Hon. C. G. LATHAM: I move an amendment—

That proposed Subsection 3 be struck out.

Amendment put and passed.

Hon. C. G. LATHAM: I move an amendment—

That in proposed Subsection 4 the words "either Subsection 2 or Subsection 3 of" be struck out.

Amendment put and passed.

Hon. C. G. LATHAM: I move an amendment—

That proposed Subsection 5 be struck out.

The Minister for Health: This is not now necessary.

Amendment put and passed.

Hon. C. G. LATHAM: I propose to ask the Minister to agree that the magistrate and those acting with him shall have the power of a coroner whilst holding these inquiries. I move an amendment—

That in proposed Subsection 6 all the words down to and including the word "hold" be struck out and "the magistrate and the persons acting with him holding" be inserted in lieu.

The MINISTER FOR HEALTH: The Leader of the Opposition is now going too far. If we carry this amendment, we cannot insert the words he wishes to insert. We cannot strike out the word "magistrate" and insert it again.

Hon. C. G. LATHAM: I will withdraw my amendment in the meantime.

Amendment, by leave, withdrawn.

The MINISTER FOR HEALTH: I move an amendment—

That in proposed Subsection 5 all the words from "magistrate" in line 1 down to "hold" in line 4 be struck out.

Amendment put and passed.

On motion by Hon. C. G. Latham, the words "and the persons acting with him hold" inserted in lieu of the words struck out.

On motion by Hon. C. G. Latham, in proposed Subsection 7 the words "either Subsection 2 or Subsection 3 of" struck out; and the words "when acting alone, or a majority when the magistrate acts with other persons as aforesaid, is or" struck out, and "and the persons acting with him" inserted in lieu; and the words "when acting alone, or which a majority when the magistrate acts with other persons as aforesaid, deems" struck out, and "and the persons acting with him deem" inserted in lieu.

The MINISTER FOR HEALTH: I do not know the source from which the Leader of the Opposition obtained his figures as to deaths per thousand from all causes during childbirth in Western Australia. Last year they were 5.07 per thousand. Never in any year have they been 3.82. However, in a State like this 42 deaths from maternity in a year represents a mortality which shows that there is something wrong somewhere. I am pleased that the medical profession has agreed to go even so far as an inquiry held not solely by professional people but including a magistrate.

Clauses 10, 11, Title—agreed to.

Bill reported with amendments, and the report adopted.

*House adjourned at 11.16 p.m.*

# Legislative Council,

*Tuesday, 14th December, 1937.*



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

## QUESTION—BOAT LICENSING BOARD.

Hon. W. J. MANN asked the Chief Secretary: 1, What are the names of the chairman and members of the Boat Licensing

Board for the ports of Perth and Fremantle? 2, Is it an honorary Board? If not, what remuneration does each member of the Board receive? 3, What was the gross revenue received by the Board from the 1st July, 1936, to the 30th June, 1937, and to what department was it paid?

The CHIEF SECRETARY replied: 1, Chairman, Mr. L. E. Shapcott; member, Mr. F. Aldrich. The Fremantle Boat Licensing Board controls any of the navigable waters within a radius of 20 miles from the North Mole Lighthouse at Fremantle Harbour (this includes the port of Perth). 2, Yes. 3, £71 10s. 9d. paid to Consolidated Revenue, Harbour and Light Department.

## BILL—BUSH FIRES.

*Third Reading.*

Order of the Day read for the resumption of the debate from the 10th December.

*Recommittal.*

On motion by the Honorary Minister, Bill recommitted for the purpose of further considering Clauses 5 and 14.

*In Committee.*

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clause 5—Interpretation:

The HONORARY MINISTER: I move an amendment—

That the following paragraph be added to the definition of "bush":—"The term does not include sawdust and other waste timber resulting from the sawmilling of timber in a sawmill whilst such sawdust and other waste timber remain upon the premises of the sawmill in which the sawmilling is carried on."

I congratulate Mr. Mann on his discovery of a weakness in the Bill with regard to sawmills. The amendment I have moved, together with an amendment to Clause 14, will meet the position to which he drew attention.

Hon. W. J. MANN: The amendment appears to me to meet the situation. Danger arises from the burning of refuse, and I think the addition to the definition of "bush" is quite satisfactory.

Amendment put and passed; the clause, as amended, agreed to.

Clause 14—No fire to be lighted in open air unless precautions taken:

The HONORARY MINISTER: I move an amendment—

That a proviso be added to the clause, as follows:—"Provided that, where the occupier of a sawmill uses a fire on the premises of his sawmill to consume or dispose of sawdust and waste timber resulting from the sawmilling of timber in such sawmill, it shall not be necessary to extinguish such fire whilst it is still required for use as aforesaid if and so long as the said occupier causes reasonable precautions to be taken, and the particular directions or requisitions of a bush fire control officer or of a forest officer giving such directions or making such requisitions to be properly observed for the purpose of preventing such fire from spreading or becoming a source of danger to persons or property."

This will make the position regarding sawmills safe from the standpoint referred to by Mr. Mann.

Hon. J. Nicholson: I do not think the proviso should appear in Clause 14, but rather in Clause 16.

The CHAIRMAN: It does appear that it should not be included in Clause 14.

The HONORARY MINISTER: I am quite certain that it will be in its proper place if added to Clause 14, which deals with the prohibited period. Apart from that time, there is no necessity for any provision regarding the sawmills. Hence the reason for its appearance in the clause as I suggest.

Hon. W. J. MANN: The clause certainly fits the position generally, but the words "reasonable precautions" are open to a good deal of criticism. What might be reasonable precautions in one case would be, perhaps, quite insufficient in another. The only saving feature about this clause lies in the words "under control of the forest officer." During the week-end I made inquries in the South-West as to the necessity for this clause, and I understand the forest officer realises that some control is necessary, particularly in regard to the number of small mills that are being erected on private holdings. In the larger mills, of course, it has been found necessary to keep the fires under observation, and so not much damage is done. I think it will be sufficient if the forest officer is given authority to insist upon reasonable precautions being taken, so I will support the amendment.

Amendment put and passed; the clause, as further amended, agreed to.

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

*Third Reading.*

**THE HONORARY MINISTER** (Hon. E. H. Gray—West) [4.50]: I move—

That the third reading of the Bill be made an Order of the Day for the next sitting.

