Legislative Council,

Tuesday, 7th September, 1926.

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

QUESTION—HERDSMAN'S LAKE LAND.

Hon. A. BURVILL asked the Chief Secretary: 1, Does the Minister for Lands intend to dispose of the reclaimed land in Herdsman's Lake in fee simple or on lease? 2, If the latter, what will be the terms of the lease? 3, In either case, will there be a clause to prevent sub-letting to Asiatics?

The CHIEF SECRETARY replied: 1, Fee simple on 30 years' terms. 2, Answered by No. 1. 3, The matter will receive consideration under Section 25 of the Land Act, 1898, but no Asiatic will be allowed to select such land.

RETURN—LAND TAX ASSESSMENTS.

HON. H. STEWART (South-East) [4.34]: I move—

That an analysis of the State Land Tax assessments for the years subsequent to the 30th June, 1922, be laid on the Table of the House.

I intended to move this as a formal motion, but the Minister was unable to comply with my request and I now take the opportunity to give my reasons for asking for the information. I shall be glad to hear the reason that actuated the Government in not complying with my request. In perusing the 17th annual report of the State Commissioner of Taxation—for the year ended the 30th June, 1925—I noticed that whereas full information is given regarding the incidence of income tax, very little and by no means up-to-date information is given regarding land taxation. I would direct members' attention to the Commissioner's full and informative report on the revaluations of land to determine the unimproved value. The Commissioner stated that since his last report eight road districts had been revalued, making a total of 21 road districts revalued since amalgamation. As a result, the valuations in many places have been increased. The unimproved value in the Gnowangerup road district has been increased by roughly 50 per cent.; the new unimproved value for the Merredin district is 2½ times greater than the old valuation, being £520,119 against £222,908; the Mt. Marshall district has been increased from £122,215 to £282,112; and Narembeen from £63,970 to £319,849, or five times the previous valuation. Dealing with the revaluations effected in the city and suburban area, the report shows that in the central city, Victoria Park and Subiaco districts, the old value was £4,356,517, whereas the new value is £5,416,773, an increase of over £1,000,000. Examples are also given of country town revaluations. Albany has been increased from £215,572 to £281,103, Collie from £38,243 to £87,596, and Katanning from £77,505 to £96,623. These three towns combined show an increase from £331,320 to £465,322. The report contains a series of valuable tables. Table A gives an abstract of revenue collected during the four financial years ended 30th June, 1925, from land tax, income tax, dividend duty, totalisator duty, etc. Four other tables give analyses of the occupations of income taxpayers, the number of people taxed, and the average incomes. Table C gives particulars of returns received in respect of land tax, income tax and dividend duties, and particulars of the persons or companies actually taxed. The point is that full information is given in respect of income tax, company duties and totalisator duties. Yet the only table that gives detailed information of land tax is Table M, on page 11 of the report, which is an analysis of land tax assessments for the year 1921-22 as at the 30th June, 1925. This means we have no information about the incidence of the land tax since 1921-22, when this report—the latest laid before the House—was compiled. In view of the fact that the amending legislation was passed two sessions ago, we should be able to get complete details of the amount collected. I

am not asking for anything new. I am simply asking that a table, similar to Table M, should be presented for the years subsequent to the years 1921-22. Table M sets out the classification of land under the headings metropolitan, goldfields towns, other towns, and country land, and gives details of the area assessed and of the value of land liable to tax at the improved rate of 1d. in the pound and at the unimproved rate of 2d. in the pound. The third column deals with the area exempt from tax, and the fourth column with the total area. In a nutshell, the position is that the last report of the Commissioner of Taxation includes tables giving up-to-date information as to incidence of income tax, dividend duty, and totalisator tax, but not of land tax, which is only brought up to the year 1922. I hope the House will regard my motion as a reasonable request. I do not ask that the information be given for the year 1925-26, but it should be as up to date as the Commissioner's last report. I ask leave to alter my motion by inserting words which will make it clear that I desire the information in the form of the table "M" to which I have referred.

THE HONORARY MINISTER (Hon. J. W. Hickey—Central) [4.47]: I am compelled to oppose the motion, as it would entail considerable expense to compile such a return. I considered the matter so important that I consulted the Commissioner of Taxation regarding it and obtained from him a statement of his views. The Taxation Department will afford Mr. Stewart every assistance to secure the information he desires, but to make an official tabulation on the lines of the motion would involve a cost disproportionate to the benefits to be secured. What Mr. Black writes will, I think, convince Mr. Stewart that to press the motion would be unreasonable. Mr. Black's communication reads:—

> My seventeenth annual report, page 11, table "M," contains an analysis of State land tax assessments as at the 30th June, 1925. There are over 42,000 State land tax assessments made annually. To analyse these assessments for three years is going to take a considerable amount of time, and will interfere with and delay the current year's work, and consequently prevent the realisation of the estimated amount of Federal and State land tax for the current year. It is not desirable that there should be any interference with the current work; consequently additional officers will have to be put on, or the present staff put on overtime at Federal rates, which are considerably in excess of ordinary rates of pay, if the information is to be supplied. As the agreement between the Commonwealth and State Governments for the collection of joint taxes does not provide for work of a special nature of this kind being undertaken, the approval of the Federal Commissioner will firstly have to be obtained to carry out this work and the cost thereof will be chargeable against the State Government.

Most of the reasons for the rejection of the motion are contained in the Commissioner's statement. It is plain that to make an analysis of 42,000 State land tax assessments would imply much work and heavy expense. The cost must be disproportionate to the results.

Hon. H. Stewart: What would the cost be?

The PRESIDENT: I think Mr. Stewart said he wished to alter his motion.

Hon. H. Stewart: Yes.

The PRESIDENT: Has the hon. member written out the motion as he desires it to be altered?

Hon. H. Stewart: I will write it out, Sir.

The PRESIDENT: I wish the hon. member had the desired alteration written out. Standing Order 97 provides—

> After a notice of motion has been given, the terms thereof may not be materially altered. A member may deliver at the Table an amended notice on any day prior to that on which he intends to proceed with such motion. By leave of the Council a member may withdraw any notice of motion standing in his name when it is called on by the President.

Mr. Stewart desires to alter his motion to read—

> That a tabulated statement similar to table "M" in the seventeenth annual report of the Commissioner of Taxation, giving an analysis of the State land tax assessments for the years subsequent to the 30th June, 1922, be laid on the Table of the House.

It is not fair to delay the business of the House while an honourable member is writing out a notice which might have been written before the House met.

