

Legislative Assembly,*Wednesday, 13th November, 1935.*

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

ASSENT TO BILLS.

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

1. Supply (No. 2) £1,500,000.
2. Brands Act Amendment.
3. Droving Act Amendment.
4. Tenants, Purchasers and Mortgagees' Relief Act Amendment.
5. Health Act Amendment.
6. Rural Relief Fund.

QUESTION—BUSH FIRES.

As to Amending Legislation.

Mr. WATTS asked the Minister for Lands: 1. In view of the extensive damage caused by bush fires in country districts from time to time, is it his intention to introduce legislation this session to amend the Bush Fires Act to enable local authorities to organise and assist rural bush fire brigades? 2. If so, will the legislation provide for carrying into effect all or any of the resolutions passed at a conference of local authorities, farmers' organisations, and others held at Katanning on the 7th September, 1935?

The MINISTER FOR JUSTICE (for the Minister for Lands) replied: 1. No. 2. Answered by No. 1.

**QUESTION—GOVERNMENT
DEPARTMENTS.**

Audit of Accounts by Auditor General.

Mr. RODOREDA asked the Treasurer: 1, Is it a fact that the Metropolitan Water Supply Department and the Workers' Homes Board pay for an audit of their accounts conducted by the Auditor General? 2, Is it a fact that the Auditor General did not report to the Treasurer the result of his audits for the years as under:—(a) Workers' Homes Board, 1924-1934; (b) Metropolitan Water Supply Department, 1926-1930? 3, If he did so report, will the Minister state on what dates and in respect of what years?

The MINISTER FOR JUSTICE (for the Treasurer) replied: 1, No payment is made by the Metropolitan Water Supply Department for the audit of its accounts but a charge for the work appears in the departmental accounts. The Workers' Homes Board pays for the audit work. 2, (a) Yes. (b) Not entirely—a report for the year 1929-30 was submitted. 3, The report on Metropolitan Water Supply accounts for 1929-30 was submitted on 17th October, 1930.

**QUESTION—GOVERNMENT
WAGES BILL.**

As to Payment Weekly.

Mr. CLOTHIER asked the Treasurer: 1, What is the fortnightly wages bill of the State Government for all departments? 2, Would the Government consider payment of wages weekly in order to increase the velocity of purchasing power of this money?

The MINISTER FOR JUSTICE (for the Treasurer) replied: 1, The approximate amount is £215,000. Actual sum varies from time to time, due to fluctuations in number of employees, wages rates, etc. 2, Sustenance men engaged within the metropolitan area are paid weekly, also a number of other wages men employed in trading concerns, and under awards which provide for weekly payment. Extension of weekly payment to all employees would require very careful consideration. Great difficulty would be experienced in country areas, and in

other cases the work involved would be exceptionally heavy.

QUESTION—PUBLIC SERVANTS.

As to Retirement.

Mr. CLOTHIER asked the Treasurer: 1, How many men are employed under the Public Service Act who had attained the age of 60 years at the 30th June, 1935? 2, How many of them are eligible to receive a pension when they are retired? 3, What is the difference between the classified salaries and the amount they would receive as pensions? 4, Would the retirement of the majority of those men afford an opportunity of promotion for the younger men in the service and also the placing of more men in employment?

The MINISTER FOR JUSTICE (for the Treasurer) replied: 1, 84. 2, Approximately 50. 3, Pensions payment has to be computed in each individual case and is dependent on the years of permanent service. The maximum pension is 40/60 of the average salary for the last three years of service. 4, Yes, but recruitment would follow from the junior ranks.

QUESTION—CANNING BRIDGE.

As to Widening Approach.

Mr. CROSS asked the Minister for Works: 1, Is he aware that the ex-Minister for Works (Hon. A. McCallum) promised a deputation to widen the eastern approach to the Canning Bridge? 2, Is he aware that the present eastern approach to the bridge is extremely dangerous? 3, In view of the construction of the proposed new road to the bridge and the new 24-inch water main to cross the Canning River at that point, what action does he propose to take to improve the present unsatisfactory approach?

The MINISTER FOR WATER SUPPLIES (for the Minister for Works) replied: 1, No. 2, No. 3, The matter is under consideration.

BILLS (2)—THIRD READING.

- 1, Metropolitan Whole Milk Act Amendment.
 - 2, Lotteries (Control) Continuance.
- Transmitted to the Council.

MOTION—HOMES LEGISLATION.

As to Powers for Local Authorities.

HON. J. CUNNINGHAM (Kalgoorlie) [4.36]: I move—

That in the opinion of this House, the Minister controlling local government should introduce legislation to enable municipal councils and road boards to acquire land and erect homes for sale under the hire purchase system to those persons desirous of buying homes under such conditions.

My object in submitting the motion is to enable some relief to be given to the workers in the goldfields areas. We have frequently approached the Workers' Homes Board with a view to their granting some relief by providing additional homes for the people but, as has been pointed out on previous occasions in this House, the board are not desirous of extending the operation of the Act to the goldfields areas. That seems rather a strange procedure on the part of the board, more especially when we remember that during recent years the board have seen fit to erect homes in agricultural areas. There was a time in the history of the goldfields when we had a depression in the mining industry, and during that period no fewer than 1,600 houses were sold, dismantled and transported to other parts of the State. Consequently, to-day there is an acute shortage of housing accommodation. The Workers' Homes Board are apparently afraid to trust the future of the mining industry, but let me say that the same might apply also to the agricultural industry. A depression exists in the agricultural industry at present. The same also applies to group settlement. Some few years ago the authority controlling group settlement provided homes on hundreds of group farms, since which many of those homes have been sold and transported to other districts. Hence I cannot understand the attitude of the Workers' Homes Board to the goldfields. It would appear that depressions occur in cycles, not only in mining but also in other industries of the State. However, the position is that an acute shortage of housing accommodation exists in our goldfields areas. I referred to the fact that 1,600 houses had been dismantled and removed. They were removed from the Kalgoorlie and Boulder districts, the larger proportion of them from the Boulder district. As the population of the goldfields has increased enormously, housing

accommodation has become scarcer, and, in view of the disinclination of the Workers' Homes Board to afford any relief by providing homes for those desirous of securing them under those conditions, we must look around and, if possible, make provision in some other way. Under the Municipal Corporations Act there is no provision that would permit municipal councils to acquire land, erect homes thereon and sell them to the people. The same remark applies also to the Road Districts Act. Road boards are not permitted, under the Act, to acquire land, erect homes thereon and sell them to the people. During 1929 a Road Districts Act Amendment Bill was submitted to and passed by this Chamber, and it embodied such a principle. That Bill was one of the slaughtered innocents of the session; it passed this Chamber but failed to pass another place. Anyhow, this House has thus already acknowledged the principle that road boards should have power to erect homes for sale to the people. On that occasion the provision was introduced mainly to enable road boards to provide homes for their own employees, but, notwithstanding that fact, the principle has been approved by this House. In the event of legislation being introduced on the lines indicated in my motion, it would be necessary to amend both the Acts to which I have referred, and also to clothe municipal councils and road boards with authority to borrow with the consent and under the control of the Treasurer. For that there is also a precedent. During 1927-28, Parliament passed an amendment to the Water Boards Act to permit of the creation of water boards in various parts of the State to control the local water supplies. Authority was provided by way of an amendment to the then parent Water Boards Act to allow water boards to borrow money with the consent and under the control of the Treasurer in order that they might put in hand new works and extend existing works. Therefore I am of opinion that, by the introduction of two short Bills, the necessary authority could be provided to enable municipal councils and road boards to undertake this desirable work. Let us consider the conditions under which many people on the goldfields are now living. They are living in shacks; many of them have not the substantial cash balance with which to provide anything like a decent home for

themselves. Let us consider the wonderful prosperity of the mining industry, and how proud we are on every possible occasion to make known throughout the State, throughout Australia, and in the Old Land that gold mining is booming. In doing so, it seems to me that we momentarily forget those who are actually digging the gold out of the ground and the conditions under which they live. I think this House should be fully alive to those conditions and should make provision, by Act of Parliament, whereby remedial measures may be adopted with a view to bringing about an improvement in the housing conditions of the people concerned. For some time past goldfields members have been bringing this subject under the notice of the House, especially on the Address-in-reply. On the Estimates also we have referred to the scarcity of homes for goldfields people. However, we seem to get no further. There is another method available, but to avail ourselves of it we would have to utilise the machinery already created under the Workers' Homes Act. Seeing that the Workers' Homes Board are disinclined to accept any responsibility whatever regarding homes on the goldfields, I do not know that it is desirable that the Treasurer should make any money available, from whatever source obtained, to be handed over to the board for expenditure. The proposition I have submitted is much more workable. I consider that the local authorities existing in this locality are far better qualified to take in hand the raising of money and its expenditure, and also the designing of standard homes on the fields, than the Workers' Homes Board are. That is why I have submitted the motion. It may be argued that the functions of a local authority should not include the erection of homes. From my experience, extending over a number of years, I hold that we should enlarge the functions and activities of the local governing authorities. We realise that they are doing useful work. They have the necessary machinery to carry out these functions. They are, as it were, on the job in the locality where in this instance increased housing accommodation is necessary; and in my opinion they are the bodies that should be entrusted with the expenditure of the moneys required for the purpose. So far as my own municipality of Kalgoorlie is concerned, since 1930 that

municipality has issued not less than 576 permits for the building of additional houses. Out of that number about 500 have been built at a cost of £150,000. The whole scheme of building by private enterprise will mean a total expenditure of £170,000. It will be seen, therefore, that those mostly concerned, goldfields investors and goldfields residents, have confidence in the district, having shouldered an expenditure of not less than £150,000 during the last five years. However, the money available is becoming exhausted. Goldfields investors no doubt find other avenues for investment where profits are much larger and returns perhaps come in much more quickly than from the expenditure of money on the construction of additional houses. But the main feature concerning my motion is the deplorable conditions under which goldfields people now live. Many of them do not inhabit houses at all, but live in shacks, more especially in road board districts remote from Kalgoorlie. The motion, if acted upon, will not apply only to the Kalgoorlie and Boulder municipalities but also to the road board districts north and south of Kalgoorlie, and right through to Wiluna as well. There is an acute shortage of housing accommodation, and Parliament should make some provision to meet the want. The Government's responsibility is there. If the money cannot be made available through the Workers' Homes Board, we must look for some other means of providing homes for goldfields people. That can be effected by short amendments of the Road Districts Act and the Municipal Corporations Act, clothing those local governing authorities with the necessary power to borrow money for acquiring land and erecting homes for the people. Therefore I submit the motion for favourable consideration by hon. members. I also submit it, through the House, for the Government's most favourable consideration, and also for immediate action in the way of introducing into this Chamber the necessary amending measures to provide relief for people who may be described as homeless on the goldfields, who are living under conditions under which they should not be permitted to live, and who are deserving of more consideration and of a better existence than they are getting at the present time.

On motion by the Minister for Water Supplies, debate adjourned.

NOTICE OF MOTION—SUSTENANCE WORKER'S INJURY.

HON. W. D. JOHNSON (Guildford-Midland) [4.50]: With reference to the Notice of Motion standing in my name—

That in the opinion of this House a special board should investigate the extent of injury sustained by a sustenance worker named Alfred Belsey, with instructions to fix the amount of compensation that should be paid—

I desire to state that Dr. Mackenzie has sent for the injured worker, and that I propose to leave the matter at that. I believe it will be satisfactorily arranged.

BILL—WORKERS' HOMES ACT AMENDMENT (No. 3).

Received from the Council and, on motion by Mr. McDonald, read a first time.

BILL—FINANCIAL EMERGENCY TAX.

Returned from the Council without amendment.

MOTION—MONEY-LENDERS ACT.

To Inquire by Royal Commission.

Debate resumed from the 6th November

on the following motion by Mr. Raphael:—

That in the opinion of this House a Royal Commission should be appointed to inquire into the methods adopted by money-lenders in this State as regards the computing of interest charged to clients.

THE MINISTER FOR JUSTICE (Hon. J. C. Willcock—Geraldton) [4.53]: I think most hon. members will agree that the mover is to be commended on having brought this matter before the House for the purpose of ventilating the practices, methods, and abuses existing in connection with money-lending, particularly in the city. Undoubtedly hardships are being suffered by many people who, unfortunately, have to avail themselves of the facilities offered by money-lenders. We have on the statute-book an Act which deals with that position. The mover himself, having given numerous instances of excessive interest charges, said that when people decided to exercise the-

facilities provided by the law, those abuses of which he complained most gravely were found to be capable of adjustment. In fact, the hon. member gave one instance of immediate adjustment when a claim backed by threat of legal proceedings was made on the money-lender concerned. Therefore it does not seem to be the case that the law itself it at fault. Rather it is the people who make use of money-lenders and get themselves into a position where they are afraid to take legal action and thus disclose their financial position in court who are at fault. They prefer to submit to the indignity and what I may term the robbery, involved in paying something which they are not supposed to pay, and which the law protects them from having to pay. However, they pay rather than go into court and disclose their position. In those circumstances it is not the law that is at fault. Unfortunately, some money-lenders are prepared to take advantage of persons in necessitous circumstances. We cannot protect people from themselves. If people like to make contracts tremendously to their disadvantage with other persons, if they like to be foolish in their own interests—and such people are always to be found; “A mug is born every minute”—the fault does not lie with the law. At times the needs of persons are so great, and their anxiety to obtain money is so paramount at the particular time, that they will sign almost anything in order to get over some temporary difficulty, hoping that they will be able to liquidate the liability incurred to the money-lender, even though they themselves may think that the bargain they are making is extremely one-sided and that they should be given some protection. We can moralise and say that people should not place themselves in this position. However, unfortunately they do. We are not dealing with what people should do, but with facts as they exist. The law is that anyone who charges over $12\frac{1}{2}$ per cent. per annum interest is a money-lender and that he cannot recover more than the amount of the debt and interest at the rate of $12\frac{1}{2}$ per cent. unless a contract has been made. Anyone lending money at less than $12\frac{1}{2}$ per cent. is not classed as a money-lender, and has not to be registered. The law also provides—and here the member for Victoria Park (Mr. Raphael) seemed chiefly concerned—that a copy of the contract, or at least a memorandum setting out full particulars of

the bargain, is to be supplied to the borrower. The burden of the hon. member's complaint in many instances was that people did not get copies of the contracts. The law says they must get copies, or a memorandum setting out the details of the bargain. If that is not supplied to the borrower when a demand is made for a higher rate of interest than $12\frac{1}{2}$ per cent., the bargain can be set aside and action can be taken in any court of law to resist the recovery by the money-lender of more than $12\frac{1}{2}$ per cent. The position is that rather than defend an action brought by a money-lender, people seem willing to pay—this in preference to letting others know that their position had been such as to make them fall into the hands of the money-lender. The law as it stands is entirely adequate to give protection, and therefore the law does not need altering. The mover says Parliament should not allow money-lenders to do these things. Parliament does not allow them, and the law does not allow them; but some individuals allow themselves to be placed in the position I have described. They do not desire to defend an action, and consequently they pay something which they are not legally liable to pay in the circumstances. A good deal of money-lending business is carried on by bluff. People are bluffed into doing things. The mover gave instances where accounts which had been rendered to the borrower were not true accounts; and where, upon the borrower disputing the account, the money-lender said, “The account rendered is quite correct and will have to be paid.” However, when a threat of defending an action at law was made, an adjustment was immediately forthcoming; and in one instance, I understand, a rebate was given to the borrower. It is no use saying that Parliament should not allow these things. Parliament does not allow them, and the law does not allow them. People allow these things to be done because they will not avail themselves of means which are available for protection from the rates of interest charged by some money-lenders into whose hands such people have delivered themselves. There is abuse, and an unreasonable attitude is adopted regarding these matters. The money-lenders say that if the person who borrows the money cannot provide adequate security, the consequent risk is so great that they are entitled to charge a high rate of interest.

They adopt that attitude because of the possibility and, I suppose, in many instances the probability that the principal will not be repaid, much less the interest accruing.

Mr. Doney: I do not think there are many who can get the money without furnishing adequate security.

The MINISTER FOR JUSTICE: I do not think that is quite so. The money-lenders will lend on the personal security of the borrower, if they think he is all right. Doubtless they do make mistakes at times.

Mr. Doney: Then in that instance they would regard the personal security as ample.

The MINISTER FOR JUSTICE: If the borrower is in what the money-lender would regard as a reasonably permanent position, he is willing to lend the money but he charges a high rate of interest. Of course, men who borrow in those circumstances, although they have what appears to be a permanent position, sometimes vacate their posts and then the lender is frequently left lamenting. The point, however, is that the money-lender does not provide money, in most instances, without the backing of a person who is in a better position to pay than the actual borrower.

Mr. Doney: Again, that is what I say; the money-lenders have ample security.

The MINISTER FOR JUSTICE: Generally, they see to it that another person gives his signature and in those circumstances the money-lender has a greater chance of securing the repayment of the loan. The money-lender charges the high rate of interest because someone is available to back the bill for the borrower. To my mind it is extremely foolish for anyone to back a bill for someone else. I have had one experience along those lines myself and it has lasted me my lifetime. In too many instances the man who backs the bill has to pay. It would be far better for that individual to provide the money himself at a reasonable rate of interest rather than back the bill for his friend, as in most instances the borrower has to pay an extremely high rate of interest. Why a man should back a bill for another individual in such circumstances I cannot understand, but the fact remains that the practice is adopted. In some instances it may be a case of, "If you do it for me, I will do it for you." It may be that it is a matter of arrangement between the two individuals

concerned. Very often, too, the borrower tells his friend that if he will only back the bill for him he can secure the money. When there are the two signatures, the money-lender has two chances of being repaid. Sometimes the man who has backed the bill goes to the borrower and reminds him that he has backed the bill and suggests that the borrower in turn should back a bill for him. In such circumstances both individuals are able to secure loans.

Mr. Thorn: That is high finance.

The MINISTER FOR JUSTICE: Yes. The double security is better for the money-lender because he has two persons against whom he can take steps to recover his money. Another matter mentioned by the member for Victoria Park was the lending of money through other people. There are many money-lenders who carry on business on their own account. As in other avenues, some of them have not sufficient capital, and they obtain additional funds from other people, in respect of which they provide a high return by way of interest. The law provides that money-lenders must carry on business in their own names or under a trade name. If the latter course is adopted, the person must register his own name with the registrar at the court. Another point raised was with regard to the loans made and the interest added. The member for Victoria Park pointed out that a man might borrow £27, but would sign a contract to repay £30. I think he said that the interest for the first month was added to the principal and thus the borrower signed a contract making himself responsible for the repayment of £30, although he merely received £27. A contract of that description would be contrary to the law. Section 12 of the Money Lenders Act provides that such loans must be made in current money; bank notes or cheques, and the payments must be "made in full without any deduction for interest or otherwise . . ." Therefore, borrowers need not sign contracts of that description, unless they secure the whole of the money mentioned in the document. Notwithstanding that fact, however, it is well known that when people require money they are willing to place themselves in the hands of the money-lenders and sign what documents are placed before them. Nevertheless, according to the law, the money-lender cannot recover from them anything above the

amounts for which they signed, provided the borrowers did receive the sums mentioned.

