financial year, he and his department are no earthly use, and ought to be abolished.

Mr. MacCallum Smith: Quite right.

Hon. P. COLLIER: The first time we are again called upon to deal with the Estimates and have not the Auditor General's report, I shall ask Parliament to take some action with regard to that gentleman.

Vote put and passed.

Vote—Butter Factories, £20,809:

Hon. W. C. ANGWIN: What quantity of butter have the factories turned out? What is the result? Are the factories a payable proposition? Where is the butter being marketed? The estimated revenue for this year is £23,700, whereas the actual revenue received last year was £17,756. According to the report of the Agricultural Department, at the Busselton factory there has been during the past year a falling-off of over 100 suppliers of cream. About the Denmark butter factory we hear very little.

The MINISTER FOR AGRICULTURE: A report was printed to the effect that during the railway strike the Busselton factory lost almost 100 suppliers. However, that was some time ago. The factory has picked up its suppliers again, and naturally an increased amount must be placed on the Estimates for purchase of cream. Denmark, too, has picked up a bit and is doing pretty well.

Hon. W. C. ANGWIN: The report did not state that the falling off at Busselton was due only to the railway strike. Another reason given was high railway freights. I move—

That the vote be reduced by £809.

The Premier: What is the use of that?

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

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

NOES.

Mr. Angwin	Mr. McCallum
Mr. Collier	Mr. Munsie
Mr. Heron	Mr. Willcock
Mr. Hughes	Mr. Wilson
Mr. Lutey	Mr. Corboy
Mr. Marshall	(*Teller.*)

AYES.

Mr. Carter	Mr. Plesse
Mr. Durack	Mr. Richardson
Mr. George	Mr. Sampson
Mr. Gibson	Mr. Scaddan
Mr. Harrison	Mr. J. M. Smith
Mr. Latham	Mr. J. Thomson
Mr. H. K. Maley	Mr. Underwood
Sir James Mitchell	Mr. Mullany
Mr. Money	(*Teller.*)

Amendment thus negatived.

Mr. MARSHALL: Included in this Vote is the Denmark Butter Factory. Is that factory producing any butter to-day? I understand that it was used as an experimental farm at the outset and good work was carried out in educating the settlers as to the best class of land to be cultivated, and the best method to be adopted in procuring fodder supplies for stock.

The Minister for Agriculture: You are on the wrong vote.

Mr. MARSHALL: If that is so, I will deal with the matter later on.

The Premier: You can make those inquiries on the vote for State farms.

Mr. MARSHALL: In order to overcome the difficulty I move—

That the vote be reduced by £500.

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

Ayes	...	...	11
Noes	...	...	18
Majority against	...		7

AYES.

Mr. Angwin	Mr. McCallum
Mr. Collier	Mr. Munsie
Mr. Heron	Mr. Willcock
Mr. Hughes	Mr. Wilson
Mr. Lutey	Mr. Corboy
Mr. Marshall	(*Teller.*)

NOES.

Mr. Carter	Mr. Plesse
Mr. Durack	Mr. Richardson
Mr. George	Mr. Sampson
Mr. Gibson	Mr. Scaddan
Mr. Harrison	Mr. J. M. Smith
Mr. Latham	Mr. Teesdale
Mr. H. K. Maley	Mr. J. Thomson
Sir James Mitchell	Mr. Underwood
Mr. Money	Mr. Mullany
	(*Teller.*)

Motion thus negatived.

Progress reported.

House adjourned 2·49 a.m. (Wednesday).

Legislative Council,

Wednesday, 6th December, 1922.

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

AUDITOR GENERAL'S REPORT.

The PRESIDENT: I have received from the Auditor General, in pursuance of Section 53 of the Audit Act 1894, the thirty-second report for the financial year ended 30th June 1922, which I now lay on the Table of the House.

QUESTION—MACHINERY INSPECTION, PARTICULARS.

Hon. E. H. HARRIS asked the Minister for Education: 1, What was the total amount earned by the Inspection of Machinery Department under the Inspection of Machinery Act, 1904, for the calendar year ended 31st December, 1921? 2, What was the total revenue earned by fees prescribed under regulations of the 1921 Act for the five months the Act has been in force, viz., 3rd July to 30th November, 1922? 3, What is the estimated revenue that would be earned by fees for a calendar year as prescribed by regulations that took effect, on (a) 30th August, 1922; (b) 19th September, 1922; (c) 9th November, 1922? 4, How long has Machinery Inspector Gill been acting in the capacity of technical adviser to the Chief Inspector of Machinery, in addition to performing his duties of inspector? 5, As Acting Chief Inspector Gill will perform the "administrative work, checking, and generally supervising the work of the inspectors" for the next six months, will he have an assistant or will he do the whole of the work himself?

The MINISTER FOR EDUCATION replied: 1, £4,989. 2, £2,773. 3, As no regulations came into force on 30th August, 1922, it is presumed that this question refers to the regulations which came into force on 3rd July, 1922—(a) £6,827 under regulations which came into force on 3rd July, 1922; (b) £6,618; (c) £5,362. 4, The appointment occupied by Inspector Gill has been held by him since February, 1905. 5, It is not intended to appoint an assistant during the absence on leave of the Chief Inspector of Machinery.

MOTION—CLOSER SETTLEMENT BILL (No. 1).

Council's Message to Assembly.

Hon. J. DUFFELL (Metropolitan-Suburban) [4.37]: I move—

> That the transmission of Message No. 14 to the Legislative Assembly, dated the 15th November, 1922, shall not form a precedent for the conduct of the proceedings of this House, and that an entry be made in the journals of the House accordingly.

Message No. 14 reads as follows:—

> Mr. Speaker, the Legislative Council acquaints the Legislative Assembly that it has decided that the Closer Settlement Bill transmitted by Message No. 13 is out of order inasmuch as it is an amendment to the Constitution Act and purports to alter the Constitution of the Legislative Council and the Legislative Assembly, and therefore it requires a special certificate to the effect that the Bill has passed its second and third readings by an absolute majority of the total number of the members of the Legislative Assembly. As the Bill contains no such certificate, the Council under the terms of Standing Order No. 180 is precluded from proceeding with the Bill.

It has been said that this message, although transmitted to the Legislative Assembly without the order of this Chamber, was entirely in order, inasmuch as it was not unprecedented, messages of a similar character having already been transmitted from the Council to the Assembly without any resolution of the Council ordering the passage in the usual way. It has also been stated that a precedent for the message in question arose in 1915, on a question which was raised by myself on a point of order in connection with a Bill then before the House. On page 131 of the "Votes and Proceedings" of Parliament, under date of the 17th November, 1915, we find the following:—

> The Hon. J. Duffell rose to a point of order that the Bill was not properly before the House inasmuch as one of the clauses was foreign to the title. The President ruled as follows:—"I hold that the Bill now before the House violates Standing Order 177 of the Legislative Council. Under these circumstances the Bill is certainly out of order. If it had originated in this House, the proper course would be to discharge the order for the second reading; but as it originated in the Legislative Assembly, and leave was obtained there to introduce it, I think the more courteous procedure would be for this House to send a message to the Legislative Assembly drawing its attention to the matter, and for the House to adjourn the further consideration of the Bill until such time as a message from the Assembly in reply is received." Ordered that a Message be transmitted to the Legislative Assembly acquainting them accordingly.

My contention is that that procedure did not take place in connection with the Bill referred to in the Message under consideration, Message No. 14. It will be remembered that a few days ago—upon seeing Message No. 14 on the Notice Paper of another place—I asked the Leader of the House, without notice, whether he knew about the Message, and that he replied that that was the first he had heard of it. I then asked for your ruling, Mr. President, as to whether the message was in order, seeing that it was not accompanied by a resolution carried by this House. You, Sir, ruled that the Message was in order. In the circumstances, I wish it to be distinctly understood that my action in moving the present motion is not in any way of a

venomous nature, and that I do not intend the motion as a reflection upon yourself. My contention is that the Message should not be allowed to appear in the Journals of this House as a precedent, whereby the occupant of the Chair can of his own initiative transmit a message from this Chamber to the other, without this Chamber knowing anything about the matter. I was not quite satisfied with the Message I have already quoted, although it dates back to 1915; and so I searched still further. I may say that I spent a considerable amount of time in making sure of my ground before launching the present motion. As a result of my researches I have found that on the 28th November, 1912, a similar state of affairs arose on the Government Tramways Bill. I quote from "Hansard" of 1912, Vol. IV., page 3962—

> Order of the Day read for the resumption, from the 21st November, of the adjourned debate on the Second Reading.
>
> Hon. M. L. Moss (West): I rise to a point of order in regard to the Bill. Subclause 3 of Clause 19 purports to amend Section 68 of the Government Railways Act, 1904. It is, therefore, a provision foreign to the Title of the Bill, and I think you will agree that it is a direct contravention of Standing Order 173. I ask for your ruling, therefore, as to whether the Bill is in order.
>
> The President: I would like hon. members to turn up their Standing Order 173.
>
> The Colonial Secretary: Am I privileged to state my case?
>
> The President: I have been asked for a ruling; if you disagree with my ruling you can put it to the House. In my opinion any hon. member is entitled at any time before the second reading of a Bill to call attention to what he may consider imperfections in the Title as not concerning the scope and purposes of the Bill. I understand the specific point to which he refers is this: the Bill is "A Bill for an Act for the Construction, Maintenance, and Working of Government Tramways." Subclause 3 of Clause 19 reads as follows: —"Section 68 of the Government Railways Act, 1904, is amended by adding a paragraph as follows:—The power to suspend, dismiss, fine, or reduce to a lower class or grade, any officer or servant of the department delegated to the Commissioner may be sub-delegated by him to the head of any sub-department of the Department of Government Railways." It will be seen that this subclause is a specific amendment to Section 68 of the Government Railways Act, 1904, and I am clearly of opinion that the subclause is foreign to the Title, as it specifically alters Section 68 of the Government Railways Act, 1904, not only as regards tramways, which are placed under the Commissioner of Railways by the Bill, but also goes far beyond, because it affects the Commissioner's position with regard to officers and servants of the whole of the Department of Government Railways. The Bill directly violates Standing Order 173 of the Legislative Council, which is as follows:—"The Title of a Bill shall coincide with the order of leave, and no clause shall be inserted in any such Bill foreign to its Title." And it is in violation of Standing Order No. 260 of the Legislative Assembly. Under these circumstances the Bill is certainly out of order. If it had originated in this House the proper course would be to discharge the order for the second reading, but inasmuch as it originated in the Legislative Assembly, and leave was obtained there to introduce it, I think the more courteous procedure would be for this House to send a Message to the Legislative Assembly drawing its attention to the matter, and for the House to adjourn the further consideration of the Bill until such time as a Message from the Assembly in reply is received drawing its attention to the matter, and for the House to adjourn further consideration of the Bill until such time as a message from the Legislative Assembly in reply is received.
>
> The Colonial Secretary (Hon. J. M. Drew): I beg to move—
>
> That a message be sent to the Legislative Assembly in accordance with your ruling.
>
> The motion passed, and a message accordingly transmitted to the Legislative Assembly.

It will be seen from this case, and the previous instance I quoted, that if a message were sent to the Assembly notifying them that this House had decided on a certain action, it was done by resolution. Recently it was discovered that Clause 13 of the Closer Settlement Bill was a violation of Sections 32, 33 and 34 of the Constitution Act. Your ruling was asked for and, unfortunately, it was not in accordance with the views of a majority of the House. After discussion, Clause 13 was declared to be a violation of the sections of the Constitution Act which I have enumerated, and consequently the Bill was laid aside. Judge of my surprise when I found next day that a message had been sent along to another place through the ordinary channels. I do not desire to embarrass anybody, but the traditions of the House are of such importance that it behoves all of us to do our utmost to keep them pure and unspotted, and so hand down to the generations to come traditions which are beyond anything in the way of a dangerous precedent.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [4.47]: The hon. member has talked a great deal about the traditions of the House, but I do not know that he has enlightened us as to how those traditions have been abused, or, indeed, shown that any great harm has been done. If the motion be carried we shall be in much the

same position as before. Similar circumstances have arisen on previous occasions, the then President suggested what he thought the right course to adopt, and that course has been followed. In the case referred to by the hon. member the late Sir Henry Briggs suggested that, as a matter of courtesy, we ought to send a message telling another place what had been done. A resolution to that effect was carried. On this latest occasion the question was not raised, and apparently you, Sir, did precisely what the late Sir Henry Briggs said was the right thing to do, namely, send a message.

Hon. J. Duffell: Why was not the same precedent followed?

The MINISTER FOR EDUCATION: Because it did not occur to any of us. I suggest that this matter be referred to the Standing Orders Committee. Let them draft a Standing Order which will cover the position if it should occur again. If we carry the motion we shall have a precedent, and have something else which is not to be a precedent, and whenever the same sort of thing happens again someone will get up and ask what we are to do about it. It would be much better to have a Standing Order covering the position.

Hon. J. Cornell: We have Standing Orders covering the position.

The MINISTER FOR EDUCATION: No, otherwise the question would not have been raised in the way it was in 1912 when the late Sir Henry Briggs was asked what course the House should adopt. I dare say if the question had been raised when the Closer Settlement Bill was laid aside, we should have looked up that precedent and followed it, and a message would have been sent to another place. However, this was not done and so the message was sent without any instructions from the House, the President probably following what had been done before. I move an amendment—

> That all words after "the" in line 1 be struck out, and "Standing Orders Committee be asked to consider the matter of Message No. 14 to the Legislative Assembly" inserted in lieu.

Hon. J. CORNELL (South) [4.53]: I take a totally different view from that of the Minister. In my view the House, not the Standing Orders Committee, should consider the position. The action which you, Sir, took was taken with the best of intentions. It was not your desire to transgress the traditions of the House. All that the motion seeks to clear up is not whether you as President acted wrongly, but whether what you did is to stand as a precedent. That, I think, the House itself should decide without casting reflections upon anybody. If there be any blame, we are all blameable.