Hon. H. STEWART: I wish to apologise to you, Sir, and the House for the delay which has taken place. My desire to alter the motion arose from a remark made by the Honorary Minister by way of interjection, a remark which led me to think that he did not fully understand the position. That position, however, is clear to anyone who has the report of the Commissioner of Taxation before him.

Leave given, the motion amended accordingly.

On motion by Hon. E. H. Harris, debate adjourned.

BILL—FEDERAL AID ROADS AGREEMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew) [4.58] in moving the second reading said: The Bill consists chiefly of the agreement which has been signed by the Commonwealth and the State Government. The terms were arrived at during a conference between the Works Ministers of the various States and the Commonwealth Government held in Melbourne early this year. Under the scheme £20,000,000 will be provided for road construction. Western Australia's share of the £2,000,000 per annum—it is proposed to spend two millions annually for 10 years—is £384,000, which amount has been arrived at on a population and area basis. The £384,000, plus the State's contribution of 15s. in the pound, will mean that for 10 years £672,000 will be expended annually within this State on road work—representing a total of £6,720,000 in 10 years. The agreement enables the Federal Government for ten years to deduct annually from their grant an amount representing three per cent. of the loan moneys provided by the States for road making. This is to be paid into a sinking fund. It is considered that by means of the investment of this money, and compound interest, the liability will be liquidated inside of 20 years. The State contribution, as I have already indicated, is 15s. in the pound in lieu of pound for pound as was the case under the former arrangement. The Commonwealth insisted upon a substantial amount of the State's contribution being paid out of revenue. This State's quota from revenue, in the terms of the agreement, is £36,000 per annum. When introducing his Budget the Premier will announce the means it is proposed to adopt to provide the balance of the State's contribution. In connection with the sinking fund, during the first 10 years the State Government will have to advise the Federal authorities each time that an allocation is made from loan funds, and the Commonwealth will then deduct from money available under the agreement an amount equal to three per cent. which will be paid into a trust fund for sinking fund purposes. That arrangement will not continue during the second 10 years. During the second 10-year period the State Government will have to find three per cent. to pay into the sinking fund. For the first 10 years the Commonwealth Government will hold back sufficient money to cover the three per cent., and as I have just said, during the next 10-year period, the State must find that money out of revenue. The sinking fund provision is regarded not only by the Commonwealth Government, but also by the State Government as a very sound proposition, as under that arrangement the loan will be redeemed before the roads are worn out. In connection with the amount of £36,000 to be provided out of revenue, it should be remembered that Western Australia is the only State in the Commonwealth that will not have the traffic fees to draw upon. Every other State is able to utilise the traffic fees in connection with the contribution under this grant. In the other States those fees are paid to the central authorities, not to the local authorities and the amount spent by such authorities is considered as part of the State's expenditure. The position here is different, owing to the legislation passed last year, and it is not the intention of the Government to in any way interfere with that arrangement. An effort was made by the State representatives at the conference to have the traffic fees paid to the local authorities and treated as part of the State's contribution under the agreement. The Federal Minister, however, would not agree to that. He pointed out that the Commonwealth Government did not wish to discriminate between the States in this matter. In Western Australia, therefore, it means that in addition to the £672,000 to be expended each year under the agreement, there will also be the money spent by the local authorities. Paragraph 5 of the agreement prescribes the class of road to be constructed. The only alteration compared with the previous agreement is that we shall now be able to use some of the grant for main roads and we shall not be limited to roads running out at right angles from railways. A number of restrictions appearing in the previous agreement which were considered hampering, particularly to conditions in Western Australia, have been waived by the Federal Government. The State Government is confident that a much wider interpretation than hitherto will be

placed on the proposed agreement. Each of the local authorities in this State has been requested to submit a five years' road construction programme. These programmes are now being investigated by the Main Roads Board. The board will then make a recommendation to the Minister for Works who in turn will forward his recommendation to the Commonwealth Minister in Melbourne. Before the expiration of five years the second five years' programme will be prepared in a similar way. The final decision in regard to the programme rests with the Commonwealth Minister, but should the programme be in accordance with the terms of the agreement, he will have no power whatever to disallow it. No money can be made available for any particular road until the programme, which includes that road, is approved by the authorities in Melbourne. Pending the finalisation of the proposed agreement, the Commonwealth Government has allowed the State Government three months' money on the same basis as last year's allocation, subject to the condition that such money be expended on roads that have not already been approved by the Commonwealth. That arrangement I understand is being kept. In anticipation of Parliament approving of the agreement embodied in the Bill, the Government proceeded to appoint the Main Roads Board so that they might be prepared for their work as soon as the agreement received the authority of this Parliament and that of the Federal Parliament.

Hon. J. Ewing: Will the Main Roads Board expend all the money that is available?

The CHIEF SECRETARY: I think that is the intention. The Main Roads Act makes practically no provision for funds for the Main Roads Board, and if the agreement contained in the Bill is not ratified, the board will have no funds with which to operate. The Government was so impressed with the liberality of the terms of the agreement, especially towards Western Australia, that they took the responsibility of appointing the board, feeling certain that our Parliament would endorse the agreement that had been made. Paragraph 6 of the agreement provides that at least one-fourth of the expenditure must be on new construction. This provision would not affect Western Australia to any extent because it is anticipated that between 70 and 80 per cent. of the money will be expended on new roads. Although the five years' programme is insisted upon by the Commonwealth, the State has been assured that should any unforeseen development occur, necessitating the transfer of money from one proposal to another, every consideration will be given to such a request, provided it is supported by the State Government. Roads running through towns containing a population of less than 5,000 will come under the scheme, but roads running through towns with a population in excess of 5,000 will be outside the scheme. The agreement provides that there must be made adequate provision for the maintenance of roads. The State Main Roads Board prescribes how this is to be done, or rather the Act that we passed last session indicates it, and in view of that fact I do not think there is very much reason to worry. In the past the Commonwealth Government refused to meet any proportion of the overhead expenses in connection with surveys and other like matters. Under the old arrangement these charges amounted to as high as eight per cent. The cost is now about six per cent., and under the proposed agreement the Commonwealth agree to pay two per cent. towards the charges irrespective of whether such charges amount to two per cent. or not. In the past they have not contributed a single sixpence towards that object. Some particulars of the amount expended over the three periods during which the Federal Aid Grant has been in operation, might be of interest to hon. members—

