BILLS (2)—FIRST READING.

1, State Children ; 2, Public Health ; received from the Legislative Council and read a first time.

ADJOURNMENT.

The House adjourned at 3.20 o'clock Wednesday morning, until the afternoon.

Legislative Council,

Wednesday, 27th November, 1907.

The PRESIDENT took the Chair at 4.30 o'clock p.m.

Prayers.

QUESTION—GOLDFIELDS WATER SUPPLY.

Cost to Railways.

Hon. J. T. GLOWREY asked the Colonial Secretary: 1, What was the amount paid per annum by the Railway Department for water between Northam and Kalgoorlie for four years previous to the opening of the Coolgardie Water Scheme to Kalgoorlie? 2, What were the number of gallons used and the amount paid per annum for water conveyed by train for railway purposes north of Kalgoorlie since the opening of the water scheme to Kalgoorlie?

The COLONIAL SECRETARY replied: 1, Year ended 30th June, 1899, £1,336; year ended 30th June, 1900, £19,488; year ended 30th June, 1901, £21,517; year ended 30th June, 1902, £33,103; from 1st July, 1902, to 30th January, 1903, £10,842. 2, From opening of Scheme to 30th June, 1903. *nil* ; year ended 30th June, 1904, 834,000 gallons, £260 12s. 6d.; year ended 30th June, 1905, 1,550,400 gallons, £484 10s.; year ended 30th June, 1906, 172,200 gallons, £54 0s. 7d.; year ended 30th June, 1907, 58,300 gallons, £18 4s. 4d.

LEAVE OF ABSENCE.

On motion by the *Hon. W. Kingsmill*, leave of absence for six consecutive sittings was granted to the Hon. T. F. O. Brimage (North-East) on the ground of urgent private business.

RETURN—GOLDFIELDS WATER SCHEME.

Reticulation and Revenue.

Hon. G. BELLINGHAM (South) moved—

That a return be laid on the table of the House, showing the individual expenditure of reticulation and revenue for water supply from the Coolgardie Scheme at the following places: Northam, Southern Cross, Coolgardie, Kalgoorlie; also the revenue received from water supplied between the weir and Kalgoorlie, irrespective of the above places.

Now that the House was debating at great length Mr. Patrick's motion in respect of the Coolgardie Water Scheme, it was desirable that members should be armed with the all the knowledge obtainable. Most people considered, when speaking broadly of the expenditure and the loss on the water scheme, that the loss was due to insufficient consumption by the mines. When this return was supplied, members would probably see that a great proportion of the loss was traceable to the reticulation schemes *en route*.

Hon. W. Maley: The mover might add Boulder to Kalgoorlie.

Hon. G. BELLINGHAM: Boulder was included in that district.

Question put and passed.

MOTION—PLANTATIONS IN NORTH-WEST.

Tropical Experiments.

Debate resumed from the previous day, on the motion by the Hon. R. W. Pennefather that the Agricultural Department should take steps at an early date to establish experimental plantations in the North-West.

The COLONIAL SECRETARY (Hon. J. D. Connolly): I do not wish to say much on the motion, for I quite appreciate the object of the mover; but I may mention that the Government have not lost sight of the vast possibilities of the North-West for the culture of tropical products. The Agricultural Department have hitherto been very busy attending to other matters. During the last few years they have undertaken quite a number of new works, and therefore have been unable to devote attention to that part of the State referred to in the motion. I do not mean to say for a moment that the department are not alive to the possibilities of the country. They intend to start experimental farms for cultivation of plants in the North, with a view to testing the possibilities of that area for tropical products. During the past two years, however, the department have been engaged in other parts of the State, in such enterprises as the following: cool storage, lamb export; storage of local fruit for supply of market; endeavour to instal cool cars on railways; butter factory at Bunbury; Fremantle, storage for agricultural products, together with grain sheds, abattoirs, etcetera, under the one roof at the deep-sea frontage, North Fremantle; Agricultural Bank expansion, with added encouragement to settlers, involving various amendments to the Agricultural Bank Act; putting State farms in order; purchasing stock and adopting proper methods of cultivation; detaching experimental from other work; potato-growing at Hamel for seed and profit; introducing stud flocks and herds for farmers to procure their progeny at low rates; importing dairy stock to establish the industry; importing breeding ewes to give struggling settlers a good start. These are only a few of the undertakings with which the department have been busy within the last two years; and I mention them simply to show that if we have not actually carried out any work in the North-West, we have been exceedingly busy elsewhere. I may mention the freezing works at Wyndham as one of the projects now in hand. Even at the present time negotiations have been opened up with the Beagle Bay Mission, with a view to the production by the mission of sub-tropical plants which the department have undertaken to buy. The following letter, dated the 27th November, 1907, from the Under Secretary for Agriculture to the superior of the mission, will show what is contemplated:—