The Minister for Education: Tell me which Standing Order covers the position.

Hon. J. CORNELL: I will tell you later. Our Standing Orders vest in the President certain powers to send messages without reference to the House. Standing Order 225 provides for the reception of public Bills from the Assembly. The Closer Settlement Bill came from the Assembly and was introduced by the Minister. A point of order was raised, as a result of which the Bill was laid aside. Had that point of order not been raised, and had the Bill passed, with or without amendment, it would have come under Standing Order 226, which reads as follows:—

> When any such Bill shall have been passed by the Council with or without amendment, it shall be returned to the Assembly by message with the clerk's certificate that "This Bill has been agreed to by the Council without amendment," or "with the amendments indicated by the annexed schedule," as the case may require, and the concurrence of the Assembly shall be desired to the amendments.

There, I take it, without any direction, the President has to send that message. But the Bill did not pass. It was laid aside on a question of order. When it was laid aside for that reason the only prerogative for sending a message was vested in this House. Mr. Duffell has cited occasions when the President directed, as a matter of courtesy, not as a matter of right, that we should acquaint the Legislative Assembly with the fate of the Bill. The then Leader of the House, under Standing Order 320 moved accordingly. The Standing Order says—

> It shall be in order at any time to move without notice that any resolution of the Council be communicated by Message to the Assembly.

It was under that Standing Order that he moved, and the House resolved accordingly and the message was sent. That is tantamount to saying that the then President asked for the direction of the House. Mr. Duffell has cited illustrations showing where a message was sent on a Bill being laid aside under similar conditions to the Closer Settlement Bill. If members will turn up "Hansard," 1912, vol. 4, page 4655, they will find that Mr. M. L. Moss raised a point of order as to whether or not the Bill to construct the Esperance Northward railway was in order. He did this under Standing Order 120, which provides that no question, the same in substance, can be dealt with twice during the one session of the House. The gravamen of his charge was that some few days previously the House had rejected a Bill to authorise the construction of a railway from Norseman to Esperance. The then President ruled that the Bill to construct the line from Esperance Northward was the same in substance as the other. The ruling was disagreed with but the Bill was laid aside. On that occasion the President did not ask for the direction of the House as to acquainting the Legislative Assembly with the fate of the Bill and no message was sent to that effect. The sending of the message in question was directly opposed to the procedure and practice of this House. Hon. members are the custodians of the Standing Orders, and the privileges and prerogatives of this Chamber. If this action stands on our journals as the prerogative of the President, and there is no Standing Order covering it, will it be used as a precedent for

a subsequent President? The effect of sending that message without direct instructions from this House may give another place an opportunity to question the wisdom of members here and so scarify them.

The Minister for Education: Do you think your action would not stand investigation?

Hon. J. CORNELL: We have a right to say whether or not we approve of the message being sent. I support the motion and am opposed to the amendment. It is a question for the House to decide. The motion can be agreed to without any reflection being cast upon you, Sir. I think you did what you thought was in the best interests of the House and its traditions. If it were thought that any action of yours upon that occasion could be used in a direction that was never intended by you, you would be the first to say that the journals of the House should be written up so as to prevent that. It is an unfortunate matter. We can simply make a record to indicate whether we think this should or should not be done in the future. There is no necessity to frame another Standing Order to get over the position. The prerogative of the President is clear. Where that ceases, the prerogative devolves upon the Council as a whole.

Hon. J. J. HOLMES (North) [5.7]: The matter is a simple one. Prior to the sending of Message No. 14, messages of this description were always sent by resolution of the House. On the present occasion the message was sent by you, Sir, and not by the House. It is here that we come to the parting of the ways. This House should reserve to itself the right to send these messages; consequently I support the motion. All that the motion seeks to do is to make clear in the records of the House that Message No. 14 does not establish a precedent. If that is done we shall rectify what appears to me to have been a wrong action on your part. I do not make this statement in any offensive way, but I think, Sir, you erred in sending the message. The motion seeks only to make it clear that the message is not to be taken as a precedent by your successor. If the necessity arises for amending the Standing Orders let the Leader of the House move in that direction. All we are concerned about now is to set right a message which appears to have been sent by you instead of by this House. If we adopt the motion we shall rectify that error.

Hon. A. LOVEKIN (Metropolitan-Suburban) [5.10]: I am doing something I do not like in supporting this motion. I was the mover of the motion which disagreed with the sending of the message. We should all strive to do our public duty without personally affronting one another. I approach the matter in that spirit. I wish to uphold and to hand down the traditions of this House as we have received them. No House can part with those rights to anyone, whether it be the President, the Chairman of Committees, or the Clerk, in the matter of communicating with another place. The Minister has said there is no Standing Order against this. There should be a Standing Order in favour of such a course if it is necessary, but the reason why there is no Standing Order is that it was never contemplated that any individual would send a message to another place or anywhere else without the full concurrence of the House. The Minister says no great harm has been done. Possibly not, but great harm might have been done. There was a similar case in South Australia. A Bill sent up to the Council was returned to the Assembly by message. The Assembly took it as an invitation to correct an error that had been made in that Chamber and sent the Bill back to the Upper House. The Upper House then found itself in a difficulty, for it could not deal with the Bill again that session. It was placed in a false position, because according to the Assembly, the Council had invited it to make those corrections. I hope the Leader of the House will not persist in his amendment.

The Minister for Education: It is for the House to say.

Hon. A. LOVEKIN: The amendment will do exactly what the motion will not do, and something which I hope will not be done, namely, reflect upon the President.

The Minister for Education: Nothing of the sort.

Hon. A. LOVEKIN: If the matter is referred to the Standing Orders Committee and they put up a Standing Order to say that in future messages sent to another place must have the concurrence of the House, that, I take it, will be a reflection upon the President.

The Minister for Education: What does the motion mean?

Hon. A. LOVEKIN: One moment. The motion as it stands makes no reflection of that kind. It merely states that, although this message has been sent, it shall not form a precedent for the future. We do not say whether the action was right or wrong. There is a good deal to be said in favour of the President. There was a precedent, and he thought it was right and proper to send this message as a matter of courtesy. I have no complaint to make about that, but I see a great danger in allowing the President, the Chairman of Committees, or the Clerk to send these messages. By this motion we say that although this has been done in this instance it must not form a precedent upon which future Presidents will act. When one sees the difficulties one can get into in connection with this question, we need only have regard to what happened with this particular Bill. The Leader of the House told us there was a precedent in the Harbour Trust Act. It was utterly wrong to include in that Act a provision interpreting the Constitution. Yet it is brought out years afterwards, as a guide for hon. members. If we allow this instance to remain, that will happen again in this Chamber. This instance will go down on the records of the House and can be brought up at some future time when perhaps great

trouble will arise and when some reflection will be cast on the House. We can pass a Standing Order which will be agreeable to the House so that messages must be sent in accordance with the wishes of hon. members. If we do that, of course, it will be rather like a vote of censure on the President. The message has been sent and the proposal is that we take steps to have a Standing Order framed to indicate that messages must not be sent in that way. I do not want to be a party to any action of that description. A very small and unintentional error has been made and all we ask is that we shall get out of that difficulty. The simplest way is to follow the course suggested by Mr. Duffell. If I wished to take up the time of the House I could show many precedents for this very course. It has been followed time and again where messages have been passed between the House of Lords and the House of Commons, when matters have been dealt with in the House of Lords, which, in the opinion of the House of Commons, should not have emanated from that Chamber. The House of Commons dealt with the matter but placed on its records the statement that the action of the House of Lords was not to be recognised as a precedent. We shall be well advised—instead of following the Leader of the House, and casting a reflection upon the President, for that is what it will amount to—to adopt the course suggested by Mr. Duffell and place a record in the journals of our House to say that, irrespective of whether the message was sent in the best interests of the House or not—and for my part I believe it was—it is not to be taken as a precedent. I support the motion.

Hon. A. J. H. SAW (Metropolitan-Suburban) [5.17]: I have listened with interest to that portion of the debate which I have been privileged to hear. I came to the Chamber with an entirely open mind and any remarks I have to make will not be a reflection upon anyone. I have been converted by Mr. Lovekin. So far as I can gather from his speech, the point is that there is no Standing Order to provide what is the right course to be adopted in such circumstances.

The Minister for Education: There are three courses to be pursued.

Hon. A. Lovekin: But nothing is set out in the Standing Orders.

Hon. A. J. H. SAW: After listening to Mr. Lovekin, I think it would be wiser if there were a Standing Order to indicate what course should be followed.

Hon. J. Cornell: There are Standing Orders dealing with it.

Hon. A. J. H. SAW: If that course were adopted, it would protect the House and be a guide for future Presidents. It is a pity that the matter should be left in a state of ambiguity. We should decide which is the best way of making the position definite. If we adopt Mr. Duffell's motion, it seems to me that we will still leave the matter in the ambiguous stage. In effect, we will say, "This has been done but it is not to be regarded as a precedent. We do not say that it is wrong."

Hon. A. Lovekin: We do not want to say that.

Hon. A. J. H. SAW: We should lay down a definite course of action for the guidance of the President. If that can be attained by the amendment of the Leader of the House and we refer the matter to the Standing Orders Committee to be dealt with, I think that will be the preferable course. In that case, no one is likely to fall into error in the future and there will not be any reflection, either definite or veiled, or indeed, any reflection at all cast on a person who has acted in good faith, especially when the Standing Orders do not lay down a definite course to be followed and there are three distinct courses which can be pursued. Let the House decide which course it wishes should be followed and then that can be laid down definitely.

Amendment put and negatived.

The PRESIDENT [5.19]: Before I put the motion, I will add my quota to the discussion, if hon. members will permit me. My only excuse for doing so is that the motion is certainly a reflection upon the action which I took the other day. I thank hon. members who have spoken and have taken particular pains to dissociate themselves from being at all personal. I would be destitute of self respect and would possess a thick skin indeed, if I did not think there was a certain amount of reflection cast upon me in the motion before the House. Before I proceed, I wish to disabuse the minds of hon. members—I think the insinuation was made by Mr. Duffell—that the work had been done by the Clerk without my knowledge. I wish to make it clear that I read the message thoroughly for myself and signed it. It went to another place with my full knowledge and consent. I hope no one will think it was the work of the Clerk of the House, of which I was ignorant. The point I argue is that there is no Standing Order to be quoted against what I have done. No one has been able to produce any Standing Order or rule laid down in the annals of the House against what I did.

Hon. A. Lovekin: It was not authorised.

The PRESIDENT: Will you please allow me! The rules of this House, concerning which you are so particular, do not allow hon. members to interrupt! There is no Standing Order to be quoted against my action. After all, what harm has been done? It is said that there have been precedents on two occasions for this course of action. Even if that be so, it does not say we must always follow precedents. Surely even though there be precedents, a new procedure can be adopted. It does not always follow that if we depart from precedent, we adopt a worse line of action. On the contrary, we may improve upon a precedent. My point is that I de-

parted from no rule whatever, and if I created a precedent, it is one of courtesy as between the two Houses. Mr. Duffell seemed to think that this was the first message which was ever sent to another place without being authorised by a resolution of the House. That is not the case, for at least one-third of the messages which pass from the Council to the Assembly are not authorised by a specific motion.

Hon. J. Cornell: Of course not, because they deal with Bills.

The PRESIDENT: They are sent down in accordance with the courtesy existing between the two Chambers and to give the Assembly information as to what has happened in the Council regarding any message sent to us. Consequently, the fact that the message in this instance was not authorised by a resolution of the House, is quite immaterial. It does not follow that it was necessary to pass such a resolution, so far as I can see. The whole position is this: Objection was taken to the Bill, in that it was not properly endorsed and therefore could not be considered. This objection was taken under Standing Order 180. My ruling was that the compulsory acquiring of land from a member of Parliament was not a contract under the Constitution Act. Opinions are divided even now on this subject. The decision of the Council declared that the Bill was out of order. That was definite. The provisions of the Bill had in no way been considered and, therefore, could not come within the scope of Standing Order 120, quoted by Mr. Duffell or Mr. Cornell. In these circumstances, I deemed it right and courteous to return the Bill to the Assembly with the reasons for its non-acceptance by this Chamber. That has been done in many other cases without any particular resolution of this Chamber. The Bill was considered by the Government and by members of the Council as of the utmost importance. It was not a tuppenny-ha'penny Bill, to be laid aside without ample consideration, every hon. member addressed himself to the subject, showing how the importance of the Bill was regarded by them. Surely it would not be argued that a Bill of such importance should be merely thrown down on the floor and no indication furnished to the Assembly as to whether it had been dealt with on its merits or merely set aside on a technical point of order. If we desire a precedent, we have two earlier instances. I will not weary the House with the details, but one was in 1912 and the other in 1915.

Hon. J. Duffell: Those are the two precedents I quoted.

The PRESIDENT: That is so.

Hon. J. Duffell: In those cases, they were sent by a resolution of the House.

The PRESIDENT: They were sent to another place in circumstances similar to the message under discussion. My action was not a breach of any Standing Order and I merely followed a precedent in sending forward the message. My action has created no precedent. Hon. members will agree that the principle is one of courtesy as between the two Houses. It must be remembered that the legislature of this State consists of two Houses. Surely it is better that the work between the two Houses should be conducted in harmony and in a spirit of courtesy, consistent with the preservation of our privileges. Surely we should adopt that attitude rather than try to take points and adopt irritating pin pricks. These are the circumstances to which I looked. With Mr. Cornell, I assert that no one will stand up for the privileges of this Chamber more than I, and in no circumstances will I see one atom of the powers and privileges of this House set aside. Whatever I may have done was certainly not at the expense of any of the privileges of this Chamber that I can see. The only logical conclusion that I can come to is that if the hon. member wishes the House to decide that the procedure in connection with the Closer Settlement Bill was not in conformity with the precedent, and that it conflicts with the proceedings before this Chamber, he should go a little further and also deal with the precedents established on previous occasions. He should also say that no Bills in future can be sent down to the Assembly with a message unless by resolution of the House. In these few remarks, I have explained what I did the other day. I consider it was done in the best interests of the House and in the interests of harmony and courtesy, without transgressing a single rule or Standing Order or without doing anything to which any member, so far as I can see, could take exception, apart from the question of precedent. We cannot always follow precedent to such an extent that we cannot alter that which was done in the past. We want to improve occasionally, as well as follow, precedent.