Out of the No. 1 grant work was carried out on 73 roads comprising: clearing 135 miles, forming 84 miles, gravelling and metalling 34 miles, and 150 bridges and culverts and river crossings. The total expenditure at the end of that year was £79,194. The amount spent by the department, including sub-contracts, was £78,678, by road boards £308, and by contract £208. Out of the No. 1 and No. 2 grants—including the balance of the No. 1 grant that was left over—work was carried out on 174 roads comprising: clearing 465 miles, forming 295 miles, gravelling and metalling 228 miles, and 954 bridges, culverts and crossings. The expenditure on the work carried out, including sub-contracts, was, departmentally, £263,831, by road boards £26,960, and by contracts £2,981. Out of the No. 3 grant work was carried out on 141 roads, comprising 724 miles of clearing, 232 miles of forming, 131 miles of gravelling and metalling, and 493 bridges, culverts and crossings. The expenditure on work carried out departmentally was £122,090, by road boards £35,209, and by contract £6,248. There is

a special road grant for reconditioning and the work was carried out on three main roads. The Perth-Northam road expenditure was £11,897, the strengthening and widening of the Helena Bridge, which was carried out departmentally, cost £1,957, and the total expenditure on the Perth-Armadale road was £18,159. Out of a sum of £48,000 the total expenditure up to June was £32,013. In the North-West, work was carried out as follows:—Clearing 50 miles, forming 257 chains, gravelling 37 chains, metalling 45 chains, seven creek crossings, five river crossings, expenditure £10,344. Of the No. 3 grant the work done was: clearing nine miles, forming 346 chains, gravelling 8 chains, metalling 292 chains, 17 creek crossings, and 7 river crossings. A summary of the three years' work is as follows: 1,401 miles of road clearing, 625 miles of forming, 404 miles of metalling and gravelling, 1,633 culverts and river crossings. On the 4th July, 1923, the Prime Minister advised the previous Government that £96,000 was available under the terms of the existing scheme. On 6th February that Government forwarded schedules to Melbourne. At the date the present Government took office, £31,179 had been expended, the whole of it by Government departments, and not one penny by road boards. In a scheme of this sort a lot of preliminary work must be done. This furnishes a good excuse for the action of the previous Government. They were mainly engaged, I understand, in preliminary work. The present Government are endeavouring to induce the different road boards to undertake work under this scheme. For small jobs of £1,000 or £2,000 too much money would be taken up in the transport of plant to justify the department in attempting to carry out the work. Last year the road boards entered into contracts for £35,209 worth of work. There has been a gradual increase in the number of contracts given to road boards during the last two years, and I understand there will be a further increase as time goes on. In the case of big and difficult works, particularly in the South-West, the local authorities can scarcely be expected to do it, for they would not possess the necessary plant to perform the work economically. Under the old scheme it was suggested that none of the grants should be expended within 100 miles of the city, but the Commonwealth authorities were induced to come to the conclusion that such a policy would be unfair to the condition of things existing in Western Australia. A great deal of development is going on within 100 miles of Perth. It would be very unfair if the 100-mile limit were retained. None of the expenditure under this scheme can be incurred in the metropolitan area. The function of the Main Roads Board will be to advise as to the types of road to be constructed under the scheme. The State Government, I am asked to say, appreciate the firm stand adopted by the Federal Minister for Works, Mr. Hill, regarding the allocation made to the less populated States, especially Western Australia. We received very great consideration indeed, and desire to tender our acknowledgment publicly. I move—

That the Bill be now read a second time.

On motion by Hon. J. Ewing, debate adjourned.

BILLS (3)—FIRST READING.

1, Plant Diseases Act Amendment.

2, Government Savings Bank Act Amendment.

3, Forests Act Amendment.

Received from the Assembly.

BILL—SOLDIER LAND SETTLEMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [5.28] in moving the second reading said: This Bill is to ratify an agreement to accept the offer of the Commonwealth Government to reduce the liability in respect of the amount loaned to the State by that Government for purposes of soldier settlement. The amount of the proposed reduction is £796,000; in other words, the Commonwealth Government are writing off that amount. Full particulars are given on the last page of the schedule of the Bill, to which I draw the attention of members. The object of the concession is to enable the State to extend special relief to soldiers who have been settled on the land in Western Australia under the previous arrangement with the Commonwealth Government. The agreement provides that after 31st December, 1930, the rate of interest charged to the soldier settlers, that is to those placed on the land under the scheme, shall not exceed 5½ per cent. The interest now charged is 6½ per cent., and the average rate now paid to

the Commonwealth Government is approximately £6 8s. 9d. per cent. This will be reduced to 5 per cent after 1930. Since soldier settlement was first established in Western Australia, there has been no formal agreement between the Commonwealth and the States. Settlement has proceeded amicably under conditions set out in a letter from the Commonwealth Government some years ago. That letter provided that on moneys advanced by the State for soldier settlement purposes, and approved by the Commonwealth Government, a rebate of 2½ per cent. would be made annually during a period of five years. That means to say, there would be a total of 12½ per cent. rebated, representing 2½ per cent. annually over five years. The object of this was to meet losses and rebates of interest to soldiers. One of the conditions was that the rate of interest to be charged to the soldiers should be 3½ per cent. in the first year, the rate increasing by one-half per cent. annually until it reached the current rate of interest which, as I have indicated, is 6½ per cent. to soldiers and 7 per cent. to civilians. Clauses 14 and 15 of the schedule ratify that agreement. All moneys necessary for soldier settlement purposes since the 1st July, 1924, were found by the State, and the rebates of interest apply only to money provided by the Commonwealth Government. There is one exception, however, and that is dealt with in Clause 15 of the schedule. In accordance with that clause the Commonwealth will allow the State 2½ per cent. per annum on £106,603. That was an amount raised some time ago by the State on its own bonds. A few particulars in connection with soldier settlement may be of interest to members. The number of soldiers now on the land is 5,274. The total advances approved amount to £6,021.197, and the total advances made to £5,569,867. The advances made by the State Government since the 1st July, 1924, on which the Commonwealth Government have not agreed to make any rebate, amount to £634,648. As the soldiers who went on the land since the 1st July, 1924, were placed on the same terms as those settled prior to that date, similar conditions must apply to them. The amount necessary to cover the deficiency will, if the Bill be agreed to, come from the concession of £796,000 on the loans. If the Bill be not passed, the State will have to carry the burden itself. When the Minister for Lands discussed this question in June, 1925, with the Commonwealth officials in Melbourne he was informed that this phase of the matter had been taken into consideration, and that if the rebate were granted, the concession of £796,000 would be reduced accordingly. The Commonwealth Government were quite prepared to make a rebate regarding the soldiers settled since the 1st July, 1924, but if it were done they would reduce the amount of £796,000 to what they considered a fair sum to meet the position that would arise. A few weeks ago arrangements were made by the Government with the Returned Soldiers' League to place £25,000 aside to assist other ex-soldiers who were suitable to go on the land, so that they would have the same advantage regarding rebates of interest. There is a demand on the part of a number of soldiers who claim they should be provided with facilities for going on the land, and that they should not be limited in that regard. The Government intend to encourage the settlement of the men on the land, and we have decided to provide the sum of £25,000 so that the soldiers settled since the 1st July, 1924, shall receive the same consideration as those who went on the land before that date. It would appear that there was some understanding that the State should bear one-half of the losses in connection with the Soldier Settlement Scheme. No record can be found dealing with that matter, but it is clear that the Commonwealth authorities are under that impression. In order to support my statement, I will read a letter that the Minister for Lands, Hon. W. C. Angwin, received from the Prime Minister dealing with this question. The Prime Minister said—