Hon. J. NICHOLSON: I call attention to Clause 16, and suggest that a similar proviso should be added to that clause.

Hon. A. THOMSON: I have received a letter from a road board pointing out that Clause 10 restricts the burning off season from the 1st October to the following April. I should like to know from the Minister whether it will not be necessary to insert a proviso to the effect that the various times for various districts shall be gazetted. If the Minister will take a note of that, it might save a further recommittal to-morrow.

Question put and passed.

## BILL—WORKERS' HOMES ACT AMENDMENT.

Received from the Assembly, and read a first time.

*Second Reading.*

**THE HONORARY MINISTER** (Hon. E. H. Gray—West) [4.51] in moving the second reading said: This Bill seeks to empower the Workers' Homes Board to erect houses for the purpose of letting them to tenants who are not in a position to obtain a home under Part III or Part IV of the existing Act. The Bill also provides that where the Board is satisfied that a tenant could carry out the terms and conditions laid down in Part III of the Act, it may approve the conversion of the weekly tenancy to a perpetual leasehold under that part. In that case, the security would become a perpetual Crown lease, which could be converted to a freehold title after the lessee had paid off the capital cost of the house. As members are aware, repayments under section III are made fortnightly, and include interest, principal, rates and taxes, ground rent, and fire insurance. The only other expenditure required of a lessee is in respect of maintenance of the property, and excess water. Every twenty years the land is appraised for ground rental, and the Act provides that lessees paying off the cost of the house can freehold the land at the capital value assessed at the previous appraisement. Thus, if a lessee freeholds the land a year or so before a pending appraisement, he may obtain without cost the benefit of eighteen or nineteen years' appreciation in land values. The growth of suburbs, such as Nedlands, Wembley and South Perth, affords a striking illustration of how this provision has worked to the benefit of lessees. The Government has been impelled to bring down this measure by the urgent need that exists for the provision of cheap houses for the lower paid workers. There can be no doubt that one of the greatest problems faced by breadwinners on or about the basic wage level is the question of house rent. We know that in many cases it is almost impossible for a worker to secure suitable accommodation at a reasonable rental. Where this expenditure represents a large proportion of the weekly wage, the balance is often insufficient to maintain the family in a reasonable standard of comfort and efficiency. To-day, throughout the world the solution of the housing question has come to be regarded as a matter for the public authorities. Recently it was announced that a gigantic housing scheme is to be set afoot in America, and already we have knowledge of other schemes undertaken in Great Britain, Germany, France, New Zealand, and Austria. While Western Australia is not faced with the slum question, which is such a bugbear not only in Europe but in other States of the Commonwealth, it is nevertheless true that our housing conditions still leave much to be desired. In the Fremantle district, and in other parts of the metropolitan area, there is a distinct shortage of suitable houses. Many people of Fremantle are forced to live in houses that I, for one, do not consider at all suitable. For that reason the Government is anxious to do all in its power to improve the position. The scheme which the Government has in mind is in the nature of an experiment. Provision has been made in the Loan Bill for the setting aside of an initial sum of £10,000, which will enable from twenty to twenty-five houses to be erected for letting purposes. The essentials of the scheme are that the houses will be of a cheap but comfortable and attractive type, which will be within the resources of prospective tenants. The McNess housing scheme presents a striking example of successful housing. Of course it is restricted to old age pension-

ers and other persons in special circumstances. The houses are kept in splendid order, and here I must pay a tribute to the work of the Toc H men, several of whom have undertaken to renovate some of these houses. Another feature of this scheme is the interest taken by the tenants themselves in looking after the houses. Suitable types of small wooden cottages could be designed and erected by the Workers' Homes Board at costs ranging from £400 to £500. It is estimated by the Board that four-roomed wood and asbestos houses, with front and back verandahs, could be constructed at costs ranging from £400 to £430. The rentals would be from 12s. 6d. to 13s. weekly. This covers all expense such as rates and taxes, interest and ground rent and insurance. A similar type of five-roomed house could be erected at a cost of £500. Here the rental would be 15s. weekly. I am sure that in the Fremantle area the local municipal council could make land available at about £7 per block.

Hon. W. J. Mann: Is this a Fremantle scheme only?

The HONORARY MINISTER: No; there will be one or two of these cottages erected in various parts of the State, but in Fremantle we could embark on a big scheme, and in one part of that district I am sure the local council could provide land at about £7 per block. The Workers' Homes Board has land available on which to commence building immediately the necessary legislation is approved.

Hon. J. Cornell: If it is such a good scheme, why does not the Fremantle Municipal Council adopt it?

The HONORARY MINISTER: The Fremantle Council finances its own business.

Hon. J. Cornell: It could perhaps borrow the money if necessary.

The HONORARY MINISTER: The council might yet do that.

Hon. W. J. Mann: And lead the way.

The HONORARY MINISTER: In formulating the scheme to which this Bill proposes to give effect, the Government has borne in mind a very important consideration. It has recognised that for a man to endeavour to acquire a home of a type which is not within his financial capacity to purchase, means disaster both to the buyer and the seller. The persons who will be catered for under this measure will be those in receipt of an income of £4 per week or less. However, the board will have discretionary power to consider the eligibility of applicants from the viewpoint of the size of their families. The types of applicant I have mentioned are not in a position to find a deposit and make repayments on the purchase of a home of their own, owing to their small wages and their family responsibilities. They would, however, make suitable tenants, and, at such time as their financial conditions improved, they would be able to make arrangements to convert their tenancy to a leasehold tenure. It is hoped that the houses built under the proposed scheme will act as an advertisement for wooden houses. Many people have refrained from acquiring a home from the board because they imagine that it will not build cheap houses. Moreover, these people have probably never realised what a comfortable home can be constructed of weatherboard. Until they are given the opportunity to see what can be done in this regard, they are unlikely to live in such a house. Timber houses can be constructed to designs as attractive as those in brick. This has been amply demonstrated in America, New Zealand, and, more particularly, in the Scandinavian countries. In a climate such as ours, the larger verandah space that can be provided in a wooden house, together with its high insulating value, renders this type of home ideal.

Hon. J. Cornell: Verandahs are being cut out nowadays in architecture.

