The inclusion of the word in the clause means that the magistrate must not grant leave to appeal in the ordinary way, but special reasons will have to be provided before he gives special leave for that purpose.

The MINISTER FOR WORKS: I have not had sufficient time to give this matter proper consideration. I draw the Committee's attention, however, to Subsection 5 of Section 404 of the Municipalities Act, which reads —

> Except by special leave of the local court hearing an appeal under this section, neither party to such appeal shall on such hearing be entitled to lead any fresh evidence or call any witnesses which was not led or who were not called at the hearing of the prior appeal before the council under Section 402 of this Act.

Mr. Hughes: You have never had to argue for special leave.

The MINISTER FOR WORKS: The hon. member evidently has more confidence in the appeal board that is proposed to be set up than he has in the local authorities. In my opinion, there would be less likelihood of appeals to the court from the board than there would be of appeals from decisions of the council.

Mr. Hughes: The reverse would be the case, because the new appeal board would not be so compliant as the old appeal court.

The MINISTER FOR WORKS: Ratepayers will have no difficulty in approaching the court.

Mr. Hughes: They will have difficulty in obtaining special leave.

The MINISTER FOR WORKS: The subsection I have quoted states that it shall not be competent, except by special leave of the court, to raise new ground. I see little difficulty there.

Mr. Hughes: What is the object of putting the word "special" before the word "leave"? Special leave has a technical meaning; it is different from ordinary leave.

The MINISTER FOR WORKS: I have no desire to rush the measure through and am prepared to report progress so that this point may be fully considered.

Mr. McDONALD: I want to add one word on this clause. While we appreciate what has been said by the member for North Perth and the member for East Perth, I can also appreciate the reason for the clause, because when people bring an appeal before the board or the council it is desirable that they should put forward their case properly, not put forward a bad case and obtain leave to appeal. An appeal against rating is not sudden death. If a person fails this year, he has a chance next year; if then he fails again, he has a chance the following year.

Progress reported.

BILL—KALGOORLIE HEALTH AUTHORITY LOAN.

Returned from the Council without amendment.

House adjourned at 10.30 p.m.

Legislative Council.

Wednesday, 2nd October, 1940.

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

QUESTION—SHEEP SKINS.

Sale and Appraisal.

Hon. H. L. ROCHE asked the Chief Secretary: 1, Is it a fact that in this State sheep skins are being sold at auction on behalf of the growers, and after being purchased by dealers, merchants, and speculators, are then submitted for appraisement? 2, If so, is it a fact that, upon appraisement, they frequently realise up to 2d. per lb. more than was bid for them at auction? 3, Will the Government cause inquiries to

be made with a view to urgent representations to the Federal Government for action to be taken to secure full appraised values to Western Australian growers?

The CHIEF SECRETARY replied: 1, Sheepskins are sold at auction on behalf of growers and are bought by licensed packing houses which, later submit them for appraisement when they are required by the Commonwealth Government under a fixed scale of limits. Appraisements are held as warranted, approximately at six weekly intervals, at the discretion of the Sheep Skin Sub-Committee of the Central Wool Committee. 2, Not known, but from inquiries made it is understood that the increase on the appraisement does not equal the amount stated. 3, Inquiries will be made but it must be realised that packers are entitled to a reasonable margin to cover the classing, packing and storing of the skins.

BILLS (2)—THIRD READING.

1, Licensed Surveyors Act Amendment.

Returned to the Assembly with an amendment.

2, Electoral Act Amendment (No. 1).

Returned to the Assembly with amendments.

BILLS—RESERVES (GOVERNMENT DOMAIN).

Report of Committee adopted.

BILL—ELECTORAL ACT AMENDMENT (No. 2).

In Committee.

Hon. G. Fraser in the Chair; Hon. E. H. H. Hall in charge of the Bill.

Clause 1—agreed to.

Clause 2—New section:

Hon. H. SEDDON: In connection with subparagraph (i) of paragraph (a) of Subsection (1) of proposed new Section 128A, I take it that a claim must have been received by the Registrar before the issue of the writ.

Hon. E. H. H. Hall: Undoubtedly.

The CHIEF SECRETARY: The claimant must not only have sent in a claim but the office must admit that a claim has been received. I move an amendment—

That after the word "registrar" in line 6 of subparagraph (i) of paragraph (a) of Subsection (1) of proposed new Section 128A, the words "not less than 14 days" be inserted.

This amendment is necessary because Section 52 of the Act provides that claimants whose claims are received not less than 14 days before the issue of a writ may be enrolled after the issue of the writ. If we did not insert the words I have mentioned, persons claiming a vote would be in a better position than other persons who had complied with the Act prior to the election and who were already on the roll. The amendment would bring the Bill into conformity with the Act.

Hon. H. S. W. PARKER: The words "received by the registrar" might cause trouble. I suggest they be altered to "recorded by the registrar." A claim may come in and be lost in the office, and an argument may arise as to whether it was ever received. If the claim is recorded there can be no argument about its having been received.

Hon. J. Nicholson: I think the words should be "received and recorded."

The CHAIRMAN: The hon. member could not move such an amendment at this stage.

The CHIEF SECRETARY: I am prepared to withdraw my amendment for the time being.

Amendment, by leave, withdrawn.

Hon. H. S. W. PARKER: I move an amendment—

That in line 6 of subparagraph (i) of paragraph (a) of Subsection (1) of proposed new Section 128A the word "received" be struck out and "recorded" inserted in lieu.

The CHIEF SECRETARY: It would be unwise to make the alteration proposed by Mr. Parker. The idea of the Bill is to provide for contingencies that may occur. A claimant who sends in a card should know that the registrar has received it. If we altered the word "received" to "recorded," and the claim card was not recorded, the individual concerned would be denied the right to vote.

Hon. E. H. H. HALL: The object of the Bill is to ensure that an elector who is qualified to vote shall not be debarred from doing so. I hope the amendment will not be agreed to.

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

Ayes	6
Noes	16
Majority against .	10

Ayes.

Hon. Sir Hal Colebatch	Hon. A. Thomson
Hon. T. Moore	Hon. C. B. Williams
Hon. H. S. W. Parker	Hon. H. Seddon
	(*Teller.*)

Noes.

Hon. C. F. Baxter	Hon. W. J. Mann
Hon. J. A. Dimmitt	Hon. G. W. Miles
Hon. J. M. Drew	Hon. J. Nicholson
Hon. E. H. Gray	Hon. H. V. Piesse
Hon. E. H. H. Hall	Hon. H. Tuckey
Hon. V. Hamersley	Hon. F. R. Welsh
Hon. J. J. Holmes	Hon. G. B. Wood
Hon. W. H. Kitson	Hon. L. Craig
	(*Teller.*)

Amendment thus negatived.

The CHIEF SECRETARY: I move an amendment—

That after the word "registrar," in line 6 of subparagraph (i) of paragraph (a) of Subsection (1) of proposed new Section 128A, the words "not less than 14 days" be inserted.

Amendment put and passed.

Hon. H. SEDDON: The effect of subparagraph (ii) may prevent an elector from exercising his vote. A man may be qualified to be enrolled in more than one province, and the sub-paragraph will complicate matters if embodied in the Act. I can appreciate the position with regard to electoral districts, which is obvious, but difficulty may arise with regard to provinces.

The CHIEF SECRETARY: I have an amendment that should be dealt with first. I move an amendment—

That after the word "before," in line 2 of subparagraph (ii) of paragraph (a) of Subsection (1) of proposed new Section 128A, the words "14 days prior to" be inserted.

Amendment put and passed.

The CHIEF SECRETARY: I suggest that Mr. Seddon should elaborate the point he has raised because I do not see that any difficulty is likely to arise. A man may be qualified for enrolment in each province. On the other hand, most electors are qualified for enrolment in one province only.

Hon. T. Moore: That is quite sufficient for any man.

The CHIEF SECRETARY: A man may be a householder in one province but may take up his residence in another province. In that event, provided he can prove that he has submitted his claim for enrolment and that it was received by the electoral officer, there is no reason why he should not be entitled to his vote.

Hon. H. Seddon: Are you not putting the case the other way round?

The CHIEF SECRETARY: I do not think so. I think the provision in the Bill is quite satisfactory. In the case I have referred to, the elector would not be entitled to a vote in a province as contemplated by the provision under discussion.

Hon. L. Craig: Not as a householder.

Hon. H. S. W. Parker: But he might be as a freeholder.

The CHIEF SECRETARY: That would be immaterial, for if the individual has lost his qualification for enrolment in a particular province, naturally he will not have the right to vote in that province.

Hon. H. S. W. Parker: But the Bill does not say that.

The CHIEF SECRETARY: It seems to me that my contention is correct.

Hon. H. SEDDON: The sub-paragraph provides that an elector will be permitted to vote in case his name has been omitted from the roll, if he did not after sending in or delivering a claim for enrolment, become qualified for a transfer of his enrolment in another province. Suppose a man sent in a claim for enrolment in West Province and after he had done so became qualified for enrolment as a householder in the Central Province. According to the clause, that man would not be allowed to vote in the West Province.

Hon. J. J. Holmes: Nor should he be allowed to do so.

Hon. H. SEDDON: I am dealing with the householder qualification. Take the freehold qualification. The man may be a freeholder in the West Province, for which he has sent in a claim for enrolment. He is qualified as a freeholder in the West Province. The clause says that he shall be permitted to vote if he has not sent in his claim for enrolment but has qualified for transfer to another province. I contend that as the Bill stands it could be construed that, although a man might be a freeholder, the fact of his being qualified in one province might prevent him from exercising a vote in another province.

Hon. H. S. W. PARKER: I suggest that we delete the words "qualified for transfer of enrolment to another province or district"

and insert in lieu the words "qualified for enrolment in such province or district." I think that would make the position clear.

Hon. E. H. H. HALL: Suppose a man qualified as a freeholder in one province and left that province to reside in another, he would then become qualified in that province. If he sent in his claim for enrolment as a householder in the new province, he would still retain his old qualification to vote as a freeholder in the province from which he came and would be entitled to vote as a householder in the province in which he had taken up his residence. If he can prove in the new province that he has sent in his claim and his name does not appear on the roll, he can claim the right to vote.