> As it is evident the losses to the State will be greater than at first anticipated, the Commonwealth has been considering what further assistance it should grant the States so as to provide for the equitable distribution between the Commonwealth and States of the total losses. After a careful review of the position, my Government is of opinion that the proper course to pursue now is to write off £5,000,000 of the loans made by the Commonwealth to the States for soldier land settlement. This would bring the Commonwealth's share of the losses to more than £10,000,000, and my Government believes such a contribution from the Commonwealth would be sufficient to cover more than half the total losses involved in the Soldier Settlement Scheme and would enable the States to deal justly with all settlers in difficulties.

We claim that the concessions made by the State represent half of the total amount, and I can give the House a few details. On land held by soldiers before they went to the war there was an amount of £183,864. In re-

spect of new land—this has reference to Crown lands taken up by soldiers after the war—there were concessions amounting to £342,941. Application fees represented £44,609, and mortgage fees to £30,000. These two reductions are in connection with the Agricultural Bank and the State has to bear the burden of those concessions. Interest on account of rebates, representing the reduction of interest to the soldiers compared with that charged to civilians over the full term of the loan, constitute a concession of £131,078, and the interest concession, one-half per cent. lower than that charged civilians, amounts to £564,782. The total amount of the concessions granted by the State represent £1,297,274, and, of course, that amount will increase as further soldiers go on the land. The Soldier Settlement Board, in extending relief to soldier settlers, deal with each case on its merits, regarding reduction of values of holdings, and so forth. The members of the board comprise the Agricultural Bank trustees, together with Capt. H. Throssell, V.C., who represents the soldiers. The amount written down by the board to date on 622 holdings is approximately £200,000. This has to come out of the £796,000 to which the Bill refers. The revaluation of the soldiers' holdings has not been completed yet, and the Commonwealth Parliament has not yet ratified the agreement. Settlers here are being notified that the reduction in their liabilities is conditional upon the ratification of the agreement by both the Federal Parlament and the State Parliament. The reduction in interest amounts is being made in the meantime, for we are anticipating that everything will be all right, and that the agreement will receive endorsement at the hands of both sections of the Legislature. The Commonwealth has been doing that for the State since the commencement of January, 1926, in anticipation of parliamentary approval. To put the whole thing in a nutshell, the Bill provides for reducing the amount of the loans to soldiers by £796,000, the reduction of interest to 5½ per cent. to soldiers after 31st December, 1930, the ratification of the conditions the State has been working under regarding rebates, representing 12½ per cent. on moneys loaned by the Commonwealth, and, lastly, a machinery clause providing for sinking funds and repayments by the State to the Commonwealth of moneys advanced. I move—

That the Bill be now read a second time.

On motion by Hon. Sir William Lathlain debate adjourned.

BILL—VERMIN ACT AMENDMENT

Second Reading.

THE CHIEF SECRETARY (Hon. J. M Drew—Central) [5.43]) in moving the second reading said: During last session an amendment to the Vermin Act was passed by Parliament. Under that amendment provision was made for the collection of a fund from all owners of holdings comprising over 160 acres, from which a uniform bonus was to be paid for the destruction of wild dogs foxes, and eagle hawks. Section 100 (a) of the principal Act, which was inserted by the amending Act and passed last session, provided that every owner of a holding should pay to the Minister annually on demand the rate of such amount as might be fixed by the Minister. Instead of the tax being collected by the Minister, it is to be collected by the Taxation Department. The Taxation Department assess from the 1st July in each year, and they can send out these notices at the same time as they send out the land tax assessments. But in many instances assessment notices are not sent out until late in the year, sometimes not until the following year. Therefore the Crown Law Department advises that under the present Act further notices could not be sent to the landholder until 12 months after the receipt of the notice referred to, that only one notice per year could be sent out if the Act were strictly complied with. If the amendment now suggested be approved of—providing for the substitution of "30th June" for "annually"—the landholder in forwarding his taxation returns can give the information desired. This will save a considerable amount of unnecessary labour involving increased expenditure to the Government. Last year's amendment of Subsection 3 of Section 108 provided that the money should be paid to the credit of an account kept at the Department of Agriculture. It is now deemed advisable by the Government that the Treasury should keep this account. Hence the amendment we propose. When these amendments were being considered, it was suggested to the Minister that in the Bill provision should be made to permit owners of vermin-proof fences to go on to adjoining properties in order to effect re-

pairs to those fences. In most cases it is very unlikely that owners will experience any difficulty in this regard, but in certain instances, I understand, opposition has been shown to them.

Hon. J. Cornell: The Pastoralists' Association want this passed.

The CHIEF SECRETARY: Yes, they have requested it. It is on record that men, having gone to the expense of erecting fences with the object of keeping their properties free from vermin, have been forced to allow those fences to get into a state of disrepair through the law not authorising them to go on to adjoining properties with a view to maintaining those fences. A section has to be added to the principal Act in order to meet such cases. I move—

That the Bill be now read a second time.

On motion by Hon. E. H. Harris, debate adjourned.

BILL—LEGITIMATION ACT AMENDMENT.

Second Reading.