The HONORARY MINISTER: In the case of wooden houses I think verandahs are essential, and they are also advantageous in the case of brick houses. Then, again, it is undoubtedly true that more accommodation can be obtained for a given outlay by using timber, than with any other building material. This is illustrated by building statistics from Brisbane. In 1936, the average cost of a house in Brisbane was £578 as against £1,130 in Sydney.

Hon. W. J. Mann: They have a brickmakers' ring up there.

Hon. J. Cornell: Those figures tell you nothing.

The HONORARY MINISTER: I understand that the figures are in respect to houses of, approximately, the same accommodation and convenience. The tremendous disparity between these figures is mainly attributable to the fact that timber houses predominate in Brisbane and brick houses in Sydney. Reflecting the difference in the building costs of the two cities are the

figures relating to home ownership. In Brisbane 60.63 per cent. of the householders are home owners or prospective home owners. The corresponding figure for Sydney is only 41.45 per cent. I think members will agree that in the face of these figures every effort should be made to encourage the construction of timber houses, more especially when it is considered that in jarrah and karri we have two fire resistant hardwoods unexcelled as building timbers. I hope members will support the Bill, which represents the first step in an endeavour to meet the urgent problem of providing better living conditions for the people. Certain members speaking on another Bill opposed the State providing houses for letting purposes on the ground that the tenants would have no respect for the Government's property. I have already referred to an instance in which the tenants do respect their homes and look after them. The Workers' Homes Board has the experience necessary to enable it to pick out the type of worker who would respect his residence and look after it.

Hon. J. Cornell: What is to become of the other type?

The HONORARY MINISTER: The other fellow will probably live elsewhere.

The PRESIDENT: I wish that the Honorary Minister might be allowed to proceed without interruption.

The HONORARY MINISTER: I would point out that adequate provision is made in this measure to ensure that tenants do not commit, or permit any nuisance or act of vandalism. The Bill also provides that not only shall tenants live continuously in the houses, but that they shall not use them to obtain additional income by way of subletting part or whole of the premises.

I move—

That the Bill be now read a second time.

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

## BILL—WATER BOARDS ACT AMENDMENT.

Received from the Assembly and read a first time.

*Second Reading.*

**THE HONORARY MINISTER** (Hon. E. H. Gray—West) [5.7] in moving the second reading said: The purpose of this measure is to enable reticulation works to be exempted from the provisions of Section 41 of the principal Act. Section 41 stipulates that a Water Board shall not undertake the construction of works in a water area without first carrying out certain preliminaries. These include the insertion of an advertisement at least twice in the "Government Gazette" and in one or more newspapers circulating in the water area, specifying particulars of the work contemplated. A period of one month must be allowed to elapse, during which any local authority, corporation, or person interested may lodge with the Minister objection to the proposed works. If, at the expiry of the month, the Minister is satisfied that the provisions of the Act have been complied with; that the estimated revenue to be derived from the works justified the undertaking; that the work is for the public benefit, and that the objections, if any, are not sufficient to warrant approval being withheld from the proposed scheme, he shall submit the matter for the issue of an Order in Council authorising the construction of the works. Members will realise that this procedure necessarily entails delays, which are quite incomprehensible to a person asking for a water service to a site which is possibly only a block or so removed from one to which a service is already given. I understand that where a water area under departmental control is concerned, the time taken from when a person first makes application for a water service, to the time the necessary extension can be commenced, is two months at the least. This is a very great inconvenience to the people concerned. In the case of a water area controlled by a water board, the period may be longer still, as there is necessarily an exchange of preliminary correspondence between the board and the department. It is felt that the delay to which private persons are subjected under the present system is quite unwarranted. The Bill accordingly proposes to amend the principal Act to bring it into line with the Metropolitan Water Supply, Sewerage and Drainage Act, 1909, insofar as the provisions governing the preliminaries to construction are concerned. The proceedings in the case of country schemes will be the same as in the case of schemes in the metropolitan area.

Hon. H. Seddon: Is that all the Bill amounts to?

The HONORARY MINISTER: Yes. Section 20 and the following three sections of that Act contain provisions similar to Sections 41 and the following four sections of the Water Boards Act, except that provision is made for the exemption of reticulation works from the operation of those sections. For ordinary purposes, in the matter of extensions of water supplies to consumers, the restrictions will be lifted. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

Read a third time and *passed.*

## BILL—MONEY LENDERS ACT AMENDMENT.

Received from the Assembly and read a first time.

*Second Reading.*

**THE HONORARY MINISTER** (Hon. E. H. Gray—West) [5.14] in moving the second reading said: The purpose of this Bill is to amend the principal Act in accordance with certain recommendations made by the recent Royal Commission on money lending. The Royal Commissioner (Mr. Moseley) pointed out in his report that the existing Act does not give the borrower sufficient protection. He was of the opinion that greater control was necessary over the activities of money lenders, so that they should not be in a position to exploit those persons who are forced by circumstances to seek accommodation. In effect, he stated that better provision should be made for the protection of the borrower. The money lender, through his wider experience, is well able to look after himself. This Bill has, therefore, been brought forward in an endeavour to remedy various unsatisfactory features at present associated with the money lending business. All of the provisions in the Bill have been recommended by the Royal Commissioner. However, there were several amendments suggested in Mr. Moseley's report which the Government has not seen fit to include in this measure. The Royal Commissioner found that the existing law relating to the registration of money lenders left much to be desired. At present the regulations provide that these people may register for a period of three years upon payment of a fee of £1. Mr. Moseley suggested that a preferable system would be one providing for annual registration. The Bill accordingly proposes that registration shall be annual, and that every money lender shall have a license. The sum of £5 per annum will be payable in respect of each place of business registered. Applications for registration will be made to a magistrate, who will expect evidence of good character from applicants. For the first time, provision is made for the cancellation or suspension of a money lender's registration and license. This proposal will ensure the exercise of a greater measure of disciplinary power over money lenders, and will tend to make them more careful in their dealings with borrowers. The Bill proposes to widen the basis on which the Court may re-open a transaction. The present Act gives the court that power where a borrower can show that the terms of the contract of a particular transaction are harsh and unconscionable, and, in addition, that the rate of interest charged is excessive. The Bill provides that the transaction may be reopened where either of these conditions apply. This is a highly desirable amendment, as it often happens that while the rate of interest is not excessive, the transaction may be of a harsh and unconscionable character by reason of amounts charged for inquiries, penalties by way of bonus, premiums, or renewals, and so on. The Royal Commissioner recommended that it should be illegal for a money lender to charge compound interest. As some confusion may arise as to what is meant by compound interest, it may be as well to give some explanation. Generally speaking, interest is deemed to be compounded when, by the terms of the contract, the lender is permitted to charge interest on interest which is in arrear or unpaid. The Royal Commissioner did not recommend the discontinuance of this practice entirely. He suggested that, when interest became overdue, it should be placed to a separate account and interest could be charged on it, but that further accumulations of interest on interest should not be allowable. To give a simple instance:—£10 is the amount of the principal and £1 becomes due on a certain date for interest, and assume that interest is being charged at the rate of 15 per cent.