> "The success that your mission has attained in demonstrating that a variety of tropical plants can be cultivated with great advantage in the northern parts of the State, more particularly round Beagle Bay, naturally suggests that your co-operation could with good results be enlisted in farthering work of this nature. The difficulties that would attend such work, undertaken at this stage and at this distance by a State Department, are lessened when conducted by local residents who have both the desire and the facilities for carrying such experiments to a successful issue. I shall therefore be glad if you will advise me whether you will undertake to raise sufficient of the following crops to enable this department to send to the Agent General in London substantial samples to submit to those in the trades concerned; namely, cotton, sisal hemp, rice, rubber, kapok, tobacco, dates and copra (which all come under the provisions of the Bounties Bill), and such tropical fruits and products as bananas, pineapples, cassava, ginger or any other crops that might in your opinion be profitably grown in your part of the State. This department would be prepared to buy at current market prices: Two or three bales of cotton, two or three bales of sisal hemp, 100 bushels of rice, 1 cwt. of rubber, a good representative sample of kapok, 100 cases of bananas, 100 cases of pineapples, a few tons of cassava, a few

hundredweight of dried ginger, cured tobacco leaves, copra, dates. Besides the above, any representative parcels of tropical produce of economic value which can be raised here. I shall be glad to try to procure from Ceylon and other parts seeds and plants for any of the crops you may be prepared to cultivate, provided you agree to furnish this department with progress reports regarding the growth and prospects of the crops, and recognise the right of the department to purchase the resulting crop at current market prices."

I mention this to show that even now the department are doing something in this way and, as the letter I have read states, it is thought perhaps at this stage it will be better to try and induce private people to take up the experimental work rather than that the Government should start an experimental plot so far from the seat of government. If these people are successful in growing products it will be a proof that an industry in the various articles will be opened up. The member is no doubt aware that encouragement has been given lately to this question by the passage of the Federal Bounties Bill. The bounties are as follow:—

"Cotton £6,000 a year for eight years; flax (N.Z.) £3,000 for 10 years; flax and hemp, £8,000 for five years; jute, £9,000 for five years; sisal hemp, £3,000 for 10 years; mohair, £2,000 for 10 years; copra, £5,000 for 15 years; cottonseed, £1,000 for eight years; linseed (flaxseed), £5,000 for five years; olives, £2,500 for 15 years; palm fruit, £3,000 for 15 years; peanuts, £5,000 for five years; sunflower seed, £2,000 for five years; rice (uncleaned), £1,000 for five years; rubber, £2,000 for 15 years; coffee (raw), £1,500 for eight years; tobacco leaf, £4,000 for five years; fish (preserved in tins or casks), £10,000 for five years; dates, £1,000 for 15 years; dried or candied fruits (exported), £6,000 for five years."

I do not want it to go forth that it was necessary for the Legislature to bring this question before the Government in order to get something done in the matter. The Agricultural Department are alive to the possibilities of the North-West and have given the matter consideration for some time past. They have made a step in the direction of giving practical effect to the desires of the mover of the motion. I hope that good results will accrue from the experiments to be made. Later on, when some of the many undertakings the department now have in hand are completed, they will deal farther with this question and will themselves experiment in the growth of products in the North-Western portion of the State.