HON. J. NICHOLSON (Metropolitan) [5.50] in moving the second reading said: The Bill has been introduced to remedy an apparent anomaly or omission in the principal Act. In 1909 Parliament passed the Legitimation Act, which provided for the legitimation of children who were born out of lawful wedlock but whose parents subsequently married. Section 3 of the principal Act provides that any child born before the marriage of his or her parents, and whether before or after the passing of the Act, whose parents have inter-married, shall be deemed on the registration of such child as prescribed by the Act to have been legitimated by such marriage from birth, and shall be entitled to all the rights of a child born in wedlock. A very simple process is provided for the legitimation of such a child. The process resolves itself into a simple statutory declaration to be made and filed by the father of the child. When that is done it becomes the duty of the registrar to enter the name of the child on the register as a legitimate child. A good many cases have arisen showing that an omission was made in the principal Act. The father of some such children has omitted to go through that simple process of filing a declaration, and the father having died, there is in the Act no provision for the child's mother, who has been subsequently married, to make some other declaration in lieu of that of her husband. It is one thing for a man to make a declaration acknowledging that he is the father of the child, but it is quite another thing when the man is dead for the woman or wife to come forward and say "That child is actually the child of intercourse between me and the man who is now dead." Accordingly in the Bill before us it is proposed that in the case of a wife making an application after the death of the father of the child it shall be made before a judge in Chambers and that the judge, after hearing the necessary evidence, shall make an order. That is a wise protection. It is obviously unfair to the child that he or she should be branded with the stain of illegitimacy through an act of forgetfulness on the part of the father. There can be no objection to a Bill devised to remedy that defect in the parent Act. The principle of legitimation has been recognised in this State since 1909, and is in vogue in other parts of the world. The land from which I sprang was one of the first countries to adopt the legitimation of children by the subsequent marriage of the parents. It is a very wise provision. However, we have the law here, and all we now want to do is to increase the benefit of that law. Clause 2 of the Bill furnishes a proviso to Section 3 of the principal Act, which I have already quoted. The proviso limits the child legitimated to participating only in the real and personal property remaining undistributed at the date of the registration of such child as legitimate. That is a wise safeguard, for prior to the date of the order legitimating the child, some portion of the estate may have been distriubted amongst the other children, and it would not be fair that that child should have a legal claim upon such portion. It is only a proper safeguard. Section 5 of the Act reads as follows—

Nothing in this Act shall affect any estate, right or interest in any real or personal property to which any person has become or may become entitled either mediately or immediately in possession or expectancy by virtue of any disposition made before the passing of this Act or by virtue of any devolution by law on the death of any person dying before the passing of this Act.

That is amended by Clause 3 of the Bill which adds the following words—

except so far as to permit, in accordance with Section 3, any child legitimated in accordance

with the provisions of this Act receiving or sharing and participating in any real and personal property remaining undistributed at the date of registration of such child as legitimate.

There the same safeguard is inserted. The main purpose of the Bill is contained in Clause 4, which gives to the mother after the death of her husband the right to take necessary steps for the legitimation of the child. Clause 4 adds the following words—

or when after the death of the husband without his having previously made or produced to the registrar such a statutory declaration, it shall be proved to the satisfaction of a Judge in Chambers upon the application of the mother that the husband was the father of the child, or during his lifetime acknowledged himself as the father of the child, then upon production of a certified copy of the order of the Judge so finding—

—it shall be the duty of the registrar to register such child, and upon the production of such an order to the registrar, the registrar will enter it in the same way as he would enter the declaration which the father would have made had he been alive and carried out his proper duties. 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—JETTIES.

Second Reading.

THE HONORARY MINISTER (Hon. J. W. Hickey—Central) [6.5] in moving the second reading said: The Jetties Regulation Act, 1878, was framed to govern the use and management of all public bridges, jetties, piers and wharves, and under it both the Public Works Department and the Harbour and Lights Department have from time to time framed regulations. On occasions those regulations have come into conflict and have resulted in friction between the two departments. The existing Act is not wide enough to govern the departmental working of our North-West jetties, the volume of business over some of which is equal to that of a small harbour trust. The powers contained in the Act of 1878 are certainly not sufficiently defined to control the working of the steam tramways, goods sheds and yards connected with the jetties. It is in the goods sheds and yards that most of the department's responsibilities lie. We have regulations dealing with berthage, wharfage, handling, crane hire, haulage, storage—penalties are provided under storage regulations—and tramways, but a wider Act is required to embrace the regulations. The Bill is based largely on the legislation under which the Fremantle Harbour Trust and similar authorities both in Western Australia and elsewhere operate. A more definite interpretation is given to the various terms and references in the Bill, and the powers provided conform to the existing regulations. In addition to the sections contained in the Act of 1878, powers are included to build, proclaim, alter, lease, take over, or remove jetties or other similar structures, as well as to regulate the use of private jetties, to authorise the building by private individuals of jetties, sheds and other structures, and to lease areas for this purpose to private individuals. Act No. 49 of 1912, compelling owners or masters of vessels to be answerable in damages to His Majesty for injury to any public jetty, is also included. Clause 3 contains some necessary definitions. Clause 4 gives power to make regulations. In nearly every instance the provisions have been taken from similar sections in the Fremantle Harbour Trust Act—Subclauses 1 and 2 from Sections 8 and 9; Subclause 3 from Section 17; Subclause 4 from Section 15; and Subclause 5 from Section 16. Subclause 6 is needed to prevent consignors loading direct from their own jetty on to a vessel in ports where we have a jetty. North-Western members will appreciate this provision. It applies to a jetty such as that of Streeter and Male, Broome. Subclause 7 (a) is taken from Section 33 of the Harbour Trust Act, (b) from Section 34; (c) from Section 35, and (d) from Section 36; Subclause 8 from Section 37; Subclause 9 from Section 10; Subclause 10 from Section 39, and Subclause 11, paragraphs (a) and (b) from Sections 42, 43 and 44, (c) from Section 46; (d) from Section 47 and (e) from Section 41; Subclause 12 from Section 47; and Subclause 13 from Section 40. Subclauses 14 and 15 deal with the leasing of jetties, sheds, private sidings, etc., and Subclause 16 provides for penalties. Clause 6 gives power to construct a jetty, or take over a private jetty, or lease, close or remove a jetty. Some privately owned jetties

on the Swan River have been taken over at various times by the Crown, instances being Coffee Point and Nedlands. Other jetties on the North-West coast not large enough to be worked departmentally are leased to private contractors. Many persons on the Swan River desire leases of the foreshore on which to construct private jetties. Many such licenses have been issued and Clause 7 authorises us to issue other licenses. Clause 8 is necessary to prevent the construction of private jetties except pursuant to license or lease. Clause 9 empowers the Governor to make regulations for the preservation of buoys. At most of the jetties haul-off or warp buoys are provided to obviate undue strain on the structure, and at exposed ports it is necessary to compel vessels to use the buoys when there is any heavy range. Clauses 10 and 11 have been taken from the old Act. The responsibility for damage to jetties as set out in the Act of 1912 is included in Clause 12. It is necessary to take power to prevent undue risk or damage to jetties when vessels are berthing. Though this is only a small Bill, it is an important one. I move—

That the Bill be now read a second time.