When the £1 becomes overdue, the money lender is entitled to charge 15 per cent. on the £1 overdue. On the next instalment date a further £1 becomes overdue, and the first £1 is still outstanding. The money lender is then permitted to charge interest on the second £1 overdue, but he is not permitted to charge interest on the interest on the first £1 overdue. If he were allowed to compound the interest in the fullest sense, he would be allowed not only to charge interest on the original instalments of any interest which became due, but to keep on charging interest on any interest which became due in respect of instalments of interest overdue, and this would go on indefinitely. The object behind the Royal Commissioner's recommendation was to prevent crippling loads of debt being built up at high rates of interest against a borrower who had little or no ability to re-pay. It is true that the practice of charging compound interest in its fullest sense is carried out by financial institutions, such as banks. According to custom, the banks add interest at half-yearly periods to customers' accounts. This interest then becomes part of the principal and bears further interest. I think, however, that this special treatment of money lenders is justified, in that their rates of interest, which are fixed to take into account every possible contingency, are far in excess of those charged in normal transactions. It is stipulated in the existing legislation that where money is lent at a rate of interest exceeding 12½ per cent. a duplicate of the contract or a memorandum of particulars shall be issued to the borrower. Under the English and New Zealand law, this rule applies to all transactions which a money lender has with his customers. The Bill now proposes to make a similar provision in our own legislation. There is also a new provision embodied in this measure which stipulates that a money lender shall supply to a borrower a copy of his account upon receipt of 1s. for expenses. Furthermore, it is proposed to make it obligatory on the lender to supply the borrower with a copy of all relevant documents in every transaction, on payment of reasonable expenses. The present Act does not provide for a rebate of interest where a loan is retired before maturity. It is considered that it is desirable to have a provision of this nature in our legislation, and, therefore, the Bill proposes that where a loan is paid off before the due date, there shall be a proportionate rebate on the interest due. Provision is made to meet cases where the interest payable is not expressed in terms of a rate, but takes the form of a sum added to the principal, which is supposed to represent the cost of a loan. A good many transactions with money lenders do not expressly stipulate a rate of interest. For example, assume a sum of £12 is lent. We find a transaction such as this: The sum of £12 is to be repayable over, say, a period of 16 months by monthly instalments of £1 each. The borrower does not know the actual rate of interest. We can see from the terms of the contract that the lender is to get £4 for the loan of £12 over 16 months. He therefore receives an apparent rate of 25 per cent. per annum on his principal. The actual rate of interest is really more, because the principal is being paid periodically by instalments. To work out mathematically the exact rate of interest which the borrower is paying might involve a good deal of time and trouble, and the English legislation sets out a definite working rule for the ascertainment of the rate of interest. First of all, one has to distinguish between those amounts which can be said, in a transaction such as I have instanced, to be repayments of principal and those amounts which can fairly be said to be repayments of interest. The Bill therefore provides a definite working rule that in such a case, where the interest is not expressed in terms of a rate, any amount paid or payable to the money lender under the contract is to be apportioned to principal and interest in the proportion the principal bears to the total amount of interest. The actual rate of interest is then calculated in accordance with a formula set forth in the schedule to the Bill. In the case I have mentioned the rate given by the method provided in the Bill would be 47 per cent. If the provisions dealing with this particular matter become law, borrowers will be in a position to know what rate they are actually paying for their accommodation in a transaction where a rate of interest is not specifically stated. During the course of the inquiry, the Commissioner heard evidence to the effect that fees were often charged by money lenders for negotiating a loan. These fees would be for inspections and valuations and such like. It was said that the fees charged were often excessive. The Royal Commissioner recommended that where business re-

sults, the money lender should not be allowed to make any special charge in this connection. The Bill accordingly prohibits a charge for this service where a loan is made. Where preliminary investigations are made but no loan results, the money lender will be entitled to make a charge not exceeding 10s. for valuing the security and investigating the application. Another restriction this measure seeks to impose relates to money-lending advertisements. Canvassing in all its forms will be prohibited. However, the Bill will not prevent legitimate advertising in a newspaper or at the money lender's registered address, provided the advertisements are confined to a statement of—

(a) His registered address;

(b) Telegraphic address; and

(c) Certain other particulars in connection with his business.

This proposal is obviously in the best interests of the community, as it is certainly undesirable for borrowing to be encouraged by canvassing and unrestricted advertising. Another provision is designed to prevent what is quite a common class of transaction between money lenders and their customers. Sometimes a money lender purports to lend money on a hire purchase agreement. Suppose Jones has certain furniture and he requires a loan. He goes to the money lender, who purports to hire the furniture to Jones subject to stated instalments of hire rent, which are really instalments by way of repayment of the loan. The purpose of this transaction is to evade the provisions of the Bills of Sale Act, which require that in a transaction such as this notice shall be given of intention to register a bill of sale. The Royal Commissioner recommended that any transaction in this form, which was really a money lending transaction, should be absolutely void unless the notice required under the Bills of Sale Act was given. The Bill incorporates this recommendation. I would also point out that money lenders often lend money on bills of sale by way of security, which they do not register. The effect of non-registration under the Bills of Sale Act is that if the goods still remain in the possession of the borrower when an execution is issued against his goods and chattels by a creditor or the borrower goes bankrupt, the money lender may lose his right to claim against the goods unless he manages to get possession of them before the bailiff is put in or the bankruptcy takes place. This, in effect, is what the money lender generally does. Instantly he sees that a man is getting into difficulties, he seizes the security with a view to consolidating his own position. It is considered that it is not right to mislead other creditors in this way, and that notice should be given, as provided by the Bills of Sale Act. Accordingly, unregistered bills of sale to money lenders are made absolutely void. This will have the effect in many cases of saving a would-be borrower against himself, and preventing a potential fraud on his creditors. These are the main provisions of the Bill, which, as I have pointed out, is based on the recommendations of the Royal Commissioner who enquired into the whole of the money lending business. It will, I feel sure, commend itself to hon. members. I move—

That the Bill be now read a second time.