Hon. C. G. Latham: It is difficult to legislate to protect such people.

The MINISTER FOR JUSTICE: Of course. It is difficult to legislate to save people from being foolish. Many of them are taken down because their necessities are so great that they take risks they should not accept.

Hon. C. G. Latham: They get out of one difficulty and land themselves in worse trouble.

The MINISTER FOR JUSTICE: That is so.

Mr. Sleeman: But there is the necessity to protect such people against themselves. They should not be charged interest at the rate of 120 per cent.

The MINISTER FOR JUSTICE: In those circumstances, money-lending should not be permitted at all. The member for Victoria Park mentioned accountants who lent themselves to rendering accounts on behalf of the lenders. Of course that is quite a usual practice, but if the accountant were to undertake legal work, he would be liable to prosecution. No doubt action would be taken if such matters were brought before the proper authority. As to sending out accounts, there are hundreds of business people who engage accountants to send out their accounts, collect money, furnish receipts and so forth. That practice need not be prevented, because that is not an abuse. What does constitute the abuse, according to the member for Victoria Park, is the rendering of accounts that are incorrect and false. If persons render accounts with the object of obtaining money by fraudulent means from people not entitled to pay the amount claimed, they are liable to prosecution under the Criminal Code. The money-lenders, however, always rely upon the fear of the borrower in order to get them out of difficulties of that description. It was quite proper for the member for Victoria Park to mention many of these matters and it is right that they should be ventilated. Those who are forced to secure money from the people referred to by the hon. member are entitled, from the publicity given to the debate, to be informed as to what protection the law affords them. There are several matters respecting which the law could be altered. For instance, the member for Fremantle (Mr. Sleeman) indicated that

there should be a limitation placed upon the interest charged, whether under contract or otherwise. Where the security provided by the client is unsatisfactory, he may be required to sign a contract to repay the principal lent plus interest at the rate of perhaps 60 or 80 per cent. per annum. If a man is in such an unfortunate position and has no adequate security to furnish at all, the law should prohibit him from being allowed to borrow. That course should be adopted in the interests of the individual himself. That phase is worthy of consideration. We might also deal with the rendering of accounts that are false, but such a provision would be drastic unless it could be proved that the accounts were rendered with the object of obtaining money by means of fraud. An honest mistake in the rendering of an account should not throw an individual open to liability for punishment. On the other hand, if it could be shown that an account was faked in order to secure an amount from an individual who did not rightly owe the money, a drastic penalty could be provided. Of course, the mere rendering of an account does not make the borrower liable to pay the amount stated. If he has his contract, he knows the terms under which the money was lent and what he has to pay. If the man is illiterate, he can get someone else to check the account and ascertain whether he has been charged more than the correct amount. If the account is for an amount greater than it should be, the individual should not pay it. Of course there again there is always the fear of publicity that sometimes prompts such people to pay more than they ought to. We cannot amend the law to prevent that sort of thing. Our law courts are available for the protection of people who consider they have been unfairly dealt with. If legal action is taken, the money-lender must substantiate his claim in court. If the borrower can produce his contract to demonstrate that the account is for an amount greater than it should be, the court will give him a verdict and in those circumstances it will not cost the individual anything, especially as he can defend himself. In the circumstances I hardly think a Royal Commission is necessary to deal with this matter. We know what is going on, and the methods that are adopted. We know the abuses that exist and the reason for them. The principal reason is that people will allow themselves to submit to the abuse

rather than take action to protect themselves with the consequent publicity attached to such a course. I have already pointed out that to a great extent adequate protection already exists in the law as it stands to-day. If the member for Victoria Park desires any assistance in framing a Bill to amend the Act, I am willing to give him all the help I can. The Parliamentary Draftsman is available to assist in framing amendments the hon. member may desire, and I suggest that one particularly requiring consideration is that relating to a limitation upon the interest that may be charged. I do not think anyone should be allowed to borrow at all if the security he can offer is so unsatisfactory that he has to be charged interest at the rate of 100 per cent. or so. That business should not be allowed to go on at any price. Possibly we could make some effective amendment of the law, providing that whether under contract or otherwise, nobody shall be allowed to charge extortionate interest on comparatively small amounts. There should be some limit to the interest rate charged in this business, so that if people have to borrow money, at least they will be able to borrow it under reasonable terms, having regard to the circumstances. It may be thought necessary that contracts should be made under which compound interest shall be charged on any amount borrowed for a period of not less than 12 months. Compound interest might be all right on an annual basis, but it is wrong when a man borrows £10 for a month and has to pay 10s. for it, and then if he does not pay up the 10s. he has to start to pay interest, not only on the £10, but on the £10 10s. Thus if he remains unable to pay the interest, at the end of 12 months he is paying or has to pay compound interest on the £5 which has become due month by month. Before compound interest is charged at least a year should go by, and then the arrears should be capitalised and interest charged on the capital sum. But at present one might borrow £10 for a week, and if he does not pay up he has to pay interest on the interest he has not paid. Those are one or two matters in which, perhaps, an amendment of the law would be desirable, but in ordinary circumstances the law gives a fairly large measure of protection. It is not the law which is at fault, but those people who allow themselves to enter into

such contracts. We do not require a Royal Commission to establish the facts, for they are pretty well known.

Hon. C. G. Latham: Known to all of us.

Mr. Raphael: But every day fresh evidence is coming forward.

The MINISTER FOR JUSTICE: You do not require a hundred sets of evidence to establish a fact; it can be established by one set of evidence.

Mr. Raphael: But there are new facts coming forward.

The MINISTER FOR JUSTICE: I do not know that we can make much alteration in the law.

Hon. C. G. Latham: We could amend it so as to tighten it up a bit.

The MINISTER FOR JUSTICE: Yes, but it is unnecessary to have a Royal Commission to establish these facts. The hon. member himself knows them, and we all know them.

Mr. Raphael: It could be an honorary Royal Commission.

Hon. C. G. Latham: You would require a qualified man for the task.

The MINISTER FOR JUSTICE: Yes, you would want a qualified man to conduct the inquiry. Most of the abuses seem to lie largely in the bluff that the lender puts over the borrower. The law gives borrowers ample protection, but they do not want to take advantage of their position under the law, and so they allow themselves to be bluffed. I think we could so amend the law as to meet the known circumstances. If we were to do that, people in necessitous circumstances could borrow money with some respect to themselves, and take sufficient courage to themselves to go to the court and defend any action that might be brought against them. Then the abuses under the system would be tremendously minimised as against what happens to-day.

MR. NORTH (Claremont) [5.20]: The member for Victoria Park (Mr. Raphael) has brought forward an important matter which I think is worth debating. I had a case brought under my notice not long ago. A lady borrowed £15 and, instead of signing the ordinary agreement, she was induced to sign a hire purchase agreement covering her own furniture. So really this lady was buying from the money lender her own furniture, worth about £70. When

she had paid back £15 or £16 at the rate of £2 per month she was still owing a lot more and could not keep up her payments any longer. So she came to me. At that point she was about to lose the whole of her furniture, worth, as I say, about £70, notwithstanding that she had paid back £15 or £16 plus interest. I looked up the money-lender, whom I found in another district. He was shocked at the threatened publicity and agreed to relinquish the alleged balance of the debt. Actually he had been paid more interest than he had asked for, and in view of the irregular nature of the document—a hire purchase agreement—he agreed to clean up the business and let it go. He had had his money back, together with a large sum in interest. At all events the woman saved her furniture. The point occurs to me that it might be possible to amend the law to a slight extent, and provide that the witnessing of such documents should be done by a person who would be capable of explaining what the documents meant. For instance, suppose a document was witnessed by an ordinary justice of the peace; he could explain to the parties, especially the borrower, that the borrower was signing, say, a hire purchase agreement. This woman whose case I have related did not know what she was signing for. She thought she signed for the £15 with interest, and agreed to pay back at the rate of £2 per month, but as a fact this man had transferred to himself her furniture, which he then owned, and was selling it to her afresh. Then at the slightest fault on the part of the borrower, the lender collects the whole lot. The lady came to me and the business became pretty well known in the district, and so the money-lender had a terrible shock when he heard of it. Could it not be provided that the witnessing of such documents shall be by a person who can explain them? Then if a document were found to be a hire-purchase agreement, it would be for the person witnessing the document to explain what it was and add that it was not the correct document. I checked up that money-lender's license, which as a fact permitted him to charge the rate of interest he had charged. There is an instance of a money-lender being so anxious to avoid a penalty that he gets hold of a new document which renders the transaction very different from what the

lady thinks it is. We could arrange that the witnessing of the documents should be by some person who could explain them, at least superficially, and if it be found that the documents are not the correct documents, they could be declared void.

MR. MARSHALL (Murchison) [5 25]: I believe there is urgent necessity that attention should be given to the agents of those carrying on the business of money-lenders. I cannot support the Minister's view that there is nothing we can ascertain which would be of any great importance to the Government in the framing of legislation to overcome much of the exploitation on the part of those money-lenders. I have no desire to be misunderstood; there can be no doubt there are many people carrying on the business of money lending who keep within the law, and deal with their clients in a fair and just manner. At the same time, there is no doubt whatever that there are other individuals who pay no respect to the law, nor to the position of the borrower. I have no special case to quote, but on many occasions people have conferred with me in regard to the difficulties that have confronted them because of their transactions with money-lenders. Some of those cases present instances of sheer exploitation. In order to answer the Minister's statement that we know all that happens—

The Minister for Justice: I did not say that.

MR. MARSHALL: Perhaps not exactly that, but that was the effect of the Minister's remarks. He suggested that we knew sufficient in order to satisfy ourselves that the law might be amended in certain directions. I remind the Minister that when the member for Claremont (Mr. North) resumed his seat, it was clear to all of us that there is a lot going on of which we know nothing. I know of no law that could not be evaded by some of our money-lenders. I do not say that the money-lender is always outside the law, but there are many occasions when he is, and when he refuses to comply with the law as it appears on the statute-book. The case quoted by the member for Claremont is one in point. There, in order to evade the law under which he was carrying on, the lender devised a method by which he could get fairly good security while exploiting his client even to the extent of depriving her of the furniture in her home. Yet no doubt he was within the law

legally, although morally he was nothing better than an exploiter. How many more such cases may there be if only we knew of them? The member for Victoria Park (Mr. Raphael) who moved this motion seemingly framed it without giving due consideration to the whole of the facts.

Mr. Raphael: So many facts came up after I had framed the motion.

Mr. MARSHALL: The hon. member will agree that to ask that a Royal Commission be appointed to inquire into the one matter only, the computing of interest, would be to ask for something that would be of no effect. The Royal Commission, if appointed, could call upon money-lenders and say, "Let us see how you compute your interest," and there the matter would end. Such a Commission could not return any results at all. I am of opinion that there are some money-lenders who do not comply with the law and there are some of them that use other methods of evading the effects of the law. Those are the avenues which a Royal Commissioner might successfully exploit.

Mr. North: How about a State pawnbroking department?

Mr. MARSHALL: I am not prepared to discuss that point. Apparently it would be very profitable if the State followed the procedure of some money-lenders.

Mr. Sleeman: There would not be much in the way of deficits.

Mr. MARSHALL: No. I do not think it is possible for any Government or private member to frame legislation at the moment that would do away with the intricacies, anomalies and injustices that prevail, without further information concerning the tactics adopted. It is along such lines I would desire a Royal Commission to hold an inquiry. The motion should be amended to provide for an inquiry into the business methods practised by money-lenders and other matters relating thereto.

Mr. Hawke: Why not delete all the words after "State"?

Mr. MARSHALL: That might provide for a wider scope to a Royal Commission. If that amendment were agreed to, the motion would read, "That in the opinion of this House a Royal Commission should be appointed to inquire into the methods adopted by money-lenders in this State." My amendment would be equally all-embracing. I am not concerned which amendment is adopted, but I suggest that the member for Victoria Park accept my amendment. The scope

allowed to a Royal Commission by the motion is not wide enough, nor would the inquiry be effective with that limitation. If a Royal Commissioner were able to indicate in his report the channels that might be exploited with a view to more effective legislation being brought down for the protection of those persons who were being victimised, so much the better. I agree that unfortunate people will continue to borrow money, and that in many cases they hardly know what they are doing when they borrow it. A person is very foolish to go to a money-lender. Only in very few cases cannot the difficulty be overcome by other means. From what I can see of things to-day, the borrowing of money from a money-lender merely postpones the time when the crisis will arise. If a man is in financial difficulties and cannot meet them on his income, he has either been a spendthrift or his income will be still further reduced by the interest he will pay on the money borrowed. It will be a question of borrowing from Peter to pay Paul, and very soon Paul will catch up.

Mr. Sleeman: A drowning man will clutch at a straw.

Mr. MARSHALL: It may save him at the time, but it would be better for people to face their difficulties than to have the position aggravated by borrowing money, as they do to-day. No doubt numbers of people find it convenient to get temporary accommodation of this sort to tide them over their immediate difficulty. From information I have it is evident that people have foolishly dabbled in borrowing money when they need not have done so. Had they endured the hardships and sacrifices a little longer, they would be better off in course of time. It is easy to borrow money, and money-lenders have so many ways of leading people into pitfalls. I do not know that any law would prevent that sort of thing. When the report of the Royal Commission comes before us, we can compare it with existing legislation, and with the aid of our own knowledge, and the evidence that has been obtained, we might be able to frame amendments for the protection of people finding themselves in financial difficulties.

Mr. J. H. Smith: Would the hon. member cut out the words "computing of"?

Mr. MARSHALL: No. I move an amendment—

That after the word "client" in the last line, the following words be added:—"The busi-

ness methods practised, and other matters relating thereto."

Amendment put and passed.

MR. McDONALD (West Perth—on amendment) [5.40]: It is not without advantage that the House should have discussed this question. The member for Victoria Park is perhaps to be thanked for initiating the discussion upon the practice of money-lending. I hope, however, the House will not agree to the appointment of a Royal Commission. My views are in accord with those expressed by the Minister. Everything about money-lenders is well known.

Hon. C. G. Latham: We know they go back to the time of Shakespeare.

Mr. McDONALD: The literature of our country is to a large extent the literature of money-lenders. Our Parliamentary draftsmen know the customs of money-lenders and the various devices followed. The taking of a hire purchase agreement as a means of getting security for money advanced is a familiar method adopted by some money-lenders. If the hon. member wishes to bring amendments to the Act before the House, he can, by consulting the Parliamentary Draftsman, or by talking the matter over with any lawyer, find out the necessary details concerning the methods adopted by money-lenders and the devices resorted to so that they may get more than they should, and securities they ought not to have. Substantially the Money Lenders Act is not a bad one, it is a fairly good one. It might be improved in certain directions, some of which have been referred to by the Minister.

Mr. Sleeman: Very bad things are done under it.

Hon. C. G. Latham: Done really outside it.

Mr. Sleeman: But the money-lenders keep within the law.

Mr. McDONALD: People are entitled to redress when that is warranted. Even if a law were made that no interest should be charged at a higher rate than 10 per cent., people would still borrow money at extortionate rates, though steps could not be taken to secure payment at that rate of interest if the client defaulted. If it is desired to bring down a Bill to amend the Act, there is a vast body of legislation in England and other parts of the Empire

which can be consulted and compared with our present Act. If some new legislation, or project such as bulk handling, were mooted, then the services of a Royal Commission could well be requisitioned. In this case, however, the matter has been before Parliaments for centuries. Various countries have put their ideas on their statute-books, and I do not think we need bother about a Royal Commission. In the case mentioned by the member for Claremont (Nr. North) the law is perfectly effective. A hire purchase agreement would not be worth the paper it is written on if an appeal were made against it as a form of security.

Mr. Marshall: You are solid about going to court. It must be the legal aspect you are talking about.

Mr. McDONALD: The hon. member has legal aspect on the brain. I cannot rise in my seat without his calling attention to the fact that I am a lawyer by profession, but I do not present myself here in that capacity.

Mr. Marshall: You must think people are possessed of a lot of money that they can run to courts for everything.

Mr. McDONALD: When it comes to the ultimate resort, the only way people can have their rights vindicated—is through the courts of the land.

Mr. Raphael: Some people have not two-pence with which to go to court.

Mr. McDONALD: Where else would they go? The inferior courts which deal with these cases are as cheap as they can possibly be made.

Mr. Raphael: Not by any means.

Mr. McDONALD: If the amount involved is under £10, the legal costs are only 3s. or 4s.

Mr. Marshall: Some lawyers get that much for ringing up on the telephone.

Mr. SPEAKER: Order! The member for West Perth has the floor. I would draw members' attention to the fact that interjections are disorderly. The hon. member would be well advised to take no notice of them, and to confine his remarks to the motion as amended.

Mr. McDONALD: The interjections are not worth taking notice of. Courts are established to deal with these matters on the cheapest possible basis. Any person can have recourse to the law without going to any great expense. There are many im-

portant matters before the country at present, and to resort to a Royal Commission in this case is going beyond what is necessary. Some amendments to the Act could justly be brought forward; amendments of a minor character. The hon. member would have no trouble in getting the Parliamentary Draftsman to supply him with a Bill that would cover all his requirements. Although I think it has been useful to debate this motion, the hon. member might withdraw it. He could then ask the Parliamentary Draftsman to assist him in providing some form of relief for people who may be suffering under the existing law.

Mr. Raphael: What more could the Parliamentary Draftsman do?

MR. SLEEMAN (Fremantle) [5.45]: The only objection I have to the appointment of a Royal Commission is that it will mean wasting considerable time and nothing then will be done this year. As far as we know, nothing might be done even next year, because those who are on this side of the House at the present time may then be on the other side; no one can say at the present time. Personally I consider this is a very important question that should receive early attention, and I consider that something should be done during the present session. The member for Victoria Park should be complimented by the House for having ventilated the subject and I consider he could well bring down an amendment to the existing law. If what he has described is permitted to continue, things will happen between now and when we meet again which will add to the suffering of those who have been unfortunate enough to become bound to money-lenders. The member for Murchison told the House that people should not go to money-lenders. Most people do not go there until they are practically driven to it.

Mr. Marshall: And then they get into a tighter corner.

Mr. SLEEMAN: A drowning man will clutch at a straw, and if a person is right up against it and he sees there is a chance of raising a few pounds, he will go to a money-lender in the expectation that everything may come out all right in the course of a month or two, when he will be able to pay off the money-lender. I know of several cases where people have bought furniture on time payment and, having all but

paid it off, went as a last resort to a money-lender to raise the balance, say £10. The money-lender, of course, charged enormous interest, and the person I have in mind went on paying interest on the £10 for something like four years, and having paid £14 by way of interest, at the end of that period he found that he still owed the money-lender £8 10s. That kind of thing should not be permitted to continue. I am not particular whether or not the motion is carried, but I do hope something will be done immediately in the way of amending the existing legislation. In this way it might be possible for us to save many unfortunate people against themselves.