On motion by Hon. J. Nicholson, debate adjourned.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—SHIPPING ORDINANCE AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. J. W. Hickey—Central) [7.30] in moving the second reading said: This is a very small Bill, its object being to ensure that all the Port regulations and Swan River regulations framed under 18 Vic. No. 15 shall effectively apply. Section 3 of 18 Vic. No. 15, being the Shipping and Pilotage Consolidation Ordinance of 1855, provides that persons violating the regulations framed under the Ordinance shall be punished, "provided that no master or commander of a vessel shall be liable for any breach of such rules and regulations unless a copy thereof has been previously delivered to him or left on board his ship or vessel." As a result, the Government officers responsible find they cannot prosecute owners of small vessels anchoring in the fairways, disobeying the rule of the road, or sailing without lights unless a copy of the Port and Swan River regulations has first been delivered as provided. It is practically impossible for the Government to be always in a position to prove in court that the delivery was effected prior to the offence. Moreover, it is now a general rule that persons engaged in any traffic or business shall have knowledge of the law, and be liable for breaches of it, without personal and individual advice from the authorities to each person. All Acts and regulations have a prescribed and general publicity, and there is no reason why owners of vessels on rivers and in ports should have the special preference hitherto preserved to them by this old Ordinance. It is therefore desired that the proviso in Section 3 as to delivery of regulations to the master or commander be struck out. I do not anticipate much opposition to the measure, and I move—

That the Bill be now read a second time.

On motion by Hon. J. Ewing, debate adjourned.

BILL—HERDSMAN'S LAKE DRAINAGE ACT REPEAL.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [7.35] in moving the second reading said: The Herdsman's Lake Drainage Act of 1920 was passed in order to permit of the construction of a drain from Herdsman's Lake to the ocean, and to enable the Government to rate properties deriving benefit from the work. It was found that the Metropolitan Water Supply, Sewerage, and Drainage Act of 1902 was not applicable, and that the Land Drainage Act of 1900 was unsuitable. Under the latter Act no drainage works can be undertaken before a drainage area has been constituted, and this could be done only upon petition of the land owners who would be rated within the proposed area. Until the 1900 Act has been repealed, the provisions of the existing drainage Act cannot be applied to the area drained by the Herdsman's Lake works; and it is intended to constitute the land drained into a drainage district and form a board, so that a rate may be levied to cover the cost of maintenance and repair of drains excavated within the area. Even if a district is not constituted or a drainage board not formed, the Act of 1925 empowers the Minister to levy a rate. Section 9, Subsection 3, of the Act provides—

If any drain, not within the boundaries of a drainage district, is declared by Order in

Council to be a State drain, the Minister may exercise the powers and authorities and shall have the immunities of a board under Parts VI., VII., VIII., IX., X., and XL. of this Act within an area defined by the same or any subsequent Order in Council and declared to be land that benefits by the construction of the drain, and such area shall, for such purposes, be deemed a district within the meaning of this Act.

The Herdsman's Lake contains 1,000 acres, and there are 200 acres on the margin. This land was purchased for the purpose of settling returned soldiers. The watershed of the lake comprises about 6,200 acres, of which 3,700 cannot be rated as they do not receive, and will not receive, any benefit from the drain. Consequently these 3,700 acres must be excluded. Of the balance, 500 acres, known as the Jackadder area, is already under storm water drainage conditions. The 1,200 acres included in the purchase for soldier settlement, plus the Jackadder area of 500 acres, makes a total of 1,700 acres, and this leaves approximately 700 acres to be rated in return for the benefits which the drainage will confer. The effect of the proposed repeal would be to bring Herdsman's Lake under the drainage measure which received the sanction of this House last year. I move—

That the Bill be now read a second time.

HON. A. BURVILL (South-East) [7.41]: I have visited the district in question two or three times, and it seems to me that the area outside Herdsman's Lake which is actually drained may suffer injustice from the proposed repeal. I fully understand that one effect of the repeal will be to enable the Minister to impose a higher rate under the Act passed last year than under the existing Act applying to Herdsman's Lake. Under the latter Act there is power to proclaim the whole watershed a drainage area. When this has been done and a drainage board has been formed, or the Minister has constituted himself a drainage board, the remainder of the watershed or catchment area can be brought within the purview of rating up to 2s. in the pound on the unimproved value of the land or up to 5s. per acre. Some years ago I found that a large area called Njookenbooroo, now known as Jackadder, had been under cultivation but had been largely abandoned. I was informed that the area had been drained into Herdsman's Lake, which was at the time very low. At one period or another a channel had been cut from Herdsman's Lake into a small lake below it. Further back in the watershed the drainage had been carried on from Osborne Park, and with the progressive cultivation and consolidation of the land there, the effect of stormwater and rains through years had been to fill up Herdsman's Lake. Consequently the Njookenbooroo people who used to drain into Herdsman's Lake found the water encroaching upon them, and were forced to abandon their holdings for the time being. Now that Herdsman's Lake is drained, they have undoubtedly benefited. However, they suffered in the past, and so far as I know they have not either sued for damages or obtained compensation. It is possible that the Minister may now form a drainage board to make these people pay for the excessive drainage costs of Herdsman's Lake. A select committee of this House inquired some time ago into the waterworks then being constructed in Perth. The committee ascertained that the Herdsman's Lake drainage works were to have cost £35,000 but had actually cost £105,000. I cannot find in "Hansard" that the Minister for Water Supply in another place stated definitely that the people outside the area actually drained, and flooded for some years, are to be exempted from rates. If they are not going to be exempted they should have some recompense because of the flooding of their areas. The Minister stated that a certain number of acres could not come under the Drainage Act because they were deriving no benefit from the work that had been done. These people are not getting any benefit from the drainage of Herdsman's Lake. In the past the drainage from Osborne Park was carried to Njookenbooroo, and as the water was banked up, it gradually worked its way back to Osborne Park. I should like to have an assurance from the Minister that those people immediately outside the area will not be asked to pay an excessive rate. Had these works been put into operation after the Land Drainage Act was passed, the position would have been that the Minister would have proclaimed a drainage area under that Act, and then formed a board. He then would have submitted the works as they were put up to the board and if the board thought the prices were excessive, or that the drainage works would have been ineffective, they would have objected. Subsection 4 of Section 60 of the Land Drainage Act provides—

If within a period of one month after such publication a petition against the proposed

works is presented to the Minister, signed by persons who constitute a majority of the owners of rateable land within the district, the board shall not carry out the proposed works.