Hon. J. NICHOLSON: I draw Mr. Hall's attention to the words "for transfer of enrolment," The word "of" should be altered to "or." There is no such thing as a transfer from one province to another as there is one from district to another. The word "transfer" would apply only to the Assembly; it certainly has no application to a province. It appears to me that the clause needs further consideration and I suggest that the hon. member should report progress at this stage. We have certain qualifications for enrolment in a province and we can have a qualification in every province. If we have that qualification, then there is an undeniable right so long as we comply with the Act. The paragraph as it stands would lead to confusion.

Hon. H. S. W. PARKER: The difficulty can be overcome if members accept the suggestion that I made a little earlier. I move an amendment—

That the words "qualified for transfer of enrolment to another" in lines 3 and 4 of subparagraph (ii) of paragraph (a) of Subsection (1) of proposed new Section 128A be struck out, and the words "disqualified for enrolment in such" be inserted in lieu.

The paragraph will then read, (ii) "he did not, after sending or delivering the claim, and before the issue of the writ, become disqualified for enrolment in such province or district, as the case may be; or"—

The CHIEF SECRETARY: The main thing we have to ensure is that the person claiming enrolment has become qualified within 14 days prior to the issue of the writ. The words suggested by Mr. Parker will meet the position and there will be no misapprehension. I can appreciate the point raised by Mr. Seddon regarding the difficulty in connection with a province, but as the clause is drafted, I would not read into it what the hon. member does. However, Mr. Parker's amendment makes the position clear.

Amendment put and passed.

The CHIEF SECRETARY: I move an amendment—

That the words "to the date of," in line 3 of subparagraph (ii) of paragraph (b) of Subsection (i) of proposed new Section 128A be struck out, and "not less than 14 days before" inserted in lieu.

Amendment put and passed.

Hon. H. S. W. PARKER: I should like to ask the meaning of the words in paragraph (c) reading, "in the case of a person whose name is on the roll for a province or district, for which he claims to vote but cannot be found by the presiding officer, he claims that his name appears or should appear on the roll, and makes a declaration in the prescribed form before the presiding officer at the polling place." If the name is on the roll it must be seen; it cannot be on the roll without being seen.

The CHAIRMAN: I know of a number of instances where names have not been seen.

Hon. H. S. W. PARKER: It may be that the name is in the wrong place. How does the person know that he is on the roll if he has not seen the name there? It must have been seen. It may be that it was not seen on the printed roll, which is a vastly different thing.

Hon. E. H. H. HALL: It has happened that a person has taken quite a long time to find his name on the roll. Especially is this the case where a name begins with "Mc" or "Mac." The roll is of course an official roll at the chief electoral office and it must coincide with the card index there. The Bill deals with those cases where names have been dropped from the roll.

Hon. J. A. DIMMITT: Many people do not realise the meaning of alphabetical order. Here is a case in the telephone book. The name is Nicol, and I happen to know the person. People have said to him, "You are not on the telephone." They have not been able to find the name because they have looked amongst the Nicholls. An officer at a polling both could quite easily say that a person was not on the roll because his name might appear 30 or 40 names below where it was thought it should be.

Hon. H. S. W. Parker: The only way to find out whether a name is on the roll is to look for it there.

Hon. E. H. H. HALL: In the case of the Legislative Assembly and both Houses of the Federal Parliament, an elector receives an acknowledgment of his claim for enrolment. Then he can say that his name is on the roll because he received that acknowledgment.

Hon. V. HAMERSLEY: I have been to the Electoral Office to find out whether my name was on the roll and within a month or two an election has taken place and I have been told, on going to vote, that my name was not on the roll. That seems to me extraordinary. Quite recently I had occasion to go to the head office to find out whether I had been enrolled. I was asked how I spelt my name and after I replied, I was told that search had been made for it amongst names containing two m's. When search was made in the right place, my name was found.

The CHAIRMAN: On many occasions people have come to me to ensure that they were enrolled before going to the polling booth. I have shown them their names on the roll. When they have gone to the booth, they have been refused a vote on the ground that they were not enrolled. Then I have supplied them with their numbers so that the presiding officer could find the names.

Hon. C. F. BAXTER: I am afraid the provision will lead to abuse. If a person claims to be on the roll, what safeguard will there be apart from the declaration?

The Chief Secretary: It does not follow that the claimant's vote would be counted.

Hon. H. Seddon: The vote would first have to be checked with the roll.

The CHIEF SECRETARY: I think the provision is quite in order. The claimant has to sign a declaration that his name appears or should appear on the roll. The returning officer has to place the vote in a particular envelope. The name is then checked and, if the claim of the elector is correct, the vote is allowed. Similar provisions appear in the Commonwealth Electoral Act to ensure that only bona fide electors exercise the right to vote. I understand that many votes are taken under this provision of the Commonwealth Act, but that only a small percentage of them is allowed.

Hon. H. S. W. Parker: Then the claimants would be fined for not being on the roll.

The CHIEF SECRETARY: Probably so. The provision indicates clearly what is meant.

Clause, as previously amended, put and passed.

Clause 3—agreed to.

Clause 4—New section—Votes under Section 128A, how dealt with:

Hon. H. S. W. PARKER: What will be the effect of this clause? Assume that a man claims to be entitled to vote and complies with the necessary formalities. The vote has to sent to the returning officer and eventually to the Chief Electoral Officer. If the Chief Electoral Officer decides that the claim is valid, the vote must be sent back to the returning officer, who might be as far distant as Marble Bar. Then the scrutineers have to open the vote and count it. There could be no secrecy about a vote cast in that way. Will the whole count be held up until that solitary claim is decided? Seemingly months will elapse before the results of an election can be obtained simply because of a few outstanding claims.

Hon. E. H. H. HALL: I think the hon. member is unconsciously magnifying the difficulty. The provisions of the Bill have been lifted from the Commonwealth Act, and no difficulty has been experienced under that law. When such a claim was made in a distant place, particulars would be forwarded at once to the Chief Electoral Officer. Often the elector is at fault and the claim would have to be disallowed. Where claims were allowed, the air service would permit of votes being returned to the North Province without occasioning delay.

The CHIEF SECRETARY: I agree with Mr. Hall that Mr. Parker is raising difficulties where none exist. It is not essential that these matters be referred to the Chief Electoral Officer. The returning officer has to satisfy himself, and he may refer the matter to the Chief Electoral Officer. If the declaration of a poll would be held up, the Chief Electoral Officer has power to authorise the declaration, just as the Commonwealth officer has authorised the declaration of the Fremantle poll to-morrow, although all the votes have not yet been counted. If a claimant's vote would prove to be the deciding factor, the Chief Electoral Officer would hold up the declaration until the validity of that vote had been determined.

Hon. G. W. Miles: What about the point raised as to getting the writs returned within the specified time?

The CHIEF SECRETARY: I do not anticipate any difficulty on that score. Unless there is need to refer the matter to the Chief Electoral Officer, it would be decided by the returning officer, but the opinion of the Chief Electoral Officer could be obtained by telephone or telegram, if necessary.

Hon. H. S. W. PARKER: After the validity of the vote has been decided, the returning officer must deposit the ballot paper in a locked box. Presumably he would not keep a spare box, and therefore the vote would have to be placed in a box containing uncounted votes. Thus all the votes in that box would be held up until the fate of the claimant's vote had been decided. Under the Commonwealth law the claim can be decided immediately, because the returning officer has only to ascertain whether the claimant has resided in the district for the prescribed time. In the case of a province election, however, the local registrar could not decide. He does not keep the cards; therefore the decision could not be made by telephone. The provision will cause endless delays in ascertaining the final figures. Many people have vowed that they had voted for me at the previous election and had since been struck off the roll, but in every instance I have found that such people have not been on the roll. Yet they would be prepared to make a declaration and thus the result of an election would be delayed. I hope the weakness can be remedied before the Bill passes the third reading.

Hon. E. H. H. HALL: I hope the Committee will not be swayed by the specious arguments of Mr. Parker. Electors in the Province represented by that hon. member may do, wholesale, the kind of thing described; but Mr. Parker's remarks would apply to one Province, namely, the North Province. Men in that Province are not so easily deluded as are men here in the south. There would not be anything like the number of claims indicated. Even if there were, they could be expeditiously dealt with if telegraphed to the Chief Electoral Officer, who could decide at once whether the claimant possessed the necessary qualifications.

Clause put and passed.

Clauses 5, 6, Title—agreed to.

Bill reported with amendments.

BILLS (3)—FIRST READING.

1, Income Tax.

2, Income Tax Assessment Act Amendment.

3, Metropolitan Market Trust (Land Revestment).

Received from the Assembly.

BILL—INCOME TAX (RATES FOR DEDUCTION) ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.37] in moving the second reading said: This is one of several taxation measures with which the House will be dealing during the next few days, and the Government is anxious that they should be dealt with as expeditiously as possible. The present Bill proposes to fix a higher rate of deduction by instalments from salaries or wages of taxpayers in receipt of amounts exceeding £10 per week. Requests have been received from such taxpayers to be allowed to pay higher rates so that they may have payment of their tax liability spread over the 12 months instead of being met with a large demand from the Taxation Department at the close of the financial year. Members are aware that the Act passed last session authorised deductions at certain rates from salaries or wages of employees for or on account of income tax payable by such employees. The rates fixed were—6d. in the pound where the rate of salary or wages did not exceed £8 per week, and 9d. in the pound where the rate of salary or wages exceeded £8 per week. Prior to arriving at a decision in regard to the fixing of these rates, due investigation and full consideration were given to the methods and rates adopted in other Australian States, especially Victoria and South Australia, which have legislation somewhat similar to this operating. It was found that Victoria had quite a number of rates, whereas South Australia had only one. Our officials who were sent over to those two States to make the necessary investigation into the systems operating there, formed the opinion that a flat rate of 1s. in the pound was the most desirable rate. It was considered, however, that the imposition of this rate on lower-paid workers would inflict hardship upon them; and finally rates were decided upon as now provided in the Act.

Since then, however, the Taxation Department has received numerous requests from those on high salary ranges for an increase in the amount of deductions as instalments, the contention being that the instalments such persons are now paying are not sufficient to liquidate their taxation indebtedness by the end of the year. They requested that their weekly payments be increased so that they will not be faced with a lump-sum payment later. The request is considered to be reasonable, but under the Act the Taxation Department has no authority to meet it. There is the position, too, that even though an employee might desire to have larger deductions made from his weekly salary or wages, the employer could refuse to deduct more than the Act provides.

Hon. J. Nicholson: Is that where the employee has an income in addition to the salary?