MR. J. H. SMITH (Nelson) [5.49]: I support the motion. I can quote innumerable cases of usurious rates of interest being charged. I always thought it was impossible for money-lenders to charge more than 12 per cent. interest. The member for Victoria Park has brought up a simple motion asking the Government to appoint a Royal Commission. If the Commission is appointed, I feel certain that not one but hundreds of people will be prepared to give evidence. From that evidence I am convinced it will be possible to introduce legislation that has been badly needed. Many money-lenders have apparently a free hand to extort from those who are in need of a little ready cash, interest at almost any rate. I know of a dozen such cases. Members of the Civil Service and others in responsible positions have been blackmailed by money-lenders and threatened that, if they did not carry out their obligations, exposure would follow. For fear then of losing their positions, the victims agreed to pay the demands of the money-lenders. The motion submitted by the member for Victoria Park is a good one and will not do the slightest harm. If it is carried and a Commission is appointed, we shall then know where we stand. I agree that a lot of people rush to money-lenders to borrow £5 or £10 to get over a temporary difficulty. Unexpected troubles come upon people at times and, to save themselves, perhaps from disgrace or worse—the fear of losing their positions—they have recourse to a money-lender. I hope the Government will accept the motion and that a Royal Commission will be appointed. Such an appointment would do a world of good because from its recommendations I am convinced legislation

could be introduced to prevent a continuance of blackmailing and the charging of usurious interest.

HON. C. G. LATHAM (York) [5.52]: We know what takes place in respect of borrowing money.

Mr. Raphael: We do not know half that takes place.

Hon. C. G. LATHAM: We do know, but the trouble is that the Legislature does not protect the man from himself. I do not know how that would be possible, neither do I know how any fresh evidence can be supplied to this House, evidence in addition to that which we already have. If I thought that the appointment of a Royal Commission would do any good, I should be pleased to assist in bringing about its appointment. But if the existing legislation is not sufficient, we should amend that legislation.

Mr. J. H. Smith: Is there any existing legislation?

Hon. C. G. LATHAM: Yes, the Money Lenders Act of 1912.

Mr. Raphael: There is no limitation to the amount of interest that may be charged.

Hon. C. G. LATHAM: I know, but if a person charges more than 12½ per cent., it is set out that that person must register and do certain other things. The question is how we can protect the people who have recourse to money-lenders. It has already been stated that a person may find himself in difficulties and he rushes off to a money-lender. Then we know what happens. I know what happens to members of Parliament. An individual comes along and asks that he might be lent some money to meet a payment that is falling due. The request is sometimes granted, but the person who borrows the money is only shifting the responsibility and asking someone else to carry the liability, and it is seldom then that he gets out of the trouble. The person who goes to a money-lender and pays the interest demanded by the money-lender gets into even greater difficulties. Again, the money-lender does not make an advance unless he has security either in the form of property or perhaps personal security, and he always brings a second person into it. The second person is the one for whom I have the greatest sympathy.

The Minister for Mines: Money is frequently lent by those people without bringing a second person into the business.

Hon. C. G. LATHAM: All that is required is that we should compel the registration of money-lenders; not only register the person lending the money but also he who receives the money.

The Minister for Justice: That is the position now.

Hon. C. G. LATHAM: There should also be a notice on the building that it is the establishment of a money-lender.

The Minister for Justice: That is also provided for.

Hon. C. G. LATHAM: The conditions under which the money is lent and the maximum rate of interest he might charge should also be set out. We should also provide for a standard agreement to be prepared and prevent a person from contracting out of it. This agreement should be printed in bold type so that any person could read it. Further, there should also be displayed in the premises the conditions under which the money is lent, so that borrowers may have a complete knowledge of what they are about to enter into. No good purpose, however, can be served by asking some person to come along and conduct an investigation into the money-lending business. This might put a certain amount of fear into the minds of the money-lenders, and that is about all. The Government have all the power they require to deal with money-lenders of the type described by the member for Victoria Park, and if it is desired to go further an amending Bill can be brought down, provided, of course, it is reasonable.

Mr. Marshall: And who will be the judge?

Hon. C. G. LATHAM: The hon. member knows my views.

Mr. Marshall: Our views differ.

Hon. C. G. LATHAM: Some hon. members always try to belittle the opinions of others. As a matter of fact, we on this side of the House are much more democratic than is the hon. member himself, and in this respect we will show our genuineness if the Government will introduce an amending Bill. We know what is wanted; let us get the legislation down. It is not a new matter; it has been going on for centuries, and so there is nothing new that the member for Victoria Park can introduce.

Mr. Raphael: Why did you not introduce this legislation when you had the opportunity?

Hon. C. G. LATHAM: I can hardly believe that the hon. member found out all about the usurious rates of interest only on the day before he submitted his motion, and so I might say to him, "Why did you not do it?"

Mr. Raphael: You know it exists in the country, too.

Hon. C. G. LATHAM: I do not know that it exists in the country, but I do know that it does in the city. Of course we are aware that there are many Bills that ought to be introduced, and will be introduced perhaps after we have permanently left this Chamber. No Government can introduce at once all the legislation that is needed, but if there is a real necessity for legislation to cope with what the hon. member has put before us, then let us have it. When we introduced the financial emergency legislation, we had instances brought under our notice of excessive interest rates.

Mr. J. H. Smith: Why did you not make that legislation apply to it?

Hon. C. G. LATHAM: We did. Did we not stop people from foreclosing, and did we not do a great deal in the way of reducing interest?

Mr. J. H. Smith: Not as far as money-lenders were concerned.

Hon. C. G. LATHAM: We reduced all interest.

The Minister for Justice: Under contract.

Hon. C. G. LATHAM: Yes.

Mr. Raphael: None of these contracts has been registered.

Hon. C. G. LATHAM: That does not matter. As I pointed out the other night, many people are very reluctant to go to the court in order to get their rights, but if they did so, it is quite on the cards that many such contracts would be upset. We will support the Government in any measure they bring down to deal with the matter, but if it is urgent, let the measure be introduced at once and let us proceed to consider it, rather than devote further time to the discussion of a motion of this kind.

MR. RAPHAEL (Victoria Park—in reply) [6.1]: The Leader of the Opposition stated that he was quite sure in his own mind that this matter had not just been brought before my notice. I admit that it had not just been brought before my notice, because on a number of occasions I had had instances quoted to me of the extortion prac-

tised by so-called money-lenders. Perhaps the Leader of the Opposition was in the same position as I was, for he suggested that the farmers would not borrow from money-lenders because they would not be trusted.

Mr. Mann: What rot!

Mr. RAPHAEL: He said that the farmers did not borrow from the money-lenders because the farmers would not be trusted.

Mr. Doney: He did not mention it.

Mr. RAPHAEL: Perhaps the money-lenders would be a little shy in lending money to farmers in this State.

Hon. C. G. Latham: I ask for a withdrawal of that statement. I said no such thing.

Mr. SPEAKER: The Leader of the Opposition has asked for a withdrawal as the statement was not made.

Mr. RAPHAEL: I withdraw, under your orders, Mr. Speaker. The existing condition of affairs was exposed by the "Mirror" newspaper. The disclosures made by that paper brought home to me and to others the irregularity of the practices indulged in by money-lenders. The Leader of the Opposition definitely stated that we knew the facts of the case. Since publicity was given to my motion, I have had many cases brought under my notice which, had they been known earlier, might have led to the amendment of the member for Marchison being couched in even more drastic terms. The more one investigates these cases, the more he realises that the artifices of money-lenders are becoming increasingly involved. I have about 50 additional cases which I could bring before the House, all of them exceedingly involved, and each one differing from any other. Probably the Minister, when he spoke, had the question of the expense that would be entailed at the back of his mind.

Hon. C. G. Latham. It is the delay.

Mr. RAPHAEL: The delay is nothing. According to the member for West Perth there has been delay for hundreds of years.

Mr. McDonald: I did not say that.

Mr. RAPHAEL: The hon. member said that these practices had been indulged in for hundreds of years, and though efforts have been made to legislate against such practices, they seem destined to continue for another hundred years. When legislation is introduced, it is important that no

loopholes should be left by which money-lenders may escape, and not only money-lenders, but those members of the business fraternity who have their money invested for them by recognised money-lenders. Consequently, before we are asked to pass legislation, the whole matter should be thoroughly investigated. I hope the House will agree to the appointment of a Royal Commission. The Minister merely wishes to adopt the easy way out.

The Minister for Justice: No.

Mr. RAPHAEL: He wants a small amendment made to the Money Lenders Act. He suggested that I should go to the Parliamentary Draftsman and get an amendment drafted. I knew I could do that before I introduced the motion, but the information at my disposal was not sufficient to enable me to do it. I made that clear when I was moving the motion. If the House does not agree to the appointment of a Royal Commission, I shall not attempt to secure any amendments to the Act.

Mr. McDonald: We will.

Mr. RAPHAEL: The hon. member stated that for 3s. or 4s. a victim could go to a member of the legal fraternity and get the advice required. I know of a woman who consulted a solicitor, paid him 30s. and found herself no better off, because the case had to go to the court. The money-lender had bled her considerably and the legal fraternity bled her a little more. We should deal with the matter definitely. The people who are unable to protect themselves should be protected by Parliament. The member for Fremantle used the simile of a drowning man clutching at a straw. Parliament should be prepared to assist these drowning persons by lending them a helping hand to reach a safe shore. Inquiry by Royal Commission is the only method that will enable us to cope successfully with the money-lenders and definitely end the practices in which they now indulge.

Mr. NORTH: On a point of order, may I ask whether I shall be in order in asking the Minister if, in view of what has been said, he will agree to the appointment of a Royal Commission?

Mr. SPEAKER: No, the motion speaks for itself. It says "That in the opinion of this House," etc.

Question, as amended, put and passed.

MOTION—SPARK ARRESTERS OR NULLIFIERS.

To inquire by Royal Commission.

Debate resumed from the 6th November on the following motion by Mr. Doney (Williams-Narrogin):—

That in the opinion of this House a Royal Commission should be appointed to inquire into, test, and report upon the various appliances for the arresting or nullifying of sparks from railway engines with a view to ascertaining whether H.D.D. equipment as used in this State should not be improved upon or replaced by a more efficient appliance.

THE MINISTER FOR RAILWAYS

(Hon. J. C. Willcock—Geraldton) [6.7]: This is another motion requesting the appointment of a Royal Commission on a matter about which we know a good deal. The expenditure of money for such a purpose would not be warranted. The House might pass the motion as an indication of what should be done, but I consider there is no necessity whatever for a Royal Commission to make inquiries about things which are known and which we have been investigating.

Hon. C. G. Latham: You have just supported the appointment of one.

The MINISTER FOR RAILWAYS: Not very enthusiastically.

Hon. C. G. Latham: I heard you call "aye."

Mr. Doney: Your dissent was not noticeable.

Mr. SPEAKER: Order!!

The MINISTER FOR RAILWAYS: The member for Walliams-Narrogin devoted a good deal of time to discussing a particular spark arrester. The H.D.D. spark arrester was originally developed as a result of a State-wide appeal for suggestions to improve spark-arresting appliances after the department had made investigations into numbers of devices that were thought to be suitable spark arresters or nullifiers. It was only after extensive practical trials that the device was approved in its present form and the inventors were permitted to patent the invention throughout the Commonwealth, reserving to the Commissioner the right to use it without royalty. The hon. member was more accurate than I was regarding the length of time the H.D.D. arrester has been in use. On looking up the point I found that it was first adopted in 1918, and since

that date many alterations have been suggested and trials made with a view to improving upon the original design. Each experiment, however, has resulted in reversion to the original device. All employees of the Commissioner of Railways are encouraged to offer suggestions for improvements in this or any other direction. For years we have had a committee to deal with suggestions. Many suggestions for improved spark-arresting appliances have been considered by the committee and employees have been encouraged in every way to submit their ideas. At times, even when something submitted was not of great practical value, a small amount has been paid in order to encourage employees to indulge in research to the end that somebody might happen upon a suggestion of considerable value to the department. Many investigations have been made, but so far the present appliance seems to be the most satisfactory that can be adopted.

Mr. Stubbs: It is not very satisfactory.

The MINISTER FOR RAILWAYS: That might be said of any appliance used to arrest sparks, but it has to be remembered that our engines burn native coal. A policy to which we have committed the country is the use of Collie coal, and all we can do is to endeavour to secure the most satisfactory results possible in all the circumstances.

Mr. Marshall: It is difficult to get efficiency when spark arresters are used.

The MINISTER FOR RAILWAYS: Some coals do not emit many sparks.

Mr. Marshall: It is not always the coal that is responsible; it is sometimes the draught.

The MINISTER FOR RAILWAYS: As a driver for many years, I know that Collie coal was not used at one time on the northern part of the system, but we had a spark arrester of about a quarter of an inch and the sparks that went into the smoke box were prevented from getting out. To be successful, a spark arrester must satisfy the following conditions:—

1. It must be efficient for its purpose.
2. It must not unduly retard the steaming of the engine.
3. It must not obscure the tube plate and steam pipe joints in the smoke box unless removal is a matter of a few minutes.

One cannot have a device fixed there unless it is capable of being removed in a short space of time.

4. First cost must not be unreasonably high.

5. It must not have any working parts inside the smoke box where they are subject to the extreme in hot dusty conditions and corrosive gases.

The types mentioned by the member for Williams-Narrogin, namely, the Cheney nullifier and the Coxon arrester, have both been carefully investigated by the engineers of the department.

Mr. Doney: I mentioned them only because they were local ones. There are many better than they are.

The MINISTER FOR RAILWAYS: Yes. The department officials have been very active in their investigations to ascertain whether those types are better. The officers are not only willing but anxious to obtain appliances that will give satisfaction.

Mr. Doney: Have they made any inquiries about the American devices?

The MINISTER FOR RAILWAYS: They obtain literature dealing with the matter from all over the world. If it were demonstrated in any part of the world that a satisfactory device had been discovered, there would be a rush to obtain supplies, which would be fitted to our engines immediately. I am able to give the hon. member that assurance. A considerable amount of money has been spent by the department in testing out these appliances. The hon. member would not suggest that there is a better appliance on the market and that the Commissioner, for some reason or other, is prejudiced and will not use it.

Mr. Doney: I do not suggest that.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR RAILWAYS: The mover of the motion spoke of fires occurring in bridges, railway culverts, and so forth. It has been established beyond doubt that in the majority of such cases the fire was not caused by sparks from the funnel, but mostly by ashes dropped from the ash pan. Considerable improvement has been effected in ash pan construction to prevent this; and now we find, as the result of the improvement, that very few fires indeed occur in the manner they did previously. The design of spark arresters, ash pans, and fire bars has been receiving constant attention. The Railway Department recognise that there is considerable room for improvement in these directions. They know very well that the devices and appliances which they now have are not perfect. Possessing

that knowledge, they do not adopt an attitude of self-satisfied, smug complacency. On the contrary, they are anxious to make every possible investigation. They try to inform themselves of improvements made in all other parts of the world, so that if there is ever, by some chance, what has hitherto been the impossible, the development of a perfect spark arrester adapted to locomotive practice, they may adopt it just as other railways throughout the world would like to do. It does seem that with all the ingenuity and engineering skill of the world, the hitherto unattainable objective will ultimately be achieved. The hon. member mentioned America. The United States have spark arresters. In the world there are literally thousands of different devices of that nature for the prevention of sparks. Sparks can be stopped quite easily if one takes no notice of the steaming capacity of the locomotive. But a certain volume must get away from the fire box in order to create sufficient draught to generate steam rapidly, as is necessary on a locomotive where the firebox is not of great area as compared with the amount of steam to be generated. Accordingly there must be forced draught, and that forced draught naturally draws live sparks through the funnel. Without devaluing the value of Collie coal or deprecating a highly important local industry, if we used imported coal, as I have said from my own experience, a comparatively small number of sparks would be ejected from the funnel. The departmental officers are particularly careful to keep in touch with developments all over the world, and many other devices are in use or have been tried; but none is more satisfactory than the device we have adopted, and which for the last 16 or 17 years we have had in operation.

Mr. Stubbs: Is that a local invention?

The MINISTER FOR RAILWAYS: It is a local adaption to the generally accepted principles of spark arresters. All spark arresters are of the same type. One has to get something which will prevent any comparatively small number of sparks passing alive out of the funnel. The department are most anxious to nullify or prevent the evil effects of sparks emitted from the locomotive. There is a daily inspection of spark arresters before locomotives leave the shed, and another inspection upon their return. Any defects dis-

covered are immediately rectified. These routine inspections are supplemented by inspections made without notice to the driver. If a train stops for a few minutes at any point on its journey, the inspector can open the smoke box and see that the spark arrester is in proper order. If a locomotive has difficulty in steaming, the driver may be tempted to alter the spark arresting appliance so that the engine can steam freely and get along faster. That sort of thing is not encouraged by the department; on the contrary, stern measures are taken to prevent it. No excuse is accepted from a driver who endeavours, by altering the spark arresting appliance, to make a faster trip than would otherwise be the case. Special instructions are issued to all depots at the beginning of every summer to see that all spark arresters are in good order and condition. Further, special instructions are issued to the firemen to refrain from any method of firing which will result in any considerable quantity of ashes and live sparks being emitted from the funnel. A locomotive can easily be allowed to emit a large number of sparks from the funnel. That, however, can be nullified to a large extent. If firemen are deliberately careless, they get into serious trouble with the departmental officers. This subject of spark arresters, like the previous subject of money lending, is something that we all know about. We know that sparks come out of the funnel. We know that in many parts of the world there are spark arresting appliances. Western Australia, however, has a peculiarly difficult problem in that respect, because the quality of Collie coal is such as to make it fairly dangerous to use in the absence of spark arresting appliances. Therefore we are especially careful regarding those appliances. I do not think a Royal Commission is needed to find that out. We know all about it already. The hon. member has said sufficient to indicate that any amount of information is available. One need not go far afield to realise the position: one need only travel on a train at night and observe, particularly when the locomotive is going up a grade, the sparks coming out of the funnel.

Mr. Doney: We need a great deal more information than that. I suggest you travel further afield to countries like the United

States of America, and secure information from them.

The MINISTER FOR RAILWAYS: The information available in those countries is not so very great, as they use coal of a quality which does not produce so many sparks. I do not wish to deprecate our local product in the slightest, but it is a fact that we have a serious problem in regard to spark prevention, a problem as difficult as, if not more difficult than, the corresponding problem in any other part of the world.

Hon. C. G. Latham: What about South Africa?

The MINISTER FOR RAILWAYS: I have used South African coal, and know that it is particularly bad not only in regard to emitting sparks but also in regard to fouling the firebox; that is, if the Durban coal I happened to use many years ago is anything like a fair sample of South African coal. We have every facility to test out adequately every spark arresting appliance. The department are animated not only by a willingness but by an anxiety to ascertain, and to experiment with, any device that will represent an improvement on the existing appliance.

Mr. Doney: But for 17 years there has been no improvement whatever, despite that anxiety.

