Amendments passed, and the clause as amended agreed to.

Clauses 13 to 20—agreed to.

Clause 21—Proof of ownership:

THE MINISTER moved an amendment:

That Subclause 1 be struck out.

The Registrar of Titles or of Deeds could not take the responsibility of certifying that a certain person was the owner or the lessee. Proper provision for proof was made in Subclause 2.

Amendment passed.

THE MINISTER moved amendments:

That the word "proprietor" be inserted after "the," in line 18; and that the word "owner," in the same line, be struck out, and inserted after "licensee," in line 19.

Amendments passed, and the clause as amended agreed to.

Clauses 22 to end—agreed to.

Bill reported with amendments.

ADJOURNMENT.

The House adjourned at eighteen minutes past 11 o'clock, until the next afternoon.

Legislative Council,

Thursday, 15th December, 1904:

THE PRESIDENT took the Chair at 4·30 o'clock, p.m.

PRAYERS.

FACTORIES ACT AMENDMENT BILL.

RECOMMITTAL.

On motion by the MINISTER FOR LANDS, Bill recommitted for amendment of Clause 2.

Clause 2—Amendment of S. 27, S.s. 6 (air space):

THE MINISTER moved an amendment:

That the words "not be required to exceed" be struck out, and "be not less than" inserted in lieu.

The Chief Inspector of Factories had grave objections to Mr. Kingsmill's amendment of yesterday, fixing the maximum air space at 400 cubic feet. No Factories Act or regulation, so far as could be ascertained, fixed a maximum. In Victoria, New South Wales, Queensland, and England a minimum of 400 feet was fixed; and if that was the minimum in England, then in this State, where the summer was oppressive, the maximum if any should be much greater. For common lodging-houses our minimum was 500 cubic feet for every sleeper; and in the opinion of the chief inspector 400 feet for such buildings as flock manufactories and flour mills would be totally inadequate. It was said that without a maximum, inspectors might make oppressive requisitions; but inspectors were under Ministerial control, and if the alterations demanded would cost more than £5, the owner could appeal to a magistrate. Unless his (the Minister's) amendment were passed, the inspector would by another clause have power to compel the owner to provide "suitable ventilation." This might entail great expense on the owner.

HON. W. KINGSMILL: The object of the amendment passed last evening was that persons erecting or reconstructing factories should have some definite plan to guide them. The Minister's amendment would defeat this object by providing a minimum but not a maximum, thus leaving builders in the dark as to what air space would be required. The Minister spoke of England; but ventilation here, with our clearer and livelier atmosphere, was much better than in the heavy, dull, and uncertain climate of England. Our factories were too few; it was necessary to encourage the building of new factories by clearly defining the provisions required; and if a maximum air space were not fixed, an important definition would be lost.

HON. G. RANDELL would accept the amendment if 400 feet were altered to

350, the air space allowed in South Australia. True, the Victorian requirement was 400; but as our factories were in their infancy, we might start with a lower minimum, which, if insufficient for a particular factory, could be increased by the inspector. Manufacturers were willing to accept 350 feet as a minimum, which would give a space of five feet by six feet by twelve feet.

THE MINISTER FOR LANDS was willing to accept the amendment, although it did not go so far as he desired. He was previously under the impression that Mr. Randell desired to make 350 feet the maximum.

HON. J. W. WRIGHT, although inclined to agree with 350 feet as the minimum, thought 400 feet would become the minimum as well as the maximum; therefore he would vote for 400 feet.

HON. W. PATRICK: The factory legislation of the whole civilised world was copied from Great Britain. In America, the law was similar to that of Great Britain, and the climate there was as different from Great Britain as the climate of Western Australia was. It would be very unwise indeed to have a maximum. In a great many trades it was sometimes necessary to have as much as a thousand cubic feet of air space. In one or two cases on the Murchison, men died from heat apoplexy on bakers' premises from the want of sufficient air. We had an atmosphere favourable to the development of all kinds of microbes and bacteria, and he was entirely opposed to a maximum. It would be better to have no factories at all than commence factory life by interfering with the health of the people. Our factories were insignificant at present. We ought to begin properly, and the main point was to look after the health of the people employed. Although there were many disabilities, such as wages and so forth, which legislation could not interfere with, being a matter of supply and demand, there were a great many advantages in starting factories here. The land was cheaper, and the buildings as a rule were of a more flimsy and cheap character. He supported the minimum being 350 feet.

SIR E. H. WITTENOOM: What seemed a satisfactory solution of the difficulty was to take the average amount of air space necessary in the majority of factories, and make that a minimum; and not allow that minimum to be exceeded by an inspector without the approval of the Minister. It would be difficult for anyone building a factory to know how to draw up the plans, for inspectors might have peculiar or quixotic ideas.

HON. G. RANDELL: There was a provision in the original Act for the approval of the Minister to be obtained, or there was an appeal. An air space of 350 feet was reasonable.

Amendment put and passed.

HON. G. RANDELL moved an amendment:

That "400" be struck out, and "350" inserted in lieu.

Amendment passed, and the clause as amended agreed to.

Bill reported with a farther amendment, and the report adopted.

ABORIGINES PROTECTION BILL.

IN COMMITTEE.

Clauses 1, 2, 3—agreed to.

Clause 4 — Persons deemed to be aborigines:

HON. W. KINGSMILL (who had taken charge of numerous amendments recommended by select committee) moved an amendment:

That in Subclause (*d*) the word "eighteen" be struck out, and "sixteen" inserted in lieu.

There would be no necessity to give farther reasons than those already given in the report of the select committee.

THE MINISTER FOR LANDS could indorse nearly all the amendments brought up by the select committee, who had done good work.

Amendment passed, and the clause as amended agreed to.

Clauses 5 to 10—agreed to.

Clause 11—Chief protector guardian:

HON. W. KINGSMILL moved an amendment:

That the word "eighteen" be struck out, and "sixteen" inserted in lieu.

Amendment passed, and the clause as amended agreed to.

Clause 12—Prohibition of removal of aborigines:

HON. W. KINGSMILL moved an amendment:

That in lines 3 and 4, the words "no such authority shall be given until the person

desiring such removal indorse" be struck out, and the words "before such authority is given, the person desiring such removal shall enter" be inserted in lieu.