Hon. J. DUFFELL (Metropolitan-Suburban) [5.28]: I endeavoured at the outset to impress upon you, Mr. President, that there was no "nigger in the wood pile" so far as the motion was concerned. I do not wish it to reflect in any way upon you and I fail to see how you can come to the conclusion that in any remarks I made, I implicated either the Clerk or the Clerk Assistant.

The PRESIDENT: I thought you did so.

Hon. J. DUFFELL: I fail to see how you could draw such a conclusion from any remarks I made. I positively guarded myself in the words I uttered, so that they should be in accordance with the facts. I cited the two cases to which you yourself have referred in 1912 and 1915, when Bills of perhaps similar importance to the one we set aside, were notified by resolution carried in the Chamber. On this occasion it was not done, but since you have raised the point, permit me to say you were not well advised in the decision you gave, which decision has evidently been augmented by the Assistant Clerk of the Council. I fail to see why the matter should have been brought up in this way to implicate an officer of the House. I repeat that the action I have taken has been the result of mature con-

sideration after searching the records of the House, and I trust that if the motion is carried, it will prevent a similar occurrence in future. Another place has not dealt with message No. 14. We have yet to learn what will be the result of the message transmitted in that form. I regret exceedingly that such action was taken. If it had been the result of a resolution of the House, we would all have been prepared to share the responsibility. I cannot dissociate myself from the action you have taken. If there is any blame, I shall be prepared to shoulder portion of it, but if the motion is carried, we can afterwards ask the Standing Orders Committee to frame a standing order to prevent such an unpleasant occurrence in the future.

Question put and passed.

Resolved: That motions be continued.

MOTION—WATER SUPPLY DEPARTMENT BY-LAWS.

To disallow.

Hon. A. LOVEKIN (Metropolitan) [5.32]: I move—

> That by-laws 69, 131, and 132 made under the Metropolitan Water Supply, Sewerage, and Drainage Act, 1909 laid upon the Table of the House on the 28th November, 1922, be and are hereby disallowed, and that the department be instructed to submit fresh by-laws providing as follows:—(a) Exempting from branding all galvanised iron pipes and fittings, and eliminating the inspection fees except where testing or inspection is performed at the manufacturers or merchants' premises. (b) Eliminating building fees and substituting charges for water actually supplied. (c) Reducing the prices under by-law 132. (2), (a), (b), and (c), by at least 25 per cent.

Some little time ago I proposed that the House disallow certain regulations framed by the Metropolitan Water Supply Department, and another set of regulations has now been submitted. On perusing them I find that some have been altered in the direction indicated by this House. There is now provided an appeal to the Minister, which is a good thing. The important matters of storm water and sewerage rates have been separated, whereas previously they were lumped together and anyone with storm water would have had to pay the rate for sewerage also, and anyone with sewerage would have had to pay the rate for storm water also, which was not a fair proposition. Formerly the two things were kept separate. Under the recent regulations they were lumped, and now they have again been separated. The first amendment I wish to touch on only lightly. This morning I had an interview with the engineer (Mr. Lawson) who pointed out that the department wished to keep control over the material put into jobs. I explained that this was a means by which the public could be fleeced, and as new sewerage works were about to be undertaken, it was very important that those people coming into the next block of sewerage should not have to pay through the nose as the last lot had to. Mr. Lawson said we could be helpful if we gave the department power under a by-law to take control over the plumbers who did the work, so that they should not fleece the public. I said that was a good idea. We were not in a position to put up a by-law, but I thought such a by-law would receive support. I ask the House to disallow By-law 69 with a view to a new by-law being put up making the same fees payable but through the merchants or manufacturers, plus an accompanying by-law to give the department control over the plumbers and safeguard the public from being fleeced. On these grounds I hope the House will disallow this by-law.

Hon. E. H. Harris: Would that cover every licensed plumber?

Hon. A. LOVEKIN: The old by-law did.

Hon. J. Nicholson: What is the by-law?

Hon. A. LOVEKIN: It provides that pipes and other things shall be taken to James-street to be inspected and branded.

Hon. H. Stewart: It covers pages 35 to 39 of the by-laws.

Hon. A. LOVEKIN: Yes, but we cannot disallow a portion of the by-law. We must disallow the lot.

Hon. H. Stewart: You had a private understanding with Mr. Lawson?

Hon. A. LOVEKIN: I had no private understanding with him. Mr. Lawson said we could be helpful if we suggested that the department should have better control over the plumbers in the matter of charges, and if it were found that the plumbers were fleecing the public, the department should have power to take away their license. That would be a very good thing. A by-law could be put up providing that, instead of the licensed plumbers taking their pipes separately to James-street, the pipes should be inspected at the merchants or manufacturers' premises, and the plumber could there get them already inspected and stamped where necessary, and the charge would be so much for the job. If the plumber charged too much for the job the person concerned could go to the department and secure redress.

Hon. J. J. Holmes: Would the Public Works Department have the audacity to criticise the plumbers?

Hon. A. LOVEKIN: I am referring to the Water Supply Department.

Hon. J. J. Holmes: You know what their costs are.

Hon. A. LOVEKIN: I cited a few charges to the engineer this morning, and he admitted that if the department had had control, they would have dealt with the plumbers.

Hon. H. Stewart: Any maker of pipes of standing gives a guarantee.

Hon. A. LOVEKIN: That is so. If a galvanised iron pipe is stamped, and the galvanising is broken in the process, the pipe is useless. I think an improvement can be

effected in this by-law. The next by-law is No. 131, providing for charges for water used for building purposes. Where buildings are wholly of wood and iron and no brick or concrete is used and water is not required, there should be no charge. Some of the charges contained in this by-law are very proper ones, but we have no alternative to disallowing the whole of the by-law. Under By-law No. 131 the department can levy what amounts really to a second building fee. The local authorities levy building fees, and the Water Supply Department could levy a building fee without supplying any water. Under the Act a person pays rates on vacant land, and the department are bound to supply water if required. When premises are being built, the department lay on the water and obtain an increased rate plus the money for the water used. But where a wooden house is built, the department should be satisfied to get the rate in respect of the land and not charge what is tantamount to a second building fee.

Hon. J. Nicholson: A concrete house would require water.

Hon. A. LOVEKIN: I am speaking of a wood and iron house without plaster or any brickwork at all. This is a department for supplying water and not for taxing new buildings. An important by-law which I wish the House to disallow is the one which fixes the price for water. Here again I shall touch on only some of the points, although I must ask for the disallowance of the whole of the by-law so that an amended by-law can be submitted. Two years ago excess water was charged for at 1s. per thousand gallons. In the following year the pumping costs went up and the department secured the passage of a by-law increasing the cost of excess water to 1s. 3d. Since then the pumping costs, as shown by page 35 of the report laid on the Table, have gone down. To pump the water from the bores into Mt. Eliza reservoir, a lift of 270 feet, costs 1.89d. per thousand gallons. The cost to the department is less than 2d. per thousand gallons and they charge 1s. 3d. for excess water. The department is not only keeping that 1s. 3d. but they are reaping the benefit of a large increased assessment in the metropolitan area, for which they are doing absolutely nothing. I quoted on a previous occasion that in one place in St. George's-terrace the water rate was £35 per annum, and last year it jumped to £50, while this year it must be even more, because the assessments have gone up further. I have before me the report of the mayor of Perth for the year recently closed, and it shows how this particular department is getting increased revenue for doing little or nothing. I find that in the central, north, south, east and west wards the amount of the assessments in 1920 totalled £179,327. In 1921 the figures were £183,000, while this year the sum is nearly double, namely £314,515. The increases are not confined to Perth, they have gone up in a like ratio in the suburbs, and the department are doing practically nothing in return. In view of the fact that, especially in the northern part of the city, people have to turn on the taps to let the water run to give it an opportunity to clear itself, it is quite time that the price of excess water came back to what it was two years ago, namely 1s. Then, if that goes back to 1s., the other charges will also go back in proportion. I have set out the motion in the manner in which it appears on the Notice Paper to show what should be done in the event of the by-law being disallowed. The first portion of it deals with the elimination of inspection fees in connection with the branding of galvanised iron pipes and fittings; the second proposes to eliminate building fees and to substitute charges for water actually supplied; and the third the reduction of prices by 25 per cent.

On motion by the Minister for Education, debate adjourned.

BILLS (2)—THIRD READING.

1, Supply (No. 3), £1,040,000

2, Western Australian Bank Act Amendment (Private).

Passed.

BILL—CLOSER SETTLEMENT (No. 2).

Second Reading.

Debate resumed from the previous day.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [5.50]: The outstanding feature of the opposition to this Bill has been its general condemnation by the members of the Country Party, and surprise has been expressed that the Government, consisting of Nationalist members and Country Party members, should have submitted such a proposal. This, taken in conjunction with the almost unanimous opposition of the members of the Country Party, may lead one to suppose that it was the Nationalist section of the Government that was responsible for the introduction of the Bill. If we look back a little, we shall see that so far from such being the case, the idea of the Bill probably had its origin at a Country Party conference. As a matter of fact two conferences carried, almost without a dissentient voice, regulations in favour of far more drastic proposals than those aimed at in the Bill, to compel holders of land within easy distance of a railway to use that land to the best advantage, and indeed advocating a greatly increased land tax with a view to forcing everybody into using their land so that there might be more custom for the railways, and by that means also to bring about a reduction in the freight charges.

Hon. H. Stewart: Give us the resolutions and the dates.

The MINISTER FOR EDUCATION: I do not remember the exact dates, but sub-

sequent conferences of the Country Party apparently did not take quite the same view. I do not know that the resolutions were actually reversed; I know that on one occasion the matter was deferred for consideration. However, my desire is to remove the impression that the Nationalist section of the Government was entirely responsible for the Bill, and that the Country Party have always been opposed to it.

Hon. H. Stewart: Are you referring to the resolutions with regard to the tax on unimproved land values?

The MINISTER FOR EDUCATION: Last year a Bill, almost identical with the one before the House, was introduced in another place, and I will read to hon. members a few brief opinions expressed by members of the Country Party in that Chamber when the Bill was being considered. The then Leader of the Country Party, Mr. Harrison, said—

> This Bill is one, the passage of which has become almost imperative in the interests of the State.

Hon. J. J. Holmes: He has since lost his leadership.

The MINISTER FOR EDUCATION: Mr. Pickering, another member of the Country Party, said—

> The Bill is an honest attempt to meet the difficulty of dealing with large estates.

Hon. V. Hamersley: And he met his constituents afterwards.

The MINISTER FOR EDUCATION: I am merely quoting from the remarks of members of the Country Party. Mr. Sampson gave his support to the Bill and expressed surprise that it had not gone further. Mr. Holmes interjected that Mr. Harrison had lost the leadership of the party since making that speech. But the present Leader of the Country Party is a member of the Government, and is supporting the Bill, while the Deputy Leader, Mr. Latham, last year offered these remarks—

> I do not want this measure to be made the means for unloading a lot of useless property on the Government. The State cannot afford to indulge in this kind of thing, and it cannot afford to have locked up along the railways the valuable land that is to-day locked up. Some of the land in the York electorate is not wheat land. It is more valuable as dairying land, and I hope this will be brought under the provisions of the measure.

Mr. Piesse said—

> I feel that this Bill is all that Parliament can be asked to pass.

Mr. Angelo supported the second reading and used these words—

> I support the second reading of the Bill, although I regard it as too moderate in its incidence.

Hon. members will thus see that all the members of the Country Party in another place, who spoke on the second reading of the Bill, warmly supported it; and later on it was passed without a division.

Hon. H. Stewart: What a pity it is that the Standing Orders prevent you from quoting what they said this year.

The MINISTER FOR EDUCATION: I know that a lot of these members have gone back on their previous opinions, but I wish to make it clear that the Country Party were just as much responsible for the introduction of this measure as the Nationalist Party, and last year supported it just as warmly as did any other section in another place. When the Bill came to this House, it is true that one member of the Country Party —Mr. Hamersley—opposed it. Mr. Hamersley was a new recruit of the Country Party, and I do not know whether the altered attitude of the Country Party generally is due to the influence of that hon. member.

Hon. H. Stewart: You must include me as opposing it last session.

The MINISTER FOR EDUCATION: I shall have a good deal to say about the hon. member by-and-by. I do not know whether Mr. Hamersley has succeeded in changing the attitude of the whole party. In this House Mr. Willmott supported the Bill. He certainly was guarded in his support, but he said that as a land owner he would have no hesitation in supporting the second reading.

Hon. F. E. S. Willmott: I was very guarded; I know exactly what I said, so be careful.

The MINISTER FOR EDUCATION: Mr. Willmott said last year—

> If anyone owns land and refuses to sell it the Government can purchase it, but such an owner must be defrauding the State at the present time, or else he would be prepared to sell under the provisions of the Bill.

That was what Mr. Willmott said in regard to the basis of arriving at the valuation, and in the previous Bill it was not so generous to the owners as in the one before members now. The present Bill merely makes the taxation value prima facie evidence. Mr. Willmott said that a man must be defrauding the Government if he was not willing to accept that basis as the method of arriving at the value of the land. Mr. Baxter also supported the second reading.