The MINISTER FOR RAILWAYS: Another 17 years may elapse before any improvement is secured. If a certain stage has been reached, it does not necessarily follow that we should continue on the same lines. Why, it might be argued that we have vastly improved this Assembly through being here 17 years. If out of 10,000 appliances not one has reached pre-eminence, they must be all nearly the same. If that is so, it indicates that there is not one outstanding spark arrester. If there were one outstanding appliance of that description, it would be adopted here, and in fact throughout the world. According to the mover, there are 10,000 spark arresters scattered all over the earth, and no one can say which is the best. This again would indicate, if 10,000 or more people are devoting their energies to perfecting spark arresting appliances, that the problem is extremely difficult to solve.

Mr. Doney: There is one of the 10,000 which is better than any other.

The MINISTER FOR RAILWAYS: We as a department are anxious to find that one.

Mr. Doney: That is what the Royal Commission is needed for.

The MINISTER FOR RAILWAYS: Would the hon. member suggest the appointment of a Royal Commission to examine each of the 10,000 spark arresters in existence?

Mr. Doney: I would not.

The MINISTER FOR RAILWAYS: Or would the hon. member suggest that anyone who has had a reasonable spark arrester to submit to the department has been discouraged in any way, or has not been given positive encouragement? Encouragement has been given to every member of the staff offering an idea on the subject. I have known of a dozen cranks who have had some idea about spark arresters. They came up to this House and worried me for hours and hours.

Mr. F. C. L. Smith: Probably the hon. member has a patent too.

The MINISTER FOR RAILWAYS: I do not think so. But probably the hon. member will have an experience somewhat similar to mine. I do not wish him any harm, but having launched this motion he will have to submit to interviews with cranks which he has not bargained for. I sympathise with him, because every time I mention spark arrester a crowd of people for whom one has very little time come to interview me. And the experience of the department has been similar. The department, indeed, have wasted not only time but also money of the people of the State in testing out spark arresters without a possibility of success.

Mr. Doney. The two mentioned are largely used. The inventors of those were not two cranks.

The MINISTER FOR RAILWAYS: I am not suggesting that. I consider that in the circumstances they have invented reasonably satisfactory appliances, but according to tests made by the department those appliances are not as good as our present appliances. We are not going to scrap something reasonably satisfactory in order to adopt something which is not quite so satisfactory. I do not think anyone can quarrel with that decision. The department have an obligation to endeavour to ascertain from all available sources the most satisfactory spark arrester, but they have also an obligation not to waste public money on things which have no possibility of proving

in any way superior to what we possess. I do not think it necessary to appoint a Royal Commission to inquire into this matter. If the member for Williams-Narrogin could tell us that there were two or three individuals who had evolved spark-arresting appliances and had applied in vain to the department to have them tested, it would be a different matter. Many of these people have desired interviews with me, but I have not the necessary time to discuss the matter with them. I have had a good deal of experience, although I cannot claim to be an expert. A consideration of such appliances is a mechanical matter, and has to be undertaken in the light of scientific principles regarding draught and so forth. As it is, appliances can be inspected and submitted to an examination based on the railway officers' experiences regarding spark-arresting appliances generally. That can be done by the departmental engineers with a view to considering the possibilities of the appliances. Most decidedly if there is any possibility indicated of an improvement, the appliance is examined; if there is a probability that the appliance represents an improvement on the existing type, money and time is spent on its examination. The departmental officials are desperately anxious to secure a reasonably perfect spark-arresting appliance. Naturally the one at present in use is not perfect. It is a matter of no satisfaction to the Commissioner of Railways or to engine crews that they are required to put out fires that are caused along the track. We do not want those fires to occur, and precautions are taken to prevent such occurrences. We know that people have suffered severe losses because of fires caused by trains travelling through the country districts. We do not admit liability in most instances, but undoubtedly there have been fires caused by locomotives. The departmental officials are anxious to avoid such occurrences. If the member for Williams-Narrogin knows of any appliance in respect of which the departmental officials have not given the inventor sufficient encouragement, that might be a reason for submitting such a motion; but the departmental officials have always given encouragement to any individual who had an appliance that offered any reasonable chance of success. In the circumstances, what necessity is there for the appointment

of a Royal Commission to go into this matter?

Mr. Doney: If you agreed to the motion, would Sir George Julius be a good man to appoint?

The MINISTER FOR RAILWAYS: I think Sir George Julius was associated with the Railway Department 30 years ago. Of course he is a very good man and has developed a world-wide reputation in connection with engineering.

Mr. Stubbs: He was steel tester at the Midland Junction works for years.

The MINISTER FOR RAILWAYS: I thought he had been employed at Fremantle in the early days. Of course there would be no objection to Sir George Julius in connection with such an inquiry, but I cannot convince myself that he would be able to discover a perfect spark-arrester unless, of course, he were to apply his energies and ability in developing such an appliance. Most decidedly we do not require an engineer of such eminence to undertake the task proposed. We have departmental officers quite capable of carrying out such an investigation, and they are more than anxious to secure an improved arrester. In my opinion, an investigation of that problem by a Royal Commission would be a waste of time and of public money. If a Royal Commission, which would cost a certain amount of money, could discover a better spark-arrester than the one in use, the money would naturally be well spent, but there is not much possibility of that being accomplished. This matter has been thoroughly investigated by the engineers of the Railway Department.

MR. McLARTY (Murray-Wellington) [7.50]: I cannot agree with the Minister that the appointment of a Royal Commission, as suggested by the member for Williams-Narrogin (Mr. Doney), would be a waste of time and of public money. I hope the motion will be carried, and a Royal Commission appointed. The Minister realises that each year the danger of railway fires increases because of the greatly extended cultivation adjacent to railway lines. More fertiliser is being used and that, of course, means more grass. The member for Williams-Narrogin referred to bush fires, but I think a more apt term would be "grass fires." There is little doubt that the

H.D.D. spark-arresting equipment is not wholly efficient.

The Minister for Railways: It is not perfect.

Mr. McLARTY: The member for Williams-Narrogin pointed out that the equipment is 16 or 17 years old, and surely during the interim some improvements have been made in such appliances. If we consider present day machinery and engineering production generally we must realise that there are improvements in almost every direction. It is difficult for me to believe there has not been a more efficient spark-arrester invented, or at least that improvements have not been effected. I have received a number of letters from my constituents who noticed that this motion was to be dealt with in this House. They wrote because they had suffered severe losses on account of fires caused by railway engines. Last year upwards of six settlers in the Mardella area were completely burnt out because of fires caused by a locomotive. The engine concerned set fire to the crops every few yards. There was no doubt whatever that the engine had caused the fires, and the Commissioner of Railways did not deny that fact. The railway authorities had taken the precaution to burn off the grass on the railway property. Beyond the railway area there was the road and in addition the settlers themselves had burnt fire breaks along the boundaries of their properties. Notwithstanding all those precautions, the sparks travelled over the burnt-out areas and set fire to the crops. The settlers claimed compensation for damage, but did not receive a penny in response to their applications. All their labour for the 12 months went up in smoke. They were unable to secure any additional seed, nor were they able to conserve fodder for the next 12 months. I was unable to induce the Commissioner for Railways to recognise his responsibility for the payment of damages, and was therefore rather surprised to hear the member for Williams-Narrogin say he had been successful in getting the Commissioner to recognise his responsibility in certain instances, and to pay for the damage caused by fire. Certainly that has not been my experience.

Hon. C. G. Latham: Nor mine.

Mr. Doney: I referred to the Commissioner doing that on five occasions.

Mr. McLARTY: I have approached the Commissioner a number of times, but he

did not once accept any responsibility. He claimed that the department had the most efficient spark-arrester procurable. The Minister said that his officers were ready to accept any suggestion made by a railway employee, but there are probably many suggestions that could be made by other than railway employees, and those suggestions might be equally, if not more, valuable. Mr. Cheney, the gentleman referred to by the member for Williams-Narrogin, resides in my district, and he has one of the numerous spark-arresters that have been mentioned. The Minister stated that consideration had already been given to his invention, but nevertheless I do not think his spark-arrester has been tried on any Government engine. In fact, I do not think the Minister has given that spark-arrester a fair try-out. I understand Mr. Cheney would be prepared to affix his arrester to any engine. I do not think the department would be involved in any expense if Mr. Cheney were allowed to try out his arrester on one of the departmental engines. The arrester has been tested in other parts of Australia, and Mr. Cheney claims it was with success.

The Minister for Railways: How many of his appliances are in use?

Mr. McLARTY: I cannot tell the Minister, but I know they are being used in other States. All the information has been supplied to the department, but, as I say, his appliance has never been fitted to any Government engine in this State. I agree with the member for Williams-Narrogin that an independent person should be appointed to investigate the matter, and he referred to Sir George Julius. No doubt there are other engineers of capacity who would exercise independent judgment in such a matter, and such an appointment would be worth while to ascertain whether further improvements could be effected. Certainly if the number of fires were lessened as a result of an inquiry by a Royal Commission, the step taken would be most satisfactory. I know the Minister agrees with that statement. It has been said that there are thousands of spark-arresters. If that be so, I should think there would be a chance of finding one more efficient than that in use in this State. I hope the motion will be agreed to because it will indicate to settlers that this House is in sympathy with them and is prepared to go to any length in order to minimise, if not completely stop, the occurrence of fires in country districts.

MR. WITHERS (Bunbury) [7.58]: I hope the motion will not be agreed to. Yesterday the Minister indicated that private members' business would have to be considerably curtailed, and the motion under discussion is one that is more likely to waste time than any other.

Mr. Warner: The farming community will not regard it as a waste of time.

MR. WITHERS: The motion has not been presented to the House by the member for Williams-Narrogin (Mr. Doney) on behalf of farmers, but more on behalf of someone who has a particular spark-arrester and has a grouch, and finding a garbage gatherer, has come along to the member for Williams-Narrogin to voice his complaint.

Mr. Doney: On a point of order. I object to that statement, on the ground, naturally, that it is not correct. Apparently the hon. member gathered from my remarks—

The **SPEAKER:** Order! What is the point of order? The hon. member cannot make a speech.

Mr. Doney: I ask the hon. member to withdraw his remark that I had brought forward the motion with the object of boosting some particular appliance.

MR. WITHERS: I withdraw my statement, but will proceed to refer to the hon. member's remarks. Throughout his speech there was an inference in connection with the departmental attitude towards the inventors of spark-arresters. His remarks contained an innuendo that no effort was being made to get away from the particular spark-arrester in use, because there were certain influences at work to prevent any other appliance receiving consideration. When the member for Albany (Mr. Wansbrough) later asked him did he know of any other spark arrester, he said "Yes, the Coxon." That conveyed to me that Mr. Coxon, whoever he may be, had made a suggestion which had been acted upon. In October of 1930 I asked a question in the House regarding the same thing. My concern at that time was the expense the State had been put to for the purpose of providing spark arresters with a view to burning our local product, Collie coal. In my view we were entitled to burn 100 per cent. of Collie coal. Everything possible had been done to render safe the use of that coal, but I still thought the industry itself should be responsible for some of the cost, and so I asked the question as to what had been the total cost to

the Railway Department. This was the question—

1. What has been the total cost to the Railway Department for the alteration to, and provision of, spark arresting and fire grate appliances to make it possible to burn Collie coal?
2. What amount, if any, has been contributed by the Collie coal mining industry to assist the Government in this direction?

The answer given by the Minister for Railways was as follows:—

1. In view of the long period over which Collie coal has been used on the railways, namely, 32 years, it is not possible to give the total cost, but many thousands of pounds have been spent in bringing the appliances to their present condition.
2. Nil.

Twenty-five years ago I was working in this department.

Mr. Needham: And I was helping to make it.

MR. WITHERS: We had just imported the Chief Mechanical Engineer, Mr. Rotherham, from New Zealand. He introduced a spark arrester which he contended was going to give complete satisfaction. Anyone who had experience at that time of the Rotherham-Bell funnel will know what a tragedy the apparatus was; so much so that in order that the public might not take too much notice, the special funnel was dispensed with and the old apparatus replaced. From that time forward the department has not let up on this question of spark arresters, but has listened to anybody who had a suggestion that would minimise the danger to the crops of the settlers resulting from flying sparks. The Minister has pointed out some of the conditions under which the men on the engine work. They have a daily running sheet and on that sheet at the end of the day's work they have to answer two questions, namely the state of your spark arrester and your damper. The information has to be furnished by the enginedriver and he has to see that all his appliances are in good order, so that if necessary the engine can be repaired before starting on her next trip. Then the men on the engine are supplied with bags and, should they notice an outbreak of fire, they have to stop the train, take wet bags and beat out the fire.

The Minister for Railways: That is very often done, too.

MR. WITHERS: Yes, that is so. We know that the shower of sparks mentioned by the hon. member as coming from the

funnel of an engine are not always the sparks that cause damage. I have gone through sawmilling country where jarrah blocks are being burnt continuously. In the evening one can see that fire from a long distance, yet it is very rarely that a bush fire is started as the result of sparks from the burning of the jarrah blocks. But some of the sparks from the engine may fall on tarpaulins or on chaff in the train, and so cause some damage. But all the small sparks arising from the funnel are dead before they hit the ground; it is the odd ones, the heavier ones, that may escape. Our friend the member for Williams-Narrogin made some strange suggestions. He went on to quote Sir George Julius of New South Wales, and in the very next breath he told us that in one year the Railway Department of New South Wales was mulcted in damages of £72,000 as a result of fires, and on another occasion £60,000 for one fire, while in the record year they spent £3,000,000. Sir George Julius is in that State where all that money had to be paid out as compensation for fires caused by the railways. The hon. member also suggested that inquiries should be made in America. But who is going to stand the expense of sending an inquirer to America, or even the expense of getting the information from America? Moreover, does not the hon. member know that over a period of years we had American locomotives with American spark arresters in this State? Also we have had operating on our railways locomotives built in England with their spark-arresting appliances, and in the same way have had locomotives with their appliances from South Australia, while from many different parts of the world Western Australian engines have been supplied with spark arresters. Again, all the employees of the Railway Department have had their minds on this question for years past, and the H.D.D. spark arrester is the result of many years' experimenting in other places. Mr. Hadlow of the department rose to one of the highest positions in the department, and Mr. Devonport also has risen to one of the highest positions which he could reach, namely that of leading fitter, while Mr. Downey has become a boiler inspector. All those officials have deeply considered the subject of spark arresters over a long period of years. Who, then, should be

in a better position than those officials to deal with spark arresters?

Mr. Moloney: The hon. member for Williams-Narrogin.

Mr. WITHERS: Each of those officials has had very long experience, and the fact that the H.D.D. spark arrester has been taken over by the department and £1,000 spent on it is sufficient evidence of its fitness for the job, because each of those officials I have enumerated has approved of it. Yet if they could see where the appliance could be improved upon, they have the right to effect the improvement. The appliances suggested by the member for Williams-Narrogin included one by Mr. Coxon, which I understand has been tried out, and another by Mr. Lunt, an employee of the department, has also been considered. If we are to have a Royal Commission to inquire into something with a view to finding out what is already known in the department, and if the State is to be put to that expense, I do not know where we are getting to. I suggest that it would be far better to have a motion to the effect that the railway authorities of the State should give further consideration to the subject of spark-arrester appliances. That would act as a sort of stimulus to the department, if we thought they were not carrying out their duties. Then perhaps it might stimulate them into further inquiries into this problem.

Mr. Needham: They have been doing that for 15 years.

Mr. WITHERS: And during the whole of that period they have endeavoured to improve the apparatus and have spent thousands of pounds to that end. To-day we have on our railways quite a big percentage of super-heated engines. The Minister in his remarks showed the improvement effected by super-heated engines as against the older type of engine, pointing out that the greater heat on a small surface gave largely increased hauling power. Super-heated steam is so much greater in strength that it does not require the same exhaust from the engine to create the blast, and so does not require the same amount of steam to be used to haul the train as is required of wet steam. That itself has minimised the sparks from the engine. Those engines are used on all our lines and every class of engine is being equipped with super-heated steam. It is only a matter of

patience, though of course patience sometimes costs money, but at the same time these fires also cost money. I think members will see that when the whole of the engines on our railways are super-heated, with the latest super-heater patents and the latest developments, they will be found to be quite satisfactory. Engines that at one period of their working it was scarcely possible to get to steam strongly enough to haul trains on the roads without leaving sparks would be seriously retarded in their progress if spark arresters were fitted to them. Spark arresters have cost the department a considerable amount in that direction alone. It has been suggested that it has cost the farmers a good deal of money for the fires that have occurred, but the member for Williams-Narrogin did not put up a good case at all. If he had come along with figures to show what amount it has cost the Railway Department over a period of years for compensation for damage by fires caused by sparks from the railway engine—

Mr. McLarty: But the department does not pay compensation.

Mr. WITHERS: The cause of the fires must first be proved conclusively.

Mr. McLarty: The department claims that it has efficient spark-arresters.

Mr. WITHERS: Also it might be claimed that the farmers should put efficient fire breaks along their properties. Some of them, of course, are too mean to put in efficient fire breaks and so they wait until the train comes along—

Mr. Doney: That is a pretty mean suggestion.

Mr. WITHERS: If they had adequate fire breaks they would not have much trouble from fires. Sparks from railway engines do not travel far. The railway track has fire breaks and in many districts there is a road alongside the railway and given an adequate fire break beyond that road, there would be little danger of fire.

Mr. McLarty: The sparks travel over all that area.

Mr. WITHERS: It has been suggested I know, that most of the grass fires are caused by sparks from engines, but I for one cannot believe it, and I know as much about the working of an engine as does any other member in this House. I do not want to see any more public money spent in this connection, when the people in control of

the problem are doing their utmost to give the people of the State a service that will be satisfactory to all. It must be remembered that every payment of compensation by the Railway Department has to be met by the taxpayers, and so the department is not going to run the risk of creating fires that might be avoided. I suggest that the motion be not agreed to. The very fact of its being debated here may prove an incentive to the railway officials to look around and see if it be possible to effect any improvements. Certainly they have intimate knowledge of the problem; far more intimate than has anybody outside the department. The Minister for Railways and I have had the happy experience of using Newcastle coal on locomotives. Of course we then had no trouble from sparks, because Newcastle coal with any competent spark arrester is quite sufficient to overcome the difficulty. Over a period of years Newcastle coal was used in districts where fires were more likely to occur than elsewhere, and for that reason the department kept a sufficient store of Newcastle coal on hand. The railway authorities do all they can to protect the interests of the farmers, as well as those of the taxpayers of the State, against any unnecessary expense. I hope the motion will not be carried.

MR. J. H. SMITH (Nelson) [8.16]: Knowing the earnestness of the member for Williams-Narrogin I shall not oppose the motion. Apparently he has some advice, and thinks that by the appointment of a Royal Commission something can be done to alleviate the present position. It is over 30 years since I was a member of the locomotive branch of the Railway Department. Being young, ambitious and full of zeal, and trying to do my job, I became interested in spark arresters. I do not claim to possess the knowledge of the member for Bunbury, who began as a cleaner and finished as first-class engine driver, nor that of the Minister for Railways, but I do know something about the matter. Throughout the years it has been the desire of the engineering branch of the railways to do something to improve on any previous spark arrester. I do not think any avenue has been left untouched. Many years ago I thought out how sparks could be arrested. The smaller the mesh is, the less the danger. The sparks go through different meshes.