This was necessary in consequence of a subsequent amendment to be moved in the clause.

Amendment passed.

HON. W. KINGSMILL moved a farther amendment:

That at the end of the clause the following paragraph be added, "The protector may, in his discretion, dispense with such recognisance in any particular case."

It might not be necessary in the case of persons whose character was good to insist on recognisance being entered into, when such a person desired to be accompanied by an aborigine outside the district in which he was registered as an employer.

Amendment passed, and the clause as amended agreed to.

Clause 13—Reserves:

HON. W. KINGSMILL moved an amendment that the words "portion of the State" be struck out, and "Crown lands not exceeding in any one magisterial district an area of two thousand acres" inserted in lieu. It was necessary for the Governor-in-Council to determine what these reserves should be. It seemed to the committee, who had given a good deal of consideration to the question, that these reserves should be confined to areas in proximity to towns, and that the size of such reserves should be limited to 2,000 acres in each district. The problem was how the natives were to be kept there when once put there. That did not seem to have been inserted in the Bill, and he did not think any legislation would have much force in that direction. Anyone acquainted with the aboriginal character would know it was no good explaining to natives an Act of Parliament. To place these natives on large reserves in the hope of keeping them there was absolutely ridiculous.

THE MINISTER FOR LANDS: The Chief Protector of Aborigines considered the clause impracticable at the present time; but he was looking forward to the future, some years hence. For the present the Chief Protector considered the amendment made by the select committee adequate.

Amendment passed, and the clause as amended agreed to.

Clauses 14 to 19—agreed to.

Clause 20—Aborigines not to be employed without permit:

HON. W. KINGSMILL moved an amendment that "eighteen" be struck out and "fourteen" inserted in lieu. He thought the native intelligence was perhaps at its highest from the age of fourteen to twenty, and the select committee considered it perfectly feasible and proper to allow them to be employed at the age of fourteen.

HON. R. F. SHOLL had had a great deal of experience in regard to natives, particularly in the North, and he thought the committee were making a great concession in fixing the age at fourteen. It would be wise not to send boys under fourteen to be employed on stations. However, he was one of the select committee, and did not wish to oppose the amendment.

SIR E. H. WITTENOOM: The policy adopted in connection with the employment of these aborigines must be firm one way or the other. Under these circumstances it would be wise for members to consider whether they ought to place any obstacles more than necessary in the way of giving them employment. We would see that the select committee recommended that any person of respectable character who owned a station should be allowed to have a permit to employ aborigines whenever he liked. The original Bill provided that he must have a permit and then he must have an agreement with each aborigine, which probably necessitated a journey of some hundreds of miles. The select committee endeavoured to do away with that. If station-owners were interfered with too much in regard to aborigines they would take to whites, and the whole expense of keeping the aborigines would fall on the Government. If aborigines were employed reasonably and regularly on stations a great deal of good would be done.

Amendment put and passed.

HON. W. KINGSMILL moved a farther amendment that after "permit" the words "or permit" be inserted. This was a considerable alteration of the Bill as it at present stood. The Bill at present provided that it should be lawful to employ an aborigine under permit and agreement. The select committee proposed that aborigines could be employed under permit or permit and agreement.

It was felt that in the more remote parts of the State it would be almost impossible for natives to enter into agreements.

Amendment passed, and the clause as amended agreed to.

Clause 21—Form and duration of permit:

HON. W. KINGSMILL moved that the following be added as Subclause 5:

May, if the Protector thinks fit, be granted as a general permit to employ aborigines.

It was felt that in the more remote parts of the State it was impossible for persons to get an individual permit for every native, and therefore it would be a good idea to expect the Protector to issue a certificate of character, which was the official stamp of the fitness of the person to whom the permit was issued to employ natives. This would be a great assistance not only to the employer but also to natives wandering about the country seeking employment at various stations.

Amendment passed, and the clause as amended agreed to.

Clause 22—Youths and females not allowed on ships:

HON. W. KINGSMILL moved that "eighteen" be struck out and the word "sixteen" inserted in lieu.

Amendment passed, and the clause as amended agreed to.

Clause 23—agreed to.

Clause 24—Penalty for unlawfully employing or harbouring aborigines:

HON. W. KINGSMILL moved that "eighteen" be struck out in lines two and four, and the word "fourteen" inserted in lieu.

Amendment passed, and the clause as amended agreed to.

Clause 25—Agreements:

On motion by Hon. W. KINGSMILL, "eighteen" struck out and "sixteen" inserted in lieu.

Clause as amended agreed to.

Clauses 26 and 27—agreed to.

Clause 28—Aborigines in employment to be subject to supervision:

On motion by Hon. W. KINGSMILL, "eighteen" struck out and "sixteen" inserted in lieu.

Amendment passed, and the clause as amended agreed to.

Clause 29—Permit to be produced and access given:

HON. W. KINGSMILL moved that after "permit," in line 13, the words "or permit," be inserted, and after "agreement" the words "as the case may be" inserted. The object of this amendment was to carry into effect the amendment we had made in Clause 20.

Amendment passed, and the clause as amended agreed to.

Clauses 30 to 34—agreed to.

Clause 35—Half-caste child:

HON. W. KINGSMILL: The committee recommended that this clause be struck out, and he moved accordingly. He could not see why it was inserted in the Bill; for being a mandatory clause it would cost a large sum of money to carry out, and on that account it was likely to be a dead letter.

Question passed, and the clause struck out.

Clause 36—Support of half-caste child:

HON. W. KINGSMILL: The committee had recommended an amendment as to age in several of the clauses, by striking out "eighteen" and inserting "sixteen." He moved accordingly.

Amendment passed. Also, after the word "may" insert "with the approval of the Minister." Amendment passed, and the clause as amended agreed to.

Clauses 38 to 42—agreed to.

Clause 43—amended consequentially as to age, and the clause as amended agreed to.

Clauses 44, 45—agreed to.

Clause 46—amended consequentially as to age, and the clause as amended agreed to.