The CHIEF SECRETARY: It might apply to the salary only. If a salaried man, for the sake of argument, has a salary of £750 a year, the deduction would need to be higher than that now provided in the Act in order to liquidate his tax liability by the end of the year. The Bill proposes to meet the position by extending the reduction rates to 1s. in the pound where the salary or wages exceeds £10 but does not exceed £12 per week, and to 1s. 6d. in the pound where the salary or wages exceeds £12 per week. It is further proposed that the Commissioner of Taxation may fix a higher rate which will be adequate for application to very high rates of salary. This is based on a provision which exists in the Victorian Act and which practical experience has shown to be working satisfactorily. Briefly, the provisions of the Bill are designed with a view to enabling the taxpayer to distribute his tax liability over the 12 months, so that at the end of the year he may not be faced with a demand from the Taxation Department for a large sum of money. Moreover, the proposed system would relieve much of the congestion which takes place at the end of the year in the Taxation Department; and, better still, it will have the effect of bringing in revenue more evenly and in some cases earlier than would otherwise be the case. I move—

That the Bill be now read a second time.

HON. L. CRAIG (South-West) [5.44]: I shall not vote against the second reading of the Bill. The objectives of the measure, in my opinion, are quite good, and the proposed methods of attainment also are quite good. But there has been created an anomaly or difficulty which I hope will be overcome. If the Committee stage of the Bill can be delayed for a day or two, I shall ascertain whether it is possible to put into the measure a clause empowering the Commissioner of Taxation to exempt certain employees from deductions under the Act. There are men who receive income from several sources. I refer now particularly to directors of companies. Where a company has 50 or more employees, the company is empowered to cancel income tax stamps itself. The company keeps a book and when it pays a cheque for director's fees to the director, or perhaps posts it to him or pays it into his bank account, the company has power to cancel the stamps; but it must keep a book for that director. If his fees amounted to, say, £100 per annum, the deduction would be 6d. in the pound. But if the company has not 50 employees, then the director—who is an employee—must cancel the stamps himself. That would cause some difficulty. A person may be a director of four or five companies and in receipt of £100 a year from each company. Separate books would have to be kept for each company. The director might keep some of the books himself and take them with him to a meeting at which he receives his cheque. The amount which a director would pay in the instance I have quoted would represent but a small proportion of the total amount of his assessment for the year. I have in mind that the Commissioner should be empowered, in such cases, at his discretion to grant exemption.

Member: The Commissioner could do so under the Financial Emergency Act.

Hon. L. CRAIG: That is so, but he would not have the power under this measure. I suggest that the Commissioner be empowered to say to the director, "The department will ask you to send it a cheque for £10 or £20 a month, according to what your assessment is likely to be." In that case the director would know where he stood. Two or three persons who are directors of various companies have approached

me on this matter, pointing out the difficulty that will arise and the pinpricks that will occur. I am in the same position myself. In some cases the company pins the stamps to the cheque; in other cases the companies ask me to call and cancel the stamps. The point is, however, that the director, who is an employee, must cancel the stamps himself unless the company employs 50 persons. In my opinion the department would receive more money and receive it quicker if it came to an arrangement such as I have suggested. I have been in touch with Mr. Boylson, who thinks a difficulty may arise as to which Bill should be amended. He thought that perhaps the amendment should be made to the Income Tax Assessment Act Amendment Bill, but he is not sure. If he does not know, I am not pretending that I do. On looking through the Bill I notice there are two provisos at the end; perhaps another proviso to the effect following might be added:—

Provided also that in cases where the wages or salaries are derived from several sources the Commissioner may grant the employee exemption from the provisions of this Act.

Members will appreciate the object I am seeking to attain. If the Bill passes the second reading stage, I suggest that the Committee stage be held over until to-morrow, and in the meantime I will take the opportunity to consult the Crown Law authorities. I think members will agree that my objective is right; it is to remove anomalies that do occur and to try to simplify the carrying out of the Act. I support the second reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West—in reply) [5.50]: I have no objection to holding over the Committee stage until to-morrow at the express wish of Mr. Craig, but I trust the hon. member will endeavour to elucidate the point in the meantime. I would draw attention to the proviso in the Bill empowering the Commissioner of Taxation to deal with cases such as the hon. member mentioned, by arranging for a higher rate to be deducted than the rate applicable to the amount an employee might receive from one particular source, for instance, by way of director's fees.

Hon. L. Craig: But exemption is not granted from the obligation to cancel stamps.

The CHIEF SECRETARY: No.

Hon. L. Craig: A director would have other sources of income as well.

The CHIEF SECRETARY: For that reason he might want to pay a higher rate on his fees, so that he will have less to pay when he receives his assessment.

Hon. L. Craig: But that would not avoid the pinprick of the stamps.

The CHIEF SECRETARY: I understand the hon. member's point in that respect; but I suggest the Bill provides for the other point which he raised, which is that, as a director's fees might form only a small portion of his total income, he may pay on such portion of his income a higher rate than is applicable to the amount of the fees.

Hon. J. Nicholson: Why the necessity to pay so much a month? The assessment is paid at the end of the year on the total income.

The CHIEF SECRETARY: The assessment would be made in any event.

Hon. J. Nicholson: It could be paid at the end of the year.

Hon. G. W. Miles: The taxpayer would receive interest on that money instead of the Government doing so. That is the hon. member's point.

The CHIEF SECRETARY: We have already agreed to the principle of the Bill. I agree with Mr. Craig that we should try to avoid anomalies and should not put taxpayers to inconvenience if it can be avoided. As I have said, I hope the hon. member will look into the matter to-morrow—I may be able to give him some assistance—and then we can deal with the measure in the Committee stage to-morrow.

Question put and passed.

Bill read a second time.

BILL—STATE TRANSPORT CO-ORDINATION ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.53] in moving the second reading said: This is a small measure which I feel sure will meet with the approval of members. The Bill proposes to grant authority to the State Transport Board to pay from its funds the board's contributions, as employers, to the superannuation fund. Some members of the permanent staff of the Transport Board desire to be brought within the scope of the operations of the Super-

annuation and Family Benefits Act. They have been making contributions for some time; but it is now found that the Transport Board, as employer, has no authority to make any contribution whatever to the fund. The reason is that the funds of the Transport Board can be expended only in accordance with the provisions of the parent Act.

Hon. L. Craig: Do you mean contributions by the board itself for its employees?

The CHIEF SECRETARY: Yes. The board in this case is the employer.

Hon. J. Nicholson: We tried to amend the Superannuation and Family Benefits Act to give that power to the Transport Board, with the consent of the Treasurer.

The CHIEF SECRETARY: I do not remember that. In order to put the matter right, it is necessary that the Act be amended. The Bill applies to only a few employees, I think four at the present time. Until such time as the Act is amended, those employees certainly cannot take advantage of the superannuation fund. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—INSPECTION OF MACHINERY ACT AMENDMENT (No. 1).

Second Reading—Defeated.

Debate resumed from the 26th September.

THE HONORARY MINISTER (Hon. E. H. Gray—West—in reply) [5.55]: I was astonished at the way in which this measure was received by some members, and I do not agree with their attitude towards it. I am quite in accord with the general expression of opinion that no contentious legislation should be brought forward while the war continues; but that does not mean that we must sit down and let things go until the war is over. We who remain in Australia have our duty to perform. Surely to goodness, while our soldiers are fighting for us at the front, it devolves upon us to look after their sons and daughters. It would be small comfort to a man in the front line doing his job to hear Mr. Nicholson—the Leader in this State of the Red Cross Society, which is doing remarkably good work for our soldiers—denounce this Bill. It would be small comfort for a soldier at the front to learn that his son had had his head blown off because of some accident to an air receiver.

Member: How many soldiers at the front would have sons old enough to be affected by the Bill?

The HONORARY MINISTER: Some of our soldiers may have sons working at a place where there is a defective refrigerator which might blow up and kill several people.

Member: How many soldiers 25 to 30 years of age would have sons old enough to work?

The HONORARY MINISTER: As I said, we have our duty to perform. The home guard must do its job, and it is our duty to safeguard the people who remain behind. That is a fair argument. To assert, as did Mr. Baxter, that the Government is trying to make jobs for its camp followers, is unworthy of the hon. member. For the hon. member to say that any Government would bring down a Bill such as this with the sole object of finding jobs for its followers is absolutely ridiculous; it is not in consonance with his dignity as a member of this Chamber. Listening to the various contributions to the debate, I came to the conclusion that some hon. members had made up their minds to oppose the Bill, even though they had not a thorough understanding of its provisions. The Bill was introduced on the advice of experts of the department dealing with this matter, and it is the duty of any Minister to take notice of advice tendered to him by departmental experts. By their efforts to denounce the honest intentions of the proposals embodied in the Bill, and their most apparent disregard of the necessity for the amendment governing the safety of human life, certain hon. members have only indicated to me that there is a more urgent need than ever for the proposed legislation.

The remarks of Mr. Baxter are a fitting example of what an hon. member can say when he has not taken the trouble to read and understand what is provided for. Towards the end of his speech on Tuesday last he said he had made a close study of the Bill and that there was no need whatever

for the amending legislation. Members can judge for themselves just how close that study must have been by referring to his allusions on at least two occasions to steam generators used for heating purposes in clubs, hotels and hospitals. If he had given the matter the close study which he endeavoured to lead the House to believe he gave it, surely he would not have been so indiscreet as to lay himself open to correction in this regard. Surely, too, he would not have placed himself in the position of having to rise two days later to inform the House he had since found out he had made an incorrect statement, and that, in effect, he had not studied the provisions of the Bill with an open mind. Mr. Baxter admitted that he misled the House in regard to the granting of engine-drivers' certificates to marine engineers, but in his explanation he made matters worse by a further misstatement when he said "the Bill would extend the Act to the granting of internal combustion engine-drivers' certificates to marine engineers, whether they had been on steamships or motor ships, without examination."

Hon. C. F. Baxter: That is correct, too.

The HONORARY MINISTER: The statement is quite wrong.

Hon. C. F. Baxter: You have been misinformed.

The HONORARY MINISTER: I do not think so. The Board of Trade will not permit an engineer to sit for the examination for the second-class certificate as an engineer of a motor ship unless he has served an engineering apprenticeship of five years and has had 18 months' experience as an engineer in charge of a watch on the main propelling engines of an ocean-going ship which is driven by internal combustion engines. This experience is very much in excess of that required under the Inspection of Machinery Act, to be obtained by candidates for an internal combustion certificate. I know that if the hon. member has again made a mistake, he will rise in his seat to-morrow and say something about it.