If the people at Njookenbooroo thought they were going to be rated excessively, they would have been able to object, and a majority would have stopped the works, notwithstanding that the Minister had proclaimed a drainage area. Now that the drain is completed, the Act under which they were originally brought is to be repealed, and they will automatically come under the new Act. They will thus have no chance of getting out of the extra cost that has been put on. I hope the Minister will look into the matter and when replying will state whether these settlers will not have unfair rating put on them on account of the completion of the works.

On motion by Hon. H. A. Stephenson, debate adjourned.

BILL—CO-OPERATIVE AND PROVIDENT SOCIETIES ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. J. W. Hickey—Central) [7.50] in moving the second reading said: The object of this Bill is to provide for the alteration of the period at which the year shall end, from the 31st December to the 30th June. Legislation has already been passed to make a corresponding provision for the registered friendly societies. That was done at the request of those societies. As members of the co-operative and provident societies are of the same class as those belonging to the friendly societies. it is reasonable to assume that the change sought will be welcomed. The co-operative societies are engaged in trading operations and they naturally prefer that their year should close in June instead of December. There has been a growing tendency amongst business houses to adopt the 30th June as the termination of the financial year. The change asked for will serve a further purpose because it is desired to obtain uniform statistics relative to the co-operative movement. Most people in various walks of life are interested in the co-operative movement, and they are aiming in that direction. With the change, data also will be on the same basis in all the States. I move—

That the Bill be now read a second time.

HON. J. CORNELL (South) [7.53]: The Bill does not go far enough, because there is an amendment to which I shall refer that is long overdue. I spoke many years ago on the limitation of the capital of co-operative societies. I understand that the limit is £2,000. If co-operation is to be the success it should be, it never will succeed while the capital is limited to that comparatively small sum. I know of companies that, were they able to exceed the capital allowed by the law, would to-day be co-operative societies. One that I have in mind is the Returned Soldiers' Co-operative Company. In reality it is a company but it was originally sought to form it as a co-operative society. The promoters, however, were prevented from doing so by the cast-iron provisions of the Act. Some years ago I first spoke on this question and I have spoken since. I certainly think that now we have this Bill before us, the Leader of the House should look into the suggestion I have made and submit the necessary amendments. The provision in the Act of which I complain has stood for some 23 years, and the time is overdue for the Act to be recast. I hope the Minister will note my remarks.

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—AGRICULTURAL BANK ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [7.57] in moving the second reading said: The object of the Bill is to increase the salary of the Managing Trustee of the Agricultural Bank, and also the fees of his colleagues. In 1910 the salary fixed for the Managing Trustee was £1,000 and the fees of his colleagues were limited to £150 per annum. The Bill provides for an addition of £500 to the salary of the Managing Trustee, and £100 to the fees of each of the other trustees. Little argument will be necessary to convince members of the justice of this measure. The work of the Managing Trustee has immensely increased during the last 16 years and his responsibilities

have been added to greatly. In 1910 the control of the Agricultural Bank was his sole care; to-day he is entrusted with the financial administration of the Industries Assistance Board, and the Discharged Soldiers' Settlement Scheme, for which he receives no additional remuneration. In proof of my assertion that the responsibilities of the Managing Trustee have largely increased since 1910, I may state that in that year the total advance controlled by that officer amounted to £1,025,600, whereas on the 30th June, 1925, the capital invested by the department amounted in all to £11,282,654, which total, of course, includes the Industries Assistance Board and the Soldier Settlement investments. It is not necessary to stress the qualifications of the Managing Trustee. They are widely known. Mr. McLarty has long since won the confidence and esteem of the people by the capacity he has shown, the energy he has displayed, and the conscientiousness with which he has performed the duties of his office. The other trustees are paid at so much per sitting. Increased work means more meetings, but the total amount paid to each of the other trustees is limited by the Act. They cannot receive more than £150 per year.

Hon. J. Cornell: That is, to-day.

The CHIEF SECRETARY: Yes.

Hon. J. Cornell: It is not enough.

The CHIEF SECRETARY: It is unfair to limit the amount to £150, and is not in the best interests of the State. I move—

That the Bill be now read a second time.

HON. J. CORNELL (South) [8.1]: From my knowledge of the Agricultural Bank trustees, particularly of Mr. McLarty, and of their numerous activities, I hold the opinion that the Bill does not go far enough. The increase in their salaries ought to be dated back. I am pleased that the Government have recognised the value of the Agricultural Bank, the services of the trustees, and particularly those of the managing trustee. The only charge that can be laid against Mr. McLarty is that he has worked too hard. He has not been adequately recompensed for what he has done. A great amount of money is involved in this institution, and a great amount of work is cast upon the trustees. The Bill is long overdue, but I am sure that every member of the Council will accord it his vote.

HON. H. A. STEPHENSON (Metropolitan-Suburban) [8.2]: I have pleasure in supporting the Bill. We are fortunate in having such capable officers in charge of the Agricultural Bank. They have indeed rendered good service. Additional remuneration for them has been long overdue. They have well earned an increase in their salaries, and we are justified in giving it to them. It would indeed be difficult to find three men more competent than these trustees for the positions they hold.

HON. J. EWING (South-West) [8.3]: I wish to express my appreciation of the work of the trustees of the bank. Mr. McLarty was connected with the institution long before he became trustee. Since he has assumed that responsible position the work of the bank has greatly increased. He is always ready for work, anxious to do all he can for all parts of the State, advance its interests, and attend to the requirements of those who are settled on the land. For many years no advances were made by the Bank in the South-West, but during the last few years it has been agreed that the South-West is worthy of consideration in this regard. Since the growth of settlement there and the establishment of groups, advances have been made to the South-West. Mr. McLarty has done magnificent work there, and is deserving of congratulation. I am sure every member will bear testimony to the wonderful work he has done in the settlement of the vast areas of this State. Not long ago I read with great regret that he had been obliged to take a rest. He was very ill; indeed it was thought he would not get well. I am glad to say he has made a wonderful recovery during his brief holiday, and is now again back at work. His services were greatly appreciated by the previous Government, and are also highly valued by the Minister for Lands and other members of the present Government.