But the smaller the mesh is, the less steam does the engine get. The mesh could be so small that the engine would not get any steam at all. I have thought that if a funnel-shaped contrivance were passed from the funnel of the engine, leading to the footplates, and on to the metal, a good spark arrester would be provided. I have had that thought in mind for many years. The sparks would by that means be directed to the ground, the danger from sparks would be removed, and the engine would steam as well as ever.

Mr. Moloney: Is that what the member for Williams-Narrogin has in mind?

Mr. J. H. SMITH: I do not know. He is in earnest about this matter and I am prepared to support him. Sparks from engines are doing a great deal of damage by creating fires. Undoubtedly fires are spread by means of Collie coal. If the railways used Newcastle coal the danger would be obviated. I have seen fires in the South-West in February and March, springing up two or three chains from the line. The Railway Department are doing their best to prevent such damage. In view of what the member for Williams-Narrogin has in mind, I am prepared to support his motion.

MR. MOLONEY (Subiaceo) [8.20]: I am amazed that the member for Nelson (Mr. J. H. Smith) should be supporting anything on such nebulous premises. I allow the member for Williams-Narrogin all the zeal that has been attributed to him, but zeal when mis-directed may easily lead a person into trouble. It is strange that the hon. member at this belated stage of the proceedings should be so solicitous regarding the welfare of the Railway Department. The other evening I pointed out the policy that was adopted at the time when the hon. member was sitting on the box seat. The Government of that time were very lax concerning the safety of the travelling public. At that time the hon. member had an opportunity to achieve something, but he allowed it to pass.

Mr. Doney: I did no such thing.

Mr. MOLONEY: And yet the safety of the public was imperilled. A sum of £500,000 is being expended by the railways now to make them safe for the travelling public. Out of the burning zeal of the hon. member he now says that sparks must have particular attention, even to the appoint-

ment of a Royal Commission. It is not sufficient that he should draw attention to the danger of sparks igniting the farming districts, but he must put the country to the huge expense involved by the appointment of a Royal Commission. When a member is in opposition his policy is to make the other fellow gallop as hard as he can, and pile up the costs, so that the efforts of the other people may be stultified. The money that would be involved in this could well be used in providing for the unemployed, or in the giving of a rebate to the people the hon. member represents. That would be worthy of consideration.

Mr. Thorn: Can we depend upon you to support that?

Mr. MOLONEY: Sir George Julius has been mentioned. A sum of £72,000 in one lot was paid by way of compensation in his State. We are now asked to emulate the State in which Sir George now lives, and he is held up as a paragon whose methods we should follow. The member for Bunbury (Mr. Withers) prior to becoming a member, spent 35 years of his life in gravitating from the position of engine cleaner to first-class engine driver. The Minister for Railways also had a long association with the Railway Department. Despite the expert advice given by them, the member for Williams-Narrogin still wants to continue with his proposition. I would grant his desire if I thought no costs would be attached to it. I think, however, that it would mean the expenditure of money which would not be productive of any good, and which could well be diverted into more useful channels, such as I have mentioned. The member, however, wants a Royal Commission, and the member for Nelson is prepared to support him even though he knows very little about the subject, or what is in the mind of the mover. The member for Nelson will back his colleague out of his blind loyalty. I know that if the mesh that is used is made too small, it will so impede the locomotive that it will not move at all. I am conversant with the genesis of the spark arrester. I remember the Rotherham patent, that of the Chief Mechanical Engineer at that time. The device he brought forward had the effect mentioned, and it was discarded.

Mr. Needham: Was not that Sir George Julius's patent?

Mr. MOLONEY: He is the paragon, the Alpha and Omega, the hon. member desires us to emulate. I am not prepared to accept that gentleman as the last word in spark arresters. I cannot subscribe to the ideas which have been enunciated by the member for Williams-Narrogin. Every twopenny-halfpenny proposition will be brought down to us, whereas we constitute a legislature that is supposed to act for the people generally and to view things on a broad basis. We are now asked to discuss a matter that has no standing, that contains nothing tangible, merely because certain fires have occurred. For 35 years inquiries have been held into spark arresters. If the hon. member has any patent, or the double-funnel principle of the member for Nelson is any good, let the appliance be put into tangible form by a competent draftsman. Possibly Mr. Broadfoot, the Chief Mechanical Engineer, would accept the new device if it was an improvement on the existing appliance. We do not want a Royal Commission for that. I am put in mind of the three tailors of Tooley-street who were considering matters of some moment, but also things that did not matter. We will make ourselves ridiculous if we pass this motion. We have other more important things to discuss, such as monetary questions and questions affecting the country generally. We should mobilise our forces.

Mr. Thorn: And the burning out of farmers affects no one.

Mr. MOLONEY: If there were anything in what has been said, the appointment of a Royal Commission would not be the right thing to do. If there is anything in it, it is for the responsible Minister to give it consideration and call in his experts. I object to putting the country to the expense of a Royal Commission when there are so many other uses for the money. It verges on the tragic and not the ridiculous. There is no necessity for a Royal Commission and no useful object to be achieved by appointing one. If anything is occurring in the agricultural districts that requires consideration, the Government will give it. If there are any patents available that are an improvement on the existing appliance, I am sure consideration will be given to them. I oppose the motion.

MR. SAMPSON (Swan) [8.28]: I am surprised at the opposition of the member

for Subiaco (Mr. Moloney). Perhaps primary production in Subiaco has not suffered so much because of the inefficiency of the spark-arresting appliances used on railway engines.

Mr. F. C. L. Smith: You have been a critic of the usefulness of Royal Commissions in the past.

Mr. SAMPSON: I do not know to what the hon. member is referring.

Mr. SPEAKER: He was out of order in any case.

Mr. SAMPSON: I daresay the interjection has some association with the matter under discussion.

Mr. F. C. L. Smith: I meant what I said.

Mr. SAMPSON: Let us have a Royal Commission to look into this matter, and see whether it is possible to effect an improvement in the spark-arresting appliances. I respect the Minister and I know that he would spare no effort to afford protection to primary producers, especially those who are concerned in the growth of pastures and who are in great danger of suffering loss from fire. In Armadale some time back the country was burnt and there is no question that the fire was caused by sparks from a railway engine. As that was so, surely the motion moved by the member for Williams-Narrogin is thoroughly justified. The position to-day is that when a fire occurs the department repudiates any claim that may be made by a settler. I was surprised to hear that someone had been successful in securing consideration. I once brought under the notice of an ex-Premier, Sir James Mitchell, the question of damage done to a property. I asked him whether it would be possible for consideration to be given to the person who had suffered by the fire, and his reply was that it could not be done. Unfortunately that is the attitude adopted by every Government, and I do not know that it is an attitude confined to this State. If there be any hope of securing redress, action might be taken, but we know that to take proceedings against the Government is next to futile. We are aware that Collie coal is a valuable commodity, and we would be in grave straits but for that fuel. At the same time Collie coal is dangerous when used on railway engines.

Mr. Raphael: Why do you say that in the absence of the member for the district?

Mr. SAMPSON: I have no wish to say anything against Collie coal.

Mr. Nulsen: You could not have said anything worse about it.

Mr. Raphael: And you have no right to attack the coal in the absence of the member for the district.

Mr. SAMPSON: The member who has just interjected can act as substitute for the member for Collie. I have never known him to fail in anything that he takes in hand. I hope the Minister will treat the motion sympathetically. We should never cease to endeavour to bring about means whereby the danger that exists now can be minimised.

The Minister for Railways: We have never slackened off in that respect.

Mr. SAMPSON: I am sure the Minister is aware that the danger has existed for decades past, and it is continuing to-day, and every year will be worse as the pastures increase. The growth of the dairying industry in the South-West will also add to the danger, and so I hope the Minister will agree to the appointment of a Royal Commission. Surely the cost of such a commission would be a mere bagatelle compared with the value of securing a solution of this grave danger which affects every part of the State where grasses are growing. I support the motion.

MR. CROSS (Canning) [8.35]: I am wondering who members opposite think will constitute the personnel of the proposed Royal Commission to inquire into this subject.

Mr. Marshall: Some old chimney sweeps.

Mr. CROSS: Very likely. Not only in Western Australia and in other parts of Australia, but British firms such as Rainsworth, and Clayton and Shuttlesworth, have spent thousands of pounds in experimenting in the hope of an efficient spark arrester resulting from their labours, and an arrester that would be suitable not only for Western Australia but for other countries as well. The danger from sparks emitted from engines is not common to Western Australia.

Mr. Doney: No one ever pretended that it was.

Mr. CROSS: I am doubtful whether there are any more fires in Western Australia, in proportion to the mileage of railway, than in Canada or in any other country. I should say that the percentage here would be lower. We know that in Canada the authorities have gone to extraordinary trouble to cope with the evil, and a great deal of experimenting has been carried out by American

firms, as well as the firms in Great Britain that I have already mentioned, and others also. There are experts in the railways of Western Australia who at all times have their eyes on suggested improvements to spark arresters, and they too are continually experimenting. If the House should decide on the appointment of a Royal Commission, who is to constitute its personnel? Is it proposed to introduce other experts from outside the State who, first of all, would have to make inquiries into what had already been inquired into; and would it be their duty to attack the experts of the Railway Department? Or is it proposed that the latter also shall become members of the Commission? If any member of the Railway service is to be appointed to the Royal Commission is it proposed that he shall receive payment in addition to his salary? The whole position is ridiculous, and savours of waste of money. The member for Williams-Narrogin must be aware of the fact that the authorities here are examining every proposal connected with improved spark arresters. I remember some 15 years ago a controversy which was carried on in the columns of the "West Australian" in reference to spark arresters. It would be interesting to turn up the files of the newspaper and read some of the old ideas that were advanced at that time.

Mr. North: By experts?

Mr. CROSS: No, by amateur critics outside the railway service. Now the Opposition suggest that we should appoint a body of people who know nothing about the matter to teach those who do know something about it.

Mr. Sampson: Would you support the payment of compensation when fires occur?

Mr. CROSS: Naturally, but I say that the farming community in this country, in common with the farming community in other countries, insure against damage by fire, and by what we hear from time to time it is very often considered an advantage to have the crops burnt. I recollect when I was in the Katanning district a bush fire occurring, and certain people considered that the only thing that was wrong about it was that the crops were not burnt. Where there is real danger in connection with a bush fire is when it gets out of control, but regarding fires caused by sparks from railway engines the department have been alive to the situation and have never

ceased up with their experiments. To appoint a Royal Commission therefore would amount to an absolute waste of money.

MR. SEWARD (Pingelly) [8.40]: In view of some of the remarks that have been made, I deem it to be my duty to support the motion for the appointment of a Royal Commission. It is not desired that considerable expense should be incurred by the carrying of the motion. At the same time it is reassuring to have the statement from the Minister that the department are fully alive to the possibilities of the position. No doubt they are watching it closely, but if we are to judge by the activities of the Railway Department in other respects, where those activities can be checked, then I cannot accept the assurance of the Minister. Let me quote one instance. I came down in the train yesterday, and when I went to wash my hands I found there was no water. That is one matter quite easy to check, but apparently the department were not able to do so. One can go into wash-places at times and find them filthy dirty. It would be quite an easy matter for the department to keep them clean, but that is not always done.

The Minister for Railways: You have never said anything good about the Railway Department ever since you have been in the House.

Mr. SEWARD: I take exception to that remark. I have frequently given them credit for what they have done. In passing, I may say that there have been improvements in some respects. Last year I came down from Kondinin in the train which left at a quarter to eight in the evening. It had not travelled more than three-quarters of a mile when it stopped, and when I looked out I discovered that there was a fire and that the train staff were putting it out. Half a mile further along the train stopped again, and the staff left it to extinguish another fire. Both those fires were caused by engine sparks. Fortunately this happened at about 8 o'clock at night. Had it occurred in the daytime, the results might have been serious. I am fully aware that the men on the train do everything they can to extinguish fires, and after the occurrences to which I have referred, the train was taken along cautiously. This really shows the danger that exists. On another occasion last year a fire occurred in the evening just outside Pingelly, and an un-

fortunate man who had a farm there had the whole of his crop of peas burnt out. He was not in a flourishing position. That crop would have given him sufficient seed to plant this year's crop, but the fire went right through the property. There was a patch of 50 acres and the fire went right across it. There are instances every day of similar fires occurring, and no compensation can be obtained. The members for Canning and Subiaco stressed the great cost that would be involved by the appointment of a Commission, but I suggest that the losses that are caused to unfortunate farmers, which probably mean a life work, are of greater consequence. In addition to the loss of crop, the loss of stock may be involved, because when a fire gets out of control not only grass but stock also may suffer, since there will be no fodder left with which to carry on through the summer. That point should weigh more with us than the cost involved by the investigation. As to who should be appointed, I do not think the mover of the motion mentioned any particular person beyond merely indicating one gentleman. We might have a man in this State who would be thoroughly capable of investigating the question. If so, I would be only too pleased if he were appointed. In asking for an inquiry by Royal Commission, we are not making any unreasonable request. The farming community would feel greatly assured if they knew that the spark-arrester in use was the best available. Regarding the local product, I wish to see Collie coal used, but if it is a question of Collie coal as against the interests of the farming community, then Collie coal will have to be dispensed with during the period of danger in the summer months and imported coal will have to be used. If we can overcome the difficulty by adopting a more efficient spark-arrester, we should support any move for an inquiry which will bring about its adoption. For those reasons I support the motion.

MR. DONEY (Williams-Narrogin—in reply) [8.46]: In what the member for Canning said, I do not think there is anything to reply to. My amiable friend, the member for Subiaco, made a successful speech in that he succeeded in demonstrating his complete ignorance of the subject before the Chamber. What he was driving at I do not

think he himself knew. Certainly nobody in the House knew. His speech was certainly picturesque, but otherwise it was utterly useless. The member for Bunbury seemed to have an idea that I am here as a sort of agent either for Coxon, Cheney or some other gentleman in this State interested in the sale of a spark-arrester or nullifier of his own make. That is not so. I do not know Mr. Coxon; I do not know Mr. Cheney; I do not know anyone connected with either of them, and if I did, I would not have been made a tool by anyone in the way suggested by the hon. member. Neither of those gentlemen has approached me by letter, or in any other way, so that I am completely dissociated from them and from any other gentleman or firm connected with or interested in spark-arresters or nullifiers. The reason that prompted me to bring the motion forward was that each year resolutions are passed by gatherings of farmers in different parts of the State. During the current year there have been an unusually large number of resolutions, and that and requests from country friends prompted me to bring the motion before the House. Considerable mention has been made of Collie coal. I quite realise that the present Government, indeed any Western Australian Government, is bound to use Collie coal. We cannot escape that duty. I appreciate the difficulty in which the Government find themselves placed in having to use this local product. Now I would not have mentioned Collie coal, but for the fact that the member for Bunbury made a pointed reference to it by way of interjection when I was moving the motion. The burden of the defence of the member for Bunbury was that we could not possibly have anything better than the H.D.D. device, and he could think of no better reason for holding that opinion than merely that that device is of local birth and construction.

Mr. Withers: You cannot get an imported article and treat it in the same way as the local article.

Mr. DONEY: That depends upon the conditions obtaining here and whether other countries have similar conditions. In speaking to the motion, I submitted that in America, Argentine, South Africa and other countries not unlike our own, the devices adopted would equally suit us, save only for the conditions—rather unfavourable conditions—attached, as the Minister ad-

mitted, to Collie coal. Although the hon. member and the Minister said in effect that the H.D.D. was the best of all possible devices, they have to admit that for the past 17 years they have diligently searched for improvement. No improvements, however, have resulted. The strange thing about the contribution of the member for Bunbury was that, despite the alleged very keen interest of the Railway Department in this matter and his statement that the officials are constantly doing everything possible, he in his speech suggested it was necessary to change the tenor of my motion to require the Railway Department to stimulate their interest in the question. Very well. Neither the Minister nor the member for Bunbury nor any other speaker on the Government side referred to the very important question of the losses suffered by farmers from the fires that occur in large numbers, I regret to say, every year. I greatly regret that the Minister did not indicate his willingness to have a Royal Commission, as I suggested. Apart from that, I should like to thank him for speaking in a very helpful and informative way on the subject matter of the motion. He was naturally very loyal to the H.D.D. device. Of that I cannot complain. I am pleased that he realised that in my bringing this matter forward, I was actuated not only by a sense of responsibility to the farmers but also by a spirit of helpfulness to the Railway Department. I wish, however, to tell the Minister that in my opinion he gave some contradictory advice to the House regarding the H.D.D. spark-arrester. Some time ago, in answer to a question, he said that the device was quite satisfactory.

The Minister for Railways: In comparison with anything else.

Mr. DONEY: I am quoting, not the opinion he might hold to-day, but the information he gave in answer to the question I asked. He said then without qualification that the H.D.D. device was quite satisfactory. On the other hand, he stated last Wednesday, by way of interjection while I was speaking, that the Railway Department were expending a lot of money in attempting to get something better. I submit that those two statements cannot be reconciled. The department are attempting to get something better, and yet they insist that the present device is quite satisfactory. One of those statements, of course, must be wrong.

The Minister for Railways: Everything said is uttered in a comparative sense.

Mr. DONEY: Yes, and I use it now in a comparative sense. By comparison with the other 10,000 devices, or as many as the Minister knows anything about, the H.D.D. device is quite satisfactory, and for no other reason that I can discover than that it is a local invention.

The Minister for Railways: No.

Mr. DONEY: We certainly know more about this device than about any other, and my complaint is that the Minister will not make any attempt to undertake a large-scale inquiry into other devices that have been placed on the markets of the world, despite the undoubtedly great benefits which must necessarily follow the use of an improved device. It is idle to pretend that our one spark-arrester is better than any other of the 10,000 on the markets of the world. I am disappointed that the Minister should decline to spend the relatively small sum that would be involved in an inquiry by a Royal Commission of one. The huge amounts referred to by members on the Government side are very wide of the mark. Such an inquiry as I ask for would not necessitate any huge expenditure; it might conceivably run to £1,000, but the expenditure of that sum might easily lead to a saving of an average of £10,000 to £20,000 annually in losses suffered by the railways and by the farmers of this State. If such a saving is not worth the expenditure of £1,000, I do not know what would be. I said the other night, and I repeat it to-night, that I can think of no expenditure of that sum likely to secure such far-reaching benefits. The Minister knows well that by declining an investigation he is running the risk of involving the landowners of this State, and the Commissioner of Railways as well, in losses far heavier than either of them can afford to bear, and particularly is that so in any summer which might prove to be more than usually hot. I have submitted my case to the House; I do not know that I need say any more. I think I have demonstrated the wisdom of expending the small amount necessary for an inquiry, and despite the rather unfavourable reception of my motion by the Minister, I hope he will be prepared to cast a vote in favour of the appointment of a Royal Commission.