Hon. C. F. Baxter: I have not made a mistake.

The HONORARY MINISTER: Clause 14 (b) clearly states that the internal combustion engine driver's certificate is to be granted only to the holder of a Board of Trade certificate for a motor ship. This misstatement in Mr. Baxter's explanation, combined with the inaccuracies in his speech, is a fitting example of a hasty and unprepared contribution which must be judged, therefore, for just what it is worth.

Hon. C. F. Baxter: You are contradicting what the Bill sets out to do.

The HONORARY MINISTER: The hon. member may examine the matter to-night and make an explanation to-morrow. Hon. members should be well aware that there is no intention to alter the Act in regard to steam generators in clubs, hotels and hospitals, etc., and that these have been the subject of inspection since 1922. There is nothing in the Bill which could possibly give the impression that any alteration is proposed, and I would ask members not to pay attention to any remarks which would indicate otherwise.

The proposals for the control of "air receivers" up to 5 cubic feet capacity have been criticised. It has been said that there is no necessity for any alteration to be made in the Act, and that the proposal in the Bill will only hamper industry and will not be any improvement whatsoever. The Chief Inspector of Machinery, however, thinks otherwise, and his opinion is borne out by facts. The position is that as "air receivers" not exceeding five cubic feet are at present exempt from the provisions of the Act, no control can be exercised over the manufacture of them. An inspector cannot control the safe working pressure, nor has he authority to order handholes to be fitted, in order that the amount of internal corrosion which has taken place can be ascertained. The amendment sought will give the necessary authority for the proper control of these vessels, and so prevent the user being supplied with what has in many cases proved to be a definite danger to life and property. This not only affects the employees but is also in the interests of the employers. It is a safeguard for them and should therefore appeal to every member of this Chamber. The air receiver which burst at Bunbury, causing a considerable amount of damage, was under 5 cubic feet capacity and at least five other receivers of less than 5 cubic feet have burst since 1929. With the rising prices and the difficulty in getting receivers, the tendency is for receivers to be made of material which is not up to standard. Consequently it is more than ever necessary

for them to be subject to inspection both in the interests of the people using them and the owner who has to pay for them.

All "air receivers" of over five cubic feet capacity have facilities provided which enable the internal surfaces to be examined so that the amount of corrosion which has taken place can be accurately estimated. Inspectors always insist on safety valves being fitted to receivers not exceeding 5 cubic feet but a great deal of the value of this measure is lost, when they have no control over the safe working pressure. Contrary to the opinion expressed by hon. members, the inspector is a help to the employer in this regard. He is a protector to the employer and the provision should appeal to everyone who advocates the case of the employer, as was done a few nights ago. The statement was made that the Bill would hamper industry, but the facts are otherwise. If, as Mr. Baxter suggested, manufacturers can be depended on to assess the safe working pressure of receivers under five cubic feet, they should also be capable of assessing the safe working pressure of those over five cubic feet, and therefore it should not be necessary for any receiver to be inspected. Departmental records have, however, proved otherwise.

In regard to proposed Subsection 5 in Clause 5, dealing with winding engines, Mr. Baxter said that the mining industry has carried on for over 40 years without the need for the amendment arising. But this provision has been introduced with the full approval of the Chamber of Mines, and its purpose is solely to prevent mine owners being put to unnecessary expense through erecting winding engines without first ascertaining their suitability for the work required. Two different companies recently imported winders from the Eastern States which were not suitable for the intended work. In one case the engine was discarded and in the other case costly alterations had to be effected. The amendment is necessary, and it will protect industry rather than hamper it.

Hon. C. F. Baxter: How will it protect industry?

The HONORARY MINISTER: The hon. member can read the Bill for himself. He cannot expect me as a layman to explain it in detail. When the Bill is in Committee, I can submit the views of the experts on the various clauses. This is a highly technical Bill, and one which lends itself to consideration in Committee. All I am doing now is to reply to the criticism of its main principles.

Dealing with the amendment which provides for the submission of working plans and specifications of refrigerating machinery before permission shall be given for the erection of such machinery, one hon. member said it would be impossible to submit plans showing pipelines, etc., and that considerable expense would be entailed in providing such plans. Members may be aware that similar provisions have existed since 1922 in regard to boilers, and no instance of hardship has ever occurred, because if the necessary particulars in respect of secondhand boilers are not available, the inspector checks all the measurements and makes the required computations. No existing refrigeration plant would be affected unless the construction or installation was defective.

It is obvious from the wording of Clause 5, proposed subsection 5 (b) paragraph (a) that the owner or installer would not be asked to do the impossible, because in line 19 the words "may require" are used in connection with the supplying of working plans, etc. As the various parts of any refrigeration plant made by a reputable firm would be tested before leaving the works, the cost of the test certificate would only be the actual cost of typing. A certificate of a hydraulic test would be required only where applicable. As the essential parts of most machines are standardised, only one set of prints would be required for each type.

In a Bill of this nature, the primary object is to secure the safety of the employees and the public and to protect the owners. Hon. members must appreciate the advance made in commercial refrigeration plant since the principal Act was passed in 1922. The basic principle of refrigeration is to compress and expand various gases, and there must and will always be a danger where gas is concerned. The legislation proposes to minimise this danger as much as possible by ensuring that plants comply with all standard safety requirements. As this subclause appears to have created a totally wrong impression, I propose to submit the following amendment in Committee.

Delete from lines 16 and 17 on page 4 the words "unit system" and insert in lieu thereof the following words:—"System in which a refrigerant other than ammonia is

used, which is fitted with adequate safety devices and which is constructed and installed in accordance with the requirements of the Standards Association of Australia Refrigeration Code for the time being in force, and which is driven by an electric motor not exceeding five horse power.

Sitting suspended from 6.15 to 7.30 p.m.

The HONORARY MINISTER: I propose to put upon the notice paper an amendment that will make it clear how this Bill affects refrigerating machinery. Mr. Holmes made a strong point in that he stated the Bill would affect and partly close down refrigerating plants in the North-West. There is nothing in his contention, and there is no intention to interefere with the smaller type of refrigerating plants in shops, etc. The Bill sets out that the board may grant a first-class refrigerating machinery driver's certificate of service to—

Any person of good repute who is a resident of this State and not under the age of 21 years, provided he produces satisfactory evidence that he has been in control in this State of refrigerating machinery exceeding 30 tons capacity for at least 100 weeks within the five years next preceding the commencement of this section.

No plant in the North-West would be affected by that provision.

Hon. F. R. Welsh: What about the Shark Bay plant?

The HONORARY MINISTER: The man who is driving that plant would get his certificate under that provision.

Hon. F. R. Welsh: If he cannot run the plant himself he will have to shut up, because he could not afford to pay an assistant.

The HONORARY MINISTER: If he has been long enough in charge of that plant he will have no difficulty in getting a certificate. Some members have asked what will happen if at the end of the war it is desired to place other men in charge of these plants. By this Bill we are laying the foundation for future organisation when the war is over. I hope to see the day when we shall be able to sweep away the objection of employers and firms that they cannot get competent men. It would be a good thing for the man who owned the refrigerating plant if he could be sure that the person who arrived to drive it had been given a certificate under this legislation. I hope to see the day when the tractor-driver will be called upon to pass an examination in Perth, showing that he is skilful at his work. That would constitute a protection to the farmer, just as this Bill will be a protection to the owners of refrigerating machinery. Suppose a man in the North-West has to send to Perth for a person to drive his plant. Anyone could say he could drive such a plant and no one could deny his statement. Under this Bill, if a man has been driving a plant of over 30 tons capacity he will be able to produce a certificate of competency. If his plant is a small one he will be able to produce a second-class certificate of competency. In no way can it be said that this Bill will be a burden upon industry. On the contrary, it will help industry and employers generally. This is not a party measure. Any Government would wish to carry out the advice of its expert officers, men who are paid high salaries to watch these things, and do what is necessary for the safety of the public. I have no hesitation in asking members to support the Bill.

Mr. Baxter waxed caustic in regard to Clause 11 which deals with the Board of Examiners, and, like many of his utterances on other matters, sees a political motive in the amendment. He sees "the nigger in the wood pile," and without hesitation finds a loophole for the Government to provide jobs for its friends. That is ridiculous. Fancy any Government bringing down a Bill to find a job for one of its camp followers! Nothing is further from the truth than the hon. member's suggestion. This Government does not bring down legislation, as other Governments have done, to find jobs for its own friends. It is not intended that the board when sitting shall consist of more than three members, of which two will be departmental officers, and the third a qualified person who must hold a winding engine-driver's certificate, as at present. The Chief Inspector who is also State Mining Engineer, is naturally not always available, as his many duties necessitate his frequent visits to the Goldfields. To provide that the Deputy Chief Inspector shall be Chairman in his absence, the Clause was drafted in its present form by the Solicitor General, who advised that the wording was essential to meet such a contingency. Members, therefore, need have no fear of "the nigger in the wood pile." If the clause is obscure it is not the fault of the department. In the absence of the Chief Inspector, his deputy would take his place on the board, at no extra expense and with no

additional burden on industry. It is not intended to increase the cost of administration, for there will be no more than three members of the board.

Referring to the proposed certificates for refrigeration machinery drivers, I would inform members that the present regulations do not require an applicant for an engine driver's certificate to have any knowledge of refrigeration; therefore, the board cannot at present insist on drivers having such knowledge. If, however, the amendment is passed, then any person in control of refrigeration plants of over 5-ton capacity would be required to satisfy the board that he had the necessary knowledge for the job. The proposed amendment of Section 63 is for the sole purpose of granting to a marine engineer, who holds a Board of Trade certificate for a motor driven ship, an internal combustion engine driver's certificate, to which he is justly entitled, as the Board of Trade examinations are much more difficult than is the engine drivers' examination, and the qualifying period is much longer. The holder of a second-class marine engineer's certificate is already entitled to a first-class engine driver's certificate without examination, and the amendment will make no alteration in that respect. It would appear from his remarks that either Mr. Baxter did not compare Clause 14 of the Bill with Section 63 of the principal Act, or he inadvertently misled members, because second-class engine drivers' certificates are not mentioned in either Section 63 of the Act or Clause 14 of the Bill.