Clause 47—Penalty for supplying liquor to aborigines:

HON. W. KINGSMILL: This amendment was to do away with a minimum penalty, for it had the effect in many cases of preventing a conviction, or in mild cases of inflicting too hard a punishment on the offender. He moved an amendment:

That all the words after "Act," in line 3, be struck out.

Amendment passed, and the clause as amended agreed to.

Clauses 48 to end—agreed to.

New Clause—Penalty for breach of agreement by aborigine:

HON. W. KINGSMILL moved, on the recommendation of the committee, that the following be added as a clause:—

Any aborigine who shall neglect or refuse to enter upon or commence his service, or shall

absent himself from his service, or shall refuse or neglect to work in the capacity in which he has been engaged, or shall desert or quit his work without the consent of his employer, or shall commit any other breach of his agreement, shall be guilty of an offence against this Act, and shall be liable upon conviction to imprisonment for any term not exceeding three months, with or without hard labour.

This new clause had reference to the amendment of the schedule in the Masters and Servants Act 1892, as amended by striking out certain words. The effect of striking out the words was to prevent the inclusion of natives under the Masters and Servants Act, and consequently native aboriginal servants were placed on the same footing with regard to masters and servants as were white people; but under that Act, when any dispute arose between master and servant through the absconding of the servant, it was necessary firstly to serve on the absconding servant a summons, and if he disobeyed the summons, as a native was likely to do, it would be farther necessary to serve on him a warrant. Members would understand that the finding of a runaway native was a hard matter, and it would be still harder to find him a second time for serving a warrant after he had disobeyed the summons. It was thought better, therefore, to retain the present procedure with regard to masters and servants, by applying it to aborigines the same as to white people. To do this it became necessary to replace the existing legislation which was in the Aborigines Protection Act of 1886.

Question passed, and the clause added to the Bill.

New Clause—Penalty for breach of agreement by employer:

HON. W. KINGSMILL moved, on the recommendation of the committee, that the following be added as a clause:—

Any employer of an aboriginal who shall commit any breach of an agreement under this Act shall be guilty of an offence against this Act, and shall be liable upon conviction to a fine not exceeding twenty pounds.

Question passed, and the clause added to the Bill.

Schedule:

On motion by HON. W. KINGSMILL, the schedule was amended by striking out the reference "55 Vict., No. 28."

Preamble, Title—agreed to.

Bill reported with amendments, and the report adopted.

AGRICULTURAL BANK ACT AMENDMENT BILL.

SECOND READING.

THE MINISTER FOR LANDS (Hon. J. M. Drew), in moving the second reading, said: The object of this Bill is set forth in Clause 2, which says:—

The amount which the Colonial Treasurer is authorised by Section 5 of the principal Act to raise for the purposes of the Act by the issue of mortgage bonds, as therein provided, is increased to a sum not exceeding in the aggregate five hundred thousand pounds.

This will give us another £100,000 to spend. There has been a great increase in land settlement during the last 12 months, and of course a larger amount is required for loans. The Manager of the Bank, from my experience, exercises great caution, and the House need have no anxiety in entrusting another £100,000 to him. The authorised capital to date is £400,000. The total approved loans to date are £343,900, and applications £30,725, totalling £374,625. Deducting cancellations to the 30th June, £13,198, and balances of matured loans available for reallocation, approximately £16,802, there is a balance of £344,625. This leaves only £55,375 available for farther applications. Applications reach the office at the rate of £10,000 per month. The present capital will be sufficient to carry us through to April. Members will see that Parliament is not likely to be in session then, and that it is necessary to give this farther authorisation now. I move that the Bill be now read a second time.

HON. H. BRIGGS (West): I support the Bill, and do it simply to draw attention, not only to the admirable work which this Bank is carrying on, but to a certain anomaly in the public service of this State. The head of this department (Mr. Paterson) is in my opinion doing admirable work; yet strange to say, though he has been engaged in this work for about 10 years, he appears in the public service of this State as a temporary officer.

SIR. E. H. WITTENOOM (North): I do not desire to offer any opposition to the Bill; but I must say that the amount of capital involved in the operations of this Bank is very serious. It has a larger capital than one of the banks trading here, and a great deal of care

and discretion are required in dealing with it. I do not say that it is not having due care and discretion; but without desiring to throw cold water on any industry, the farming industry in this country is I consider not going to be as prosperous in the future as in the past. The very policy of the Government will reduce the value of the industry to a great extent. It has been publicly given out that it is the intention of the present Government to go in for a large immigration scheme with one view only—to place immigrants on the land. It has been distinctly stated that none of these immigrants are to go into the towns, and that none of them are to enter into competition with the artisans in the towns. What will the result be? The price of produce on farms must in time be reduced when the demand we have always had from the goldfields—that good healthy demand which has kept up excellent prices—will be lessened; and only those farmers who are in a good sound position will be able to grow wheat to enable them to export it with profit. I hope that, as time goes on, fresh population will come in to assist in the development of more goldfields and to assist in getting rid of any surplus produce we have, so that we shall not have to depend on export altogether; but at the same time, caution is necessary. When we find an institution such as this practically run by one man and with all the advances made on his recommendation and at his discretion—though hitherto he has done extremely well, and I do not know anyone who could have done better—yet it is a large concern, and considering that the money is Government money and the accumulated savings of people in the Savings Bank, even greater care should be used. I hope everything will go well with the Bank; but I feel it my duty at this stage, when these operations are so large, to say one word of warning as to the care with which advances should be made.