Hon. C. F. Baxter: My speech was not warmly in favour of it.

The MINISTER FOR EDUCATION: Mr. Miles also supported it. Mr. Baxter and Mr. Willmott opposed the reference of the Bill to a select committee, desiring that the House should make the necessary amendments so that the Bill might come into force.

Hon. C. F. Baxter: We knew there was no time for a select committee to go into the matter.

The MINISTER FOR EDUCATION: And therefore those two members wished it to be dealt with by the House.

Hon. C. F. Baxter: We did not desire to kill the Bill in that way.

The MINISTER FOR EDUCATION: Subsequently to Mr. Hamersley joining the Country Party, this question was raised at a conference of the Primary Producers' Associa-

tion. Certain members of the association took exception to the closer settlement proposals, and some of the Parliamentary members explained that it would be quite easy for them to discuss the matter with the association's executive and arrive at such amendments as might make the Bill generally acceptable, and that therefore the conference need not trouble to pass a resolution condemning the Bill. So the Bill was passed over by the conference to the Parliamentary members and the executive. Of course none of us knows what happened at the meeting between the Parliamentary members and the executive; but we do know that in another place an attempt was made to amend the personnel of the board so that it sho ld include a representative of the Primary Producers' Association and, I believe, also a representative of the associated banks. That amendment was not agreed to, and since then we have had the relentless opposition of the Country Party members to the Bill. Now I wish to make some reference to the appointment of the select committee on last session's Bill. It has always been my desire to interpret what I believed to be the wishes of this House. It it had been in my mind that it was the wish of this House that that select committee, upon the proroguing of Parliament, should have been converted into a Royal Commission, I should undoubtedly have advised the Government to do it. But that was not my impression. No such desire was ever conveyed to me either by the House or by individual members. When the select committee's report was submitted, it stated that certain members of the committee, not all the members, were willing, if the Government so desired, to act as a Royal Commission. Now, rightly or wrongly, I had taken the decision of the House to refer the matter to a select committee as an intimation, and as one that I did not then and do not now propose to quarrel with, that at that late stage of the session the House was not prepared to deal with the matter, and that the select committee was a means of getting rid of the measure. There were at the time a large number of Royal Commissions, and there were practical difficulties in the way of appointing more Royal Commissions. But had it been in my mind that the desire of the House was that that select committee should have been converted into a Royal Commission, I would certainly have recommended Cabinet to do it. If I misinterpreted the desire of the Chamber, it was my fault.

Hon. J. J. Holmes: You interpreted it correctly.

The MINISTER FOR EDUCATION: There are one or two minor arguments about which I shall have very little to say. Mr. Holmes, having assisted to throw out the first Bill because it contained Clause 13, in his speech on this Bill took exception because Clause 13 was not it.

Hon. J. J. Holmes: No, I did not.

The MINISTER FOR EDUCATION: I do not say that is necessarily inconsistent. Perhaps the hon. member thought that the provision in question should be in the Bill, but that it should be put there in a proper way. I say unhesitatingly that land compulsorily acquired from a member of Parliament does not constitute a contract in the terms of the Constitution Act, I know that land owned by members of Parliament has been sold to soldiers, the Agricultural Bank finding the whole of the money. Personally, I think it would have been better had Clause 13 remained in the Bill, so that the position would have been clearly understood. Mr. Baxter objects to the Bill, 1or one reason, because of its limitation to 1924. I fancy that the whole of the opponents of the measure would have insisted on some such limitation being put in had the Bill been carried in opposition to their wishes. That limitation simply means that in the light of two years' experience it will be compulsory for the Government to submit the measure for the review of Parliament or allow it to lapse. I think it is an entirely wise provision when we are entering upon a new departure. On the measure being re-submitted, Parliament could do away with the measure, or continue it, or amend it. Mr. Hamersley opposed the Bill, for one reason, because of the success which had attended the repurchase of estates and their subdivision and sale. Mr. Greig opposed the Bill because of the failure that had attended the repurchase of estates and their subsequent subdivision and sale. So we have two members opposing the Bill on directly opposite grounds. Rightly considered, I think, both these circumstances form an argument for the Bill. The repurchased estates that succeeded certainly form a strong argument for repurchase, subdivision, and sale. Those that have failed form a strong argument against repurchase without some system which will protect the State against paying too much for estates. I could understand anyone advocating this Bill because certain estates had failed and because others had succeeded, but I cannot for the life of me understand that one member should say, "We do not want the Bill because voluntary repurchase has succeeded," while another says, "We do not want the Bill because voluntary repurchase has failed." Many members have objected to the Bill because conditional purchase lands are not included. I have contended that conditional purchase lands are the subject of an existing and current contract. When in another place it was proposed to include conditional purchase leases, all the members of the Country Party voted against the proposal and voted it out. The conditional purchase lease, to my mind, is a definite contract for a stated period. Within 20 years or 30 years, as the case may be, the holder of the lease is called upon to do something. I am not at all prepared to say that he is called upon to do sufficient. I do not think there has been any material alteration in the improvement terms of the conditional purchase lease since 1887.

Hon. J. Mills: Quite right.

The MINISTER FOR EDUCATION: It would not be surprising if they should stand in need of revision. At that time there

was no Agricultural Bank to assist the new settler with money for his improvements. There was no demand for land then, and the fact that a settler was holding it in comparative idleness was not prejudicing anybody else. It might well be contended that improvement conditions which were reasonable then are unreasonable at the present time. What are the conditions? On a homestead lease the improvement conditions, spread over seven years, are that the lessee has to spend £112 on an area of 160 acres. The amount may include £30 for his house, half the cost of an outer fence for small stock, and two-thirds of the cost of an outer fence for rabbits or dogs. On a 1,000-acre property, including a homestead lease, the rest of the property being at the maximum price of 15s. per acre, the total expenditure required for the first 10 years, and covering the whole period of years, either 20 or 30 as the case may be, is £732. The allowance for the House and portion of the outer fence would bring the amount down to about £530. So that a man taking up a conditional purchase lease and clearing only 300 acres would comply with all the conditions covering 1,000 acres. In the South-West, where the natural conditions are altogether different from those of the wheat belt, the same terms apply. A man might take up a homestead farm of 160 acres in the South-West, and by clearing a couple of acres and putting in fruit trees comply with the whole of the improvement conditions, do all he had to do and maintain during the whole of the conditional purchase period. If he took up 1,000 acres in the South-West, then by putting 10 acres under orchard he would comply with the whole of the improvement conditions. Therefore, it might well be argued that improvement conditions which were satisfactory in 1887 are not satisfactory now. But if that is so, what we should do is to amend the Land Act in regard to conditional purchase. I do not think one could apply the amendment to conditional purchase leases already granted; it could only apply to future conditional purchase leases. At present our land is very nearly given away. The price is 15s. per acre spread over 20 or 30 years without interest, and that equals only 5s. or 6s. per acre spot cash. We allow the man holding conditional purchase land to acquire the fee simple on very easy and generous terms. When he has complied with those terms, are we to say to him, "You can do what you like now; you need not do anything further; you can let your improvements go to pot"? That seems to me entirely unreasonable. We allow people to secure the fee simple under conditions which are easier than those obtaining anywhere else in the world. When the conditional purchase holder obtains the fee simple, he knows it is only a right against anybody else, and that he holds his land subject to the laws of the country, subject to such legislation as may from time to time be enacted. Now, have we any moral right to acquire unused land? Mr. Dodd referred to my attitude on this Bill, and said that I was rapidly becoming a land taxer. There may be members of this House who were here before the first land tax was passed. They know what a tremendous struggle it was. I took a leading part, if not the leading part, in returning to this House at that critical time the Hon. George Throssell, pledged to the support of a land tax. It was following upon his return that that tax was instituted. So there is no change of attitude on my part. I do realise that is is a most unfortunate thing for Australia that because of the attitude of the Legislative Councils of the various States the States were all too late in imposing their land taxation, and left the matter open for the Federal Parliament to come in and say, "It is necessary in the interests of the people of Australia that these large estates should be broken up. The State Parliaments will not impose a land tax which will serve that purpose, and therefore we have got to step in and do it." It left the Federal Parliament that argument, and that argument was used to impose a Federal land tax, which was the first and the worst encroachment upon State affairs that we have had in the whole history of Federation. If the State Parliaments had done as they should have done—Western Australia, I consider, was less to blame than the other States, because the demand for land here was not so great as in the East—and imposed a reasonable land tax in time, then that Federal land tax would never have been put into force, and the States would have been ever so much the better for it. We should not be too late in regard to this Closer Settlement Bill.

Hon. J. Cornell: The Federal land tax exempts £5,000.

The MINISTER FOR EDUCATION: Quite so. We should have done that, and we should have had the revenue from the tax.

Hon. V. Hamersley: We had our land tax before the Federal land tax was imposed.

The MINISTER FOR EDUCATION: I say Western Australia was less to blame in the matter than the other States.

Hon. V. Hamersley: But the other States had a land tax too.

The MINISTER FOR EDUCATION: They had practically nothing. Even in Western Australia our land tax was nothing to speak of. Mr. Dodd quoted with great effect the opinions of Sir Samuel Griffith, and they should serve to correct what I can only describe as a great deal of loose thinking on the part of certain members of this House. I have here a pamphlet recently issued by the Government of New South Wales. The pamphlet states, among other things—

> It is felt by everyone that we must have more population, more production, and the fuller use of our railways and other costly public works, so that better revenue may be derived therefrom. These things are essential, not merely for the prosperity of the State, but for the security of Australia. It becomes a public duty for landowners to assist in securing the above aims. Whilst they have their vested interests and rights, the public need stands paramount, and cannot be denied. There need be no conflict

of rights as between the private individual and the State if the matter is properly regarded and an agreement is arrived at on just and fair terms. . . . If this invitation is not accepted within a reasonable time, the Government will proceed to act on its own initiative and in the direction of compulsory action in respect of large estates within the range of existing railways or towns and ports where such estates are not already reasonably put to productive and settlement use.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR EDUCATION: Before tea I was referring to a pamphlet issued by the present Government of New South Wales on this question of forcing into utilisation idle land near to facilities of transport. Amongst others this pamphlet was considered by the Chamber of Agriculture of New South Wales, and the first resolution carried by that chamber was as follows:—

That it is in sympathy with the purpose of the Government to secure more settlement on the lands of the State and increased and more profitable production, especially in proximity to existing railways and ports. It recognises that the ownership of land—whether State or private—involves public duties as well as rights, and that it is of supreme importance to the State that the land should be put to its best and fullest economic use.

Later it carried this resolution—

The Chamber also expresses its opinion that if the owner of lands suitable for closer settlement within easy range of existing railways and ports will not voluntarily co-operate with the Government in the public interest to secure such settlement on mutually fair and reasonable terms, the State should resume his land on terms that will enable the Government to finance the resumption over a period of years covering the time necessary to secure settlement there, as if voluntarily arranged under the preceding resolution.

And the result of a conference between the Government, the Chamber of Agriculture and other bodies representing the land owners, was the carrying of a series of resolutions in keeping with those I have read, and including this—

That the conference expresses its opinion that if the owner of lands suitable for closer settlement within easy range of existing railways or ports will not voluntarily co-operate with the Government in the public interest to secure such settlement on mutually fair and reasonable terms, the State should resume his land on just terms, leaving the owner his homestead and a sufficient area of land for the maintenance of a home if he so desires.

Hon. J. J. Holmes: But that is in respect of land adjacent to railways and ports, whereas the Bill relates to land anywhere.

The MINISTER FOR EDUCATION: The principle is precisely the same. Mr. Holmes and Mr. Hamersley in particular attacked the Bill on the ground that the Government proposed to take the lands, which was an immoral, unprincipled thing to do. What I want to put before the House is that not only have the present Government of New South Wales, in circumstances not so acute as ours, put forward similar proposals, but those proposals are endorsed by land owners and by the Chamber of Agriculture.

Hon. V. Hamersley: Already you have on the statute-book Acts which will enable you to resume.

The MINISTER FOR EDUCATION: The Government of New South Wales have recognised that the only moral title to the ownership of land is use. If a few reactionary members of different parties try to set up a divine right in the ownership of land, permitting a person, because he owns the fee simple, to do what he likes with the land, they will find that it will no more stand the test of time than did the so-called divine right of kings to rule their subjects against their will. The only moral right to land is its proper use. Several members have said they would support the Bill if the resumption provisions were fair. I maintain that they are fair. But if there be in them any element of unfairness, or if there be lacking from them anything necessary to make them fair, surely it is not beyond the powers of the House to remedy that blemish. Let us for a moment examine the provisions of the Bill. The board is empowered to inquire into the suitability and requirement for closer settlement of any land held in fee simple, but unutilised and unproductive. Those are the first conditions. Nothing can be done before those conditions are fulfilled. Under the Bill land shall be deemed to be unutilised if, in the opinion of the board, the land is not put to reasonable use, and its retention by the owner is a hindrance to closer settlement and cannot be justified. Only in those circumstances can the land be made subject to the Act. Where the board has found those conditions to exist, it puts up a report in writing to the Minister. One hon. member spoke as though the board were going to be rambling about all over the country, doing as they liked, and that their decisions were to be final. As a matter of fact, the board can only find that land is held unutilised when required for closer settlement, and when its holding by the owner is a hindrance to closer settlement and cannot be justified. Then the board will report to the Minister, and the Governor-in-Council, after taking into consideration that report, may by notice in the "Government Gazette," declare that the land reported on is subject to the Act. Land cannot be subject to the Act until all those conditions are fulfilled. No hon. member will hold it to be improper, when land is being held unutilised and is a bar to closer settlement, to say that some alteration is necessary.

Having reached that stage, the owner is notified, and before there can be any question of compulsory purchase he can elect either to pay three times the land tax or subdivide his land himself.