Mr. Baxter's comments on marine engineers generally have no bearing on this Bill. There are many thousands of marine engineers in the Navy and mercantile marine to-day guarding our Empire. The hon. member deserves censure for his references to the few men who held up a ship in Sydney. Hundreds of men, dozens of whom came from Western Australia, are working trawlers and drifters in the North Sea. They are also members of the organisation referred to. In no arm of the forces is there a more dangerous occupation than is found on those drifters and trawlers which are guarding the North Sea and looking after British merchantmen. The job is a highly dangerous one, and yet these are the men upon whom the hon. member has cast aspersions. He would defame the whole organisation because of the mistake of a few members of it. That is unfair.

Hon. C. F. Baxter: There were not just a few members; it was the whole union.

The HONORARY MINISTER: Only a comparatively few men were concerned.

Hon. C. F. Baxter: And apparently you, as a Minister of the Crown, support their action.

The HONORARY MINISTER: Nothing of the kind, but I would not defame a body of men because of the mistakes of a few.

The PRESIDENT: Order! There are too many interjections.

The HONORARY MINISTER: During the course of the debate it has been said that stringent conditions are being imposed under Clause 16, which provides that notice shall be given of the renewal of a boiler and of the setting of a boiler in brickwork. Here again, Mr. Baxter makes another mistake. He says there will be the consequent hold-up of industry and that the conditions imposed will be very costly. That is a gross exaggeration. In contradiction of this, I would inform members that it has always been the custom, when boilers which are set in brickwork are moved to a new position, to arrange for an external inspection of the parts normally covered by such brickwork, and also to arrange for a hydraulic test before the boiler is built in on a new site. Strangely enough, however, this was not provided for when the principal Act was drafted. The owner is seldom, if ever, put to any extra expense by this proceeding. It is not a costly procedure, as Mr. Baxter would lead us to believe. The procedure, which has been followed for years and which it is now proposed to make compulsory, is made for reasons of safety and in the interest of the owner, as any defects which may have been hidden by the brickwork, or which may have been caused during transport, would be detected before the brickwork was again built in. There has been a reference to the proposed removal of the words "in good repair" from the boiler or machinery certificate. It is contended that by so doing it would reduce the value of the certificate. The Chief Inspector of Machinery informs me that the deletion of these words is desirable for the reason that certificates issued

regarding boilers and machinery set out that in addition to being fit to be used for the purpose stated thereon, they are "in good repair." This, however, is not always the position, and sometimes it tends to mislead prospective purchasers. For instance, a boiler may originally have been built to withstand, say, a pressure of 120 lbs., but, owing to deterioration, that pressure is reduced by the inspector to 60 lbs. The boiler, although quite safe for such a pressure, cannot be said to be "in good repair." I trust therefore that members will see the necessity for amending the Act in that regard.

When I moved the second reading of the Bill, I pointed out that it was essentially a Committee measure. I further stated that the provisions against which the main objections had been raised last session to a Bill of a similar nature, had been deleted in the present instance. I have, therefore, been astounded at the opposition to the Bill. Various arguments have been raised regarding the necessity for such a measure at a time like the present. Some members have claimed that there is no need for the introduction of contentious legislation. I do not believe in introducing legislation of that nature in these times, and I claim the Bill is not contentious. One or two members referred to the drought conditions as a reason for not taking the Bill into account at this juncture. That is no argument, for while I, and other members of the Government, are fully aware of the seriousness of the present position, members must also bear in mind the fact that those conditions represent a passing phase—we hope it will pass very quickly—whereas the legislation will remain for the protection of the community as a whole.

I am sorry that the Bill is not very interesting, but is technical and difficult to follow. I respectfully ask members to forget the hostile attitude adopted by some during the second reading debate, and to take the measure into Committee. Possibly it can be improved in some respects, but the considered view of the department is that the advances made regarding refrigerating and other machinery affected by the Bill, make it essential for the legislation to be passed in order to afford more adequate protection to the public, employees and owners of plant. I want to disabuse the minds of members that household refrigeration will be affected, for the Bill will not have that result. The opinion of the departmental officers is that the adequate safety devices affixed to ordinary shop and household refrigeration plants are such as to avoid the necessity for the Bill having application to that section of machinery. On the other hand, it is essential that the larger plants shall be brought within the ambit of the legislation.

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

Ayes	11
Noes	14
Majority against	3

AYES.

Hon. J. Cornell	Hon. T. Moore
Hon. L. Craig	Hon. H. V. Piesse
Hon. J. M. Drew	Hon. H. Seddon
Hon. G. Fraser	Hon. C. B. Wood
Hon. E. H. Gray	Hon. E. H. H. Hall
Hon. W. H. Kitson	*(Teller.)*

NOES.

Hon. C. F. Baxter	Hon. G. W. Miles
Hon. L. B. Bolton	Hon. J. Nicholson
Hon. Sir Hal Colebatch	Hon. H. S. W. Parker
Hon. J. A. Dimmitt	Hon. A. Thomson
Hon. V. Hamersley	Hon. H. Tuckey
Hon. J. J. Holmes	Hon. F. R. Welsh
Hon. W. J. Mann	Hon. H. L. Roche
	(Teller.)

PAIR.

AYE.	NO.
Hon. E. M. Heenan	Hon. J. M. Macfarlane

Question thus negatived; the Bill defeated.

BILL—PETROLEUM ACT AMENDMENT

Second Reading.

Debate resumed from the previous day.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West—in reply) [7.54]: From the silence of most hon. members, I conclude that they are content to allow the Bill to pass the second reading. The main object of the measure is to encourage companies in the possession of the necessary financial and technical equipment, to exploit the State in the search for oil. Mr. Seddon, while giving the Bill his blessing, drew attention to one feature regarding permits to explore. The objection he took to that portion of the measure arose from the fact that it does not provide any limit to the area to be granted to an applicant for a permit to explore, and he suggested that it was perhaps an oversight on the part of the Government or the Minister for Mines in that such legislation usually provided a limit to the area to be granted to any one applicant. As a matter of fact, that phase received consideration

at the hands of the Minister and the Government, as a result of which it was decided not to provide any limit in the Bill. The idea is to make the position attractive to people with the necessary money and knowledge to explore the country thoroughly, and for that reason no limit was included in the Bill. On the other hand, it can be assumed that any Minister having jurisdiction over such a matter would hardly be prepared to say to one applicant that he could have the whole of the State to the exclusion of everyone else, unless the Minister was perfectly satisfied that that was the only course to adopt. If we compare the Bill with the Commonwealth legislation, we find that the latter contains a limit of 20,000 square miles. On the other hand, the Federal Act also provides that the maximum area may be increased. Thus it would be quite possible, even under the Federal legislation, for similar conditions to obtain.

Hon. H. Seddon: But there are conditions accompanying the increase under the Federal Act.

The CHIEF SECRETARY: Yes, the increase must be agreed to by the Governor-General after a recommendation by someone else. That does not really alter the position because if the Minister here was satisfied that a larger area should be granted, he would make a recommendation accordingly. Eventually that recommendation would become an accomplished fact, and the additional area would be granted to the applicant. It seems to me that was the only contrary point raised by Mr. Seddon when he spoke in favour of the Bill. With regard to licenses to prospect, a limitation upon area is provided, and there is also a limitation with regard to leases that may be granted once a company is satisfied it is worth while going further in the search for oil.

Hon. J. J. Holmes: If one applicant put in an application for the granting of the whole State, would the Minister have power to refuse that request?

The CHIEF SECRETARY: Certainly. A number of people could possibly submit applications for the whole of the State, and the Minister would then have to decide on the areas he would grant to the respective applicants. The whole point there is that in exploring the country for oil, I believe it is necessary, according to modern practice, to utilise aeroplanes to a large extent. Consequently it is reasonable that those engaged in the work shall have a considerable area of country covered by their permits. Once the aerial exploration of a country has been completed, the company examines the photographic results to determine whether it is worth while further exploring any particular area. If the decision is that it is worth while, the company makes application for a license to prospect.

Hon. J. Nicholson: Will the same company get that license?

The CHIEF SECRETARY: Yes, and the area under that license is limited to 200 square miles. Then after prospecting that particular area, if they are satisfied that they have a good chance of obtaining oil, they can make an application for a lease and that lease will be limited to an area of 100 square miles. Thus I do not fear any unfavourable result from that particular clause in the Bill which leaves its open for an unlimited area to be granted to an applicant. It may have the effect of inducing a company or persons with large sums of money to invest in exploratory work of this kind to come to Western Australia instead of going elsewhere. It is recognised that to-day there is no proof that Western Australia is petroliferous, although of course there are experts who have satisfied certain people that there is a good chance of the northern part of the State being petroliferous. So the sooner we can make the conditions attractive for those people who are in a position to do the job properly, the sooner shall we be able to determine whether petroleum does exist in the northern part of the State. I do not think there is anything more that need be said on the subject, beyond expressing the hope that we shall soon have legislation which, as I have already said, will have the effect of encouraging people with capital and the necessary knowledge to come to Western Australia to explore thoroughly the areas which are thought to be petroliferous.

Question put and passed.

Bill read a second time.

In Committee.

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

Clauses 1 to 14—agreed to.

Clause 15—Amendment of Section 33; area of land for which permit may be issued:

Hon. H. SEDDON: This is the clause in which is set out the area of land for which

a permit to explore may be issued, the area comprising not less than 1,000 square miles. Yesterday I expressed the opinion that it was desirable that there should be a maximum as well as a minimum. The Minister would hesitate if he were asked to give a permit which covered the whole of the State. At the same time we have to remember that this gives an exclusive right to operate on the ground which is subject to the holding. Under that condition it is desirable that we should not lock up the whole of the State, even for a period of two years. The Commonwealth legislation which was drafted for the purpose of encouraging firms to operate, provides for a maximum of 20,000 square miles in any one permit, and it also provides that if a company is desirous of securing a larger area of land, before that area can be granted, a special report has to be obtained and reasons given for asking for that area. The report must then be submitted to the Governor General before consent can be obtained. It also provides that where a large area is required, it is essential that the application should be subject to Federal investigation. Under this Bill it is possible for more than one permit to be issued to any one party. At the same time we are justified in asking that these permits should be given close consideration, and it is for that reason that I suggest we should fix the maximum limit which is subject to the permit. As the Chief Secretary said, the preliminary work is carried out by aerial survey. Over an area of 20,000 square miles such a survey involves a good deal. The area which so far has been investigated in Western Australia—I think the largest area regarded at the present time as being petrolific—would be in the vicinity of 30,000 square miles. It is for that reason that I wish to safeguard against any possibility of locking up the country for two years by fixing the limit, and the limit I propose is that adopted by the Federal Government, namely, 20,000 square miles. Therefore I move an amendment—

That at the end of proposed new Section 33, the following words be added:—"nor more than 20,000 square miles."