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

Ayes	..	..	..	..	14
Noes	..	..	..	..	21
Majority against					7

AYES.

Mr. Boyle	Mr. Seward
Mr. Ferguson	Mr. J. H. Smith
Mr. Keenan	Mr. Stubbs
Mr. McLarty	Mr. Thorne
Mr. Mann	Mr. Warner
Mr. North	Mr. Watts
Mr. Sampson	Mr. Doney

(Teller.)

NOES.

Mr. Clotlier	Mr. Needham
Mr. Coverley	Mr. Nulsen
Mr. Cross	Mr. Raphael
Mr. Cunningham	Mr. Rodoreda
Mr. Fox	Mr. Sleeman
Mr. Hawke	Mr. F. C. L. Smith
Mr. Johnson	Mr. Tonkin
Mr. Marshall	Mr. Willcock
Mr. Millington	Mr. Withers
Mr. Moloney	Mr. Hegney
Mr. Munale	

(Teller.)

PAIR.

AYE.	No.
Mr. Latham	Mr. Collier

Question thus negatived.

BILL—ENTERTAINMENTS TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the 6th November.

THE MINISTER FOR JUSTICE (Hon.

J. C. Willecock—Geraldton) [9.2]: The entertainments tax was originally introduced for the purpose of raising revenue. It was felt that people with money to spare for entertainments could afford a small additional payment for social services among other things. That principle was agreed to by Parliament, and legislation was passed. The tax was charged on every form of amusement for which admission charges were made above a certain figure. Then it was pointed out that many people gave their services gratuitously for the purpose of raising money in aid of charity, that these people voluntarily set out to give entertainments for worthy purposes and in the majority of cases with no benefit to themselves and with no expenses. It was realised that in those circumstances it would not be quite right, and in fact would be wrong, to penalise the

people in question by imposing taxation on the proceeds of the entertainment. That aspect also was considered, and Parliament in its wisdom said that even though there was a fair amount of expenditure in running an entertainment of this description the proceeds should be exempt from taxation provided the expenses of the entertainment did not exceed 50 per cent. of the total proceeds. It was never anticipated that the man running picture shows for people in the country would be entitled to remission of taxation, even though some percentage of the income would go to increase the funds of hospitals or other charitable institutions.

Hon. P. D. Ferguson: The remission was in the first place intended for dances, in connection with which there is no heavy expense.

The MINISTER FOR JUSTICE: It was intended that anything run for the entertainment or amusement of the people should be subject to tax. People paying to go to those entertainments had some money to spare, and therefore it was considered they ought to contribute portion of that money to the State revenue. The thing has now developed into a request that proprietors of shows run in the ordinary way should be freed from taxation because of the fact that some small percentage of the proceeds was given to a worthy object. On that ground it was urged the entertainment should be free from paying anything in the way of taxation. I should say that in most cases people go to picture shows, either in the country or in the city, for entertainment, and quite irrespective of the destination of the proceeds. They go because they want to be amused.

Mr. Marshall: Some people are easily amused.

The MINISTER FOR JUSTICE: I myself am not amused by some pictures.

Mr. Marshall: Nor is anybody else.

The MINISTER FOR JUSTICE: People do not go to those shows to contribute to charity, and therefore it is right that they should be subject to the ordinary taxation. There is no reason why one entertainment of the kind should be free from tax and another subject to tax. I gather that there are about 150 shows run around the country, and only three or four of them are conducted under conditions which are needed in the district represented by the mover of the Bill. If the principle was adopted, un-

doubtedly many more shows would be given for the ostensible purpose of assisting charity, and before long a considerable proportion of the entertainments tax would be lost, and the revenue would suffer. Similarly, as regards dances and other entertainments. When a more liberal allowance was made, it was found that all sorts of entertainments were organised for the amusement of the people, and that in order to reduce prices of admission by avoiding the tax a small proportion of the proceeds went to some charitable object. At a hall there would be expenses such as hire of hall, a band, a sumptuous supper, and advertising, amounting in all to two or three hundred pounds. The results would represent as nearly as possible a get-round, and the £4 or £5 over would be donated to charity, the entertainments tax thus being avoided.

Hon. P. D. Ferguson: I wish those entertainments drawing £200 or £300 could be got in my district. Such amounts are not obtainable in an ordinary country town.

The MINISTER FOR JUSTICE: I am not saying that, but if the principle of the Bill were adopted that kind of thing would go on as it did when the entertainments tax was first introduced with exemption for entertainments for charitable purposes. Because of the abuses which occurred under that system, it was definitely laid down that only a certain percentage would be allowed for expenses. If that percentage were exceeded, the tax applied. Why should some picture show proprietor making handsome profits out of hiring films be subject to taxation in one country town and not in another country town on the plea of charity which was for the purpose of escaping taxation? I do not wish to depreciate the work done in the country by way of charitable entertainments, especially in aid of hospitals; but this plea breaks down the whole principle upon which the tax is established. If that does occur, if entertainments are run free of the taxation hitherto received by the Treasurer, the amount will have to be made up in some other form. The Bill leaves too many loopholes under the cloak of charity, for entertainments ordinarily conducted for public amusement. The original 50 per cent. set down is eminently fair. If people get up an entertainment at which artists and others give their services free, the only expenses being hire of hall, it is right that they should be free of tax; but where the expenses rise above 50 per cent. somebody is getting some-

thing—in fact, more than one-half of the proceeds. Where private persons get more than half the proceeds they should not be exempt from ordinary taxation. Of course there is a good case for remission of taxation in this instance. There is in every instance. A case can be put up for whittling down any tax imposed. But dire necessity makes Governments and other authorities impose taxation and get in revenue. True, there would be more money available for hospitals if there were no charges for hire of hall, hire of pictures, and so on. But those charges are made. The principle of taxation of entertainments having been definitely established for the time being, it is right that anyone going to an entertainment for entertainment purposes should contribute to this tax, which applies all over the State. I do not wish to impute motives to the hon. member for having introduced the Bill, but the principle of this taxation has existed for years, without any attempt having been made to alter it. Just prior to a general election is not an opportune time to introduce such a Bill as this. If the object is to bring odium on the Government on account of something that has existed for years and years—

Hon. P. D. Ferguson: That is not fair. I have only just got the Premier's reply refusing my request. The Premier suggested that I should bring down the Bill.

The MINISTER FOR JUSTICE: I am trying to look behind to see what the object is. The taxation and the remission have been the same for a long time. Every body has known all about both for several years. I have been wondering whether this is such a burning question and whether so much dissatisfaction exists because of the taxation that the Bill must be introduced at this stage. I very seldom accuse hon. members of political propaganda in respect of what they bring forward in the House. However, I can find no other reason in this case. I do not wish to doubt the hon. member's statement, but I do not think the Premier asked him to introduce the Bill. I think the Premier said that if there was any severe hardship, the whole thing could be revised.

Hon. P. D. Ferguson: The Premier said, "I cannot do what you ask of me. What you want is an amendment of the Act."

The MINISTER FOR JUSTICE: But the Premier did not wish the hon. member to introduce this amending Bill.

Hon. W. D. Johnson: That could have been done five years ago.

The MINISTER FOR JUSTICE: It could have been done at any time.

Hon. C. G. Latham: Nothing of the sort. "It is never too late to amend."

The MINISTER FOR JUSTICE: Perhaps the fact that an election is to be held made no difference regarding the motion. I was conjuring up in my mind what reason there could be for the matter being advanced at this particular juncture, seeing that the practice has been in existence for many years past.

Hon. C. G. Latham: The reason why we amend our laws is because they have been in existence for years.

The MINISTER FOR JUSTICE: If there is any hardship on account of this law, that hardship has existed for many years.

The Minister for Health: If the expenses cannot be kept below 50 per cent. of the takings, it simply means that someone is making the profit.

The MINISTER FOR JUSTICE: Of course it does.

Hon. P. D. Ferguson: Perhaps the Minister for Health was not here when I gave the figures regarding some of these entertainments.

Mr. Moloney: But most of the revenue went in film hire.

Hon. P. D. Ferguson: A large proportion.

Mr. Marshall: And the bulk of that money goes to America.

The MINISTER FOR JUSTICE: What the member for Irwin-Moore complains of has been a principle of taxation for a long time. The incidence of the tax is not unreasonable and if we are to grant a remission of the tax, it certainly should be only in respect of entertainments in connection with which the expenses are less than half of the proceeds. I oppose the motion.

HON. C. G. LATHAM (York) [9.17]: We must remember that when this legislation was originally introduced, there were few hospital committees who ran picture shows in order to raise funds for their hospitals.

The Minister for Justice: There are very few doing that now.

Hon. C. G. LATHAM: There are quite a number, but during the last two or three years a considerable proportion have gone

out of business because the entertainments have proved unprofitable. Experience has shown that the effect has been to run the shows to provide revenue for the Commissioner of Taxation instead of for the hospitals concerned. The entertainments were inaugurated to augment the revenue required for the maintenance of hospitals and at the same time to provide some amusement for the local people.

Mr. Hawke: The high cost of film hire, rather than any other factor, caused those entertainments to be stopped.

Hon. C. G. LATHAM: The committees have bought expensive plant to enable them to conduct the picture shows, but now they find that most of the money that is raised by such means has to go in film hire, so that very little revenue is left.

Hon. P. D. Ferguson: And that position cannot be altered.

Hon. C. G. LATHAM: We know that in Narembeen we had to scrap our plant and the people who had provided guarantees in connection with the purchase of that plant had to furnish a considerable amount. It is rather hard upon those people to have to lose so much money when the obligation was undertaken to assist the local hospital, and yet the undertaking proved revenue-producing for the Commissioner of Taxation to the degree that has been indicated. It was because of such circumstances that the Bill was introduced. The member for Irwin-Moore is rather unfortunate in that he has two hospitals in his constituency. They now find that most of their revenue has to go in film hire.

The Minister for Water Supplies: The same experience confronted the Miners' Union at Leonora in the days of the silent pictures.

[The Deputy Speaker took the Chair.]

Hon. C. G. LATHAM: That may be so. These entertainments represent a genuine attempt to increase the revenue of our country hospitals.

The Minister for Justice: Of course.

Hon. C. G. LATHAM: And that is still the objective. In many instances the people in the country districts have endeavoured to raise money in order to build halls. They have borrowed money from the Government and have conducted entertainments and pic-

ture shows in order to clear off the debt. They have to pay interest to the Government on the money borrowed and at the

missioner of Taxation as well, so that they are doubly taxed. I had hoped that the Government would agree to the Bill. The member for Irwin-Moore does not desire the matter to be determined by the local people but has left it to the discretion of the Commissioner of Taxation to do the fair thing by people who are out to help themselves. Of course, as an alternative we can revert to the old system under which the Medical Department was responsible for all hospitals and their upkeep. We do not desire that, and least of all does the Minister for Health. The work of these committees represents a link between the hospitals and the people and helps to make the conduct of those institutions a success. We should encourage that sort of thing. The amount of revenue that will be lost by the Commissioner of Taxation is infinitesimal, but the benefit to our hospitals will be great. I was sorry to hear the Minister for Justice remark that the Bill had been introduced for political motives. We can charge Ministers, as Ministers can charge us, with being political. We are both political, but all our actions are not political. In this instance the Bill represents an honest attempt to lend encouragement to people who constitute a link between the community and the hospital, and we should encourage them in every way.

THE MINISTER FOR HEALTH (Hon. S. W. Munsie—Hannans) [9.21]: I was responsible for the introduction of the entertainments tax for hospital purposes. If the tax had remained as it was when introduced, there would have been ten times the justification for the introduction of the Bill. When the tax was first operated, we took over that part of the entertainments tax that had been relinquished by the Commonwealth Government. The State had the right to levy the tax on entertainments for which the price of admission was up to or under 2s. 6d. We collected no entertainment tax in respect of functions for which the charge was more than 2s. 6d. The tax in respect of those entertainments went wholly to the Commonwealth Government. On the other hand, the whole of our taxation was devoted to the upkeep of hospitals. However, a later Government altered those provisions and not only took the whole of the

tax into Consolidated Revenue, but doubled the tax.

Hon. C. G. Latham: That is perfectly true.

The MINISTER FOR HEALTH: If that revenue had still been used for hospital purposes—

Hon. C. G. Latham: It would not have mattered.

The MINISTER FOR HEALTH: In those circumstances, there would have been ten times the justification for the Bill. The Leader of the Opposition says that if the Bill be passed, the amount that the Commissioner of Taxation will lose will be infinitesimal. If that be true, then the amount that the hospitals will gain must also be infinitesimal.

Hon. C. G. Latham: Comparatively speaking, it will be.

The MINISTER FOR HEALTH: I have had a good deal to do with the running of hospitals, not as Minister for Health, but as chairman of country hospital boards in mining districts. I have no hesitation in saying that if those concerned in running entertainments for the benefit of hospitals cannot keep the expenses below 50 per cent. of the takings, they should be required to pay the entertainments tax. That is my candid opinion.

Hon. P. D. Ferguson: Would you say that if film hire represented 40 per cent. of the takings?

The MINISTER FOR HEALTH: I am not prepared to sacrifice the revenue of the State to bolster up the interests of those who control the hire of pictures. That is my point. If by losing some revenue we could secure more for the hospitals, it would be a different matter.

Hon. C. G. Latham: If you reject the Bill, it may mean that the profits will go to the individual instead of to the hospital.

The MINISTER FOR HEALTH: It is remarkable that this Bill should be introduced at this juncture. The Minister for Justice pointed out that fact, and it is all the more remarkable that the Bill should have been introduced by a member of a former Government who were responsible for taking away the entertainments tax from the hospitals.

Mr. Moloney: That is a nasty one.

The MINISTER FOR HEALTH: I repeat what I said before, that if those who run such entertainments cannot keep the ex-

penses below 50 per cent. of the gross takings, they should pay the tax.

Mr. Sampson: And that is impossible in view of what has to be paid for film hire.

HON. P. D. FERGUSON (Irwin-Moore—in reply) [9.25]: I regret that the Minister for Justice suggested that I had introduced the Bill for some ulterior political motive.

Mr. Hawke: He did not suggest that.

Hon. P. D. FERGUSON: Nothing was further from my mind. For the past 12 months, at the request of the two hospital committees operating in my electorate who run picture shows in the interests of the institutions concerned, I have been endeavouring to secure from the Treasury a refund of the entertainments tax collected in respect of entertainments held to raise funds for the hospitals. After discussing the matter with the Commissioner of Taxation and the Secretary of the Health Department, and submitting the proposal to the Treasury, I got no satisfactory reply. I raised the matter this year during the debate on the Address-in-reply. As I interjected just now, the Premier intimated during that debate that he could do nothing and that what I required was an amendment of the Act. Following that suggestion, I have introduced the Bill and it was firmly fixed in my mind that the Premier would approve of it. He did not interject in any spirit that would lead me to believe that he was opposed to the proposal. I am amazed that Ministers should oppose the Bill and still more that the Minister for Justice, in his capacity as Deputy Premier, unlike his usual self, should suggest that I had taken this action for political motives.

Mr. Rodoreda: The speech of the Premier was wholly against your proposal.

Hon. P. D. FERGUSON: I believe that the Minister's explanation for the imposition of the tax in the first place was quite correct. He pointed out that if expenses were less than 50 per cent. of the takings refunds were granted to the promoter. That is quite impossible in connection with picture shows in country towns, notwithstanding what the Minister for Health has said.

The Minister for Health: Then why run picture shows at all? I ran entertainments in Broad Arrow from which £300 a year was obtained, and the expenses never reached 50 per cent.

Hon. P. D. FERGUSON: That just shows that the people of Broad Arrow must have been infinitely better off than are those resident in the Moora and Dalwallinu districts. I have given particulars regarding the financial results of the entertainments conducted there.

The Minister for Health: I was here when you gave those particulars.

Hon. P. D. FERGUSON: Then the Minister must realise the impossibility and utter impracticability of conducting picture shows in agricultural towns and keeping expenses below 50 per cent. of the takings.

The Minister for Health: I realise that, so long as you continue to run picture shows.

Hon. P. D. FERGUSON: Those who have conducted these shows have gone to the expense of between £200 and £300 to secure plant in order to provide the picture shows.

Mr. Withers: Then it is bad business for them.

Hon. P. D. FERGUSON: It may be bad business for them, but it will be worse business for the Government if these committees cannot carry on.

Mr. Withers: We cannot cope with that.

Hon. P. D. FERGUSON: This is what is going to happen if the Government and Parliament will not encourage the voluntary efforts of those committees: the picture shows are going to be scrapped, are not going to be carried on since they offer no measure of profit; and when they are scrapped, how are the hospitals going to get on? They will have to come back on to the Minister's Hospital Fund, and so the Minister will have to contribute to their support.

The Minister for Health: How much are they getting out of these entertainments now?

Hon. P. D. FERGUSON: I gave full details when I moved the second reading of the Bill, but the Minister did not hear them. I do not think members wish me to repeat them again.

Mr. Moloney: They will bear repeating.

Hon. P. D. FERGUSON: It is absolutely impossible for those shows to be run and the total expenditure to be kept down to the 50 per cent. It may be asked why do we not raise the charges? But already the charges are higher in country towns than they are in the metropolitan area, and if they were raised any further the attendance would dwindle proportionately, and so

the total receipts would be less than they are to-day. The tax is paid, not on profits, but on the tickets sold, and must be paid even if there be no profit. I previously gave the instance of a picture show, the profit from which was 4s. 2d., yet there was £2 or £3 paid in entertainments tax.

Mr. Moloney: That was when you paid £138 for the film.

Hon. P. D. FERGUSON: The £138 I mentioned was spread over a long period.

Mr. Moloney: But that was for film hire?

Hon. P. D. FERGUSON: Yes, and it is an expense over which the local committees have no control whatever. They have combined to approach those from whom they hire the films, and as the result they are now getting the films at the lowest possible rate.

The Minister for Justice: With influence the rates might be still further reduced.

Hon. P. D. FERGUSON: I should like the Minister to realise that it is impossible for these local committees to exercise any influence whatever over the proprietors of the films. If they are going to hold a picture show they must get films from those who have them to lease, and in addition they must pay the charges imposed. The Government should be anxious to assist those in country districts who desire to assist their own hospital. No one is making any profit out of these entertainments. The expenses are cut to the bone. Had the owners of the halls—in most instances the local road board—charged the ordinary rate for the use of the hall, and had the people who run these picture shows put in an account for their expenses and so run up the cost considerably, and had the road board and the committee then reduced their accounts by half in the way of donations, the expenses would have been within the 50 per cent. But as the road boards have reduced the hire of the halls by 50 per cent. in the first place, and as everyone helping in the conduct of the entertainments did not make any charge, the expenses have not been reduced in the way I suggested, and so it is impossible to bring them down below the 50 per cent. If the Government and their supporters are opposed to this measure, it is not much use for me to go further. At the request of the local committees I have made every attempt to get the matter put right from their point of view, having applied not only to the Taxation Department, but also the Government, and now

the only body who can give us any assistance is Parliament. So I appeal to the House to come to the assistance of those public-spirited individuals who are doing all the work in connection with the conduct of these entertainments without fee or reward, and solely in the interests of the public institutions in their district.