On motion by Hon. J. Nicholson debate adjourned.

## BILLS (3)—FIRST READING.

1, Health Act Amendment.

2, Reserves.

3, Road Closure.

Received from the Assembly.

## BILL—MINING ACT AMENDMENT (No. 1).

*Second Reading.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [5.32] in moving the second reading said: This is the privilege Bill and is a short measure. I am desirous that we should get it to another place without further delay. It is solely for the purpose of enabling the Government Geologist, or other authorised officers, to enter private land in connection with their official duties. At the present time the Government Geologist has not this power and owners of private land can prevent him from entering upon their property. This was recently done in one instance. As it often occurs that mineral deposits are located on private property, it is essential that this authority should be given by Parliament to the Government Geologist. That is all there is in the Bill, which I think will meet with the approval of this House. I move—

That the Bill be now read a second time.

**HON. H. SEDDON** (North-East) [5.35]: I do not intend to oppose the Bill but would like the Chief Secretary to state exactly what provisions are made for protecting private owners of land from damage being done to their property. The Government Geologist may think it necessary to put down a bore on a man's property in the course of his geological investigations, and in that case some damage might be done. So long as there is some provision for the owner being recompensed for such damage, I cannot see much objection to the Bill. That aspect, however, should be gone into.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [5.36]: I do not know the details of the Act in regard to this matter, but speaking from memory I am sure there is ample provision for the protection of owners where geological work is done on private property. In regard to the instance which resulted in this Bill being brought forward, the officer merely desired to enter the property for the purpose of a geological examination which would not involve any damage to the property, and permission to enter was refused. Where the Government Geologist desires to enter private land for the purpose of geological examination, there should be no objection to his having that right. The Bill merely provides for his being given that right and has nothing to do with what might happen afterwards, in which event the owner of the property would be protected under the present laws.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

Read a third time and transmitted to the Assembly.

## BILL—FINANCIAL EMERGENCY TAX.

*Second Reading.*

Debate resumed from 10th December.

**HON. G. W. MILES** (North) [5.40]: It seems to me that the Bill does not comply with the Assessment Act which is the law of the land to-day. The Assessment Act provides for the tax to start on incomes above £3 15s., but this Bill makes the tax start on incomes above £3 17s. I am opposed to the increase. The Government would be well advised to introduce an amendment to the Assessment Act in order to bring it into line with the taxing measure before asking the Council to agree to the Bill. My view is that the Government cannot afford to let go any of the revenue it has been collecting. By this further exemption the Government is letting go some of that revenue, and I cannot understand its doing so. The Government says that this exemption is necessary and then in another direction it demands payment from men before they can get a job. The Government is most inconsistent. People receive from the State social services such as police protection, and attention from the Health and Education Departments, and they should be prepared to pay some tax. I realise that those who are getting higher incomes should pay a higher tax to provide social services for the men on the lower rung who cannot afford to pay so much. Nevertheless, I cannot agree to these exemptions going on year after year. It means that the tax will have to be increased on other sections of the community sooner or later.

Hon. V. Hamersley: Sooner.

Hon. G. W. MILES: Yes, sooner. I should like to see the Loan Council reduce our loan money to a million pounds a year. I consider that is all we can afford to borrow. That million pounds should be spent on works that will give some return. The Loan Council and the Financial Agreement have forced the hands of the Government. The Government has taken credit for spending moneys out of revenue on certain enterprises which were formerly provided for out of Loan funds, but that was forced on the Government by the Loan Council and the financial emergency legislation. The Grants Commission also had something to do with it; and, as indicated by me when speaking on the Appropriation Bill, that is the reason why it is necessary for us to have this million of money that we are collecting from the financial emergency tax. Of that sum £800,000 has been spent which previously used to be spent out of Loan funds. While Loan funds go on increasing, we must be prepared to pay increased taxation. In regard to taxation there is an article I should like to read to the House which some members may not have read. It is as follows:—

One sometimes hears indignant complaints which sound almost as though taxpayers were

being robbed when they were required to make a contribution to public funds. Such complaints are usually caused by a tendency to think only of the payments themselves without reference to the communal benefits derived as a result of public expenditure. These advantages may not be apparent, but they are nevertheless very real. Taxation must be looked at as a composite process involving the collection and spending of tax revenues before illogical criticism of it can be entirely removed.

Taxation is a means whereby members of a community are enabled to purchase benefits collectively which none of them could secure individually. In fairness to all citizens, it is desirable that each individual member of the community, who is in a position to do so, should be required to pay his appropriate share towards the purchase of such benefits as are enjoyed in common.

A few of the items purchased through taxation contributions are the security made possible by the provision for defence and the administration of law and order, the benefits of education and comprehensive social services, the enjoyment of public parks and playgrounds, and the facilities for travel and transport afforded by good roads. Consumers may therefore be regarded as spending their incomes in two ways. Firstly, they spend part of their incomes in purchasing commodities or personal services for their own enjoyment. Secondly, they pay a further portion to secure communal benefits such as we have mentioned.

There is an essential difference, however, between these two types of purchases. The extent to which the former are made is dependent upon the possession by individuals of a certain amount of money and also upon their willingness to spend it. The making of purchases of the second type depends upon public rather than individual inclination.

It is this fundamental difference between these two types of purchases that tends to confuse our minds, and to make us associate taxation with notions of "burden" and "sacrifice." Those who are unable to make adequate purchases of the first type are given some compensation through public spending to enable them to secure greater benefits of the second sort through the enjoyment of various forms of social services. On the other hand, those who are in a position to make practically all of the purchases of the first type that they please are given few communal benefits. At the same time, they are required to make a greater contribution towards the provision of such advantages for those in less favourable economic circumstances.