The CHIEF SECRETARY: I do not intend to oppose the amendment very strongly, but I do think we might leave the Bill as it is. Mr. Seddon has pointed out that the only area he knows of which has been explored to any extent up to the present time is one of approximately 30,000 square miles. I believe there are only two or three districts in Western Australia that would attract the particular people we would like to see here. There has been sufficient evidence produced as the result of previous operations in this regard that there are certain very large areas in Western Australia that could be considered suitable for exploration for oil. So it is not a question of locking up the whole of the State; it is a question of making the conditions attractive so that the people with the necessary finance and knowledge will be prepared to come here to spend their money rather than go elsewhere. It is with that object that the Bill has been framed. If we do not give the exclusive right to explore a particular area applied for, the proposition would not be attractive. The Minister will have power to determine just what area shall be granted, and by limiting it to 20,000 square miles we will defeat the object we have set out to achieve. In view of the advice we have had from the Commonwealth Government and our own experts, together with the knowledge we possess of what has already been done, we will be well advised to allow the Bill to remain as it stands.

Hon. H. S. W. PARKER: The Minister will have the power to grant a number of permits, or permit after permit for an unlimited area. It will only mean that each permit would not exceed 20,000 square miles, and there will be nothing to stop him from granting additional permits.

Hon. H. SEDDON: Each application for a permit will stand on its own merits. Suppose a company came along and said to the Minister, "We shall apply for 20,000 square miles" and the Minister replied, "Yes, very well." The work to be done in that area would be such that it would involve the expenditure of a considerable sum of money. The company might then say, "We want another 20,000 square miles." The Minister would be justified in saying, "What for? Why not carry out your work in the first 20,000 square miles, and then, when you have done that satisfactorily, you can have the other?" The Minister must judge each application on its merits. Under the Bill, however, he can receive a general application for even 100,000 square miles. The feature I do not like is that the proposal in the clause is likely to lock up the land for two years.

That will be serious because another company may be prepared to come in and the two applications for permits would go before the Minister. He would be justified in saying, "You can take 20,000 square miles and the other company can also take 20,000 square miles." That is why I want a limit of 20,000 square miles stipulated.

Hon. J. J. HOLMES: What Mr. Seddon has stated is in favour of the clause as printed. He says that if an application for 20,000 square miles was granted and another application was lodged, the Minister could review the work done. The same argument would apply if the Minister had a right to grant any area. The Chief Secretary's point is that if the area is limited, the number of applications for areas will be restricted, and probably people with capital would be discouraged from trying to find oil here. If the Minister has power to grant any area considered desirable, people will be encouraged to explore for oil. The only effect of limiting the area would be to require two or three applications, instead of one, to be lodged. Those who wish to prospect for oil will desire no unnecessary limitation.

The CHIEF SECRETARY: An applicant would have to guarantee to carry out the conditions of the permit. He must conduct the survey operations to the satisfaction of the Minister continuously during the currency of the permit. That is a sufficient safeguard against the possibility of large areas being held up to the exclusion of other people wishing to engage in exploration. The Mines Department officials have a good knowledge of what is necessary, and the Minister can be relied upon to safeguard the interests of the State.

Amendment put and negatived.

Clause put and passed

Clauses 16 to 44, Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—RURAL RELIEF FUND ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. H. SEDDON (North-East) [8.24]: This Bill has been so fully debated that it would only mean traversing ground already covered if I spoke at any length. I therefore propose to confine my remarks to one or two points. One member stated that perhaps we would be wise to allow the Bill to pass, because that would have the effect of bringing the credit position prominently before the farmers and others concerned, and would also effectively bring the country to a sound sense of its responsibilities, and cause people generally to realise that there is something more than mere shibboleths in the ideas underlying sound finance. I appreciate that the extraordinary severity of the position existing in the farming areas might be considered by some people to warrant such legislation, and I think the hon. member who has brought it forward and those who have supported him have done so with a full sense of their responsibility.

At the same time, I should like to point out that the principles that have been laid down as the foundation of sound finance have not been adopted haphazardly. They have been the result of long years of experience in handling the financial affairs of the world. They are the principles upon which the integrity of the City of London was established—an integrity which means that a bill drawn upon London is recognised as the safest credit instrument that any country could have. In consequence, the business of many countries outside the British Empire has for decades been conducted entirely by means of utilising bills on London. Such bills are accepted with confidence, because the principles of sound finance are rigidly adhered to by the people negotiating those documents.

There has been a lot of harsh criticism of the financial institutions. I think everyone should recognise that the financial institutions, to their credit, have carried their clients through all the adverse experiences of the last few years and are prepared to carry them on still, but they do demand that in so doing they should be permitted to exercise a certain amount of selection. I contend that many of the severe conditions under which farmers are suffering are due to the fact that there has been far too great a tendency to ignore this and deal with the farmer en bloc, rather than consider each case individually. I could engage in a long discussion of the causes that have been contributory to the difficulties of the farming industry, and also point out the effect of the economic policy of the Commonwealth

on the position of the farmers. I have no intention of doing that, because it is all well known to members. I should like to say, however, that by imposing compulsion on the institutions handling the security upon which money has been advanced, we should be striking another vital blow at the financial stability of this country at a time when above all anything of the kind should be avoided.

Hon. C. F. Baxter: What about the legislation in other States?

Hon. H. SEDDON: I am not concerned about the position in other States at present, but I am concerned with the effect this Bill would have on the financial position of the country. Reference has been made to the steps taken by the Government during the depression. I have protested again and again in this House that the Government's action was dishonest. I pointed out that the reductions made were repudiation and would have their effect in future. They did. What I wish to do is to stop this deterioration in financial policy by urging adherence to the sound principles of finance. That is the basis on which I propose to deal with this Bill. I feel that in the farmers' own interests we must save them from themselves.

Hon. E. H. H. Hall: You will clear the ground.

Hon. A. Thomson: Save us from our friends!

Hon. H. SEDDON: I should like to stress that we cannot go far wrong if we adhere to sound principles. The hon. member may be mistaken. The result of passing the Bill may easily be a greater tragedy. In very general terms I have just pointed out the considerations which lead me now to resist this Bill as I have resisted it on various occasions.

Hon. A. Thomson: One thing is certain, that you are consistent!

Hon. H. SEDDON: Hon. members have said that unless the measure passes, the farmers will be compelled to walk off their holdings. That is a heart-breaking prospect, as everyone admits. At the same time I ask farming members to be fair. Any number of men who failed in business handed over the whole of their assets to their creditors and walked out penniless to start life afresh. There is no special request made for consideration to be extended to those men. Like the farmers, they took on responsibilities, and after failing stood up to them as far as lay in their power.

Hon. A. Thomson: Would you like to think that there must be a wholesale evacuation of farmers into the bankruptcy court?

The PRESIDENT: Order!

Hon. H. SEDDON: Let me point out that many farmers have walked off their holdings already, and have found employment in other industries. Again, every indication is that the agricultural industry must adopt a system which, for want of a better term, I will describe as factory conditions, in order to be able to carry on. From that angle the prospect of hundreds of farmers walking off their holdings might have to be accepted, even from other considerations than those inferred by the Bill.

Hon. L. Craig: What conditions would you set up in the farming industry? Factory conditions?

Hon. H. SEDDON: I understand that one farmer has already tried farming on those lines successfully. I understand also that in the United States of America farmers are working on the basis of huge areas.

Hon. E. H. H. Hall: In what kind of agriculture?

Hon. H. SEDDON: Wheat-growing. There are large-scale wheat farms in the United States, and it seems to me that those are the lines agriculture should follow in Western Australia.

Hon. W. J. Mann: We would get down to Russian conditions.

Hon. H. SEDDON: The people who are farming on those lines in America are a long way from being on Russian conditions. They are individualists pure and simple. That was what I meant by suggesting the adoption of factory conditions in connection with farming.

Hon. A. Thomson: Squeeze out the little men!

Hon. H. SEDDON: Has not the development of farming in Australia been all in the direction of larger and larger holdings?

Members: No.

Hon. H. SEDDON: And larger and larger quantities of machinery?

Members: No! Not at all!

The PRESIDENT: Order!

Hon. H. SEDDON: The fact is that successful wheatgrowers are men who have adapted themselves to greater and greater utilisation of machinery and working it on

larger and larger areas. One cannot get away from that. That is obviously the tendency. Not that I pose as an authority on farming, but what I have stated is obvious. In conclusion I would say that by passing the Bill we would be striking a deadly blow at conditions existing to-day and at the institutions which are trying to help the agricultural industry. The whole ground has already been thoroughly covered by abler members than myself. For the reasons I have stated I must oppose the Bill.

HON. H. V. PIESSE (South-East) [8.37]: It is not my intention to say much on the Bill. In fact I would not have risen had I not heard the remarks of Mr. Seddon. I have had great confidence in that hon. member, and have always listened to his speeches with much interest. But I must say that to-night, for once in his life, he has been talking on something about which he apparently knows nothing. I assure the House that it is indeed hard for farmers, and for people who know the disabilities under which farmers labour, to listen to such statements as Mr. Seddon's. Here is a Bill which has been discussed from three or four different standpoints. Those responsible for the Bill gave hours of study to its drafting. They regard the passing of the measure as essential, in more ways than one. They know the conditions under which farmers are suffering. Although the financiers in this Chamber may say that we are going to cut off our credit by passing even the second reading, I still contend that the time has arrived for the enactment of such a Bill as this. Such members as Mr. Drew have recommended that a select committee of both Houses should take the measure into consideration and report back to the Houses.

Hon. J. J. Holmes: What can they report?

Hon. H. V. PIESSE: They might be able to give the hon. member some information. He is a practical man with unlimited capital. He to-day has a hay crop. How many of us to-day, even in the favoured centre of Katanning, have a hay crop? On my own farm I have not one blade of crop that I can call a hay crop. I do sincerely hope members will permit the Bill to pass the second reading. Surely the evidence to be taken by the proposed select committee will prove of advantage to everyone. We cannot get away from the fact that the Minister for Lands, Mr. Wise, has made a statement in this morning's paper. I must congratulate the Government on the way in which they have taken up the question. However, the Minister states this morning that no one has approached the Agricultural Bank or the stock agents. That fact is due to the optimism of the farmer, who has been waiting for rain daily and weekly. During every day and every week that has gone by, the farmer has waited to see rain come down. It is only now that we have to confess——

The Chief Secretary: You wanted to know what was being done by the Government, did you not?