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

Ayes	..	..	..	..	14
Noes	..	..	..	..	19

Majority against 5

AYES.

Mr. Boyle	Mr. Seward
Mr. Ferguson	Mr. J. H. Smith
Mr. Kaenan	Mr. Stubbs
Mr. McLarty	Mr. Thorne
Mr. Mann	Mr. Warner
Mr. North	Mr. Watts
Mr. Sampson	Mr. Doney

(Teller.)

NOES.

Mr. Coverley	Mr. Munroe
Mr. Cross	Mr. Needham
Mr. Cunningham	Mr. Raphael
Mr. Fox	Mr. Redoreda
Mr. Hawke	Mr. F. C. L. Smith
Mr. Hegney	Mr. Tonkin
Mr. Johnson	Mr. Willcock
Mr. Marshall	Mr. Withers
Mr. Mullington	Mr. Nulsen
Mr. Moloney	

(Teller.)

PAIRS.

AYES.	NOES.
Mr. Latham	Mr. Collier
Mr. Welsh	Mr. Clothier
Mr. McDonald	Mr. Needham
Mr. Patrick	Mr. Troy
Mr. Brockman	Mr. Wilson

Question thus negatived; Bill defeated.

[The Speaker resumed the Chair.]

BILL—MARKETING OF EGGS.

Second Reading.

Debate resumed from the 6th November.

HON. P. D. FERGUSON (Irwin-Moore) [9.40]: It is my intention to support the second reading of this Bill to provide for the orderly marketing of eggs. I am doing that because it is the policy of the Country Party to endeavour to bring into operation organised marketing of commodities under statutory boards, provided those boards afford ample representation to the producers of that particular commodity. Quite a considerable amount of attention has been given to this question, and we have numerous instances of the successful

carrying on of organised marketing—and we have not to go outside of Australia to find them, either. So important have the Federal Government regarded this matter that since the present coalition Government were brought into being they have gone quite a long way in connection with it. I noticed in yesterday's "West Australian" this paragraph—

The Commonwealth Government attach considerable importance to the principle that home producers should have every opportunity to meet the demands of their own markets, that Empire producers should come next, and then the foreign supplies. It is considered that it is a sound basis upon which any future policy can be constructed to meet the requirements of producers throughout the Empire.

If any proof were needed of the wisdom of bringing into operation a statutory board for the control of the marketing of primary products it was supplied by the Minister for Agriculture in this House the other night, when he explained that owing to the operations of a statutory board that had been given authority to organise the production and distribution of whole milk in Perth and suburbs, the operations of that board had been responsible for the additional distribution of no less than £30,000 per annum among the producers of that commodity. It seems to me we need very little further proof that a board working on sound lines can do very effective work in the interests of the producers. I do not wish to say that a similar state of affairs exists in the marketing of our eggs, but it is conceivable that it does, and it is just as possible that if a board were appointed on similar lines to those adopted in the whole milk industry, another £30,000 per annum might be distributed amongst private producers.

The Minister for Health: But you must take into consideration the export as well.

HON. P. D. FERGUSON: Because I want to see a State board appointed to have control of this commodity, I should like to express the hope that so far as possible existing channels for the disposal of this commodity should be utilised to the fullest possible extent. I regret that the matter should have been left to a private member to introduce. I would have preferred to see the Government introduce a comprehensive measure that would have dealt, not only with eggs, but with all other primary commodities, the producers of which desire

that the disposal and marketing of their particular commodity should be brought under its provision. The success which has attended the marketing of milk and of our dried vine fruits should be ample justification for the Government to bring down a measure such as I have suggested. There are many defects in the Bill before us, but I hope some of them will be capable of adjustment in Committee. After listening to the member who introduced the Bill I felt it was the voice of Jacob speaking, but could easily discern the hand of Esau behind the Bill. We had a similar Bill to this before us some years ago, sponsored by another member. The object of this Bill appears to be to secure for a certain section of egg producers the control of the marketing of eggs. To that extent I am opposed to the measure, unless it can be amended in Committee to provide that it shall have State-wide effect. I object to the purely sectional aspect of the Bill, and to its being confined to certain areas, as may be desired by certain producers.

Hon. W. D. Johnson: You misunderstand it.

Hon. P. D. FERGUSON: The Bill is clear on the matter, and provides that the producers in certain areas may do certain things.

Hon. W. D. Johnson: It gradually extends the organisation.

Hon. P. D. FERGUSON: Under the Bill as printed, I am afraid that a section of the egg producers will be able to secure control over the marketing of all eggs within the area concerned. It may be the metropolitan area, and the Bill may act detrimentally to egg producers in other areas, who may not wish to come within its provisions. If the sponsor of the measure is willing to apply it to the whole State, it should meet with the approval of all members. The Control Board should be representative of all the egg producers in Western Australia, but under the provisions of the Bill I am afraid that will not be so. It is as necessary for country egg producers to have representation on the board as it is for those in the more closely settled metropolitan and suburban areas. There is a proviso in the Bill which will be very dangerous unless there is a properly constituted board. The proposal is that there shall be three elective members, and two nominated by the Governor. A much more suitable board would be one con-

sisting of four elective members, and one nominated by the Governor.

Hon. W. D. Johnson: You would make a mess of the Bill.

Hon. P. D. FERGUSON: All sections of egg producers in the State should have equal representation on the board. To this end I would like to see a board elected on almost identical lines with the representation of the producers on the Whole Milk Board. Under the Act governing milk, two districts are provided, one in the metropolitan area and one outside it. I have ascertained from the poultry adviser of the Department of Agriculture that about 50 per cent. of the poultry and 50 per cent. of the eggs marketed in the metropolitan area come from within a radius of 40 miles of the General Post Office. In Committee I shall move for the establishment of two districts, one within a radius of 40 miles of the General Post Office returning two members on the board, and one outside that radius returning two other members. By that means it will be possible to establish a properly balanced board representative of all sections of egg producers, and one that, with a member appointed by the Government, ought to be in a position to take charge of the marketing of this commodity to the satisfaction of the producers, and with advantage to the consumers in the metropolitan area. Such a board should also be able to provide for the effective marketing of that portion of the commodity which has to be sent overseas. Expressing the hope that the sponsor of the Bill will be agreeable to accepting the suggestions I have made, when we reach the Committee stage, I shall support the second reading of the Bill.

Mr. RAPHAEL: I move—

That the debate be adjourned.

Motion put and negatived.

MR. CROSS (Canning) [9.51]: Two States which have no egg boards are Victoria and Western Australia. Most of the other States have such boards. I support the second reading of the Bill, but probably for reasons entirely different from those advanced by the member for Irwin-Moore (Hon. P. D. Ferguson). During the last five or six years a new industry has grown up in Western Australia, the egg export industry, which last year established a record by sending about £125,000 worth of eggs out of this State. I hold that we need an egg board because at the present time, in

spite of the good work done by the Poultry Inspector, Mr. Shaw, insufficient care has been used with regard to eggs exported. I wish to draw the attention of hon. members to a paragraph published in the "West Australian" of the 9th November—

Stale Eggs from Western Australia.

Mild open weather throughout Europe and exceptionally high temperatures have resulted in heavy supplies of Continental eggs. There are also large quantities of South African and Argentine eggs arriving, and consequently the demand for Australian has declined. Prices have become easier. The quality of most Australian arrivals is very good, but certain marks from Victoria and Western Australia are far from satisfactory, being decidedly stale. Also, some Victorian packers have repeated the old crime of including a number of duck eggs in cases. Experts attribute the stale flavour to eggs having been washed before shipment. They said that washing dirty eggs is all right if they are intended for early consumption, but experience shows that washing, especially if a chemical solution is used, has some action on shells, rendering them susceptible to air. Experiments were made recently in storing washed eggs for about the period of transit from Australia, and when the packages were opened 90 per cent. of the eggs were rotten.

About 12 months ago I, in company with the inspector and two or three other members of Parliament, visited practically every export floor in the metropolitan area, including Perth and Fremantle. On that occasion it became evident to me that a board was needed to control the industry. What was happening there was likely to have a detrimental effect on our market in Great Britain. The paragraph I have quoted shows that the same practices are prevalent now. Some export firms were candling the eggs and classing them, thus exporting them as almost perfect produce. The methods used in other instances did not reflect credit on the firms concerned. As the result of my inspection of export floors in the metropolitan area, I have not eaten any eggs since. One of the reasons showing the necessity of an egg board is to ensure a decent egg being put on the market. On inspecting various places we found that cases of eggs were coming in from the country, and one could visualise what had happened. People on the farms probably made a few excursions around the haystacks and found a number of eggs being laid. Those eggs they saved up for a week, and then took them to the country storekeeper, who, after a few more days, sent them to Perth in one case. At that time 40 per cent. of the con-

tents of cases of eggs had to be discarded as definitely bad. Those bad eggs were placed in separate cases. At that time suburban storekeepers were putting out those eggs at about 9d. per dozen as fresh country eggs. They were rotten before they were consigned to Perth. Cases of eggs which had been condemned by the inspector were sold in suburban shops.

Mr. Thorn: You can't put that over!

Mr. CROSS: It would be just as well for hon. members to visit the egg export floors and observe the article that comes in from the country. Inspectors should not only see to the quality of the eggs being exported, but should also look after the consumer of eggs in this State.

Hon. C. G. Latham: You are an expert on everything. I have not heard of anything on which you are not an expert.

Mr. CROSS: I do not suppose the hon. member has taken the trouble to investigate the egg export traffic. When he does, he will find out—

Hon. C. G. Latham: That you are not speaking the truth.

Mr. SPEAKER: Order! The hon. member must not reflect.

Mr. CROSS: Knowing that a firm in the metropolitan area has for two years been placing on the metropolitan market eggs which have been carefully candled and selected, and which therefore are of good quality, and that those eggs are realising 2d. per dozen more than the average price in the metropolitan area, and knowing also that the firm has not been able to supply the demand—

Mr. Thorn: Are you a shareholder in that firm?

Mr. CROSS: I am not. I hold that an egg board is desirable from the aspect of guaranteeing to the decent grower that his trade shall not be ruined by people so careless as to send to market eggs that obviously are not fresh. I believe the inspector would be glad to show members the worst features of that traffic. I believe those hon. members would get the shock and the surprise of their lives upon seeing the quality of eggs sent in from the country. In my opinion an egg board could educate producers to improve their product by putting the eggs on the market quickly.

Mr. McLarty: Do you want to stop country eggs from coming here?

Mr. CROSS: Yes, but the egg export industry is worth fostering. It is no laughing matter to find in the cable columns of our leading newspaper reflections on the quality of eggs exported from our State. That sort of thing is no good either to decent producers or to the firms that export good produce. An egg board would be in the interests of the industry, and would help the genuine egg producer, who gets his living by the business, to secure better prices. I believe the consumer to be prepared to pay a better price in order to assure himself of getting 12 good eggs in a dozen. Sometimes when one buys a dozen eggs one is lucky to get seven good. I am hopeful that the Bill will pass. Some amendments I would like to see. For example, there should be a consumers' representative on the board. However, I believe that the board would prove highly beneficial to the industry and to our people; and therefore I support the second reading.

MR. SAMPSON (Swan) [10.3]: I have great pleasure in supporting the Bill. Our poultry farmers have for a long time been anxious that there should be control of marketing. Undoubtedly there is great need for such control. If the egg industry is to be encouraged, supervision must be ensured. I regret that a Minister did not bring down a Bill of this kind, but Mr. Fox is to be congratulated on having introduced a very good measure indeed. Subject to certain amendments, I hope the Bill will be approved. I recall readily a measure brought down by the member for Guildford-Midland (Hon. W. D. Johnson). Undoubtedly, had that Bill been passed the industry would be in a far better position to-day than is the case. Whether the Bill should be made State-wide is a question, and one on which I am prepared to listen to argument; but there is grave doubt, as things are now in respect to the quality of eggs coming into the city, and the Bill should ensure full and complete supervision, with candling and that grading which is essential. Cases of eggs coming from the country should be examined carefully, so that eggs arriving through this channel could be accepted as reliable. Whether that will be achieved remains to be seen. However, I agree with the member for Canning (Mr. Cross) that one bad egg does have the effect of discouraging consumption for at least a little time. If there is not a ready sale, it is because

the eggs are of bad quality. There is scarcely any better food than eggs, unless it be honey and milk. Egg control means care and effective supervision that will make for greatly increased business. It is interesting to note what has been done in the Eastern States. Control exists in Queensland and New South Wales. The history of the effort in the latter State may be traversed briefly. Originally there was a voluntary effort but it did not prove very successful. It continued from the 5th January, 1933, to the 18th November of that year. On the latter date, the voluntary board decided to terminate operations, as they found the effort had been only partially successful. The surplus funds that had been accumulated were distributed amongst those who had participated. With the closing down of the voluntary effort, an amendment of the Act was effected, and a compulsory pool was established as from the 6th August, 1934. Just about that time, what was possibly the largest gathering of primary producers ever held in any capital city of the Commonwealth was conducted in the Sydney Town Hall. The meeting was warmly in favour of the establishment of a compulsory pool, and on the 25th January of this year a poll was taken following upon the experience extending over a few months of compulsory control. The poll resulted in a 79.7 per cent. majority deciding to continue the compulsory pool for a further three years. Under that system the Sydney producers are able to make a living. I do not think it can honestly and fairly be said that our egg producers in this State are in that position. The Sydney market is stabilised, and under control there are no gluts. The quantity of eggs necessary for consumption is released, and neither high nor low prices prevail, but merely a reasonable price at which the consumption of eggs is encouraged. In past years at certain periods the price of eggs has been exceedingly high. That has had a detrimental effect upon the industry because it discouraged consumption, as people could not afford to pay such prices. Under control, prices are maintained at a medium figure. That is what results from the control of marketing, or, in other words, that is what happens when the producer is permitted to control the sale of his own product. This method leads to

much criticism. The opinion is held by some people that the producers should have no say whatever in respect of prices for their products. The producer, they say, should send his eggs to market and accept whatever return is forthcoming. Those conditions are rapidly passing, and the time is at hand when the producers will have their say. More care and system will be exercised in the sale of their products, and it is well that it should be so. Australia does not stand alone regarding the control of marketing. Throughout many civilised portions of the world to-day control is exercised. Even the British House of Commons recently passed a measure to control the marketing of primary products. There are Tories—there may be some on the Government side of the House—who will be amazed to learn that in England such a measure has become law. If our people are to be kept on the land and if we, as Western Australians, are to increase the value of our export of eggs, then those eggs must be properly guaranteed, and the producers must secure a remuneration that will provide them with an adequate living. Unless we have legislation to control their operations, I do not know how such a result can be achieved. In considering organised marketing, the real issues are frequently overlooked, and efforts are made to discredit the proposal. The small farmer is expected to work out his own salvation, and to do so without any control over his product. We hear, and will hear in respect of this Bill, plenty of destructive criticism, most of which is half-baked and quite unsound. It will be said that this measure will increase the cost of living.

Mr. Hegney: I suggest you do not invite criticism.

Mr. SAMPSON: It is well to anticipate criticism, and by furnishing the answer in advance, steady that criticism down.

Mr. Moloney: Don't trail your coat!

Mr. SAMPSON: Whatever objection may be raised to the Bill, I shall stand firm by its main provisions, because I believe in the wisdom and fairness of them. If this House takes a stand in the interests of equity for the small farmers and their right to market their own products, then the State as a whole will be better off.

Mr. Hawke: Probably the only objection will come from the member for Nelson, who

will suggest that this is a subtle form of socialism.

Mr. SAMPSON: I hope that the Bill will receive his support and I hope it will be passed without much opposition.

Mr. F. C. L. Smith: Are you not going to deal with the anticipated criticism?

Mr. SAMPSON: It will be claimed that if the Bill be passed, the cost of living will be increased. Members have already heard what has happened under existing conditions. There is no economy in the purchase of eggs that are not reliable. The history of every country where egg marketing has not been dealt with has been a story of unreliable eggs. Naturally there are certain brands that are fixed; the eggs are carefully handled, and all those that are bad or partially-bad are thrown out. Eggs of that description are always in demand.

Mr. Moloney: Those must be country eggs.

Mr. SAMPSON: The Bill is in the interests of the State and of the small farmers, and its successful passage will mean additional credits overseas because our exports will speedily increase.

On motion by the Minister for Water Supplies, debate adjourned.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the 6th November.

THE MINISTER FOR JUSTICE (Hon. J. C. Willcock—Geraldton) [10.16]: Under the Land and Income Tax Assessment Act, land used wholly or principally for agricultural, horticultural, pastoral or grazing purposes is subject to a rebate of the tax of £1 per acre. But in this case the land must be improved to the extent of one-third of the value of the land, in order that a claim may be made for a rebate. The Bill is for the purpose of allowing land which comes under the purview of Subsection 3 of Section 9 to come into Subsection 2, which allows people to hold land on which improvements are effected to the extent of £1 per acre to be exempt from land tax. I do not think we should agree to the principle contained in the Bill, for the simple reason that these are very small holdings and are in suburban

areas in close proximity to the town, and so they might be pretty valuable. If a holding of 10 or 15 acres is worth from £100 to £150, all that would be necessary would be to have a dilapidated old fence, or an old well, and the land would be within the purview of the improvements under the Act, and so would be exempt from taxation. This provision in the Bill does not mention whether the land is to be inside or outside a municipal area. In the parent Act Subsection 2 of Section 9 deals with land outside a municipality, but it is Subsection 3, under which some people—only very few—pay tax. As I say, if the land has an old fence or a disused well, then under the interpretation of improvements, the land can be exempt from taxation. That is not the sort of improvements which the State desires to encourage. If the improvements are on an ordinary small holding used for poultry or for pigs, or even bees, they should be reasonable improvements. The land is worth only £100 in the first place and so only £30 would be required for improvements. A man cannot do much with either pig-raising or poultry-raising without improvements worth £30.

Mr. Sampson: Some of that land is in suburban districts and is fairly valuable, and would be subject to fair taxation.

The MINISTER FOR JUSTICE: If there are on it reasonable improvements, it is not subject to any taxation. The scale of improvements is really ridiculous. If it were a holding of 2,000 acres on which £1 per acre had been spent in improvements, it would mean a tolerably big sum.

Mr. Sampson: A bee farmer might have quite a wide area.

The MINISTER FOR JUSTICE: But a bee farmer would have but few improvements. I was surprised at the attitude of the sponsor of the Bill; I thought he might have given us some illustration.

Mr. Sampson: I did not like to mention names, but I have been approached by quite a number in respect of it.

The MINISTER FOR JUSTICE: Do they pay tax?

Mr. Sampson: Yes.