Hon. V. HAMERSLEY (East): We know very well how the experimental stations in the various parts of the States have been established and managed, and that enormous sums of money have been expended in trying to discover new avenues of work in connection with agricultural matters. So far as I am able to judge, I fail to see that we have had anything like a fair return from that department up to the present, or that we have achieved anything like the satisfactory results that should have been obtained. In these circumstances therefore, it would be unwise for the Government to start experimental stations in the North-West, when in all likelihood similar results would obtain. It seems to me that the letter written by the department to the Beagle Bay Mission stamps the whole thing as a failure from the outset. The Mission are to be provided with seeds and they are asked by the Government to report upon the results of their experiments. In addition the Government are to have the right to the products if any are obtained. If the Government were prepared reasonably to subsidise anyone taking a direct interest in the growth of products in the North-Western portion, or in fact the Southern portion as well, and to pay those on the spot in some reasonable way for their outlay, the State would benefit a great deal more than by the establishment of State farms and experimental stations, also having a lot of experts travelling about, and achieving very small results. [*Hon. J. W. Hackett*: How would you subsidise them?] By returning to them the actual cost of their operations. A person may be 10 years experimenting without results, and

it seems to me extremely hard that in connection with the present proposals of the Government they should insist upon having the sole control of a man's crop merely because they supplied him with seeds, which could be obtained for a few shillings.

The Colonial Secretary: They would be paid for the crops at the current market rates.

Hon. V. HAMERSLEY: Any firm would take the crops on the same basis. It is a one-sided system altogether, and will not serve as an encouragement to people to embark upon this work. Better results would be obtained by subsidising growers, at least for the outlay they were put to in the actual cost of cultivation.

Hon. R. W. PENNEFATHER (in reply as mover): Mr. Sholl has said that the North-Western coast and the Western coast are not nearly so humid as the coast on the Eastern side of Australia. On this matter I can speak from personal experience, for I have been in the North-West long enough to realise the wonderful humidity of the atmosphere, particularly along the coast. The soil and the tropical growth of the country up there provide conclusive evidence of the humidity of the atmosphere. He would be a brave man who would say that most of the products referred to by the Colonial Secretary could not be produced in the North-West. The whole question is whether the encouragement of the growth of these products shall be on the lines of experimental plantations, or by the subsidising of individuals for the labour they have expended in the work, quite regardless of the fact whether their efforts have been sucessful or not. If the latter course is adopted there will be great difficulty in working out a fair measure of compensation. People will say they have devoted much labour for many years in trying to raise certain products but that their efforts have been unsuccessful. The adoption of such a system would provide but a poor test of the capabilities of the North-West in regard to tropical production. I say with hesitancy, although its truth is forced upon me, that although the question of expenditure is a necessary consideration, we must be careful not to show the people in the North-West that we are altogether too niggardly about the disbursement of money for that part of the State, whereas in Southern parts money is spent freely, readily, and in a princely fashion. It would not be out of the way to spend a reasonable sum in the North-West in conducting experiments in the direction I have indicated. It is all very well for the Colonial Secretary to say they have written to the Beagle Bay Mission, or anyone else, saying they will buy the products raised there at market rates. That is not the encouragement needed to stimulate the industry, for something more active than that is necessary. If some of the experimental farms have been eminently unsuccessful in the Southern parts, that is no reason why the system is bad; it is rather that the wrong people have been put in charge and were either men who were not experts, or men who were experts but neglected their business. The experimental stage has not altogether been passed on the Eastern side of Australia; on the contrary, Queensland is taking a striking lead in the formation of experimental plantations. Following on that there is a strong movement in the Federal House to establish, by bounties, a stimulative growth of these products in the tropical areas. I recommend this motion to members for the good of Western Australia, and it will show that this branch of the Legislature is interested in the development of that portion of the State, which, for many years, has regarded itself as being almost alienated from the rest of Western Australia.

Question put and passed.

BILL—ROADS AND STREETS CLOSURE.

In Committee.

Clause 1—agreed to.

Schedule:

Hon. J. W. WRIGHT moved an amendment—

That the words "all that portion of the Esplanade lying between the easterly side of William Street, and the

westerly side of Barrack Street, and south of a line parallel to and distant 75 links from the south boundaries of Perth Town Lots L 1 to L 9" be struck out.

Hon. W. MALEY: No reason had been advanced for striking out the words, but in view of the fact that roads must be sixty-six feet wide it was only reasonable that in the City of Perth the avenues should be made as wide as possible. Seeing that motor cars were now so much in vogue and other infernal machines, it was necessary that the streets should be made as wide as possible, and he took it that was the reason which had actuated the mover of the amendment.

Hon. J. W. HACKETT: This paragraph had evidently slipped in by an oversight.

The Colonial Secretary: The land had been fenced for over nine years.