Hon. J. Nicholson: It is not three times the land tax at present.

The MINISTER FOR EDUCATION: No, perhaps not, but it is generally understood that this Bill will be followed by a taxation Bill which will impose a land tax of three times the present amount.

Hon. V. Hamersley: If the owner be absentee it will probably be six times the amount.

The MINISTER FOR EDUCATION: If an absentee is holding his land in idleness, waiting while the taxpayers of the State provide facilities for him, and whilst his neighbouring owners put an increased value on his land, I have no sympathy with him even if he has to pay six times the amount of the tax. Indeed it will then be of advantage to him to dispose of his land and get fair value for it and be done with it. An absentee holder of idle land is no benefactor to the State, and is not worthy of much consideration. If the owner does not take either of those two courses open to him, the land may be acquired. Even then the taxation value is regarded only as prima facie evidence of value, and the owner will be at liberty to bring any other evidence he likes which may substantiate a higher value. It is not improbable that Dr. Saw put his finger on the root of a good deal of the opposition to the Bill when he said there may be many people holding land which they know to be greatly undervalued, which they know to be unused, and which they think may become subject to proclamation under the Bill; and in order to avoid the possibility of having to part with their land at less than its worth, it may be necessary for them to amend the valuation, put in a true and honest one, and pay taxation accordingly. However, that is very poor ground for opposition to the Bill. Mr. Stewart said it would be quite all right if we adopted the New Zealand provisions. For many years New Zealand has had this provision for the compulsory acquirement of land. Conditions there are very different from those prevailing here. Mr. Hamersley said we were copying Queensland and adopting Acts of repudiation. Does the hon. member suggest that this New Zealand legislation constitutes an Act of repudiation? Has it done anything to destroy the credit of New Zealand? Is it not a fact that because of those advanced and democratic provisions under the laws of New Zealand, those provisions which do undoubtedly recognise the rights of the people generally, New Zealand has been a well governed and stable country right through? There is nothing in the principle of the Bill which is foreign to the principle of the New Zealand Act. There may be a slightly different method of arriving at the valuation, but that is all; there is no difference in principle. And, as I say, if it be considered that this provision does not sufficiently protect the owner, there is no reason why the House should not amend it. Mr. Holmes characterised the Bill as a direct attack on the pioneers of the State. I do not know that it is particularly the pioneers who are holding land in idleness, but I do know that the passing of the Bill and the result of forcing into use lands served by existing facilities, or to be served by facilities yet to be created, will be to the advantage of every bona fide settler on the land, every producer; because it will mean that our railways, which now run through so much unused land, will have a far greater tonnage per mile to carry and, consequently, there will be a prospect of cheaper freights for those using the railways. Those who are making use of their land recognise this. There are few bitterer men in the State than the men using their land to the utmost capacity, producing a lot of stuff and paying high railway freights, and seeing on either side of them men holding land unutilised, producing nothing and paying no railway freights, simply sitting back in the knowledge that the activity of their neighbours is ultimately going to put something into their pockets.

Hon. H. Stewart: These are conditional purchase land holders.

The MINISTER FOR EDUCATION: I have discussed this matter with scores of settlers. The settler who has been using his land to the best advantage is only too anxious that the other fellow, who is not doing so, should be made to turn his land to the best use.

Hon. T. Moore: That does not suit the St. George's-terrace farmer.

The MINISTER FOR EDUCATION: Mr. Hamersley said that the land tax was falling heavily on the bona fide settler. The great bulk of producers pay no land tax whatever. In nearly all cases the income tax is the greater tax. The land tax is paid and deducted from the income tax and they do not pay a single sixpence. The only people who do pay an additional land tax are those who hold so much land that their land tax is higher than their income tax. These must be people who are not putting their land to the fullest use. If they were doing so the income tax would so far exceed the land tax that with the rebate they would be paying no land tax whatever. It is, therefore, wrong to say that the bona fide settlers are paying heavily at present in the way of land tax.

Hon. V. Hamersley: You are wrong.

The MINISTER FOR EDUCATION: The Land and Income Tax Assessment Act provides an exemption which it is proposed to cut out of this Bill. It is recognised that if Section 17 were left in a great many land owners could elect to pay three times the land tax and still escape without paying a solitary sixpence, because the land tax would be rebated from the income tax. Mr. Hamersley also said there was an abund-

ance of land for sale, that it had been offered to the Government, and some of it turned down after inspection and some without inspection. I am advised that every block that has been turned down without inspection was turned down because the department knew from the classification what the value was and considered the price asked was too great. It is rather significant, and suggests that there is land in some of the older settled portions of the State, some of the most favoured parts, some of the most generously served by public facilities, that is not being turned to useful account. Within the past two years in one district alone, almost within a stone's throw of Mr. Hamersley's home, in the district of Toodyay, no fewer than eight properties have been offered to the Government containing an aggregate area of upwards of 60,000 acres. It is a fair assumption that there is a great deal of land in that district which can be turned to better account than is the case at present. The fact that the owners of the land have offered it to the Government at a price which the Government advisers consider too high, is not in my opinion a sound argument against the passing of the Bill. Reference has been made to the Midland Railway Company. Mr. Holmes said that the Federal and State Governments, realising the injustice that had been done to that company, allowed them to assess their lands at a low value. The State Government do not recognise that any injustice has been or is being done to the company. I sympathise with the shareholders in their unfortunate position, because the person who obtained the concession, instead of using the money he got from the public by way of subscriptions for shares, to build the line, used it as promoter's profits, and saddled the company with the burden under which it has groaned for many years, and placed the shareholders in their present unfortunate position. The attitude of Western Australian Governments from the beginning towards this company has at all times been fair and generous. It is not by way of recognition of any injustice to the company that they are allowed to put their land in at a low value.

Hon. A. Lovekin: Too generous; the Government built the line for them.

The MINISTER FOR EDUCATION: The troubles of the company are due to the promoter's profits.

Hon. A. Lovekin: That is right.

The MINISTER FOR EDUCATION: The company have never been able to stand up against that, and have been in difficulties from the outset. The money which should have been spent on building the line went to the person who obtained the concession. It is entirely wrong to attack the Government or the people of the State and say they have treated the company unfairly or unjustly, when they went in an entirely opposite direction.

Hon. J. Ewing: They are doing fairly well now.

The MINISTER FOR EDUCATION: I do not say that they have not at all times done the best they could.

Hon. J. Ewing: They are subdividing and selling their land.

Hon. T. Moore: At a higher price.

The MINISTER FOR EDUCATION: I do not say they have done anything wrong. Reference has been made to the unsuitableness of the board. Mr. Rose suggested that the third member should be a practical farmer. I am willing that an amendment in that direction should be made.

Hon. G. W. Miles: That is provided for.

The MINISTER FOR EDUCATION: No. The Bill says he shall have local knowledge of the matters under inquiry for the time being. I have no objection to such amendment, or to any other that will improve the personnel of the board. For members to accept the principle, as many have done, and then say they are going to vote against the Bill because the board is unsatisfactory, is futile. If there is anything wrong with the board it can be altered in Committee. Mr. Greig says it is cheaper to build new lines than to repurchase estates along existing lines. It will be necessary to build new lines. We cannot engage in a migration policy, and bring people to Western Australia, without building new lines, but it will not be to the advantage of the taxpayer if we merely devote ourselves to building new lines and allow land lying along our lines to remain in idleness. That way must mean increased deficits and increased losses on the railway system. Mr. Stewart spoke at considerable length last evening. We are entitled to assume that his was not a hurried or ill considered address. It was a finished performance. He had the advantage of a full dress rehearsal on the other Bill a week or two ago. He based his opposition to the Bill on the ground that it was unnecessary, because the compulsory provisions of the Land Purchase Act of 1918-1919 give the Government power to compulsorily resume land. The hon. member admits that this is for returned soldiers only, but suggests we could get over the difficulty by making it apply to civilian settlement. That Act applies only to land within 20 miles of a railway. It is important that the Government should have the right to compulsorily acquire land even though it may be more than 20 miles from a railway, if it is included in a district which they propose to closer settle and provide railway facilities for.

Hon. J. Cornell: I thought this Bill was only for land alongside railways.

The MINISTER FOR EDUCATION: Chiefly, but not exclusively. If the Bill is passed the Government, in the event of a railway being contemplated in an area in which there is considerable Government land, and possibly large estates of private land, can make use of it provided all the conditions are complied with. Under the Agricultural

Lands Purchase Act the State can acquire only land of an unimproved value of over £5,000.

Hon. H. Stewart: There is a good deal of that in the Avon Valley.

The MINISTER FOR EDUCATION: Mr. Stewart said that would be all right because in the wheat areas the unimproved value was £2 10s. per acre; therefore 2,000 acres would come within the provision of the Bill. In the South-West the unimproved value of such land is, according to Mr. Stewart, £20 an acre and therefore 250 acres would come within the provisions of this Bill. It is true there is land in the wheat belt valued at £2 10s., and that there are isolated spots in the South-West where the unimproved value is £20. How little use this Bill would be may be understood when I inform the House that there are not in Western Australia at present more than 210 country estates of an unimproved value of £5,000 or more. In the wheat belt, in the more favoured localities, the unimproved value does go as high as £3 8s. per acre. Directly one gets away from the railway it is difficult to find a property the average value of which is 50s. an acre. In the South-West I venture to say one will not find a single instance where there are 250 acres of land the unimproved value of which is £20 an acre. With very few exceptions the value in the South-West lands has been created by the owner through the improvements.

Hon. F. E. S. Willmott: That is why you want to take it away.

The MINISTER FOR EDUCATION: We do not want to take it away. We simply say he must use it. The hon. member said our conditions were more harsh than they were in the other States. He meant that we did not allow the owner to hold so much value without interference as is the case in the other States. South Australian lands are more closely allied to ours than those of any of the other States. The value of 15 bushel land in South Australia is £9 an acre as against from £2 to £3 here. Our lands are valued at no more than one-third of the corresponding productive value in South Australia. This allows a man to hold £5,000 worth of land without interference here, which would be equivalent to allowing a man to hold £15,000 worth in South Australia. If we applied the conditions of the Lands Purchase Act for resumption purposes it is idle to say we should be able to get every area in the South-West of 250 acres. There is not one with an average value of £20 per acre. That indeed is the maximum value of any of the land. Only in rare instances and in small areas would that apply. The value is almost entirely in the improvements. I have in mind a comparatively large estate which has been mentioned in this House. It is valued by the seller at something like £12 an acre.

Hon. J. Ewing: It is a good estate.

The MINISTER FOR EDUCATION: The unimproved value is not £2 an acre. Of the £12 an acre £10 is the value given by the improvements. This property, therefore, could not be compulsorily resumed under the Bill. Although it is a big estate, the unimproved value would be less than £5,000. I have discussed this matter with many old settlers in the South-West. Almost invariably they have stated they had made a mistake in the past; they had been hungry for too much land and the best policy they could pursue and intended to pursue was to part with a lot of their land, and make the best use they could of that which was left. That is the sentiment prevailing amongst many of the most prosperous, the oldest, the most reliable and the safest to follow of the settlers in the southern portion of the State. The Bill is undoubtedly a part of the migration policy of the Government. I could understand anyone who is opposed to that policy voting against it, but the great majority of members have expressed themselves in support of that policy and in support of the general principle of the Bill. That being the case, the House would be stultifying itself and showing a lack of confidence in itself if it did not pass the second reading, leaving it to the Committee stage to make such amendments as are thought to be necessary.

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

Ayes	13
Noes	8
Majority for ..	5

AYES.

Hon. H. Boan	Hon. G. W. Miles
Hon. H. P. Colebatch	Hon. J. Mills
Hon. J. Duffell	Hon. T. Moore
Hon. J. Ewing	Hon. A. J. H. Saw
Hon. E. H. Harris	Hon. H. Seddon
Hon. R. J. Lynn	Hon. E. Rose
Hon. J. M. Macfarlane	(*Teller.*)

NOES.

Hon. C. F. Baxter	Hon. J. Nicholson
Hon. J. Cornell	Hon. H. Stewart
Hon. V. Hamersley	Hon. F. E. S. Willmott
Hon. J. J. Holmes	Hon. A. Burvill
	(*Teller.*)

Question thus passed.

Bill read a second time.

In Committee.

Hon. J. Ewing in the Chair; Minister for Education in charge of the Bill.

Clause 1—Agreed to.

Progress reported.

BILL—LAND ACT AMENDMENT.

In Committee, etc.

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

BILL—AGRICULTURAL SEEDS.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [8.7] in moving the second reading said: A somewhat similar Bill was introduced in this Chamber a few sessions ago. If I remember aright, it was passed in this House but was not considered by another place. The necessity for legislation of this kind was strongly urged at the conference of Ministers for Agriculture, which was held in Perth recently. Tests have been made from time to time by the Government Botanist, and those tests, together with the experience of farmers, demonstrate that there is an urgent need for legislation along these lines. I do not think any argument is necessary to demonstrate to the House that it is not only necessary, but imperative that the grower, when purchasing agricultural seeds, should obtain what he thinks he is getting. The loss if he does not get it, is not the loss of the money he pays, but the loss of a large proportion of his labour and perhaps the loss of his whole season's operations, which may be set at naught if he is supplied with seed of a different character from that which he thinks he has bought. It is not intended to do anything under the Bill that any reputable tradesman can take exception to, because it is recognised that if we take any extreme action it will only increase the price to the purchaser and so do an injury in that direction. I believe all reputable traders will welcome legislation of this kind. There are a great number of them who at present, without any legislative compulsion, give to their customers a warranty very similar to that provided in the Bill. They do everything they can, not only to protect the interest of their clients, but to protect their own reputation as well. In some cases this is not confined to argricultural seeds only, but applies to flower seeds. There are many who go around and collect all the unsold seeds on hand from the last season and destroy them. They face that loss rather than lose their reputation by selling seeds not entirely satisfactory to their clients. Unfortunately there is another class of dealers who take advantage of the old seed which can be procured cheaply and who sell it at a big profit without caring what happens to the people who buy it. In a case like that, there is little chance of redress for the purchaser apart from a criminal prosecution, in which case it would be very difficult to get a conviction. It is difficult to see that there is any remedy in such a case. The principal clause in the Bill is Clause 6 which provides for the warranty. The clause reads as follows:—

> There shall be legibly written on or attached to every parcel of agricultural seed which is sold, a statement or label indicating —(a) the name and address of the seller; (b) the name of the seed as prescribed by regulation; (c) the several kinds contained in a mixture, and in what proportion such seeds are mixed; (d) the percentage of pure germinable seeds; and (e) the proportion or amount of impurities and weed seeds contained in the seeds (or in the several kinds of seeds contained in a mixture) passing on such sale: Provided that in stating the percentage of pure germinable seeds of a prescribed kind the percentage of hard seeds must also be stated.