HON. W. MALEY (South-East): I have pleasure in supporting the second reading of this important measure. I am satisfied that Sir Edward Wittenoom scarcely understands the condition of things in the country. The agricultural industry according to him has not made the rapid strides which those familiar with the country are fully aware of. The hon. member considers this a very large sum to be invested in the industry; and he fears that we will have so much produce that it will be a glut in the market, and that prices will recede. For years past our prices for wheat in this State have not exceeded the prices in the Eastern States. We have ports of shipment here equal to any in the Eastern States; and we shall be able to compete, as soon as we have the area under cultivation, in the world's market. We have been practically competing with the world for years. Extraordinary statements in the Press from time to time convey an incorrect interpretation of the position of the great market for the agricultural industry; but we are not dependent on the country of Western Australia for a market; we have the world's market; and in it we are prepared to compete. We have the country and the climate; and now we are getting men on the land; and we shall be able to compete with any part of the world, even perhaps with countries where there are larger areas given to farmers, and where larger systems of agriculture with more economic results can be run. In cramping the agriculturist we are doing no good. If we depended on the hon. member who has just sat down and on the Agricultural Bank, even in large districts our agricultural industry would languish to a great degree; but when the Agricultural Bank has assisted the farmer and he feels he requires more money, he can get it; and the best proof we can have that the Agricultural Bank is doing good service is the competition for the custom of men leaving the Agricultural Bank and wanting more advances. It is as keen as it can be down the Great Southern Railway line. At Katanning there is now a third bank; at Narrogin there are two banks; and even at Cuballing Pool there are two banks. These banks are competing very keenly for the custom of those who are leaving the Agricultural Bank, and who are prepared to go farther into the agricultural industry. As far as immigration is concerned, I believe the Government have made no statement as yet as to their policy of settling people on the land. It would be absurd to believe that every immigrant brought to the country will go on to a farm and remain

there for the term of his natural life. I certainly would not like him to do so. I believe that a certain proportion of the immigrants will at all times gravitate to the city, and that numbers of them will settle in the country; but we want at once farther moneys for the Agricultural Bank. When a previous Bill was before the House I said that the money was not sufficient or adequate for the requirements of the country, and that has been brought home to my mind more year after year.

HON. E. McLARTY (South-West): I have also pleasure in supporting the second reading of this Bill. I feel satisfied that the Bank has given such assistance to the settlers as will prove a great boon to agriculture. In fact from my own knowledge gained by going about the country, I do not know how people could have existed and built up places without this assistance. There is good security for the loans, and the margin is quite sufficient to put the Bank on a safe footing. In the present manager we have a man in whom the only fault is that he is too cautious. People have complained that they cannot get what help they want, that they have applied for money and been refused. I have had considerable opportunity of judging how the Bank is managed, and I must say that the State is under a debt of gratitude to the present manager for the careful manner in which he manages it. When the Bank was first established I felt a great deal of apprehension, and felt that, unless it was in the hands of a very careful man, advances would be made to people without experience who would spend the money and abandon their homes, so that the result would be a loss; but every care has been taken to guard against that; and when one considers the large amount of money loaned by the Bank, it is remarkable what a very small loss has been incurred—scarcely anything worth speaking of. With regard to Sir Edward Wittenoom's remarks about the new immigration, it is a grand idea that has been inaugurated by the Government to bring out practical men with experience and put them on the land, and only men with a little capital who will go into the country. Where are we going to get these men? I do not know that the scheme will have the slightest bearing on the farming industry. I do not anticipate that the Government are going to get shiploads of immigrants with plenty of money in their pockets who will go on the land. It is very nice to talk about the class of immigrants we want, and it would be still nicer to get them. But our towns are now being overcrowded by unemployed, many of whom are not wanted; and I am afraid that the visionary anticipations of the Government regarding the class of immigrants who will be attracted will not be realised. There is no doubt that the stoppage of advances by the Agricultural Bank means a check on land development. It is true many of us find that we cannot grow chaff and wheat, and sell them at a price to cover cost of production; but it is worth while to utilise the land for other products, and that will be done. Those who are not producing chaff and grain at a profit will fall back on wool, butter, and other products, for which there is a good market. I have great pleasure in supporting the Bill; and I am sure there will be no cause to object to this increased grant.

THE MINISTER (in reply): I am somewhat surprised that this Bill should have received any criticism. I thought it was universally admitted that the Agricultural Bank had considerably assisted agriculture. Sir Edward Wittenoom said that great care and caution should be exercised in making advances. [SIR E. H. WITTENOOM: In future.] I hope the care and caution of the past will be exercised in the future. Shortly after I took office I asked the manager of the Bank to let me know what sums it had lost, and he answered that the total loss for 10 years was only £10; so I think he has exercised all possible care and caution—in fact many people say too much caution. Sir Edward Wittenoom says that the introduction of immigrants and their settling on the land will lead to competition among the farmers, and that this will be practically injurious to the country.

SIR E. H. WITTENOOM: I said it would reduce the price of the products of the country.

THE MINISTER: I hope that before long we shall have a large export trade. The time will come when the mining industry will not pay; and meanwhile we should take every possible step to build

up a permanent agricultural industry. We do not intend to introduce pauper immigrants. I do not agree that population in all cases means wealth to a country. That depends on the class of population. A wealth-producing population undoubtedly leads to prosperity; but a population wandering about without employment is of no value. We should place on the land men able to work the land with perhaps some little assistance from the Agricultural Bank; but we do not intend to introduce a class of people who when put on the land will become a burden to the State. The Government policy seems perfectly sound. If we increase our production we necessarily increase our wealth. If the hon. member followed his own argument to its logical conclusion, he should move that no more land be sold in Western Australia, because the land when sold will be developed, and competition will thus increase among the farmers. The same argument would apply to pastoral leases. No more land should be leased, for fear of competition among pastoralists. If such a policy were pursued there would be no farther advancement. My contention is that we should develop every industry in Western Australia, without regard to any competition which may or may not result.

Sir E. H. WITTENOOM (in explanation): I said that I did not oppose the Bill, but must utter a word of caution, because farmers could not in future depend on getting the same prices for their products as they obtained in the past from the goldfields; and that putting hundreds or thousands of people on the land would be apt to reduce the value of the products, and therefore the value of the Agricultural Bank's security. I said that caution should be used in lending money on such security. I said not a word against the products of the country; not a word against the introduction of immigrants, which introduction I favour; but if we are to have increased competition amongst our farmers, the value of the security will be reduced. I wish to impress this on members. The prices we shall get for exported wheat will not be anything like those we have obtained from the goldfields.

Hon. E. M. CLARKE (South-West): I am in no way opposed to the Bill. I wish to farther it as much as possible. I have taken a deep interest in agricultural questions.

The PRESIDENT: The hon. member, out of courtesy to the Minister, should have addressed the House before the Minister replied. The hon. member can speak.