Hon. H. V. PIESSE: The Government has moved well in the matter. We have no complaint against the Government, except that it moved secretly.

Hon. J. J. Holmes: Has Mr. Wise approved of this Bill?

The PRESIDENT: Order! Order!

Hon. H. V. PIESSE: It is of no moment to me whether Mr. Wise has approved of the Bill or not. The measure is before Parliament, and I sincerely hope the Council will pass the second reading. Returning to Mr. Wise's statement of this morning, I may mention that at nine o'clock this morning I wrote out my position to lay before my bankers. Hitherto I had not done so, because I was waiting for rain. Like all farmers, I am full of confidence and do not want to admit myself beaten until I am actually beaten. That is the reason why the majority of farmers have not so far approached the stock people or the financiers.

Hon. J. J. Holmes: They are afraid to do so, with this Bill hanging over them.

Hon. H. V. PIESSE: They are not afraid. Other people may have said that they were afraid of a drought. I ask members to afford us an opportunity for sending the Bill to a select committee. I know that Mr. Thomson intends, if the Bill passes its second reading, to move in that direction. No harm can possibly result from such a step. There is the case of the new public buildings. A Bill for their construction was defeated here on two or three occasions. The measure was passed after investigation by a joint committee. Surely the Council will pass this Bill, so as to give the farmers and others an opportunity to state their case.

HON. T. MOORE (Central) [8.43]: Seeing that we have had a similar measure before us so recently, I need not make a long speech on this Bill. However, I do wish to correct some statements made by members who do not understand the measure. Unfortunately, many people still believe—most of them city folk, or men who have lived in some other portion of Western Australia than the wheatgrowing areas—that the farmers themselves are solely responsible for the position in which they find themselves to-day.

Members: No.

Hon. T. MOORE: Unfortunately it is so.

Hon. A. Thomson: That has been definitely stated in this Chamber.

Hon. T. MOORE: We have to-night the authority of Mr. Seddon, who is understood to have studied finance, for saying that unfortunately the farmers have been treated en bloc, which can only mean that the banks have taken them over holus bolus. But that is altogether incorrect. The fact is that the financial institutions took over those farmers who had made good under the Agricultural Bank—or at all events a great number of those farmers. That is undoubted. It is the successful farmers who are now in difficulties. Hon. members who have been in the business know that to be a fact. I could quote numerous cases in my own district where financial institutions, knowing a man was making good on the land, went after his business, and said to him, "You are doing all right, but we know you are hampered owing to the fact that the Agricultural Bank is not allowing you as much credit as you could use. Come to us, and we will give you more credit." There is no denying that. I could give many instances and bring men to bear witness that that is a fact. There is not the slightest doubt that the financial institutions, instead of taking the farmers en bloc, did the picking. Nor did the financial institutions accept the farmers at their face value. The institutions made many inquiries.

Hon. J. Cornell: They did not take the farmers in their Sunday clothes.

Hon. T. MOORE: These farmers were men of character who knew their business and in many cases were making good. They were chased by the financial institutions which desired to take them under their wing while the going was good. The other section of farmers was left to the Agricultural Bank and secured a writing-down of their debts. It was considered by this House to be fair that that writing down should take place. This House passed the Bill authorising the writing down because the money at stake was Government money; it was taxpayers' money. Members said, "We will pass a measure giving the Government power to write down the debts of Agricultural Bank clients." If that action were fair and in the interests of the State—and much was done for men in the South-West—

Members: Millions.

Hon. G. B. Wood: Eight millions.

Hon. T. MOORE: Yet some members to-day adopt a different attitude while other members are attempting to secure redress for a section of the community equally deserving.

Hon. H. S. W. Parker interjected.

Hon. T. MOORE: The Agricultural Bank wrote down millions of pounds owing on properties belonging to people the hon. member represents on the group settlements.

The PRESIDENT: Order! The hon. member must address the Chair, not an individual member of the House.

Hon. T. MOORE: I was rather led away, because I am aware of the antagonism of some members to this Bill. I am surprised that they, having supported a measure passed to give relief to Agricultural Bank clients—on which occasion they sided with the Government—are now very wrathful when it is proposed to render similar assistance to other farmers equally deserving. If we had but one banking institution we would not be in this difficulty at all. I have said time and again that there should be only one banking institution in Australia, the Commonwealth Bank. If that was so, our worries would be ended. It would be Government money that would be used to help these farmers, in the same way that it was Government money that was used to assist the Agricultural Bank clients. Money was given away in millions.

Hon. J. J. Holmes: The writing down by the Agricultural Bank was voluntary. This measure proposes a compulsory writing down.

Hon. T. MOORE: We are proposing to do now only what was done before. We are

not writing off these debts, but freezing credit for a short space of time.

Hon. A. Thomson: That is the point members are losing sight of.

Hon. T. MOORE: This is the time when it should be done. Mr. Seddon said that this was not the time to interfere with credit, but I contend this is the very time to do so. Mr. Menzies, the Prime Minister, recently said that when this war is over reforms long overdue will be brought about. It is always "after the war." I maintain that now is the time we require performance. Mr. Menzies admits that reforms are overdue. This is one very much overdue. As I said, it is not a writing off, but merely a freezing of credit for a time. It must be borne in mind that the financial institutions were a party to the agreement entered into with the farmers. The institutions said to the farmers, "We will advance you sufficient money to carry on, believing that you can make good." The agreement was entered into, but fate was against the parties. So far as the financial institutions are concerned, however, it is a case of "Heads I win, tails you lose." They do not intend to lose. But is it not fair to take into consideration the fact that the financial institutions sought this business which at the time they considered to be sound? Mr. Seddon said that it was immaterial to him what had happened between those institutions and the farmers, he was not going to take any notice of it. After all, a similar Bill was enacted in Victoria. It has not been followed by stagnation there; no writing off has taken place nor has credit been stopped. Something must be done to relieve the present situation, otherwise we shall get further and further behind. The farmers are in this position: They have been hoping for years and now are older men. The time has gone when they can do as much work as they did formerly. They have given the institutions of their best for many years past and surely they should get something in return. I hope members will not vote against the second reading, but will see that justice is meted out to these farmers. Let the Bill go to a select committee, as was suggested by Mr. Drew. Let us talk the whole thing over.

Members: Hear, hear!

Hon. T. MOORE: What harm could be done by passing the second reading?

Hon. H. V. Piesse: If the Bill reached the Committee stage, the Chairman could be voted out of the Chair on the first clause.

Hon. T. MOORE: Any suggested alterations by a select committee would receive the careful consideration of this Chamber. I hope members will be fair to themselves and fair to a large section of the community deserving of consideration. Forget the idea that it will be a bad thing for the farmer. He is quite prepared to accept the risk. If eventually the financal institutions should dispossess the men of their properties, these will have to be written down tremendously. Enormous losses will ensue. On the other hand, if these credits are frozen for a year or two, when perhaps the war will be over, the financial institutions will be in a much better position than they are to-day. I can see no harm in allowing the second reading to be passed. I hope a joint committee of both Houses will be appointed to inquire thoroughly into the Bill in order to ascertain whether some measure of relief can be afforded to these deserving farmers.

HON. F. R. WELSH (North) [8.53]: While listening to the debate, I was struck by the fact that the pastoralists were mentioned. As the Government recently appointed a Royal Commission to inquire into the pastoral industry, I think it was a tactical error on the part of Mr. Thomson to bring this measure forward before that Royal Commission's report was available.

Hon. A. Thomson: We were hoping that the report would be available before the Bill was introduced.

Hon. F. R. WELSH: I am sorry it was not. Pastoralists in the back country have suffered greater hardships than have the farmers.

Hon. A. Thomson: As great, anyhow.

Hon. F. R. WELSH: I say greater. Some pastoralists are living 200 miles from a township; they have a monthly mail service only, and they get into the township but once in 12 months. On the other hand, the farmer enjoys social amenities. He can attend a football match on a Saturday afternoon or go to a dance on a Saturday evening.

Hon. A. Thomson: We agree with you that the pastoralists are in a bad way.

Hon. F. R. WELSH: I consider the Bill will not have the effect desired by the members supporting it. On

the contrary, it will have precisely the opposite effect. The Minister's suggestion of a round table conference is a good one, just as good as the suggestion that a select committee should be appointed. Matters such as this can be discussed around a table, when some arrangement no doubt could be made for the adjustment of these debts. Much has been said about financial institutions. Mr. Moore said that they chased the business, that they ran after the farmers. My experience is that it is usually a borrower who approaches a bank. These farmers no doubt asked for advances or credit to enable them to improve their properties; having effected the improvements, they then asked for additional credit to enable them to carry on their business. The acceptance of such credit implied a promise to repay the amount at some future date.

Hon. T. Moore: If possible.

Hon. F. R. WELSH: I ask what chance would these farmers have had to obtain credit had they gone to the financial institutions with the conditions which this Bill proposes to provide? Owing to adverse circumstances, the farmers now ask that their debts should be written down by half. I repeat, what chance would the farmers have had of obtaining credit if this legislation had been in force?

Hon. G. B. Wood: How did the storekeepers get on?

Hon. F. R. WELSH: They were financed by the banks or by the city merchants.

Hon. H. V. Piesse: By the banks.

Hon. F. R. WELSH: They supplied agricultural machinery to enable the farmers to carry on their farming operations. I certainly have nothing against the farming industry; I have been living on the land all my life. In conclusion, I say that the outback areas of this State—pastoral or farming—were not pioneered or settled by men who looked for or wanted this class of legislation. In the circumstances, I cannot support the measure.

HON. J. NICHOLSON (Metropolitan) [8.57]: I am extremely pleased to hear the last speaker give expression to his views not only on the Bill but also on the pastoral industry, which we all believe has suffered even more than has the farming industry. I believe this Bill has been brought forward with the best of intentions by the mover and his supporters. No doubt they have come to the conclusion that the method of relief suggested by the Bill is the only method whereby the present grave position of the farmers can be rectified. I am sorry for the farmer. I am interested in the industry and regret deeply the conditions which have overtaken it. Nevertheless, I say emphatically that if this measure passes, then in place of helping the farming industry it will put the clock further back. In matters of this kind, the adjustment between loss on one side and gain on the other is worked out on a theory of values. One must balance the other, even in the elements.