Hon. J. W. HACKETT: The reason given by Mr. Maley was enough to obtain the support of all members to the amendment. We should have roads as wide as possible, but now the Government came forward with a proposal to reduce what was a popular street to three quarters of a chain. The history of this seizure of the people's street was familiar. About nine years ago it was thought this was a particularly unsightly street and that great advantage would be derived by reducing it in width; so the Council stole the piece of the street and added it to the Esplanade without asking the opinion of the ratepayers. The original width of the street was a chain and a half, and a road of that width ran from Mount Bay Road all round the river frontage, and this little bit would drop to three quarters of a chain in width. This was a tram route and if the traffic increased and there was a second line of rails laid the street would become impassable. The land along this street was sold on the understanding that it faced a road a chain and a half wide.

Hon. C. SOMMERS protested against the commandeering of half of this street. Years ago it was thought the traffic of the city was not likely to grow and 16 feet of Hay Street was commandeered. The land along the Esplanade had been sold on the understanding that the street was a chain and a half wide, therefore there might be claims for compensation from the land owners in that street.

Hon. M. L. MOSS: It was a serious thing to Perth that Hay Street had been allowed to be encroached on, and he rarely went into that street without thinking that legislation should be brought in providing that as buildings were pulled down in that street eight feet on either side should be given up. Where this building stood a slice should be taken off as a start in that direction. There was no reason for the encroachment along the Esplanade, and it would only be a short while before the barriers would be taken down and the street widened. It would be a serious thing indeed to permit this encroachment, and with the garden there the road could easily be widened.

Hon. G. RANDELL: This was a gross violation of the rights of the citizens of Perth and the owners of property had had their rights infringed. It was surprising the property owners had not taken steps in the matter before this. There was danger in this portion of the Esplanade when driving along if a tram passed.

Hon. G. BELLINGHAM supported the amendment. This portion of the Esplanade was really part of the main road between Perth and Fremantle. What would be the effect of striking out the words? Would the Perth Council still retain possession of the land as they had done for the past nine years or would they put the fence back? The debate might have the effect of causing the fence to be removed. He hoped this matter would be ventilated in the Press and the fence shifted.

The COLONIAL SECRETARY did not wish to oppose the amendment. He would sooner see a street made wider than narrower, for streets could always be made narrow but, as in the case of Hay Street, it was difficult to make them wider. The Government had sufficient reason for including this street in the Bill. Each year a Bill came forward for the closing of streets. The matters were first looked into and reported on, and when approved by the Minister were placed in the Bill. Seeing that the Perth Council asked for

this closure and that they had enclosed the portion of the street for the past nine years without any protest in late years being raised, in fact he did not know of any protest ever having been raised, there was sufficient reason for the Government including this street in the Bill. The Government simply brought the Bill forward and pointed out its effect. It was for members to say what should be done. There was no desire to oppose the amendment.

Hon. R. F. SHOLL: Before the Government brought forward a measure which was an interference with the existing rights of people, they should be perfectly satisfied and should be able to back it up. They were not justified in bringing forward any proposal to curtail any street without using all endeavours to have the measure passed. No doubt there was a good deal of diplomacy in the Colonial Secretary's not opposing the amendment, because the probability was that on a division the Colonial Secretary would find himself the only opponent to the amendment. Members could see the effect of any street closure in Perth, but in country districts a street could be closed to the detriment of property and members would have no knowledge of it. Before any streets were closed the fact should be published in the *Gazette* for at least six months, and the owners of property fronting the streets be served with notice and be given an opportunity of protesting. Parliament should be most careful before passing a Bill affecting the rights of property fronting streets proposed to be closed.

Amendment put and passed; schedule as amended agreed to.

Title—agreed to.

Bill reported with an amendment.

BILL—POLICE ACT AMENDMENT.

First Reading.

Received from the Legislative Assembly, and on motion by *the Hon. M. L. Moss* read a first time.

Hon. M. L. Moss explained that Mr. Pennefather had intended to take charge of the Bill; but as the hon. member would necessarily be absent from the House, he (Mr. Moss) had agreed to take charge of the measure.

BILL—BRANDS AMENDMENT.

In Committee.

Clause 1—agreed to.

Clause 2—Amendment of Section 5:

Hon. C. A. PIESSE: On the second reading he notified that he would move an amendment to this clause, to add a proviso similar to that in Clause 7; but now he desired to have Clause 2 struck out. The Honorary Minister in another place had not made out a good case why the owners of old brands should be forced to give up their brands. If the old brands had not been properly recorded, it was the fault of the department and not of the owners, because the owners had paid the fees and the brands were recognised far and wide as their property. It was not possible for persons to interfere with them any more than it was possible to interfere with the brands being registered to-day.