Hon. E. M. CLARKE: I shall certainly vote for the Bill; and I am willing to vote for a larger sum if necessary. We all know Mr. Paterson to be a cautious and capable man; but we have forgotten one fact. When Mr. Paterson first became manager of the Agricultural Bank he used to make a personal inspection of every property the owner of which desired an advance. Mr. Paterson not only looked at the land, but took a particular interest in the would-be borrower; and often in the case of two farms of equal value, he would lend to one man and would not lend to another whose style he did not like. Now, however, the Bank has grown to such an extent that I shall be thankful if the Minister will tell us how many inspectors are now doing the work which Mr. Paterson used to do. I think there are two or three.

The Minister: Yes.

Hon. E. M. CLARKE: Hence the need for caution; and when I say caution, I mean that while at one time Mr. Paterson could lend a certain sum on a farm which was just being taken up, with the certainty that the farmer could grow so many tons per acre which would yield him something like £7 per ton, now the same land will yield him the same tonnage per acre, but the value of the produce is reduced by 50 per cent. I wish to emphasise the fact that Mr. Paterson and his officers should in the matter of advances have an absolutely free hand. I was somewhat surprised at Mr. McLarty's mentioning that some applications for loans are considerably delayed. The reason is, firstly, that there is now about four times more work to do than there used to be, and not the same proportion of hands to do it; and secondly, that Mr. Paterson's duty is to be absolutely certain that each advance is a good investment likely to come back to the Crown. I say nothing against the Bill. I say that with proper caution and by leaving the manager untrammelled by any influence except his own good judgment, I care not what is expended

so long as the expenditure is judicious. In the past there have been very few losses; but evidently the time is coming when the losses will be very apparent. That is, the conditions of agriculture are not what they were a few years ago. The risks are much greater; and I venture to say that any private institution will not now give the terms obtainable a few years ago on the security of land. Almost anyone could then earn a living on the land; whereas it now takes a smart man to do so. The manager should have absolute discretion in making advances. In two or three cases which I had the privilege of investigating I found there had been considerable delay, and the applicants called the manager anything but a gentleman. But I venture to say that had I or Mr. McLarty been in the manager's position, not one penny would have been advanced in those instances. I say Mr. Paterson was absolutely right in delaying the applications as he did. He should have absolute control; and I know he will act without fear or favour. I am supporting the Bill; but I should like to strengthen Mr. Paterson's hands, so that he may in every instance use caution in lending money. So long as the money is invested cautiously, I care not how much is advanced.

Question put and passed.

Bill read a second time.

IN COMMITTEE.

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

BILLS OF EXCHANGE ACT AMENDMENT BILL.

SECOND READING.

THE MINISTER FOR LANDS (Hon. J. M. Drew): In moving the second reading of this Bill, I may say it is most necessary for the protection of bankers. Section 61 of the original Act protects bankers against forged indorsements or bills of exchange, but does not give them protection in the case of drafts or orders. For instance, if a banker pays a bill of exchange on which there is a forged indorsement, he is not liable to the real owner; but if he pays a draft or order, he is. I am at a loss to know why there is this distinction. There must have been a mistake on the part of the draftsman when drafting the original Act, because a lot of trouble has arisen. Bankers are liable if they pay on a forged indorsement. A lot of trouble has to be gone through to identify a person when going to a bank. In regard to Clause 3, at present if a person pays in a crossed cheque to a bank, and has a defective title to it, if the bank allows him to draw against it or credits him with the amount in his pass-book, the banker is disentitled to protection under Section 83, and incurs liability to the true owner. The consequence is that banks have decided not to credit to a customer any crossed cheques, because they have to undertake a risk if they do. A cheque may have to go from Geraldton to Kalgoorlie for collection. The banks now are prepared to take a risk to a certain extent, and allow a customer to draw against a cheque. It is the intention of the banks in future not to allow any customer to draw against a crossed cheque. The amendment is in strict conformity with the law in England and in Victoria. No doubt other members of the House will be able to explain the law more intelligently than I have, as I have had no means of obtaining full information on the matter.

HON. F. M. STONE (North): Perhaps I may explain to members the points in reference to this Bill. I have looked into the matter, and it has been prominently before the banks and the public in consequence of a case that came before the House of Lords last year when both the points dealt with in the Bill were decided. The law which is dealt with in Clause 2 was passed in England in 1853. Take a head office issuing a draft on a branch office, and that draft falls into the hands of a third person who forges the name of the holder of the draft and the bank pays, the law as it stands to-day says that the bank is responsible in consequence of the forgery. When the Bills of Sale Act was passed, an omission was made in not following the law in such cases. It was only provided for bills of exchange when drawn by a third person. Suppose the National Bank draws on the Union Bank, if a forgery takes place the bank is not liable; but supposing the National Bank in Perth draws on a branch in Kalgoorlie,

and a forgery takes place, then the National Bank is responsible. I think members will see that in cases of that kind it is absurd that the bank should be liable. It has been brought prominently before the bankers of this State and the other States that they run a risk. Immediately the case was decided in the House of Lords, a Bill was passed in Victoria protecting the banks. As to Clause 2, the House of Lords also dealt with that point. Supposing a customer takes a cheque to a branch bank in Kalgoorlie and wishes to draw against that cheque, and the manager is willing to allow him to do so, the cheque being on a bank in Perth, it is necessary to send the cheque down to Perth for collection. If the bank at Kalgoorlie allows the customer to draw against the cheque, and when the cheque comes to Perth it is found that the indorsement is forged, the bank will be liable; therefore it means that customers of the bank, the general public, would be protected. The banks have to be very careful in giving an advance on a cheque which may be a good one, outside the question of indorsement. Customers would be prevented from obtaining an advance on a cheque before it had been collected and the collection sent back to Kalgoorlie, which might mean three or four days. Clause 2 is inserted for the purpose of overcoming that difficulty. Supposing a bank at Kalgoorlie arranged with a customer to allow him to draw against a cheque, and when the cheque was sent to Perth the indorsement turned out to be a forgery, the bank would not allow it. The clause simply protects the bank from the effects of the forgery. This clause has been passed in Victoria, and I think if it is passed here it will be of considerable advantage to the public, and will release the banks from a liability it was never intended to place on them.