Taxation must therefore be regarded as a means whereby all members of the community can be assured of at least such goods and services as will enable them to maintain their health and efficiency. It is the duty of every body of citizens to provide such benefits for all deserving members if it is within its power to do so.

It is possible to discriminate unfairly between different classes in the collection and disbursement of taxation, or to spend the proceeds on projects that are not socially desirable. Under such conditions the system would have an effect detrimetal to the community as a whole.

With that article most members will agree. Those people who are in a position to pay should pay extra in order to provide social services for those who cannot afford their quota.

The Chief Secretary: Who is the author of that article?

Hon. G. W. MILES: I have quoted from the circular of the Bank of New South Wales for the 3rd November, 1937. I think I am consistent in my arguments. Agreeing as I do with that article, I cannot see how the Government can justify its action in increasing the exemption from £3 15s. to £3 17s. a week. As I have indicated, the Government must have the revenue, and yet it is prepared to give away revenue under this measure. We are not in a position to do that. The exemption should be retained at £3 15s., as it appears in the assessment measure. It has been said that if we could increase our population, the rate of taxation would be decreased. I wish to congratulate one of our members who, since we met last week, has become the father of twins. He, at any rate, is doing his duty to assist to populate this country. I understand he is the third member of this Chamber who is the father of twins. I congratulate Mr. Seddon.

**HON. H. V. PIESSE** (South-East) [5.50]: With previous speakers, I cannot reconcile this tax Bill with the assessment measure passed a few days ago, but I am waiting to hear what explanation the Chief Secretary has to offer. On my visit to Katanning during the week-end, I was approached by a property-owner, a retired civil servant over 70 years of age, who handed me his taxation form and assessment showing a debit for financial emergency tax, and the total amount he has to live on is £80. That income is derived mainly from a small block of land which he works, and from house rent. It seems very unfair that a man of that age who has saved his money and invested it in house property to maintain himself and his wife in their old age—a single daughter still resides with him—should be taxed under this measure. Yet we are asked to grant exemption to a worker to the

amount of £3 15s. under the assessment measure and £3 17s. under this Bill.

The Chief Secretary: Did you say that that man had a wife?

Hon. H. V. PIESSE: He has a wife and daughter dependent on him.

The Chief Secretary: Has he inquired from the Taxation Department?

Hon. H. V. PIESSE: He wrote to the Taxation Department asking for an explanation, and received a reply that he was taxable. He was charged 9s. 1d. taxation. I have placed an amendment on the notice paper designed to give consideration to life insurance companies. For three or four years those companies have requested the Premier to extend to them a little greater consideration in the matter of the payment of financial emergency tax. When the Premier introduced the Income Tax Assessment Bill a few weeks ago, he said there was no desire to increase the burden of taxation on any individual or company, and that so long as he received the equivalent aggregate amount, he would be satisfied. Under that measure, the amended method of assessment will have the effect of increasing the assessable income of life insurance companies and consequently the continuity of the old rate of 1s. will increase the tax in liability. Thus the new method of arriving at the assessable income of such companies will considerably increase the amount of taxation paid by them. The taxation of the A.M.P. Society, for instance, under the existing Dividend Duties Act, Hospital Fund Act, and Financial Emergency Tax Act will be increased by approximately £3,000 per annum. I am taking action in this matter for a twofold reason. Life insurance companies have advanced a large amount of money on farming properties in Western Australia. The A.M.P. Society has advanced £1,628,430 on mortgage in the State, and of that amount £938,706 has been advanced on farming properties. Such a society certainly helps to keep interest rates at a reasonable level, and it seems a pity if the Government is going to charge insurance companies an extra amount of taxation, because naturally they will have to pass on the increase to the people who borrow from them. I shall support the second reading, but in Committee I would like members to consider the amendment I have placed on the notice paper proposing to give some relief to life insurance companies.

**HON. J. CORNELL** (South) [5.57]: This Bill has begun to assume the shape of a similar measure last session, and the difficulty then was overcome by the Premier bringing down a second assessment Bill. The objection I take is that wherever the assessment Act suits the framers, its provisions are applied, but where those provisions do not suit the framers, they apply the tax Act. The assessment Act stipulates that every person earning £3 15s. or more per week is liable for the payment of tax. This Bill, however, provides a higher figure as the starting point. Ever since responsible government was instituted in this State, this House has exercised the prerogative of dealing with tax assessment measures. The assessment Bills really contain the machinery that paves the way to and makes possible the imposition of the tax. I was a member of the committee that drafted Section 46 of the Constitution Act Amendment Act and one of the problems was to obviate the difficulty that had arisen through assessment provisions and tax provisions being mixed together in the one measure. It is now clearly laid down in the Constitution that there shall be two separate measures, and that a tax Bill shall contain only provisions to impose a tax. Until last session the principle of determining what should be the exemption or the starting point for the tax was laid down in the assessment Bill. This, however, is the second attempt that has been made to evade that practice, and I think the House should stand firm and say that the assessment Bill shall take precedence over the tax Bill. When the proposal to embody the term "basic wage" was defeated, there was nothing to prevent the Government from introducing a Bill fixing the exemption at some figure other than the £3 15s. mentioned in the assessment measure. But the Government conveniently ignored that course. The position appeals to me in this way: if the question presents itself later, the proposed starting point would come within Section 46 of the Constitution Act; and if an amendment were moved to bring the starting point down to what the assessment measure fixes, I doubt whether it could be proved that that would mean an extra imposition on the people. Parliament has agreed that £3 15s. shall be the exemption figure. Another place has said, "We will simply say £3 17s." But it takes two Houses of Parliament to pass a

Bill. If the Government and another place had fixed the amount in the assessment measure, it would be another story. However, they say, "We will ignore the Assessment Act and depart from the recognised procedure by fixing a starting point that is suitable for carrying out our policy irrespective of what the two Houses of Parliament may think." Even recently we passed an Income Tax Assessment Bill, with all exemptions stated in it. Right down through the years the exemption figure has been set out in the Land and Income Tax Assessment Act, and the tax has always started at the exemption figure. Now, it is not proposed to start this year's tax at the exemption figure, but at another point which the Government considers in keeping with its policy. In fact, it is only partly in keeping with that policy; that is, if we agree for the time being to exempt basic wage earners in the metropolitan area and in the agricultural districts. But that would in no way touch basic wage earners in the other part of the State. I realise that in all fairness, if the basic wage earner in the metropolitan area is to be exempt under the figure, we could take the extreme case of a man on the basic wage at, for example, Marble Bar. He gets £4 7s. per week, plus about 35s. per week district allowance. That allowance, fixed by the Arbitration Court, is as much part and parcel of the Marble Bar basic wage as it is of the basic wage here in Perth. Then the position would present itself that all wage-earners above £3 15s. up to the Marble Bar figure of something over £6 a week would be exempt. That would not suit the finances of the Government, because the tax would fall off correspondingly. But there is no denying that the principle of exempting the agricultural basic wage earner holds good for all basic wage earners throughout the State.