The COLONIAL SECRETARY: It was not intended to charge a fee. No fee had ever been charged for these transfers, and it was not intended to make a regulation to that effect now. The clause was only for the better regulation of the brands. It did not follow that brands previously used would be taken from the owners, for they could still use them with the permission of the Minister. The clause was merely to give better control over the old brands long in use, and to provide that there would be no duplication of brands. The clause would serve a useful purpose and no hardship would come about.

Hon. V. HAMERSLEY: When the existing Act was under discussion as a proposal, there was considerable debate on the clause now sought to be amended by this Bill: for it was recognised then that in many instances a brand was probably of more value than some of the stock it was put on. The brand often became a trade-mark which was a guarantee that the stock bearing it could be absolutely relied on. To make the alteration suggested by the clause would probably mean the taking away of a

number of original brands, and the owner would have to register under the new Act. The words "except with the permission in writing of the Minister" did not affect the original brands, but referred to the last portion of Section 5 of the principal Act, and provided that an original brand should not be transferable except with the permission of the Minister. Under the original Act if a person sold his property the brand would not be transferable to the new proprietors. The latter would have to register under the Act we recently passed. By this clause, after 1908 every owner would need to alter his brand, and none of the original brands could be transferred except with the permission in writing of the Minister, and that transfer could only be in vogue until the 31st December, 1908. He objected strongly to the clause, and supported Mr. Piesse in urging that it be withdrawn. Under the old Act many owners were compelled to alter well-known earmarks; and this caused considerable trouble, as such owners found they had to suffer by the change until their new marks became known. The same trouble and inconvenience would be occasioned under this clause if passed. The clause might convenience some departmental officers, but that was no warrant for doing something which would cause injury and inconvenience to stock-owners, not only in the South-East Division but also in the North. He failed to see the necessity for putting owners to inconvenience, merely to suit the ideas of a few departmental officers who probably had made blunders in their administration of the Brands Act in the past.

Hon. R. F. SHOLL: This amendment of the Act applied in particular to East Kimberley, a district subject to tick, pleuro, and other cattle diseases, and divided only by an imaginary line from the clean country of West Kimberley. The clause would permit unscrupulous owners, anxious only about getting their stock to market, to draft cattle from tick-infested localities into clean country, because near the imaginary boundary. If similar brands were allowed to be registered for adjoining districts, there would be nothing to prevent the transfer of ticked cattle to clean country, in which event probably three-fourths of the stock would be destroyed before the herds became immune.

Hon. G. Randell: If the clause was intended to apply solely to East Kimberley, why not make it applicable only to that district?

Hon. R. F. SHOLL: Rather than strike the clause out, he preferred to adjourn its consideration.

Hon. J. A. THOMSON: As had been stated, registered brands were practically trade-marks when well-known as evidence of breeding or quality; especially was this so in the case of horse-breeders. One young breeder registered his brand some years ago, and that brand was only now becoming known amongst buyers; so it would be a hardship on him and others similarly circumstanced to have to register a new brand, as would be necessary if this clause passed. Hundreds, probably thousands, of small breeders had paid the fee for registering their brands prior to 1904; and while the fee might be a small item, yet to be compelled to obtain a new brand at a cost of 20s. to 30s. was to many small breeders a serious matter added to the fee. The clause should be struck out, for while it was necessary to protect squatters and large breeders in the North-West, that could be done without working an injustice on small breeders in other parts of the State.

Hon. C. A. PIESSE: The clause in no way safeguarded the position as placed before the Committee by Mr. Sholl. As to the commercial value of brands, he remembered the high regard in which the brand of Messrs. Dempster Brothers was held for many years. So valuable did that brand become among horse-dealers that the 'Dempster cross came to be regarded as a guarantee of good breeding in the animal so branded. Some of the best horses in the South-East Division were from horses bred by Dempster Brothers, and throughout the country their brand was accepted as a standard. The clause should not pass, for it would cause no end of expense and interfere with those whose brands were already

registered. A similar objection applied in the case of the alteration of earmarks for sheep. Having altered his mark to conform to the 1904 Act, he lost a number of sheep only last year, and these were recently found on the property of a neighbour who, being ignorant of the alteration in the mark, did not know the owner. It would be as reasonable to insist that a well-known newspaper should alter its title.