We had a debate on hard seeds in this House on a previous occasion.

Hon. C. F. Baxter: Hon. members have not forgotten it.

The MINISTER FOR EDUCATION: When in Committee I intend to move a slight amendment to provide that, respecting certain prescribed seeds, the place of origin shall be stated as well. We can, however, deal with that aspect later on. The clause also provides that the statement or label shall, notwithstanding any agreement to the contrary, constitute a warranty of the matters therein stated and that the purity and percentage of germination of the seed are in accordance with the measure and the regulations. It is also set out that the vendor shall not be liable in damages for breach of any warranty to an amount exceeding the price of the seeds sold and the expense incurred by the purchaser in relation to the sale, delivery, and testing of the seeds. By Clause 21 it is provided—

> "Nothing contained in this Act and no proceedings taken under this Act against any person shall in any way interfere with any right or remedy by civil process which any person aggrieved by any contravention of this Act might have had if this Act had not been passed."

The warranty does not compel the vendor to supply seeds of a certain standard, because it is felt that the fixing of standards of purity and germination would be unworkable. Provision is made authorising the Governor, when circumstances make it advisable, to prohibit by regulation the sale of seed below a certain standard. In the meantime the seller may dispose of any seed but in the warranty he must say what the quality of the seed really is. The purchaser must know what he is getting. Provision is also made to deal with noxious weeds. The Federal Act deals with the importation of noxious seeds from overseas. The Bill seeks to guard against the sale of noxious weed seeds and the introduction of noxious weeds and seeds in different districts where those weeds are absent. In the interpretation clause, it is provided that the farmer selling seeds to another farmer is exempt. I propose to move a small amendment to make it clear that the exemption will apply only to a farmer who disposes of such seed to another farmer in a casual way, and that it will not apply to a farmer who, to all intents and purposes, is carrying on the business of a seed merchant. In the latter case, he should comply with the Act in the same way as the ordinary see merchant. There is no need to protect the merchant in the case of purchases from farmers because the merchant

can always protect himself. The farmer selling seed to a merchant is not required to give a warranty. Provision is made for samples being made available for examination purposes. The purpose of the Bill generally is to protect the grower by providing him with a true and detailed description of the quality of the seed offered to him and to aid against the further spread of noxious seeds and pests. It also protects both the grower and the seller against the fraudulent practices of unscrupulous dealers in low-grade seed. Similar legislation is in force in most of the other States of the Commonwealth, and this Bill embodies the best features of the Victorian and Queensland Acts. The administration of the measure will be in charge of the Government Botanist, and upon him the work of testing the seeds will devolve. Any work of inspection will be carried out by the orchard inspectors and the agricultural advisers already in the department. It is considered that no additions to the staff will be necessary. I move—

That the Bill be now read a second time.

Hon. A. BURVILL (South-East) [8.16]: From a producer's point of view, this measure is very much needed. Unscrupulous agents sell old seed mixed with new seed or deteriorated seed and it is time we had legislation to stop the practice. We want an Act which will compel seedsmen to state the name of the seed and to give purchasers a guarantee that the seed is true to name. A grower paid 25s. for 1 lb. of seed and lost £100 over it, because the seed was not true to name. This measure should have the effect of stopping that sort of thing. I support the Bill.

On motion by Hon. J. M. Macfarlane, debate adjourned.

SELECT COMMITTEE—ELECTRICITY SUPPLY.

Consideration of Report.

Debate resumed from the 23 November on the following motion by Hon. A. Lovekin:—

That the report of the select committee be adopted.

Hon. J. DUFFELL (Metropolitan-Suburban) [8.18]: As one of the members of the select committee, I must express appreciation of the complimentary remarks made regarding the work of the committee, and I must add a meed of praise to the work of the chairman. Any success achieved has been due to the work of Mr. Lovekin. It will be remembered that the select committee were appointed when the Leader of the House was in the Eastern States attending a conference of State representatives on behalf of the Government. During his absence the Committee got to work, and the report is the result of their efforts. While I appreciate the criticism of the report, I must confess surprise at the methods adopted by some critics. Mr. Lynn commenced by stating that he had not read either the report or the evidence. In the circumstances I do not intend to make more than passing reference to his remarks. Mr. Nicholson criticised the report as though it reflected the opinions of members of the select committee, whereas there is not a sentence in the report which is not based on evidence tendered to the committee. When Mr. Nicholson was speaking, I asked him by way of interjection if he had read the evidence, and he replied in the affirmative. I am satisfied from his remarks that the only portion he had read was the index to the witnesses summoned. Like a good lawyer, however, realising that he had a very bad case, he started to abuse the other side. He questioned the ability of witnesses called to express opinions regarding the accounts. Be that as it may, the report is based on the evidence. I wish to refer particularly to the agreements made between the Government, the Perth City Council, the Fremantle Tramway Trust, and the local governing bodies. The evidence tendered, together with the report, speaks for itself, but there are portions of the evidence to which attention may advantageously be directed. It is necessary to trace the history of the installation of the East Perth power house. That undertaking was the outcome of an agreement made between the Government and the Perth City Council. Prior to that agreement there had been a good deal of controversy regarding the purchase of the tramways by the local governing bodies. The municipalities realised that the tramways were not rendering the transit facilities which the suburbs demanded. Conference after conference was held to devise means whereby the municipalities might take over the tramways from the company. The conferences ended in failure, and the Government later on decided to purchase the tramways. Having accomplished that, it was realised that additional current would be required to permit of the extension of operations. A representative of the firm of Merz & McLellan was visiting the Eastern States, and the Government arranged for him to come to Perth and consult with them with a view to arranging for the establishment of a power house. A start was made on the work, and then the war broke out. This retarded progress and led to increased costs, to which I shall refer later. The City Council had entered into an agreement for the purchase of the Gas Company's right, title and interest in the gas and electricity plants. This plant was purchased at a very high figure. For the rights of the Gas Company the Council paid £78,392; for the electric plant, which was fairly obsolete at the time, they paid £108,170. In addition the City Council had to pay goodwill for the gas plant amounting to £71,607 and for the electrical plant £220,476, making a total of £478,647 by way of initial outlay for possession of the plant. The Government entered into an agreement with the City Council in order to avoid a clash which would have resulted had the City Council and the

Government erected separate plants. The City Council, having incurred such an enormous expenditure, had to make the best possible terms with the Government. On account of the war it was difficult to secure the requisite additional machinery, even at a considerably enhanced price. By the time the change over is complete, the Perth City Council will have expended about three-quarters of a million sterling on the undertaking. They received current from the Government at an exceptionally low figure, and found it necessary to sell it at the best price obtainable. On several occasions I have made reference in this Chamber to the profiteering on the part of the Perth City Council, who, obtaining current at .75d. per unit, were retailing it at 6d. per unit. That was one reason which prompted me to accept a seat on the select committee. As a result of the committee's investigation I have come to the conclusion, not as has been stated by many people that I was out to bring about a repudiation of the agreement between the Government and the City Council, but that if an error was made, by the City Council, it was an error on the side of caution. The City Council have made excellent profits, but in order to give consumers the benefit of the advantageous agreement made with the Government, they have, since June of the present year, when the change-over was completed, decided upon two reductions in the price of current for light, domestic and industrial purposes. The efforts of the committee have resulted in some good, if only in the direction of hurrying along the reductions which have lately been made. It will be seen by the evidence that the price for current for industrial purposes is 4d. for the first 200 units, and that then the charge proceeds on a sliding scale down to a figure as low as .09d. per unit, and for lighting purposes 6d. per unit. I have here a list of the charges which came into force on the 27th October last. Those charges, however, do not apply to special contracts. The prices took effect in connection with monthly accounts delivered after the 18th October, and on quarterly accounts proportionately. Table A deals with lighting, and sets out that for the first 500 units per month the charge is to be 5d. per unit; for the next 500 units, 4d.; and all over 1,000 units, 2½d. Table B deals with power and heating, including lifts, cranes, radiators, etc. For the first 200 units per month the charge is 4d. per unit and all over 200 units 1½d. Table C deals with industrial power rates, but does not include the special usages set out under the B rate. For the first 200 units per month the rate is 4d. and all over 200 units 1½d. If the total exceeds at the rate of 5,000 units per month, then all over 200 units is 1¼d. Table E deals with domestic power and heating. If the consumption is under 20 units per month, the charge is 4d., and for 20 units or over 1¼d. It will thus be seen that the City Council have taken the first opportunity to bring about reduced rates. This action is commendable and redounds to the credit of the Mayor and Councillors of Perth, but more especially to Mr. Crocker, the Council's energetic engineer. I desire to emphasise the fact that the City Council have in Mr. Crocker, one of the most capable officers it has been my privilege to meet in a similar capacity since I have been in Western Australia. Mr. Crocker gave evidence before the select committee, and placed the facts before the committee in such a way, that those facts were not only instructive but convincing. Before I leave this aspect of the question I wish to emphasise the fact that notwithstanding that the City Council became involved in the expenditure of nearly three-quarters of a million sterling on acquiring the rights and privileges of the Gas and Electric Light Company, it was necessary that an Act of Parliament should be passed to ratify the agreement entered into. I ask members to particularly remember that, because it brings me to another agreement which was entered into and which was not ratified by Parliament. It was an agreement with another local governing body, the Fremantle Municipal Tramways Board. The date of that agreement was 28th January, 1916, and was entered into between the Hon. John Scaddan, Premier of Western Australia, and the Commissioner of Railways, on the one part, and the Fremantle Municipal Tramways and Electric Lighting Board on the other part.

Hon. J. Ewing: Both agreements were very bad.

Hon. J. DUFFELL: The fact remains that one agreement received the assent of both Houses of Parliament and the other—that entered into with the Fremantle Tramways Board—did not. The Fremantle Tramways Board had been generating their own current, but owing to extensions which were required they had to look around for the purpose of augmenting their plant at a time when the Government had their power house in full working order, and were anxious to secure customers to take the current they were generating. In other words Mr. Scaddan, having established his power house, was desirous of securing the Fremantle Tramways Board as a customer. Indeed, so keen was he, that without consulting Parliament he entered into an agreement with that board. It is a strange coincidence that at the time the agreement was entered into, the Scaddan Government was approaching the close of its career. This agreement was entered into on the 16th January and the Scaddan Government Government went out of office in July of the same year. By another strange coincidence, a member of the Fremantle Tramways Board of some 10 years standing, was also a member of the Scaddan Government, and I learned for the first time during the sittings of the committee that the chairman of the board was also a member of this Chamber and that he was the first to speak in regard to this report. The Fremantle Tramways Board by

virtue of the agreement entered into with the Scaddan Government controls eight local governing bodies in regard to the supply of current for lighting, industrial and domestic purposes. It will be generally admitted that an agreement of such magnitude should have been brought before Parliament. At any rate Parliament should have had the opportunity of saying whether the agreement ought to have been finalised or not. I am convinced, as a result of the select committee's investigations, that the agreement entered into between the Scaddan Government and the Fremantle Tramways Board is not satisfactory to those local bodies concerned—the Fremantle Council, the East Fremantle Council, North Fremantle Council, Fremantle Road Board, Cottesloe Municipal Council, Cottesloe Beach Road Board, Peppermint Grove Road Board and Melville Park Road Board. These bodies expressed general dissatisfaction at the treatment meted out to them by the Fremantle Tramways Board, and particularly the Cottesloe Municipal Council who are taking over 500,000 units per annum. It will readily be seen that the Fremantle Tramways Board are in the position to dictate to some extent the price to be paid for current. They are getting the current at .85d. per unit and the Cottesloe Municipal Council are taking it at the border at 2d. They have their own cables constructed to the border and also a line from the border to the power house, so that the officials have not to go outside the power house to read the meters. It is not surprising therefore to learn of friction existing between these two bodies. It was not the idea of the select committee to suggest that there should be repudiation, but when it is borne in mind that other local bodies on the other side of the power house, and at a distance similar to that between the power house and Cottesloe, are getting the current at 1d. per unit—I now refer to the Guildford Municipal Council—between 7 a.m. and 7 p.m., and at 1½d. between 7 p.m. and 7 a.m., it will be seen that there are reasonable grounds for the Cottesloe people taking exception in the manner that they have done through the select committee. We find that Subiaco, taking a load of about 500,000 units, have made an agreement with the Perth City Council at 1d. per unit. No exception can be taken to that. My only regret is that the Perth City Council cannot see their way to supply Claremont at the same figure. The point is that the agreement between the Commissioner of Railways and the Fremantle Tramway Board was not ratified by Parliament. Only mixed feelings can be entertained regarding that agreement. It is true that some local governing bodies have completed agreements with the Fremantle Tramway Board extending over a number of years. That, however, does not apply to Cottesloe, whose agreement expires on the 31st December, 1924. Between the present time and that date, a fresh arrangement must be made. There has been some unpleasantness between the two parties regarding the price. My contention is that unless the Fremantle Tramway Board will supply Cottesloe at 1d. per unit on the 500,000 units basis, Cottesloe should be enabled to approach the Commissioner of Railways, or else the Government, direct, with a view to obtaining current. Cottesloe is justly entitled to be permitted to make such an arrangement. A clause of the report seems to have raised doubts in the minds of hon. members, especially Mr. Nicholson. It is the select committee's recommendation—

> To make it obligatory on the part of any electric supply undertakers to provide such quantities of current as may be required by any consumer, subject to similar notices and guarantees as are prescribed by the Imperial Act, No. 19 of 1899. To limit the prices to be charged under subsection (d) of the Electric Lighting Act (W.A.), No. 33 of 1902, so that they shall not exceed 1d. per unit for domestic and industrial power, and 5d. per unit for lighting purposes.

