the proposed Federal action?

The PREMIER replied: 1, Yes. 2, I intend to await advice from the Prime Minister before committing myself to an ill-considered decision.

### QUESTION—ROAD CONSTRUCTION, ENGAGEMENT OF LABOUR.

Mr. SLEEMAN asked the Minister for Works: 1, How many men are at present employed on the Forrest-road job? 2, How many men were engaged at the Labour Bureau open pick-up? 3, How many were picked up quietly at the bureau on a letter from the foreman? 4, How many of these men were registered at the bureau prior to date of being picked up? 5, How many are working on the job who were put on at the scene of operations, and never went through the bureau for this particular job?

The MINISTER FOR WORKS replied: 1, Twenty-nine. 2, Five. 3, No men were picked up quietly, but four specially qualified men were selected through the bureau by the foreman. 4, All, as far as known. 5, Two (one ganger and one horse driver). In addition to above 18 men were transferred from the Coogee job.

### BILL—LOAN, £2,250,000.

Introduced by the Premier and read a first time.

### BILL—MINER'S PETHISIS ACT AMENDMENT.

*Second Reading.*

THE MINISTER FOR MINES (Hon. S. W. Munsie—Hannans) [4.35] in moving the second reading said: This is a short Bill and only two principles are contained in the four clauses. Members know the