The COLONIAL SECRETARY failed to appreciate the great danger some members anticipated to follow the passing of the clause, for registered brands would be transferred under the Bill in the names of present registered owners. The trouble was that many brands in use prior to 1904 were never registered at all; with the result that the register was incomplete, and probably the same brand was to-day being used by several owners.

Hon. V. Hamersley: Whose fault was it they were not registered?

The COLONIAL SECRETARY: There was not as yet any compulsion to register brands. It was provided in this Bill that owners must apply for registration; but it did not follow that the department would take from any owner the right to use a brand by which his stock had become well known. The clause was essential; but if members were not satisfied with the explanation given, he would agree to a postponement.

Hon. C. A. PIESSE: As controverting the statement that old brands were not registered, anyone choosing to go into the Lands Office to-day could, upon inquiry, see a record of brands registered for ten, twelve, or fourteen years. [*The Minister*: That did not prove all old brands were registered.] What machinery could be simpler than to transfer these brands from the old to a new register? If all brands were not registered, the fault did not lie with the owners; for he knew of an instance in which, though the owner could produce his receipt for the registration fee, the brand did not appear in the register.

On motion by the *Colonial Secretary*, clause postponed until after other clauses.

Clauses 3, 4—agreed to.

Clause 5—Amendment of Section 12:

Hon. C. A. PIESSE moved an amendment—

That all words after "repealed," in line 1, be struck out.

The amendment would strike out Section 12 of the existing Act and this clause also. Yesterday in his second-reading speech he had given his reasons for opposing both the section and the clause. These created or would create endless confusion by destroying the most valuable part of the sheep's ear. The amendment was especially necessary in view of the penal clause in the Bill. Nature had provided sheep with a sufficient age-mark.

Hon. R. F. SHOLL: The amendment was apparently intended to sacrifice the Bill. The clause would substitute age-marks for six years instead of for seven, and that was certainly an improvement, though he would prefer marks for five years only.

The COLONIAL SECRETARY opposed the amendment. The clause was purely permissive. If an owner wished to use an earmark, he must use it as prescribed in the Bill, otherwise the sheep need not be earmarked at all. The amendment would make in the parent Act an alteration which the Minister for Agriculture could hardly accept.

Hon. V. HAMERSLEY: The clause was rather an improvement on the old section; and Subclause 2, prescribing cull-marks, was a great improvement.

Amendment put and negatived.

On motions by the *Hon. J. W. Hackett*, Subclause 1 was verbally amended.

Clause as amended agreed to.

Clauses 6 to 9—agreed to.

Clause 10—Amendment of Section 50:

Hon. C. A. PIESSE: The clause should be struck out.

On motion by the *Colonial Secretary*, progress reported and leave given to sit again.

BILL—LIMITED PARTNERSHIPS.

Second Reading moved.

Hon. M. L. MOSS (West) in moving the second reading said: This small Bill is an exceedingly important one, and although probably the condition of public