Hon. T. Moore: There is no balance in the elements.

Several members interjected.

The PRESIDENT: Order!

Hon. J. NICHOLSON: If the member who has introduced this Bill would but realise the value of taking into account what its effect must be on the industry, he would appreciate that it is absolutely necessary to adopt some other method to attain his end.

Hon. G. B. Wood: What is that method?

Hon. J. NICHOLSON: We have been told that in order to act rightly we must think rightly. If ever a measure came before us where it was essential for us to act and think rightly, it will be acknowledged that this is one of that type. I venture to say it is not by seeking to balance the account of the farmer by reducing the debt owing to the person or persons from whom the money was borrowed, that we will rectify the position. There is only one course, where any disaster overtakes an industry vital and important to the country or State, that can be pursued, and that is for the State as a whole to share in rectifying the burden and balancing the account.

Hon. A. Thomson: How do you propose that should be done?

Hon. J. NICHOLSON: The moment the writing-down of these debts takes place it must have its reaction, as other speakers have pointed out, and as Mr .Seddon instanced a few minutes go. That reaction will lead to the staying of the hand of those who had been inclined to invest in country properties in this State from so investing, or taking any part in the development of country properties. I want to show the sponsor of the Bill that it would work very grave injustice upon many people. Criticisms that

have been pronounced to-night and the strictures that have been levelled against financial institutions apply only to a certain limited number of people who have an interest in country properties and which strictures are not justified. Other people besides financial institutions are interested in country properties, namely, individuals. Some of those individuals are women who have been bereaved of the bread winner.

Hon. G. B. Wood: This would not apply to them.

Hon. J. NICHOLSON: In many instances they are the mortgagees. I point out the seriousness of passing such a measure as this.

Hon. J. Cornell: The hon. member has forgotten the orphans.

Hon. J. NICHOLSON: The Bill contemplates the suspension and the writing down of secured debts. Those people concerned in the way I have indicated are dependent upon the interest they expect to receive from their investments.

Hon. G. B. Wood: How have they got on hitherto?

Hon. J. NICHOLSON: The debt will be suspended to begin with, and ultimately written down.

Hon. A. Thomson: Not necessarily.

Hon. J. NICHOLSON: We know what has happened in connection with the Mortgagees' Rights Restriction Act. We shall probably see ensue in these cases the same results that ensued in other cases under the Act to which I have just referred.

Hon. A. Thomson: Not necessarily.

Hon. J. NICHOLSON: It is always unwise for legislation to be brought in, in circumstances such as these, because we should consider not the individual but the State. The Bill does not consider the State. It may well be said that there would be as much justification for the introduction of a Bill making provision whereby a man, who bought a property for a big price a few years ago, was entitled to go back to the vendor and say, "Unfortunately I have been overtaken by adverse weather conditions and general circumstances. The result of it all is that the land for which I paid you a large sum has depreciated in value, and I am now going to claim as a right that so much of that excess value which is spoken of in this legislation, and which you have got from me, shall be returned to me." Another inconsistency about the measure is that it seeks to place the mortgagee practically in the position of co-owner instead of that of lender of the money, a totally wrong position. The Bill practically says, "We blame you, the mortgagees." Blame is put upon the mortgagees. That has been referred to by several speakers.

Hon. T. Moore: You think it ought to be fifty-fifty.

Hon. J. NICHOLSON: Members suggest that the mortgagees should share in the loss which the owner of the land declares he has suffered up to the present.

Hon. G. B. Wood: Do you not think he has suffered loss?

Hon. J. NICHOLSON: I did not catch the interjection.

The PRESIDENT: The hon. member might proceed with his remarks.

Hon. J. NICHOLSON: It is stated that the mortgagee should practically take the position of co-owner instead of retaining the relationship that is established under any mortgage. He is asked to share the responsibility.

The PRESIDENT: Order! If members wish to converse I suggest that they leave the Chamber.

Hon. J. NICHOLSON: He is asked to share the losses of the farmer who has borrowed money from him. In principle that is wrong. It is a process of wrong thinking and wrong acting and can result in only one thing. Anything that is founded on a wrong basis cannot possibly prove of worth. A mortgagee stands in quite a different position compared with an owner, but not once is it suggested or outlined in the Bill that if there should be a rise in the value of the assets of the farmer, which are included in the mortgage, the mortgagee shall be entitled to recover the amount that was borrowed from him and advanced by him.

Hon. T. Moore: Why not embody that in the Bill as an amendment?

Hon. J. NICHOLSON: This indicates that in place of the Bill having been carefully thought out, it has not received thorough consideration. The main point is, what will be the effect on the credit of the State? Will Western Australia benefit by such a measure? If it is not going to benefit, we shall be doing an injury to the State if we pass the Bill. In the interests of Western Australia, I must vote against the second reading.

HON. V. HAMERSLEY (East) [9.13]: I cannot allow the remarks of the last two speakers to pass. They convey the impression that amongst the primary producers of this country the pastoralist is one who can stand alone and set a good example to the farmers. The great majority of pastoralists are well and truly situated in the southern portion of the State rather than in the northern portion. There are more sheep south of Geraldton than there are north of it.

Hon. F. R. Welsh: There were, but not now.

Hon. V. HAMERSLEY: That holds good to-day as it did in years gone by. The output of wool from the southern portion of the State is greater than it is from the North. I hope members representing the North will not forget that there are more sheep in the agricultural areas than there are in what are known as the pastoral areas. Reference has been made to financial institutions and what they have done for the country. It would take me too long to repeat my own experiences. I admit these institutions have done remarkably well. I could go back to the days when many of the old people came out here with their own wealth. They paid their own passages, and found no banks or financial institutions to help them. They had to get along on what I suppose many people refer to as "shin plasters." They are also spoken of as I.O.U's. Many of the early settlers got into great difficulties, but they battled on. As a result primary producers have created in the aggregate over £480,000,000 worth of produce that has been sent overseas. Later, secondary industries were developed and supplanted many engaged in primary production and helped themselves to a great proportion of that £480,000,000, of which the financial institutions also have taken a great share. When I mention the "Merchant of Venice," members will agree that good old Will Shakespeare foresaw what was to happen in later times, because invariably the financial institutions, like Shylock the Jew, demanded their pound of flesh. With this impression uppermost in my mind, I must support the second reading of the Bill.

I believe Mr. Drew's suggestion that the Bill should be referred to a select committee is most admirable. The committee could take evidence, of which vast quantities are available, and that evidence would make some of the financial houses realise the enormity of what they have done. During the financial depression, the people generally had to submit to a writing down of 22½ per cent., but the banks evaded their responsibility in that direction by an arrangement with the Federal Government under which they secured an extension of the time because of contracts they had in hand. Everyone else had contracts, so I cannot understand why the banks were allowed to escape their responsibilities. During a period of six or eight months, those institutions very quietly got to work and, without any notification, jumped up the rates of interest on overdrafts so that when later on they had to conform to the percentage reduction, they were merely brought back to where they were before. Thus the banks lost nothing. All during that period they were able to continue making profits and paying dividends of eight or ten per cent. The banks could do that at a time when the farmers and pastoralists, whose hard work had created the wealth of production that has made Western Australia, were going to the wall, and I regard it as deplorable that they and their sons should be driven off the land. The money they had put into their properties, be it £5,000 or £20,000, has gone by the board. Mr. Roche quoted instances and I could quote others to show that men who have invested thousands of pounds in their farms have lost their all. Their equity in their properties is not considered, but their writing off is taken for granted only because, like Antonio in his dealings with Shylock the Jew, they signed a bond. Members would be well advised to pass the second reading of the Bill and then to refer it to a select committee so that particulars of some of these transactions may be published.

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

BILL—HARBOURS AND JETTIES ACT AMENDMENT.

Second Reading.

Debate resumed from the 26th September.

HON. C. F. BAXTER (East) [9.21]: The Bill must be a record for shortness, for it contains one small amendment. The Chief Secretary explained that its introduction

was necessary to bring the principal Act into conformity with the Commonwealth legislation, and that operating in the other States. He did not mention the other States, but I assume that is so. I certainly cannot approve of the proposed amendment. The Act at present provides that when damage is caused by a ship that is under the charge of a compulsory pilot, the owner shall be responsible for any damage done "unless it is proved by the owner or by the master that the damage was caused by the negligence of the pilot." Thus if, through the negligence of a pilot, damage is done by a ship, the responsibility rests with those who employ the pilot. The Bill seeks to set that provision aside and to make the ship owners responsible for damage caused through the negligence of an individual over whom they have no control.

The Chief Secretary: They are responsible now.

Hon. C. F. BAXTER: I presume the Minister means that the companies are responsible under the Federal Act. That, however, does not say that we should make our legislation conform to the Commonwealth Act if the principle embodied in the latter is wrong.

The Chief Secretary: The Commonwealth legislation overrides a State law.

Hon. C. F. BAXTER: If we adopt such a course, members will appreciate where it will lead. I shall not agree to any such proposal because it runs counter to my principles. Such a proposal would be a precedent that might be applied in other directions. I shall oppose the second reading of the Bill.

On motion by the Chief Secretary, debate adjourned.

House adjourned at 9.24 p.m.

Legislative Assembly,

Wednesday, 2nd October, 1940.

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

QUESTION—PERTH HOSPITAL.

In-patients Treated.

Mr. NEEDHAM asked the Minister for Health: How many in-patients were treated at the Perth Hospital during the financial years ended the 30th June, 1936-37, 1937-38, 1938-39, and 1939-40?

The MINISTER FOR HEALTH replied:

Patients treated.

	1936-37.	1937-38.	1938-39	1939-40.
Perth Hospital:				
Civil Wards	5,934	5,789	5,834	6,006
Repatriation Wards ..	650	680	670	741
Infectious Diseases Branch .	1,271	1,479	1,076	1,272
Total	7,855	7,948	7,580	8,019

QUESTION—FIRE-FIGHTING SERVICES.

As to Increasing Efficiency.

Mr. NORTH asked the Minister for the North-West: 1, Are any steps being taken to increase the efficiency of our fire-fighting services, both regarding personnel and appliances? 2, How long does it take to train a fireman? 3, Is fire-fighting equipment manufactured in Australia? 4, Is the question of augmenting the service dependent upon civil defence legislation?