The Chief Secretary: Why do not you agree to it, then?

Hon. J. CORNELL: The Government did not fix the basic wage. Immediately one leaves Kalgoorlie for Norseman, one finds that the basic wage rises by 6s. or 7s. per week because of the district allowance.

The Chief Secretary: The district allowance has nothing to do with the basic wage.

Hon. J. CORNELL: That is news to me. I submit that the district allowance is part and parcel of the basic wage. The Arbitration Court gives the Marble Bar worker so much extra to bring him within the same category as the Kalgoorlie worker, and it costs the Kalgoorlie worker £4 7s. per week to live as against £3 15s. representing the living standard of the worker in the metropolitan area. But the main point is whether this Chamber is justified in passing this Bill with the exemption figure definitely fixed in the assessment measure. If we accept the principle of the Government and another place determining when a tax shall begin, irrespective of what the assessment measure says shall be the exemption, we shall be looking for bother. The formula for the fixing of the basic wage might be applied right through the piece. All Governments should accept the considered opinion of both Houses of Parliament as to a fair exemption, and the tax should start from that figure.

**HON. J. J. HOLMES** (North) [6.7]: A few words will express my views on the subject. An important principle is involved. We are charged with the duty of maintaining the rights and privileges of this Chamber. The Chamber has control of the assessment measure, but cannot interfere with a money Bill. The assessment measure has been before us, and the exemption has been fixed at £195. The taxing Bill fixes the exemption at £200. It follows that under the taxing Bill all persons in receipt of income between £195 and £200 will in future be exempt. This is a time when we are squeezing every penny that can be got out of everybody, except the man on the basic wage. The point is this: will the House give up the privilege of controlling the assessment measure or will it not? The two Bills do not agree. Until they do, this Chamber, in my opinion, should not pass this Bill. If the Government wants to amend the Assessment Act, let it put up amendments which this House can approve. Until the Government does that, we should not pass the Bill. The House now has the right to accept or reject anything contained in an assessment measure. If we surrender that right, we shall be giving up a right which was justly conferred on the Legislative Council and which therefore we should not abandon.

**HON. H. SEDDON** (North-East) [6.10]: The position of the Legislative Council might be clarified, because naturally there is a discrepancy, as has been pointed out by previous speakers, between the assessment measure and the figure at which this

Bill starts. Each year the matter has been fought out and a compromise arrived at by fixing an exemption figure slightly above the basic wage. I should have thought that would meet the occasion this year. I wish to deal with one point. The House has always contended that the man on the basic wage should bear some proportion of the expense of providing social services. On the other hand, to enable the Government to get the necessary finance to carry on its operations, the compromise has been agreed to of fixing a figure slightly above the basic wage. In doing that, however, the Legislative Council has not abandoned its attitude of the past, that the basic wage earner should bear his share of direct taxation. A little while ago reference was made to the fact that even the man on the basic wage pays indirect taxation, which of course is true. At the same time, indirect taxation does not appeal to a man, and does not arouse his sense of responsibility, in the same way as direct taxation does.

Hon. A. Thomson: Where does the basic wage earner pay direct taxation? He pays it only to the Commonwealth.

Hon. H. SEDDON: The argument is that increased charges on business operations are passed on, and that thus the man on the basic wage pays more for his goods and to that extent is subject to indirect taxation. There appears to be considerable misunderstanding with regard to the formula on which the basic wage is determined. The Industrial Arbitration Act lays it down plainly that the basic wage shall be an amount which provides a reasonable standard of comfort for a man, his wife and two children. That reasonable standard is not intended to be a subsistence standard. It is reasonable having regard to the requirements of a man as a citizen of this State. That being the case, we may expect the man, as being a person who should be regarded as a responsible citizen, to pay something towards the cost of the social services that he enjoys. Figures relating to last year and the previous year show the cost of those social services. Education amounts to 37s. 11d. per head per annum, or in the case of a wage earner as determined under the Arbitration Act to £7 11s. 8d. In other words, the wage earner is enjoying under the head of Educational a benefit equivalent to about 3s. per week. Health, Hospitals and Charities amount to 30s. 1d. per head per annum, equivalent to £6 per annum, or 2s. 3d. per week, for a wage-earner. Law and Public Safety works out at 9s. 11d. per head, or 39s. 8d. to income earners. If we required the man only to pay at the rate of 1d. or 2d. in the pound of the basic wage, he would at any rate be paying something towards the expenses incurred by the community in conferring those services.

*Sitting suspended from 6.15 to 7.30 p.m.*

Hon. H. SEDDON: Prior to the tea adjournment I was dealing with the various references to the social services mentioned in the Government returns. There is one other point I wish to deal with, and that is the fact that under the heading "Health, hospitals and charities," we have, of course, the hospital fund, which is supported by contributions representing 1½d. in the pound and what are called voluntary contributions; but there are other headings under that section. The total amount charged to "health, hospital and charities" is £813,000, and it will be seen there is a considerable charge for social services, apart from that fund. With regard to the basic wage, there is provision in the various percentages on which the basic wage is calculated, for "miscellaneous items." They represent 27 per cent. of the total, and it will be realised that considerable latitude is left respecting other items that may easily cover the contribution with regard to the financial emergency tax. The great advantage regarding the financial emergency tax is that it is collected at the source and by means of stamps on wages sheets, with the result that I think the worker does not find it press heavily upon him as it would if he had to pay a lump sum, as is the position under the income tax. I do not propose to oppose the second reading of the Bill on the question of the difference between the Assessment Act and the Bill, but that matter should be cleared up before the measure is finalised.