It has been stated that the Perth City Corporation could not supply current at 1d. per unit for domestic purposes. The recommendation in question was not given by the select committee spasmodically, but on the basis of the evidence, particularly questions 1610, 1615, 1616, 1617, and 1634. In that evidence it is pointed out that as the result of cheap current for domestic purposes in Winnipeg, there was an installation of 3,000 electric cooking ranges, with the result that the demand for current was materially increased at a time when the big load was desired. The committee have no doubt that similar results would follow here in Perth, and the matter has another wide appeal. If electric cooking ranges were acquired here in large numbers, they could be manufactured in Western Australia just as serviceable as those now being imported from America. That is a feature which must commend itself to the notice of hon. members. There are many other phases of the report I could touch upon, but I do not think it is necessary. The whole of the evidence is before hon. members, and if they will give it their consideration the committee will feel amply rewarded for any time they devoted to collecting the evidence and framing their report. In conclusion, I desire to express my thanks to Mr. W. H. Taylor, the general manager, the chief electrical engineer, and the power house staff, for assistance and information readily furnished. I also desire to record my appreciation of the manner in which they conduct their work, enabling them to produce electric current practically at a lower rate than any other generating station in the world. This is talking very tall indeed, but I base the opinion on facts and figures supplied by the British Board of Trade. The Government Electricity Department produce current at just a fraction over .75d. per unit. In view

of the high cost of fuel and wages, and also having regard to other conditions, the fact redounds greatly to the credit of Mr. Taylor and his staff.

Hon. J. M. MACFARLANE (Metropolitan) [8.55]: I have listened very attentively to all the speeches on this motion, for two reasons. The first reason is that I am a member of the Perth City Council. The second is that I am a fairly large consumer of electric current, and therefore interested in plans having for their object the production of current at a rate which will stimulate industry. It will be recollected that Mr. Lovekin originally moved for a select committee to inquire into the working of the electricity department of the City of Perth. I thought the scope of investigation too limited, and was successful in securing the passing of an amendment extending the inquiry to outside bodies. From that aspect the work of the select committee has proved very illuminating. The Perth City Council are desirous only of getting a fair deal for the ratepayers, who first of all sanctioned the borrowing of a fairly large sum of money for the specific purpose of benefiting the ratepayers of Perth. Some misunderstandings have arisen, though they are not wilful misunderstandings; and certain aspects have not been fully brought out. It has been assumed by the select committee and especially by its chairman, that the Government electric works were an enterprise instituted for the purpose of reducing the cost of current to everybody by and large. But let me point out that the Perth City Council had previously bought from the private company, who had it practically in perpetuity, the right to supply, firstly, gas, and, later, electric current within a radius of five miles of the Perth Town Hall. From his point of view, Mr. Duffell put the case very clearly. However, that right was purchased by the Perth City Council from the company in 1911. Two years later the Scaddan Government purchased the Perth tramways, and then conceived the idea that in addition to providing current for the tramways, they would do well to electrify the railways. That was how the idea of Government electric works first began. I say advisedly that it was never the intention of the Scaddan Government to supply electric current to municipalities, otherwise than through an agreement such as that with the Perth City Council. The Perth City Council were in this business two years before the Government went into it. The Government were glad to get from the Perth City Council turnover enabling them to produce current at a lower rate. The Perth City Council could see that it was advisable from their point of view to enter into such an agreement. The agreement was made, not for the reason given here, but in order that, by concentrating in one station, the cost of production should be lower. To-day the City Council could produce electricity as cheaply as the Government are producing it. The select committee bring a charge against the City Council, describing them as monopolists and profiteers.

Hon. A. Lovekin: Where do you find that in the report?

Hon. J. M. MACFARLANE: Reference is made to the high charges levied by the council. In modern language that is profiteering. Moreover, it is said that the contract with the Government is in restraint of trade.

Hon. A. Lovekin: That is in respect of Fremantle.

Hon. J. M. MACFARLANE: It applies to Perth as well.

The Minister for Education: It says that each is opposed to the best interests of the taxpayers.

Hon. J. M. MACFARLANE: Yes, it applies to both.

Hon. J. Ewing: It is in restraint of trade, anyhow.

Hon. J. M. MACFARLANE: There you are! The contention is that the City Council are profiteering.

Hon. J. Ewing: No, I am referring to the agreement.

Hon. J. M. MACFARLANE: The Government came in two years after the City Council began operating. Three years later, in spite of the bad agreement they had made with the City Council, the Government went to Fremantle and made another agreement at .85d., and had to do the transforming. It is a worse agreement than that with Perth.

Hon. J. Ewing: You are quite right there.

Hon. J. M. MACFARLANE: The Perth agreement has not been of disadvantage to the consumers, nor has it been against the interests of the taxpayers. Beyond that, I do not wish to go. Fremantle can speak for itself. The select committee appear to have been inclined to expunge Perth from this report, but that they wished to see the price of electric current reduced to 1d. The City Council are advised by their experts that such a price would be disastrous. The City Council have not been unmindful of the interests of the ratepayers. From time to time reductions in the price of current have been made. The City Council have no monopoly of the supply of current, because the other local authorities have the right to generate their own current.

Hon. J. Ewing: They cannot do it. It is impossible.

Hon. J. M. MACFARLANE: Subiaco is doing it to-day. They can manufacture just as cheaply as can the Government.

Hon. A. Lovekin: They could not do it, any more than you could.

Hon. J. M. MACFARLANE: If it were not for the 11 or 12 million units which the City Council are using, the Government would be in a bad way over the electricity supply. Mr. Scaddan himself, when making the arrangement, admitted that it would be of considerable benefit to the Government, because it meant bringing down the price of current to 1½d per unit, which represented to the Government a saving of £15,000 per annum. So the agreement was a distinct gain to the Government.

Hon. J. Ewing: Why did the City Council get a monopoly?

Hon. J. M. MACFARLANE: There was no monopolity about it.

Hon. A. Lovekin: What about the five-mile radius?

Hon. J. M. MACFARLANE: The agreement would never have been entered into if the Government had not given the council a fair deal.

Hon. A. Lovekin: It was a good thing for the council, because they would have had to find a new plant.

Hon. J. M. MACFARLANE: The City Council were advised by their experts that they could generate current just as cheaply as could the Government.

Hon. A. Lovekin: Their officers turned them down, anyhow.

Hon. J. M. MACFARLANE: Because it was good policy. It has to be borne in mind that the profits were not made from the purchase of current from the Government. The City Council were generating current by an obsolete plant. The Government took up the scheme for the purpose of electrifying the tramways and railways. Any assumption to the contrary is not correct. The select committee candidly stated that as soon as the City Council purchased the property in 1911 they began to modernise the plant. It has been said that undue profits were made, and that the accounts did not reflect the true position. I have here a letter from the city auditors in which they distinctly say they would not have passed the accounts had those accounts not reflected the true position. Mr. Crocker's reply to Clause 19 of the select committee's report is that the statement therein contained is deliberately misleading, and a deliberate distortion of the facts. No legitimate charge could be made against the City Council that they were not doing everything in their power to stimulate industry. From a reading of the report of the select committee it would be assumed that there was but the one power for the generation of heat. It is contended that for heating water electric current is too expensive, though it were brought down to ½d. Even modern appliances are not sufficiently reliable, and so the cost of maintenance would be altogether excessive.

Hon. A. Lovekin: I can deny that absolutely.

Hon. J. M. MACFARLANE: Well, that is the contention made, and I have had experience which corroborates it. My mother-in-law is an aged person, and her son on his return to the State, being desirous of saving her from the trouble and excessive heat of ordinary cooking, bought her an electric cooking stove. It cooked one meal, but jibbed on the second occasion. It was sent back to the firm from which it was obtained and upon its return cooked two more meals, and then jibbed once more.

Hon. A. Lovekin: He got the wrong thing.

Hon. J. M. MACFARLANE: After a time it had to be laid aside. I was called in, and found from electrical experts that this was very likely to happen with such cooking stoves. The elements used in the arrangement of the stove were unreliable just as the filaments of lamps are. One lamp will give satisfaction and another will blow out in five seconds. The stove was eventually sold for about a third of the purchase price.

Hon. J. Nicholson: As unreliable?

Hon. J. M. MACFARLANE: Yes. I tried to get one myself, but every time I asked an expert to get me one that would stand up to the local conditions I was told by him that he could not give me what I wanted, namely, a six months' guarantee.

Hon. A. Lovekin: I bought a stove in December, 1918, and it has never failed.

Hon. J. H. MACFARLANE: The hon. member must have been lucky. It is like getting a good lamp that will last for two years as against one that will last for two minutes only.

Hon. A. Lovekin: No lamp will last for two years.

Hon. J. Nicholson: What was the cost of the stove?

Hon. J. M. MACFARLANE: This cost £18.

Hon. A. Lovekin: Mine cost £37 without duty.

Hon. J. M. MACFARLANE: That is a price that is not within the reach of the ordinary purchaser.

Hon. A. Lovekin: Mine is a big stove, large enough for an hotel. It is of the proper type and does not go wrong.

The PRESIDENT: Order!

Hon. J. M. MACFARLANE: The hon. member has been so fortunate in his experience that he assumes it would be a good thing to introduce this type of stove to the people. My experience teaches me that it would be no good at all.

Hon. J. Nicholson: The ordinary man could not buy a stove at that price.

Hon. A. Lovekin: Why do not the Americans and the Canadians complain about them?

Hon. J. M. MACFARLANE: We have only the hon. member's word that they do not complain.

Hon. A. Lovekin: Read the municipal year-books.

Hon. J. M. MACFARLANE: I will not go into the question of depreciation except to say that the City Council has to carry heavy depreciation charges. There is a big plant to keep up, such as poles, wires and cables. The evidence shows that when the wires were taken down they were not thrown away, and the whole amount of the new cables was not charged entirely to the plant account, merely the difference between the cost of the one set of cables and that of the other. Mr. Ewing states that there should not be any profit made between one local body and another. That is too idealistic for actual practice. It is just like one individual dealing with another. The City Council with their capitalisation must show some profit. The

ratepayers found the money because they wanted to show some profit out of the handling, or to get a reduction in current to such an extent that they would benefit thereby. In both instances these points have been observed by the management. During the whole of this period the war was on. The City Council could not get the current early enough to scrap the No. 2 station, and ran it until a year ago. When the first year was completed, quite recently, a reduction was made in the price of current. I have a certified minute here that the question of reduction was first mooted by the management in April, before the select committe was appointed. The City Council have always had in mind a reduction in price as soon as the conditions were favourable. If they had done it before they would have been charged with recklessness, and the ratepayers would have dealt with them accordingly.

Hon. J. Nicholson: And there would have been heavy interest charges to meet on loans.

Hon. J. M. MACFARLANE: Yes, all the time.

Hon. A. Lovekin: After the committee had examined Mr. Crocker the price was reduced still further.

Hon. J. A. MACFARLANE: Apparently the hon. member will not accept my statement as to the matter having been mooted in April last. I admit the final arrangement was made after the committee was appointed, and if any credit is due to that committee as a consequence I am prepared to concede it. I do not say the work of that body has not been useful. I wish to clear the manager of the Electrical Department of the charge that he was unmindful of the best interests of the ratepayers or the taxpayers of the State.

Hon. A. Lovekin: Mr. Crocker said he had considered a further reduction and he did make a reduction.

Hon. J. M. MACFARLANE: Possibly he was considering it at the time. At all events it was mooted before the committee was appointed. There appears to be only one instance of a dissatisfied customer, namely that of Mr. Rosenstamm. He had not much to complain about. He heard that there was a reduction in the charge for current for domestic purposes to 1¼d., and he wanted it to apply to him. I have not been able to find that a single industry has been refused current or been driven out of the city. I challenge Mr. Lovekin to mention one. Mr. Ewing commends Mr. Taylor for his good work in starting industries outside the five-mile radius. The report on railways and tramways says—

> Various industrial enterprises are in process of being connected with the system.

It goes on to mention four industries. There are the Boya quarries, which have been carrying on work for a long time, and the City Council quarries, in connection with which the Government charge is 1½d. per unit, as against 1d. for Guildford. I have the draft agreement relating to the Cambridge-street tramway extension, in which Mr. Taylor sets down the charge at 2½d. per unit. I admit the current has to be transformed, but for carrying current 12 miles to Fremantle and transforming it there the charge is only .85d. Mr. Taylor is trying to get a fairly good price for this Cambridge-street extension. For the Perth trams the charge is 1.6d. Then there are the Armadale brickworks, and Binney and Company's fertiliser works. None of these industries was started as a result of low-priced current. I challenge the committee to show one industrial enterprise that has been driven out of the city area.

Hon. A. Lovekin: Your chairman, Mr. Butt, said he did not want any.

Hon. J. M. MACFARLANE: No industry has asked for current, and been obliged to go outside the city because of the price of such current.

Hon. J. Ewing: It would be better to make it even lower.