HON. M. L. MOSS (West): I do not wish to intrude my opinion, but being a subscriber to the English *Law Times*, I notice in the issue of November 19th of this year a paragraph in reference to this matter, and I would like to quote two or three sentences to the House. It says:—

> It is obviously a matter of extreme urgency in a commercial country that the policy of the law should be in conformity with the requirements of legitimate business and not in antagonism to them. From the presidential address delivered at a recent meeting of the Institute of Bankers, there seems reason to fear that in certain particulars the law regarding bills of exchange, enunciated by a modern House of Lords case dealing with the crediting of cheques, is quite out of keeping with commercial requirements. It is said that the banks do not act upon the lines therein laid down, and that if they did the City business would be paralised. Such a state of things is obviously undesirable from every point of view, and unfortunately, the little three-line Bill—the Bills of Exchange Amendment Bill—introduced last session was not pushed through its stages, and consequently there are being transacted daily pieces of business which expose the parties concerned to serious risks.

Through some pressure of business a small measure did not get through the Imperial Parliament last session. This paragraph in the *Law Times* shows the extreme urgency for passing this Bill.

Question put and passed.

Bill read a second time.

IN COMMITTEE.

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

MUNICIPAL INSTITUTIONS AMENDMENT BILL.

IN COMMITTEE.

Resumed from the previous day.

Postponed Clause 15—Amendment of Section 167:

THE MINISTER FOR LANDS moved an amendment that the following subclause be added:

> Explosives.—Regulating the storage of gunpowder, explosives, and cartridges in warehouses and other premises.

The object was to give authorities power to frame regulations in regard to the storing of explosives. At Fremantle explosions had occurred and a number of persons had been injured.

Amendment passed.

HON. W. KINGSMILL moved an amendment:

> After Subclause 28a, insert: 31a. Prohibiting the wholesale sale of fish except in markets established within the municipality, or prohibiting the wholesale sale of fish within the municipality when a market for the wholesale sale of fish is established in another municipality. For the purpose of any by-law made in this subsection the seashore, and the sea, and any river abutting on the boundary of the municipality shall be deemed within the municipality.

He said it had been suggested by one legal member of the House that the

amendment should be altered to read "Prohibiting the wholesale sale of fresh fish within the municipality except in markets established within the municipality." Then it went on, "for the purpose," etcetera. We could only trust to the good sense of the municipalities to use this proposed by-law with discretion and wisdom.

THE MINISTER FOR LANDS had had a discussion with the Parliamentary Draftsman, who considered the amendment perfectly unobjectionable. If we had the words "the sale of fresh fish" we should have to add "any other kind of fish." It would be far better to leave the amendment as it stood, because we were simply giving power to make regulations. The municipal authorities would never make a regulation to prevent the importation of tinned fish or anything like that. Moreover, if a municipality wished to do that, the regulations would have to be submitted to the Governor-in-Council.

HON. M. L. MOSS suggested that the word "and" before "the sea" be struck out.

HON. W. KINGSMILL accepted the suggestion.

Amendment as altered passed, and the clause as amended agreed to.

Postponed Clause 27:

HON. R. D. McKENZIE moved an amendment:

That after the word "gas" wherever occurring, the words "or water" be inserted.

HON. M. L. MOSS said Dr. Hackett yesterday suggested that the Minister should get the opinion of the law authorities as to what effect the amendment would have on the goldfields water supply.

THE MINISTER FOR LANDS: There was a great element of doubt whether this amendment would not apply to the Goldfields Water Supply. He had a consultation with the Crown Solicitor, who was very doubtful whether it would not apply. Before a private individual could construct a main through any street he must get the authority of Parliament. The question was whether the Coolgardie Water Supply was used for public purposes or for commercial purposes. He (the Minister) would say that if it was used for public purposes the water would be free; but it was scarcely used for public purposes. It was used for commercial purposes. The Crown Solicitor was of opinion that it would be rather dangerous to adopt an amendment of this character.

HON. R. F. SHOLL: The country had been put to great expense in establishing a doubtful commercial undertaking, and now it was intended by this amendment to enable the municipality of Kalgoorlie to rate the mains of the Kalgoorlie Waterworks. The House should be very careful in passing the amendment.

HON. J. D. CONNOLLY did not think it was the intention of any member that the goldfields water supply should be ratable. At the same time if we had not this amendment we should deprive other municipalities outside the area of the Goldfields Water Supply of the power to rate on any water mains that might be placed in their streets. If a proviso were inserted at the end of the clause stating that this did not apply to the Goldfields Water Supply Scheme, that would get over the whole difficulty.

Amendment put and negatived.

HON. M. L. MOSS moved an amendment:

That the words "gross receipts of" in Subclause 2, be struck out with a view of inserting "amount actually received by."

HON. J. D. CONNOLLY: What was the difference.

HON. M. L. MOSS: The gross receipts might mean, and he thought would mean, receipts not only from gas and electricity, but from all the residuals.

HON. W. T. LOTON: No.

HON. M. L. MOSS: It might do so. If we provided that the amount actually received by them on the sale of gas and electricity should be stated, that would make the matter perfectly plain.

At 6·30, the CHAIRMAN left the Chair.
At 7·30, Chair resumed.

HON. M. L. MOSS: The object of the amendment was simply to tax people on the money they received for the gas or electric current supplied, and not on the fittings or appliances used in connection therewith. While it was desirable to have a method of municipal taxation of gas companies as proposed in the clause, in order to avoid such litigation as that which had taken place between the Perth Gas Company and the City

Council, also that which took place last year between the Fremantle Gas Company and the Fremantle Municipal Council, it would be unfair to tax those companies beyond a certain percentage received from the actual sales of gas or electric current.

Amendment put and passed.

HON. M. L. MOSS moved a farther amendment in the same subclause, that the word "from" be struck out, and "for" inserted in lieu.

Amendment put and passed.

HON. M. L. MOSS moved an amendment in Subclause 4, that the word "exclusively" be struck out, and the words "by the sale of gas and electricity" inserted in lieu.

Amendment put and passed.