The MINISTER FOR JUSTICE: Only a small area of land is required for any of these industries; whether it be pigs or fowls or even bees, one does not require much land for the purpose, unless he is going into the industry on a big scale. This amendment will allow a man to hold 20 acres in a sub-

urban area having only an old fence that cost, say, £20, and even a disused well, and provided there are a few fowls or beehives on the land, he will be entirely free from land tax. If in a suburban area an acre of land is divided into $\frac{1}{4}$ -acre blocks they would be worth £25 each, but because a man has a well sunk on it, it is to be exempt from taxation if there be in addition a few fowls or bees on it. That is not either the intention or the principle of the Act. Yet this amendment would allow that kind of thing to happen. Even a fowlhouse is an improvement.

Hon. P. D. Ferguson: Would that count?

The MINISTER FOR JUSTICE: Yes, and the improvements need only be one-third the value of the land. If the improvements are used in the production of income, and if they are to the value of one-third of the value of the land, exemption from taxation is granted.

Hon. P. D. Ferguson: I am afraid that does not apply.

The MINISTER FOR JUSTICE: I am assured by the Commissioner of Taxation that that does apply.

Hon. P. D. Ferguson: Then there is no need for this legislation if that is so.

The MINISTER FOR JUSTICE: That is what I say. That is why I wanted the hon. member to quote instances of some people who have a reasonable amount of improvements equal to one-third of the unimproved value of the land, and who have to pay tax. If he could show that, there might be some reason for the Bill. It was when I thought out the matter for myself that I became convinced that this was really an electioneering measure.

Mr. Sampson: I ask the Minister to withdraw that remark.

The MINISTER FOR JUSTICE: It is a reasonable comment.

Mr. SPEAKER: There is nothing offensive about it, and therefore there is nothing to withdraw.

Mr. Sampson: But I consider it is offensive.

Mr. Marshall: You are rightly indignant, old fellow.

Mr. Sampson: Yes. I would say the Minister was endeavouring—

Mr. SPEAKER: The hon. member cannot make a speech. If he regards the statement as being offensive, the Minister will withdraw it.

The MINISTER FOR JUSTICE: I do not intend to pursue that point, but I will not withdraw an ordinary comment which I think is perfectly true. We can make any comment we like that is perfectly true.

Mr. Sampson: Is the Minister to be permitted to flout your ruling, Mr. Speaker?

The MINISTER FOR JUSTICE: The Speaker has not given a ruling.

Mr. Sampson: I ask that the remark be withdrawn.

Mr. SPEAKER: The Minister, in my opinion, has not said anything that is offensive.

Mr. Sampson: Is not his remark about this being an electioneering effort offensive?

Mr. SPEAKER: I do not think there is anything very offensive about that.

Mr. Sampson: I am president of the Beekeepers' Association.

Mr. SPEAKER: I cannot help that.

Mr. Sampson: I considered it my duty to bring this matter forward.

Mr. SPEAKER: Order! The hon. member can make any remark to that effect when replying to the second reading, but this is not the time.

Mr. Sampson: It would be too late then to secure a withdrawal.

Mr. SPEAKER: I do not think there is anything very offensive in the Minister's remark.

Mr. Withers: Let us give the Bill a decent burial.

The MINISTER FOR JUSTICE: If the remark was offensive, I do not intend to continue that line of argument.

Mr. Hawke: It was complimentary.

The MINISTER FOR JUSTICE: Perhaps it was. As the Leader of the Opposition has remarked, some things are said in a political sense and are used for political purposes previous to an election, and this is one of them. When I found that the Bill was entirely and absolutely unnecessary, according to the Commissioner of Taxation, I wondered what the hon. member's reason could be for introducing it. Then I thought of the impending election. Evidently this sort of thing had been going on for five or six years and no action had been taken in the matter, but at this stage the hon. member has been galvanised into activity and has brought down a Bill of this kind. That was the only reason I could find for it. I do not think the Bill should be passed. There is neither necessity nor reason for it. The hon. member gave no instance of anyone

having suffered hardship or paid a tax that he considered unfair or unreasonable. If any hardship exists, the passing of the Bill will not alter the procedure under the present law. There is no need for the measure and I intend to oppose it.

HON. C. G. LATHAM (York) [10.27]:

I consider that if the tax is imposed on the small producer, it is contrary to the intentions of the House when we made the amendment. I have no instances of tax having been imposed, but no doubt the hon. member, in introducing the Bill, must have had that in mind. I am prepared to accept the statement of the Minister that the Commissioner of Taxation has informed him that land tax is not imposed on those small producers provided their land is improved to the value of one-third of the total cost of the land. Still, I wish to make sure that the provisions of the Act are observed. I have always contended that, under the Act, persons engaged in pig farming, poultry farming and such like, provided they complied with the Act, are exempt from land tax. The Minister tells us that is so. The member for Swan might have done a very good service to those people by bringing the question before the House and thus clearing up any misunderstanding that exists in the minds of the taxation officials.

MR. SAMPSON (Swan—in reply) [10.28]: I am sorry to hear that the Minister intends to oppose the Bill. I submit that the small producer is entitled to consideration equally with the large producer. I have nothing to say against the large producer. The Act certainly limits the exemption to land outside the boundaries of any municipality used solely or principally for agricultural, horticultural, pastoral or grazing purposes.

The Minister for Justice: Read Subsection 3 of Section 9.

Mr. SAMPSON: It begins—

None of the land shall be deemed improved within the meaning of this section unless improvements have been effected and continued thereon to an amount of not less than one-third of the unimproved value of the land.

Poultry farming, pig farming and bee farming are not included in the departmental definition of "agriculture" and the department have laid down that those three primary industries are not exempt from land taxation.

Hon. P. D. Ferguson: The Minister says they are exempt.

Mr. SAMPSON: Yes, he urges that they are subject to certain conditions, but I do not think that Subsection 3 is applicable. However much poultry farmers improve their properties, it does not mean that they are exempt from land taxation.

The Minister for Justice: Yes, if they are getting income from the land.

Mr. SAMPSON: I have been spoken to by many of those small producers and have discussed the matter with the Taxation Department. Naturally I shall not mention the names of the officials. I have only one object in view and that is to give the small producer the relief that is extended to other producers. Why should not the poultry farmer, who has to grow an immense quantity of green stuff, receive relief? If he is operating in the industry commercially, he has to do more than buy wheat; he has to grow green feed for his poultry or he will never be successful. I am amazed at the opposition to the Bill, because the people concerned deserve the consideration that other primary producers receive. All that this Bill seeks is to include amongst the exemptions those who are engaged in pig raising, poultry farming and apiculture. In order that there may be no possible misunderstanding and despite what has been said, I hope the Minister will support the Bill. If it is passed, it will be a direct instruction to the Commissioner of Taxation. I know that there are many orchardists who continue to pay the tax, but if they took up the matter with the department, the department would not insist, because they are exempt under the existing statute. I assure the Minister that for pig raisers, poultry farmers and apiculturists, there is no exemption. In the circumstances the Minister should agree that my request is a reasonable one, and that those small farmers should be relieved of what to them is as important a matter of taxation as a larger sum would be to those engaged in a bigger industry.

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

Ayes	..	..	..	..	12
Noes	..	..	..	..	19
					—
Majority against	..	..	..	..	7
					—

AYES.

Mr. Boyle
Mr. Ferguson
Mr. Keenan
Mr. McLarty
Mr. Mann
Mr. North

Mr. Sampson
Mr. Seward
Mr. Stubb
Mr. Warner
Mr. Watts
Mr. Doney

(Teller.)

NOES.

Mr. Coverley
Mr. Cross
Mr. Cunningham
Mr. Fox
Mr. Hawke
Mr. Hegney
Mr. Marshall
Mr. Millington
Mr. Moloney
Mr. Munzie

Mr. Needham
Mr. Raphael
Mr. Rodoreda
Mr. Sleeman
Mr. F. C. L. Smith
Mr. Tonkin
Mr. Wilcock
Mr. Withers
Mr. Nulsen

(Teller.)

PAIRS.

AYES.
Mr. Latham
Mr. Welsh
Mr. McDonald
Mr. Patrick
Mr. Brockman

NOES.
Mr. Collier
Mr. Olathier
Mr. Needham
Mr. Troy
Mr. Wilson

Question thus negatived; Bill defeated.

BILL—LAND TAX AND INCOME TAX ACT AMENDMENT.

As to second reading—Order of the Day Discharged.

Order of the Day read for the second reading of the Bill.

MR. SAMPSON (Swan) [10.38]: This measure is a complementary one to the one that has just been defeated. With the permission of the House I will withdraw it. It will be brought forward again at a later stage.

Mr. SPEAKER: The hon. member had better move for the discharge of the Order.

Mr. SAMPSON: I move—

That the Order of the Day be discharged from the Notice Paper.

Question put and passed; Order discharged.

MOTION—MONETARY AND BANKING SYSTEM.

As to State Committee to prepare Evidence.

Debate resumed from the 6th November on the following motion by Mr. Boyle:—

“That in view of the appointment of a Commonwealth Royal Commission to inquire into the monetary and banking systems in operation in Australia, and to report whether any, and, if so, what alterations are desirable in the interests of Australia as a whole, and the manner in which any such alterations should be effected, this House, with the object of assist-

ing the Commission, is of opinion that the Government should appoint a State committee to collect within the State such evidence in relation to the terms of reference as will assist the work of the Commission, and place the committee's findings on behalf of the State in collated form before the Commission."

MR. BOYLE (Avon—in reply) [10.40]: I will endeavour briefly to reply to the debate. I wish particularly to refer to the remarks of the member for Guildford-Midland (Hon. W. D. Johnson) who deprecated the bringing down of this motion on the ground that the question had nothing to do with this Parliament. I notice from "Hansard" of the 5th October, 1933, that the member for Claremont (Mr. North) moved for an investigation of the Douglas Social Credit proposals. The Minister for Works did not characterise that as a motion that should not have been dealt with by this House, but on behalf of the Government went even further. He persuaded the hon. member to withdraw his motion, and himself brought down a motion to send forward from this House a request to the Federal Government that they should examine the monetary position. That, in my opinion, largely led to the decision of the Federal Government to appoint a Royal Commission to inquire into monetary and banking reform. The motion I have moved is merely complementary, a sequel, to what has gone before. I hold it is in sequence with what has occurred, and quite logical. We have other examples where this House has taken an active part in respect to Federal legislation, or the form of Federal legislation. The Government of this State appointed a committee to assist the Federal Grants Commission which visited Western Australia. That committee was headed by the present leader of the Labour Party in Australia, Mr. John Curtin, and it cost Western Australia about £500 to finance it.

Hon. P. D. Ferguson: It made a good job.

Mr. BOYLE: Yes. It did a good job for Western Australia, that would not have been done but for the appointment of that committee. A committee was appointed by the Government to inquire into Secession. An Act was passed through Parliament, and the Government appointed the committee to further that Act. I say with a good deal of trepidation as a secessionist

that that was almost a seditious Act. It provided for a referendum to arrive at the will of the people as to whether this State should secede from the Commonwealth or not. There are many precedents for interference—if I may put it that way—by this Parliament in Federal affairs. The member for Guildford-Midland said we would be ignoring our Federal members if the motion were carried. I hold that they have nothing to do with the actions of this House. The Federal Government have already taken action in this matter. The Royal Commission is out of the hands of the Federal Government to-day, and will shortly be visiting the States to proceed about its business. We are told that is an interference with other people's business. Are we not doing that every day? Do we not do that in this House by every action we take? My desire is merely to assist the Royal Commission. To suggest that this will amount to an interference with its business is stretching the point too far. In fact, I think the hon. member's solicitude in that regard is quite touching. The Loan Council has been referred to by the hon. member as implementing or carrying out the Financial Agreement. In reply to that, one need only look at the structure of the Loan Council. It is composed of representatives of each of the Federated States, and therefore we have a close connection with the Federal body. However, our Premier is now in the East carrying out the duties imposed upon him by this Parliament. It has also been asserted that the Douglas Social Credit Association had no right to issue a questionnaire or pamphlet. I am not a member of that association, but I do not question the right of any organisation to issue any questionnaire or pamphlet they may think fit. Whether we answer them or not is our business entirely. The member for Claremont (Mr. North) has referred to the findings of the Federal Commission. I have no desire to anticipate those findings. It is to assist the Commission that I moved my motion. A committee could be set up that would command universal respect in Western Australia, and I would suggest names—suggest them, and nothing more: such a man as Professor Murdoch as chairman, a representative of the Associated Banks, a representative of the Chamber of Commerce, Mr. Faulkner who is an authority on mortgage banking, a representative of the Treasury in

Mr. Reid, the president of the Primary Producers' Association, and the president of the Wheatgrowers' Union.

Mr. Moloney: The Commission can ask for any of those men.

Mr. BOYLE: I am not desirous of seeing any particular protagonist or—shall I say—a man who is to-day an organiser and speaker for Douglas Social Credit, like Mr. R. J. C. Butler, on the committee, because I do not wish that body to have any preconceived ideas in that regard. Next, I would like to refer to the argument of the member for Subiaco (Mr. Moloney), who suggested that witnesses would be debarred from going before the Commission if the motion were carried.

Mr. Moloney: I never said anything of the sort.

Mr. BOYLE: I accept the hon. member's explanation. However, I did make a note of the fact that the hon. member remarked that my motion was superfluous and interfering. If that is the case, I am sorry. I do not wish to imply anything with regard to the member for Subiaco, but I will say that most of his remarks here are decidedly interfering. Undoubtedly he has a perfect right to interfere. To say that his remarks are superfluous is not my duty. That is perhaps a matter of opinion.

Mr. Moloney: I said the Commission had the right to call anyone, and so there was no necessity for the proposed committee.

Mr. BOYLE: The carrying of the motion would not interfere with that right at all. I have in mind the putting-up of a case that will command a hearing from the Commission. I mentioned previously that I have appeared before many committees and Commissions, and that the evidence of the ordinary man in the street is largely discounted by them. The member for Murchison (Mr. Marshall) would, I think, really support the motion in ordinary circumstances. I have listened to him before, and he then expressed views and ideas largely in accord with this motion. He said he would be reluctantly compelled to vote against the motion. If the member for Murchison does anything reluctantly, that is a proof that his heart is not in it. He is usually one hundred per cent. in all his movements. I take it that the reluctance displayed by him in this instance is in fact more simulated than real. In support of my motion, we have to-day in Canada the experiment of a whole

Province of 700,000 people going over to the Douglas Credit system. I would not be in order in discussing that, as it is new matter; but I think I may claim your indulgence, Mr. Speaker, to draw attention to the fact that we have two loans to-day, national loans, one being raised by the Canadian Government of £15,000,000, which yesterday was over-subscribed three times, £45,000,000 being offered at two per cent. Has the Alberta position affected the people responsible there? Contrast the Canadian position with that of Australia to-day.

Mr. Raphael: But the Canadian Government are guaranteeing the loan, not the Alberta Government.

Mr. BOYLE: I am referring to the national loan issued by the Canadian National Government, and contrasting the success of that, at 2 per cent., with the difficulty experienced to-day by the Australian Loan Council, who are diffidently placing a loan of £7,500,000 before the people of Australia. They have been compelled to raise the rate of interest by $\frac{3}{4}$ per cent., representing no less than £28,125 a year extra interest. I shall not proceed further, but I ask the House to carry the motion. It is to my mind a logical motion, and one that will assist the Commission. I have said before, and I repeat, that the inquiry into the monetary position and banking reform is of paramount importance not only in the Commonwealth of Australia but throughout the world. Only recently in the Old Country a manifesto was signed by 150 leaders of thought, including the Archbishop of Canterbury and even banking leaders. So-called financial experts like Sir Otto Niemeyer who effected the funding of the British-American war debt in 1922, discovered ten years later that the arrangement could not be carried out as Britain could not stand up to it. So much for the financial expert. I submit the motion to the House.

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

Ayes	..	..	..	11
Noes	..	..	..	17
Majority against				6

AYES.

Mr. Boyle
Mr. Ferguson
Mr. Keenan
Mr. McLarty
Mr. Mann
Mr. North

Mr. Sampson
Mr. Seward
Mr. Stubbs
Mr. Walte
Mr. Doney

(Teller.)

NOES.

Mr. Coverley	Mr. Munsie
Mr. Cross	Mr. Raphael
Mr. Cunningham	Mr. Rodoreda
Mr. Fox	Mr. F. C. L. Smith
Mr. Hawke	Mr. Tonkin
Mr. Hegney	Mr. Willcock
Mr. Marshall	Mr. Withers
Mr. Millington	Mr. Nulsen
Mr. Moloney	

(Teller.)

PAIRS.

AYES.	NOES.
Mr. Latham	Mr. Collier
Mr. Welsh	Mr. Clothier
Mr. McDonald	Mr. Needham
Mr. Patrick	Mr. Troy
Mr. Brockman	Mr. Wilson

Question thus negatived.

*House adjourned at 10.57 p.m.***Legislative Council,***Thursday, 14th November, 1935.*

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

PAPERS—MINE WORKERS' RELIEF FUND.*Late E. J. Goldsworthy's Application.*

HON. C. B. WILLIAMS (South) [4.33]:
I move—

That the file dealing with the application of the late Ernest J. Goldsworthy, of Johnson Street, Boulder, for relief from the Mine Workers' Relief Fund, together with all papers in connection with any application made by Mrs. Goldsworthy, or by any person on her behalf, for relief from the same fund, be laid on the Table of the House.

The information I require is to be got only from the file. It is merely in connection with some delay in the payments made to this lady. I have applied to the secretary of the Mine Workers' Relief Fund for permission to peruse the file, but he has explained that the board carried a motion

to the effect that the file could only be made available as the result of such a step as I am taking.

On motion by the Chief Secretary, debate adjourned.

BILL—LOAN, £2,627,000.*Second Reading.*

Debate resumed from the previous day.

HON. R. G. MOORE (North-East) [4.36]:
In speaking to this Bill I have to consider many aspects of the question. First of all, there is to be considered the necessity for the money proposed to be borrowed, what the money will be used for, whether provision is being made for repayment of the money borrowed, and whether any permanent asset will be established by the use of the money. Mr. Baxter and Mr. Holmes yesterday each painted a rather gloomy picture in regard to our financial position and as to what was happening through the continued policy of borrowing large sums of money. Mr. Holmes told us we were bankrupt. I do not know that I can attempt to prove that we are not bankrupt, but I sincerely hope the hon. member was making a mistake. It is not possible to prove whether a person or a State is or is not solvent simply by looking at the amount of money that is owed. We all know that one person might owe £10,000 and be perfectly solvent and in a good financial position, whereas another person owing £100 is definitely bankrupt. It may be as well to look at the other side of the picture and see what we have to offer alongside the tremendous amount of money that we owe. It must be admitted that in this State of Western Australia we have established quite a large permanent asset as an offset to the amount that we are owing as the result of our borrowing. It is almost impossible to estimate the value of that asset. In the development of a country such as Western Australia an enormous sum of money must be expended in order to give those public facilities and utilities that are necessary to the development of such a State. In the spending of that money we are creating a national asset, and although to a considerable extent it may be a diminishing asset, yet at the same time we are establishing a permanent asset which we can offset against the amount of money that we owe. I am of opinion that