Hon. J. M. MACFARLANE: The contention is that it cannot be made lower. The select committee recommends that it be brought down to 1d. The manager of the department recognises that he is now on the lowest price he can safely work under.

Hon. J. Ewing: It is no use at 1d.

Hon. J. M. MACFARLANE: It is the cheapest current in Australia.

Hon. J. Ewing: Nonsense.

Hon. A. Lovekin: You are selling some current at .9d.

Hon. J. M. MACFARLANE: Yes, but the consumer is taking 3,000,000 units a year.

Hon. H. Stewart: Who is that?

Hon. J. M. MACFARLANE: The cement works. There is no monopoly so far as the City Council is concerned. The city lighting arrangements were in existence before the Government supply. An arrangement was made whereby the Government materially benefited as a result of the consumption by the City Council, and this helped the Government in putting down the plant that was required. In addition to the reduction made in 1920, I would point out that Perth was the only city in the Commonwealth that refused to raise the price during the war. It successfully resisted an attempt on the part of the Government to put up the price. That was one benefit the City Council conferred upon the ratepayers. I wish to make a comparison regarding the methods adopted in Western Australia with those pursued in the other States regarding charges. It was said that we should not charge up interest, depreciation, sinking fund and so forth. Information at my disposal shows that in Melbourne, interest, depreciation, and renewals account, and sinking fund are provided for and a contribution to the town fund of £33,000 is made. The Sydney City Council provides for interest, sinking fund contribution, depreciation reserve account, and also has a renewals reserve of £155,000. The City of Launceston provides for interest, sinking fund contributions, a reserve fund and also city funds. In England, there is the case of Birmingham where interest, sinking fund, renewals fund and a reserve fund are provided for, while

the Glasgow corporation provide for interest, depreciation and sinking fund. The Hydro-electric Power Commission of Ontario provide for interest, sinking fund and reserve for renewals. Mr. Lovekin, by means of some sort of a balance sheet of his own, considered that we had no right to charge interest and sinking fund and depreciation fund as well. The auditors are very clear upon that point and say that the practice followed is the correct one. Mr. Nicholson referred to the Committee's attitude regarding Dicksee on this question, showing that it was necessary, in some instances, to charge up the whole of these items. As to the suggestion for the appointment of electricity commissioners, it has been shown that in Western Australia we are dealing with a matter of 20,000 horse power. In England the Electricity Commission was appointed to deal with a plant running into hundreds of thousands of horse power. The position here is by no means analogous to that obtaining in England. It would be silly to appoint electricity commissioners to deal with such a small consumption as we have here.

Hon. J. Ewing: You want to increase the consumption.

Hon. J. M. MACFARLANE: But our consumption is not enough to justify it.

Hon. J. Ewing: Do you not wish it to be increased?

Hon. J. M. MACFARLANE: How can it be increased? Even if there were a reduction to 1d. or ½d., what industries are there awaiting to be stimulated?

Hon. J. Ewing: It would help a lot.

Hon. J. M. MACFARLANE: Yes, if the industries were here. The select committee has only dealt with the matter theoretically and said if the charge were made 1d., some 3,000 cooking stoves might be put in.

Hon. J. Duffell: That is on the basis of the evidence supplied.

Hon. J. M. MACFARLANE: It does not follow that because something happened in Winnipeg, the same thing will happen here and that industries which are not in existence will be stimulated. Where are the industries referred to by the committee?

Hon. A. Lovekin: In any case, they are handicapped all the time.

Hon. J. M. MACFARLANE: The price of electric current has been brought down gradually since the City Council acquired these works and the charges at present are as low here as in any city in the Commonwealth. It would be wrong for a recommendation of the sort before the House to be agreed to, thus interfering with the existing arrangement.

Hon. A. Lovekin: Cannot the Government go into the matter and give it consideration?

Hon. J. M. MACFARLANE: If we were to give power to the present Minister for Railways, who does some most extraordinary things, he might arrive at a decision that would be distinctly harsh and unreasonable.

Hon. A. Lovekin: There is a Cabinet and that Minister cannot do what he likes.

Hon. J. M. MACFARLANE: He seems to be able to do what he likes, whether there is a Cabinet or not. As to the charges for lighting and power, in Sydney lighting costs 5d. and power from 1.8d. to .9d. So it goes on right through the piece. I have all the necessary particulars which hon. members can see if they desire.

Hon. A. Lovekin: All those particulars are on page 64 of the report.

Hon. J. M. MACFARLANE: Then hon. members should be satisfied on the point. When it comes to the question of getting a peak load as suggested by the committee, I will read a letter to members, without disclosing the source from which it came. The writer is associated with big works in the Eastern States and his statements support the opinions expressed by Mr. Crocker. In the course of the letter he says:—

> On one of my periodical sweepings out of that Augean stable, my office basket, I came across your letter of the 24th June last, which apparently had found its way somehow or other to the bottom of the heap. I owe you this explanation, therefore, in asking pardon for not having replied to it earlier. I certainly am not at all keen on encouraging cooking loads——

This is what Mr. Lovekin desires when he says that we should have 3,000 or 4,000 cooking stoves introduced if the current were reduced to 1d. per unit.

Hon. J. Ewing: A jolly good thing too!

Hon. J. M. MACFARLANE: Well, listen to this! The writer continues—

> In spite of a few published curves to the contrary, there is no doubt about it that cooking load is a peaky load and, unlike a few cathedral towns in England, as we in Melbourne and no doubt you in Perth find, that power load now predominates over the lighting load; there is no valley during the day time which we desire to fill in, and any peakiness due to a cooking load is bound to spoil the load-factor. To make electric cooking popular and especially boiling and stewing, electricity must be supplied at the very lowest price that it is possible to supply even good high load-factor power loads, but as a cooking load-factor is bound to be very much worse than that of an industrial load, which operates not only for eight hours per day, but in which there is considerable diversity factor, the cooking load can never be entitled to be charged at anything near lowest power rates. For this reason alone I am not at all sanguine about any large cooking load being possible on a commercial basis. Gas is cheaper and especially so from the boiling point of view.

Hon. A. Lovekin: That is the nigger in the fence!

Hon. J. M. MACFARLANE: There are other forms of heating which the committee have overlooked but which are cheaper than those referred to—

> Those few enthusiasts I have come across especially at home, have generally been managers in cathedral towns or in small

non-industrial London undertakings, where the distribution capital has only been 45 per cent. of the total capital invested instead of 60-66 per cent. as in Australia, where they have had a valley during the day time in consequence of no industrial load and where they have been taking advantage of underloaded existing mains. In fact, I think it was only just recently that I saw that one of the pre-war so-called "Point Five" self advertising humbugs had stated that it was impossible to pay for the increased copper required for cooking out of the proceeds of a really competitive cooking tariff. To illustrate this point, let us take, say, a long residential street in which the residents all dine in the evening, that is, at the same time, and in which the average lighting load on the transformer supplying the district varies between 1/10 and 1/5 k.w. per residence. The street mains and services are arranged accordingly, but assume that on the top of the lighting load at least 5-6 k.w. of cooking load is to be superimposed. The class of person living in the street being the same, their habits would be the same and there would be comparatively little diversity factor on certain portions. This means that the street mains and services and transformers would have to be increased from 25-30 times in area purely for the low price cooking load, that is, for a load, which, coming on for about an hour to an hour and a-half per day only, will give a very much worse load factor than even the lighting load which operates steadily from dusk until 10.30 or 11 p.m. every day, including Sundays, and which load it is nevertheless found necessary to charge at four to five times the rate at which an industrial load could be charged for.

Hon. A. Lovekin: I will hazard a guess that the writer of that letter is a gas man.

Hon. J. M. MACFARLANE: No, he is an electricity man. I have not gone into the matter as deeply as I might have done, because so much has already been said. Nothing has been disclosed in connection with the investigation of the work of the Perth City Council regarding the electric lighting business to show that the management of the concern has been other than satisfactory. The capital expenditure involved has been so heavy that it was necessary throughout to be cautious. Had any flights been taken into the realms of theory, the ratepayers would have at once condemned the management as unfit for their job. In my opinion, the City Council authorities are to be congratulated upon the successful management of the scheme in connection with which the £750,000 invested has to be secured. I do not think that the ratepayers in the outside areas account for more than £6,000 of the turnover so that it can be safely said that the ratepayers are the taxpayers. No industrial abuse has occurred and no charge of that description can be laid against the council. The price for current in 1920 was as low as 2½d. per unit and ranged from 6d. down to 2½d. To-day current is supplied for industrial power as low as 1d. and in one case at .9d. The management of the lighting scheme is looking into the whole of the position with a view to encouraging a larger turnover. There is no idea of checking the turnover as suggested by the manager of the Government Power Station. I do not think it is suggested that the council have tried to retard consumption by any means. The City Council have tried to stimulate the use of electricity in every possible way and, as a result of the investigations, hon. members should be satisfied on that point. The right was acquired from the old company. The Government only came into the scheme when they proposed to take over the tramways and electrify the railways. If the railways are not likely to be electrified for some time, the Government will have to dispose of current in other directions. No doubt a jealous eye is directed towards the districts with which contracts have been made. The Government would like to see the contracts broken, because they would get the benefit of the turnover at an increased price. Most people in the metropolitan area take the view that it would be wise to have a board embracing all the metropolitan consumers to work out a scheme, so that everyone would get current at the same rate. However, the agreement stands, and I do not think anyone wants to see it varied. I trust the recommendations will not be approved, because they embrace the serious one providing for current at 1d., when the manager says that to supply it at that rate would be disastrous to the interests of the ratepayers, who probably comprise 40 per cent. of the taxpayers of the State.

Hon. H. STEWART (South-East) [9.47]: The inquiry of the select committee has been valuable, and it has increased the knowledge of members regarding the supply of electricity in general. The committee collected a large amount of information which will be very useful to members interested in the subject. Anything I can say will be found recorded on the motion moved by Mr. Ewing last year, and the figures I quoted still stand. The figure I then used as quoted during the select committee's inquiry by Mr. Ewing, when examining Mr. Scaddan. Through the courtesy of the Premier of Tasmania, I was able to give the House the latest figures regarding the power generated hydro-electrically in that State ("Hansard," 1921-22, page 979). Current there is undoubtedly cheaper than in any other portion of Australia proper. For 30,000 horse-power per annum the charge was .0735d. per unit.

Hon. H. STEWART: It is hardly what the hon. member put before Mr. Scaddan. The Minister had remarked that power could probably be supplied to the electric steel works at .35d., the minimum figure at which it

would pay the Government to supply power, and that could only be done when the costs of production were got down to .55d. at the power house. Then Mr. Ewing remarked to Mr. Seaddan, "In Tasmania they are generating electricity at .07d. per unit." In putting it that way the hon member did not grasp the fact that large blocks of power can be sold at even below the cost of production, if taken at the period when the load factor is low. Although the hydro-electric department of Tasmania can supply current at such a phenomenally low figure, it is done because the contract neutralises the load factor. The cost of production is possibly considerably above the .0735d. Mr. Seaddan replied to Mr. Ewing's observation, "Are they? I say they are not, or at anything like it." If they are *selling* it at .07d. they must be generating it very cheaply.

Hon. J. Ewing: Under .5d.

Hon. H. STEWART: Without knowing definitely what their cost of production is, the cost of generating hydro-electrically must be considerably lower than the cost of generating at the East Perth power house. The Tasmanian department is able to supply power at a very low figure to other than users of this particularly large quantity. The document from which I quoted the .0735d. per unit contains confidential matter, but I am prepared to show it to any member who is interested in the subject. I cannot lay it on the Table, because it would become public property. Page 62 of the select committee's report contains a schedule giving the charge for motive power from the Tasmanian hydro-electric scheme as 2d. per unit subject to discounts; there as discount of 75 per cent. when more than 1,500 units are consumed per quarter. That brings the cost down to .5d., but there are other discounts not mentioned in the stipulated statement. Note No. 3, on the tariff forwarded to me through the Premier of Tasmania, states that consumers exceeding 25 horse-power, and having four or more motors installed, may elect to be charged on the basis of horse-power or maximum demand, or on 70 per cent. of the total installed horse-power. There would, therefore, be a further reduction, bringing it down from .5d. to .35d. In view of the method and cost of generating in Tasmania, I would not feel justified in subscribing to paragraph (b), Clause 1, of the recommendations of the select committee to limit the prices to be charged so that they shall not exceed 1d. per unit for domestic and industrial power, and 5d. per unit for lighting purposes. The Tasmanian charge for private houses is 5d. for lighting, and 1d. for domestic power.

Hon. J. Ewing: They must be making a big profit.

Hon. H. STEWART: Considering all the circumstances, it would be imposing too stringent a restriction in view of the conditions prevailing in this State.

On motion by Hon. A. Lovekin, debate adjourned.

House adjourned at 10 p.m.

Legislative Assembly,

Wednesday, 6th December, 1922.

The DEPUTY SPEAKER took the Chair at 2.30 p.m., and read prayers.

QUESTION—RAILWAYS, ADVISORY BOARD'S REPORTS.

Mr. JOHNSTON asked the Premier: Is it his inteneion to lay on the Table of the House the recent reports of the Railway Advisory Board on proposed new railways, particularly the one to serve the districts east of the Yilliminning-Kondinin railway?

The PREMIER replied: Yes. Papers herewith.

SELECT COMMITTEE—INDUSTRIES ASSISTANCE BOARD.

Report presented.

Hon. W. C. ANGWIN brought up the report of the select committee appointed to inquire into the operations of the Industries Assistance Board.

Report received and read, and ordered to be printed.

AUDITOR GENERAL'S REPORT.

The DEPUTY SPEAKER: I have received from the Auditor General, in pursuance of Section 53 of the Audit Act of 1904, the thirty-second report for the financial year ended the 30th June, 1922, which I now lay on the Table of the House.

Opposition members: Hear, hear!

Mr. Marshall: He has been speeded up.