Hon. J. Cornell: They are valued by everybody.

Hon. J. EWING: Yes. If anything should happen to cause him to sever his connection with the bank, I am sure it would be a great loss to the State. The salary now to be given to Mr. McLarty is not more than he deserves. It is a good salary, but a good man deserves it. The trustees of the bank are not properly remunerated and the extra £100 a year is their due. I am pleased to have this opportunity of bearing testimony to the work done by the trustees.

HON. W. T. GLASHEEN (South-East) [8.5]: I support the remarks of previous speakers, and agree with Mr. Cornell that the proposal does not go far enough. The Chief Secretary said that the sum of £11,000,000 was involved in the activities of the bank. For the management and control of so vast a sum of public money the salary of £1,500 a year is not proportionate to the responsibility involved. I was a client of the bank for many years, and had nothing but kindness and consideration from it. Whilst many anomalies existed in its early history, I think the general consensus of opinion now, wherever one may hear opinions expressed on the question, is that the institution is admirably managed and could hardly be improved upon. I am sorry that this Bill has not been considered in ratio to the responsibilities that the officers in question have to accept. I trust the bank will always carry on its activities to the satisfaction of the public as it has done in the past.

HON. W. J. MANN (South-West) [8.7]: I am pleased that the Government have at last recognised the splendid services rendered to the State by the managing director of the Agricultural Bank, Mr. McLarty and his co-trustees. I give my unqualified support to the Bill. I recognise Mr. McLarty's undoubted ability, his fine, manly, and tactful way of dealing with clients, and the fact that he has won the confidence of the people in the wheat belt, the South-West, and other parts of the State. Some little time ago I was accused of having attacked the advisory board on group settlement, of which Mr. McLarty is a member. The statements made were quite untrue. What I really was pointing out was that Mr. McLarty had too much work to do as the manager of the Agricultural Bank to be able to devote a great deal of time to group settlements. This statement was misconstrued, and wickedly distorted. I earnestly support the Bill, believing that the increases in salary are long overdue and justly merited.

HON. E. ROSE (South-West) [8.10]: I support the Bill. I am surprised to hear that the managing trustee of the Bank is only receiving £1,000 a year. I thought the salary had been raised some time ago. The manager of another institution, which has not the responsibilities of the Agricultural Bank, is receiving £2,500 a year. This shows how poorly Mr. McLarty is being paid. I have known him for many years, and am fully acquainted with the amount of time he devotes to his duties. Week in and week out he has returned to work at night, until at length he was obliged to take a rest in order to recover his health. He has used many of the best years of his life for the benefit of the State. No man has done more in placing settlers on the land than has Mr McLarty. I am pleased that the Government are now recognising his services by paying him a salary more in keeping with the responsibilities of his office and the work he does. I do not consider the salary of a man in this position should be less than £2,000 a year. Good men with practical experience, and capable in so many directions, as Mr. McLarty is, are difficult to get. The increase in salary is long overdue.

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—TRUST FUNDS INVESTMENT ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [8.14] in moving the second reading said: It is provided in the Trustees Act, 1900, that trust funds may be used in the purchase of municipal bonds. This power was given before road boards were authorised to raise loans. Subsequently in 1902 the provisions of the Road Districts Act were enlarged, and many powers were given to road boards to raise money by loan in order to carry out works on similar lines to those carried out by municipalities. Again, consequent upon the enlarged powers granted to road boards, and to these special circumstances in the State, many of these smaller municipalities were merged into and administered as part of the adjoining road districts with most satisfactory results, economically, financially, and in the interests of the country. We have several instances of this in the metropolitan area. Many towns sprang up within road districts owing to the development of the country, such as Katanning and other centres. All of them required similar facilities to those provided in muni-

cipalities. To meet those requirements it was necessary to extend the same powers to road boards in respect of trust funds. A Bill to alter the Trustees Act of 1900 was passed by the Legislative Assembly in 1924 with the intention of extending those powers to road boards. When the measure reached the Legislative Council, an amendment was moved, reading as follows:—

Provided that prior to the issue of debentures the Minister for Public Works shall have certified in writing (a) that 75 per centum of the ratepayers of the district have paid all rates due by them for rates imposed by the road board for the then last preceding financial year; (b) that the total annual rateable value of the road district shall disclose an average increase of at least one per centum per annum during the immediately preceding five years.

The effect of that proviso, which was agreed to, has been to nullify the intention of the measure. An instance of the effect of that amendment is the experience of the South Perth Road Board. Investors were ready to loan trust funds to the board, who endeavoured to comply with the conditions laid down in the proviso requiring that 75 per cent. of the ratepayers of the district should pay their rates. It was found that 74.9 per cent. of the ratepayers in the South Perth Road Board area had done so and I think hon. members will agree with me that that represented a substantial compliance with the requirements of the amended legislation. It was ruled by the Crown Law authorities, and rightly so, too, that that percentage did not represent full compliance with the Act and therefore could not be accepted. As a result that local authority has been restrained from raising the necessary funds. This is not the only local authority in difficulties owing to these conditions having been imposed. Among other road boards affected are the Murray Road Board, the Merredin Road Board and the Wyalcatchem Road Board. During the time I was administering the North-West Department I met with a similar difficulty. A very important road board in the North-West desired to raise a loan and although every endeavour was made to comply with the amendment I have referred to, the members of the road board were not able to do so. I had the matter thoroughly investigated and found that five of the most prominent road boards in the North-West had been practically debarred from raising money, owing to the amendment that was agreed to in this House in 1924. Trustees and other people having trust funds are willing and anxious to help boards by making those funds available as soon as this restriction is removed. By taking the trust funds from local sources, that money for investment will be kept within the State. Those who control trust funds may be relied upon to exercise sufficient care to see that the money is not lent to a road board not thoroughly solvent and not able to meet loans when they mature. I move—

That the Bill be now read a second time.

On motion by Hon. H. Seddon, debate adjourned.

House adjourned at 8.21 p.m.

Legislative Assembly,

Tuesday, 7th September, 1926.

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

QUESTION—LIME, AGRICULTURAL SUPPLIES.

Mr. C. P. WANSBROUGH asked the Minister for Agriculture: 1, What steps have been taken by the Department of Agriculture to ensure an efficient supply of lime for agricultural purposes? 2, As it is most important for both soil and stock over large areas of the State, will he instruct his officers to give the matter special attention? 3, Is he aware that Professor Hendricks, of