HON. R. F. SHOLL moved an amendment in Subclause 4, that the words "ten shillings" be struck. The effect would be that instead of 1½ per cent. on the gross receipts, a gas company would have to pay 1 per cent. Gas companies were already penalised to the extent of 5 per cent. on their declared profits, and not only would they be penalised by the extra rate they must pay through the assessment in this clause, but their water rate would be increased enormously. Under the Waterworks Act in Perth, for instance, the managers could claim to levy at a certain rate on all properties that were ratable, and this clause would increase the rate for those companies to the extent of about 150 per cent. It would be particularly hard on the Fremantle Gas Company, as they already had the municipal tramway competing against them in lighting. One per cent. would yield a big income to the councils, and the rate fell practically on consumers, who must pay for any increased cost of the article.

HON. W. MALEY: It was not made clear what would be the effect of this new system of rating on gas and electric lighting companies. This would be a new kind of rate. The users of gas or electric lighting in the city did not get a great amount of value for what they paid; and seeing that the tendency was to impose additional rating on property-owners, he did not see why gas companies should escape, as they were well able to bear some taxation. Seeing that the cosmopolitan and democratic Chamber had imposed a certain rate, he did not think this Chamber should reduce the amount.

HON. J. W. WRIGHT: Not only did the Perth Gas Company pay 5 per cent. to the City Council, but was practically forced to supply lighting to the City Council at a reduced cost of 10 per cent. as compared with ordinary consumers. The Perth Gas Company had been paying on their works to the City Council at the rate of £200 per annum. One per cent. would more than double the amount they had paid hitherto; a rate of 1½ per cent. would be nearly three times what the company now paid. One per cent. would be sufficient.

THE MINISTER: This was a maximum rate. The municipality might choose to impose the rate of only 1 per cent.

HON. T. F. O. BRIMAGE supported the amendment. We should hesitate before giving too great powers in taxing private companies. One per cent. would be sufficient to start with.

Amendment passed, and the clause as amended agreed to.

Schedule (showing several amendments to be hereby made in the principal Act):

HON. J. W. HACKETT: The paragraphs of this schedule were really separate clauses, and they should have been embodied in the Bill as clauses; but they were grouped together for convenience in the form of a schedule.

Paragraph 13—Amendment of Section 100:

HON. M. L. MOSS: This paragraph proposed to alter the starting hour of polls from 11 to 9 o'clock. Eleven o'clock was quite early enough, and the amendment was unnecessary.

THE MINISTER: The former practice was 9 o'clock, and it was desired to revert to it, as 11 o'clock was considered too late to start a poll.

HON. W. MALEY: Nine o'clock was quite late enough to start a poll.

HON. G. RANDELL: It would be an advantage to a large number of ratepayers in large centre to start a poll at 9 o'clock.

Paragraph 19—Amendment of Section 156:

HON. J. W. HACKETT: This was rather an important alteration of which he did not approve. The practice hitherto that the mayor should be *ex officio* chairman of all committees was good and was

the same as in Adelaide. The mayor was the representative of all the ratepayers; and if he had not sufficient time to preside at all meetings of committees it was his place to consider the point when offering himself as a candidate. As the mayor represented all the ratepayers, he should be chairman of all committees, otherwise the representative of a ward would be chairman of a committee, which would be a disadvantage. The mayor was the one link between the council and the committees, and between the committees themselves; and if municipal work was to proceed smoothly the mayor should be chairman of all committees, so as to inform any one committee of what other committees were doing. The paragraph should be struck out.

THE MINISTER: The amendment in this paragraph was to revert to the old system provided in the Act of 1895, and was put in the Bill at the suggestion of the Municipal Conference.

HON. J. W. HACKETT: It was suggested out of consideration for the mayor; but the mayor must do his work, and the chief work of councils was done in committees. The mayor was a pure figurehead. He was chairman of the council, and not chairman of committees. We were told the Municipal Conference desired this change. True, there were always one or two cranks at every conference. What was the practice in every capital city in Australia, save Perth? The mayor was chairman of committees, because this was found essential. The mayor was thus kept in touch with the business; and if he was not prepared to do his duty as chairman of committees, he should give way to someone who would.

HON. W. T. LOTON: The Minister said this provision was in the schedule because recommended by the conference. If the Government had so much confidence in the conference, why were not its other suggestions embodied in the Bill? Unless the mayor took a prominent part in the principal committees he was not fit to be mayor, and would have no power as mayor, as he would not be conversant with the business transacted in the council, but would be guided by a section of the councillors. A mayor need not always take the chair at committee meetings. When he (Mr. Loton) was mayor of Perth, he sometimes arrived late at a committee meeting and found a councillor presiding; but the mayor should be *ex-officio* chairman; and the more committee meetings he attended, the better work would be done by the council.

HON. C. SOMMERS disagreed with the last speaker. The mayor might be chairman of committees if these sat in rotation; but in Perth several committees sat on the same night, each with its own chairman. Some councillors were specially qualified for the chairmanship of particular committees. One might be a financier, and another a municipal works expert. We did not make the President of the Legislative Council Chairman of Committees. Dr. Hackett said that in all other capital cities the mayor was *ex-officio* chairman. Not so in Melbourne, unless the law had been altered within the last two or three years.

HON. G. RANDELL: The section referred to was inserted in the consolidating Bill of 1900 for the reasons stated by Dr. Hackett. It was carefully considered by a select committee, assisted by the secretary of the municipal conference. This paragraph should be struck out. He (Mr. Randell) was opposed to the provision that the chairman of a committee should hold office during the municipal year, without provision for his absence, or for his declining to act. The mayor, if chairman of committees, would be better able to discharge his duties in the council, and better acquainted with the internal working of the municipality.

HON. R. D. McKENZIE supported the paragraph as printed. The Bill was not for the benefit of Perth only. The Kalgoorlie and Boulder municipalities had five committees—electric light, fire brigades, works, finance, and general purposes. The mayor could not possibly preside at each. Some councillors were specially qualified as chairman of particular committees. For the electric lighting committee, for instance, a chairman with expert knowledge was needed. The difficulty pointed out by Mr. Randell could easily be overcome. He moved an amendment:

> That the words "and in his absence every committee shall appoint one of its members chairman," be inserted after "thereof" in line 6.

Amendment passed.