business may not permit it to be put on the statute books this session, and because of the condition of affairs in another place it may not receive attention during the remaining days of this session, its importance demands that I should at any rate get it passed through all its stages in this House, so that in the country there may be some notice taken of a measure which I think should become law. The Bill is word for word a copy of the measure passed by the Imperial Parliament during last session, and fills up a gap that exists in connection with company and partnership law The principle contained in the Bill is by no means a new one, because in a number of the American States the establishment of limited partnerships has existed for many years. In England some years ago a Royal Commission sat to consider the whole bearing of company law, and eminent authorities on the subject expressed the opinion—and among them was the late Master of the Rolls—that there was nothing wrong in the principle, but that on the contrary there was everything to recommend an alteration to the law so as to enable a person to put a limited sum of money into an existing business without taking on his shoulders the whole of the obligations which rest on a partner. Members may know—and if they do not, it is well that it should be known—that in a partnership consisting say of an active partner and a dormant partner, although the latter may take no interest whatever in the business of the partnership, yet if the business gets into trouble and it becomes known that he is a dormant partner, he is liable for the whole of the debts and obligations of the partnership firm. The adoption of the principle in Western Australia is especially important. Members will agree with me in this, that very frequently prospecting parties are formed to go into the back country and test the auriferous character of the ground, and in a number of instances men are prepared to give £25 or £50 to take a share in the concern. Many, however, are deterred from doing so, as they know if they embark on an expedition of that kind they constitute themselves partners and are liable for all kinds of expenditure that may be incurred by the men who are sent out into the back country. In Western Australia there are two methods by which persons combine in business; one is the cumbersome process of forming limited liability or no-liability companies under the Companies Act, 1893, and the other a straight-out partnership. Of course, in the latter case all the partners, active as well as dormant, are liable for all obligations. As the result of the investigations made in England, and a consideration of this question from the American point of view, it has come to pass that during the last session of the Imperial Parliament this Bill became law. The underlying principle of the measure is this, that a firm may consist of a general partner or any number of general partners, and also of one or more than one limited partner. The limited partner may pay money into the business concern, and he shall not be liable, as is declared by Clause 4, for any debts or obligations by the firm beyond the amount he so contributed. To give an illustration of what that means, suppose one of the big firms in Perth was desirous of getting £10,000 from a capitalist on the terms that the latter should get one-fourth of the profits as a consideration for the advance. It would be impossible as the law now is for a man to enter into such a transaction as that, without the person lending the money taking upon himself the obligation of all the debts and responsibilities of the business, present and future. I have never been able to see what objection there could possibly be to permitting a person to put a sum of money into a business and to receive interest varying with the profits, without taking on his shoulders the responsibilities of a partnership. Under this Bill the limited partner is to have very limited rights. He is not to participate in the active management of the business, and he is not entitled to draw his money out until the termination of the partnership, for, if he does, he becomes liable to all debts and obligations up to the amount he has drawn out during the continuance of that partnership. In Clause 6 there are some amendments of well-known rules of law. For instance, in the case of a

death, a bankruptcy, or lunacy, the partnership now becomes dissolved. It is proposed to alter that in connection with limited partnerships, for in case of one of those happenings, the business will still go on and the partnership will not become dissolved. In the case of winding up, a limited partner will be much in the nature of a lender of money. He will not be able to wind up the company himself. Subclause 5 of Clause 6 provides amendments of rules of law relating to ordinary partnerships, but all these I will explain at greater length when the Bill gets into Committee. There is to be no elaborate or expensive system for the registration of these limited partnerships. By carrying out the simple procedure laid down in Clause 8, a limited partnership may be registered. Changes of partnership may take place under Clause 9. The bulk of the measure contains machinery clauses, and the Bill itself contains the one principle, and that is to enable a person to put a sum of money into a business without incurring all the obligations of a general partner. The fact that the Bill now forms part of Imperial legislation is sufficient, I think, to recommend it strongly to the House. It fills up a gap between the cumbersome limited liability company or no-liability company on the one hand, and the ordinary partnership on the other. I thought in taking up this measure, I would not do so without conference with the Parliamentary Draftsman. It would be a good thing if the Government during recess considered the advisability of appointing two or three members of Parliament—not necessarily all from this Chamber—in addition to some members of the legal profession outside, to form in this State a committee such as they have in the old country and New Zealand known as the Statute Law Revision Committee. The subject of filling up the gap as to partnership law is a matter that has come under my notice by watching the Imperial legislation on this question. There are a number of statutes in force here and two of them—the law as to married women's property and the law dealing with arbitration disputes—have recently been the subject of Imperial legislation necessitated as the result of decisions in Great Britain showing defects in these important branches of the law. A committee such as the one I have suggested could watch these decisions in England and recent legislation put on the Imperial statutes books, which would be a good thing from a business point of view. While the Parliamentary Draftsman is a gentleman well able to carry out the duties of his office, he is so tremendously burdened by the performance of other duties that it is impossible for him to watch closely the legislation of Great Britain and States of the Commonwealth. I think if the Colonial Secretary considers the suggestion, he will conclude that it will be greatly in the interests of the mercantile community if some such committee be formed. It would not cost the country much and probably nothing at all. When this Bill reaches the Committee stage I will explain its provisions at greater length, but I commend to the House now the necessity of passing the second reading. If the Bill goes among the slaughtered innocents at the end of the session it cannot be helped, but the principle contained in it is a good one, and I am certain that at all events not later than next year it will form part of our partnership law.

On motion by *the Colonial Secretary*, debate adjourned.

ADJOURNMENT.

The House adjourned at fourteen minutes past 6 o'clock, until the next Tuesday.