HON. W. MALEY: There was a good deal in the suggestion that the schedule as it stood was unworkable or against the interests of the ratepayers. In cities like Perth it was due to the ratepayers and to the owners of property that the mayor should be a real live man with uncommon ability, who made himself familiar with every interest. He should be on every committee, know every difficulty and everything connected with the municipal government of the State. If the mayor shirked his responsibility there should be no opening given to him. Only when he was unable to be present from some unavoidable cause should a substitute be appointed on a committee. If the mayor was engaged in other business which distracted his attention, the citizens should get rid of him. The man who occupied the position of mayor of Perth took upon himself a great responsibility, therefore should make himself familiar with every department of municipal life. He supported the amendment.

Paragraph as amended put, and a division taken with the following result:—

Ayes	...	...	...	6
Noes	...	...	...	9
Majority against			...	3

AYES.	NOES.
Hon. J. M. Drew	Hon. C. E. Dempster
Hon. W. Kingsmill	Hon. J. W. Hackett
Hon. E. D. McKenzie	Hon. S. J. Haynes
Hon. M. L. Moss	Hon. W. T. Loton
Hon. C. Sommers	Hon. W. Maley
Hon. T. F. O. Brimage (*Teller*).	Hon. E. McLarty
	Hon. G. Randell
	Hon. R. F. Sholl
	Hon. J. W. Wright (*Teller*).

Question thus negatived; the paragraph struck out.

Paragraph 21—Amendment of Section 160—agreed to.

Paragraph 22—Amendment of Section 167 (hawking):

HON. M. L. MOSS would vote against this paragraph, which would prohibit hawking in the main streets. Councils should not have the power to prohibit hawking in the main streets of a town. Hawking had been legislated against and persons could only hawk goods of their own manufacture, and food, fish, fruit, and newspapers. The power given to a municipality to prohibit hawking was in the interests of those persons who occupied shops in crowded thoroughfares, giving them a big monopoly. Hawkers had been instrumental in bringing down the price of fruit. Speaking of Barrack Street, one of the most crowded thoroughfares in Perth, it would be a bad thing for the poor people if the municipality were entitled to make by-laws prohibiting hawking in that street. He moved:

That the first subparagraph be struck out.

HON. W. MALEY: There was a shop kept by a Chinese in Barrack Street largely supported by the people who cried out about hawking. It might be reasonable to place a European hawker in front of that shop, and although one believed hawkers' fruit was not the best, still the competition might do good. There should be some limitation placed on hawking. Hay Street was particularly narrow, and if the municipality had not control over the system of hawking the traffic would be impeded. He doubted if the police could insist on hawkers moving on. There was considerable reason in this portion of the amendment. It was a power that we should hesitate to take away from a municipality.

HON. M. L. MOSS protested against the time of the Committee being wasted by the observations of the hon. member.

HON. W. MALEY: The remarks which he made were quite intelligible to the ordinary mind, but the remarks of Mr. Moss were not too polite.

HON. C. SOMMERS: Municipalities should have this power. Those members who knew Melbourne would recollect the hundreds of hawkers' barrows which were to be seen in Swanston Street. It did not matter much there, for the street was wide. If the same thing occurred in Barrack Street or Hay Street the traffic would be impeded. Municipalities should have the right of prescribing the streets in which hawking should be allowed.

Subparagraph negatived.

Paragraphs to amend Sections 169, 223, 261—agreed to.

New paragraph:

THE MINISTER moved that the following be inserted in the schedule: "Section 337—The word 'or,' in line seven, is struck out, and the words 'and the' are inserted in place thereof." He was informed by the Parliamentary Draftsman that this was an error in drafting.

Amendment passed.

Paragraphs to amend Sections 350, 353, 354, 358, 378—agreed to.

Paragraph to amend Section 379:

HON. W. KINGSMILL moved an amendment that the words from "the" down to "and" (both inclusive) in the last line but one, be struck out.

Amendment passed.

On farther motion, the word "undertaking" in the last line struck out, and "works and undertakings" inserted in lieu.

Paragraphs to amend Sections 382, 384—agreed to.

Paragraph to amend Section 403:

HON. G. RANDELL moved an amendment that all the words in the first line and in the second line down to "and" (inclusive) be struck out. He did not know how any assets of the council could be returned. The word was not used at all in the Municipalities Act, but the words used were "liabilities" and "expenditure," all through. What councils' liquid assets were he could not conceive. They could not sell their reserves or town hall or anything of that kind. He thought it would be difficult for the Perth Council to sell the Town Hall; although that had been mooted. Perhaps the member in charge of the Bill would state what assets meant.

THE MINISTER: The assets meant the rates due and all the property belonging to the corporation. The amendment of the hon. member would not achieve the purpose the Government desired. That particular portion of the schedule as it stood covered all possible ground. It compelled municipal councils to furnish the ratepayers with a statement of all the assets and all the liabilities. At present the council was only compelled to furnish a statement of receipts and expenditure. Ratepayers ought to know the exact position of the municipality. Every municipality had movable property.

HON. R. F. SHOLL: Would assets include parks and public buildings?

THE MINISTER doubted whether assets would include parks or anything like that; but simply movable property in the municipality. Fire brigade engines, steam rollers, machines for crushing metal were assets.

HON. J. W. HACKETT: Municipal buildings?

THE MINISTER did not know whether they should be regarded as assets. If so, they should be included in this statement.

On motion by HON. M. L. MOSS, progress reported and leave given to sit again.

ADJOURNMENT.

The MINISTER FOR LANDS, in moving that the House do now adjourn, said he hoped the House would get through the business quickly to-morrow. It was necessarry to meet to-morrow, but not to sit in the evening.

The House adjourned at 8·47 o'clock, until the next day.

Legislative Assembly,

Thursday, 15th December, 1904.

[ALL-NIGHT SITTING.]

MR. SPEAKER took the Chair at 2·30 o'clock, p.m.

PRAYERS.

QUESTION—TIMBER CUTTING, KIRUPP DISTRICT.

MR. HENSHAW asked the Premier: 1, On what grounds has the forest ranger stopped hewers from cutting on Timber Area 6277 in the Kirupp district? 2 Has any company or persons an exclusive