**HON. G. FRASER** (West) [7.32]: I support the second reading of the Bill. I do not intend to deal with any comparison regarding the assessment Bill before the Council earlier in the session. I can see no great difficulty arising because of the fact

that the exemption at £3 17s. is mentioned in the Bill under discussion. In the course of the debate it was stated that because the amount in the assessment Act is £3 15s., the figure included in the Bill should be made to coincide. I do not agree with that contention. Each year Bills are introduced to alter Acts that appear on the statute-book. If we agree to the Bill with the inclusion of £3 17s., we merely follow the procedure that has been adopted during the last two or three years, which has been to fix the figure at about 2s. above the basic wage. In those circumstances, in asking the Council to agree to the Bill with £3 17s. included in its provisions, the Government is not asking members to depart from the procedure of past years. The Bill agreed to last year mentioned £3 15s. at a time when the basic wage was £3 12s. 11d. To-day members are asked to adopt £3 17s. at a time when the basic wage is £3 14s. 11d. It will be seen that the margin between the figures mentioned in the Bills and the respective prevailing basic wage represented about the same margin. Therefore, there is nothing new in the proposal. No new principle is involved. We are merely asked to agree to a margin above the basic wage as in past years, so no great hardship will be imposed upon anyone. If we do not adopt the £3 17s. mentioned in the Bill, it will mean that persons who have been exempt from the tax for the past two or three years will be brought within the scope of the measure, and no member desires that result. Those who have been exempt should remain exempt. If members insist on amending the Bill and we make it conform to the amount mentioned in the assessment Act, it means that all those in receipt of the basic wage in the South-West Land Division will be brought within the scope of the Bill, although to-day they are exempt. If the figure remains as it is to-day, namely, £3 15s., those who will be exempt will be merely those in receipt of the basic wage in the metropolitan area. I admit that if we do adopt the £3 17s. basis we will not exempt all the basic wage earners throughout the State. That is unfortunate from my standpoint, but evidently that position cannot be avoided now. The basic wage earners on the goldfields will not be exempt under the provisions of the Bill before members, although those in the South-West Land Division will be exempt. I hope that the House will agree to the Bill with the inclusion of the exemption at £3 17s. It has been contended that if we do so the taxing Bill will not dovetail with the assessment Act. Should it become necessary, the Government can introduce a Bill to amend the assessment Act so as to provide for the exemption at £3 17s. No figure was mentioned at all in the assessment Bill introduced earlier in the session, but members deleted from it certain words that stipulated the exemption. That Bill was lost, as the managers could not agree at the conference, and so this session no Bill has been passed to amend the assessment Act. If it is found necessary that the Act and the Bill shall dovetail, there is nothing to prevent the Government from introducing an amending assessment Bill. Something of that sort happened two years ago when a second assessment Bill was introduced so that the assessment Bill and the taxing Bill would dovetail. Members should have no difficulty in agreeing to the Bill under discussion.

**HON. W. J. MANN** (South-West) [7.39]: It seems strange to me that year by year the Government adopts tactics such as it has again resorted to with regard to financial emergency taxation. It would be infinitely better if the Government introduced the assessment Bill and the taxing Bill together so that members would know where matters stood. The same old process seems to be followed. This House lodges its protest, and the Government introduces an amending Bill, and then, after a further protest, members of this Chamber accept the position. It appears to me that that is really what will happen on this occasion. I am not so concerned about the amount of the basic wage or the exemption, but I am concerned about the policy of the Government that determines that a certain section shall not make any contribution at all. I have never been an advocate of low wages, and hope I never will be, but I am a persistent advocate of equality of rights and of burden. I do not mind how small the minimum may be so long as there definitely is a minimum, and the Government should recognise the necessity for that position. That, I take it, is the protest made by this House. The amount that the remaining taxpayers have to find must necessarily be correspondingly increased. I do not know that there is so much complaint about that increase in taxa-

tion as there is that one section of the taxpayers is called upon to pay all the time, while others pay nothing at all. That is the position. Having made our protest, I think we will probably finish up, as on previous occasions, by passing the Bill.

Hon. C. F. Baxter: Not necessarily.

Hon. W. J. MANN: It seems to me that otherwise we would merely unnecessarily prolong the proceedings. I shall be much surprised if, even if the matter be delayed until the last day of the session, anything else is done.

Hon. C. F. Baxter: Don't be too sure.

Hon. W. J. MANN: If I am any judge and past events serve as a criterion, that is what will happen on this occasion. Having made my protest, I shall support the second reading of the Bill.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [7.42]: I listened with a good deal of interest to what Mr. Mann had to say with regard to the position he considers we have reached on this occasion. I submit that he has viewed the position the wrong way about, because this time the Legislative Council has had an opportunity to express itself on the assessment Bill. Not only did it have the opportunity to express its views, but by its actions in addition it indicated very clearly indeed to the Government that, notwithstanding what the policy of the Government might be regarding the financial emergency taxation, the Council, in no circumstances, would agree to the insertion in the Bill of a provision exempting the basic wage. That is very definite. In those circumstances it is useless for Mr. Mann to suggest that the Government should have introduced the assessment Bill with the tax Bill. On this occasion the Council has had every opportunity to deal with the assessment Bill prior to the introduction of the tax Bill. Not only did members indicate that they were not prepared to accept the term "basic wage" in the Bill, but it fairly conclusively indicated that members were not prepared to agree to any alteration in the amount stated in the assessment Act, namely, £3 15s.

Hon. W. J. Mann: Not necessarily so.

The CHIEF SECRETARY: If members did not mean what they said, why did they say it? They made no bones about it! The very fact that it was not possible to arrive at some compromise in the closing stages of the discussion on the assessment Bill was an indication to the Government that the members of the Legislative Council had decided that there should be no alteration of the present position. Not only that, but I think when Mr. Baxter was speaking on this tax Bill he asked one or two questions. One was, why we should consider what the policy of the Government is in this regard; and another, why should we be concerned with what the Government wanted done. That hon. member has been quite consistent right through the piece, whether on the tax Bill or on the assessment Bill. And he leads us to believe that if he had the support of a large number of members in the House, there would be no alteration made in the figure. But it is a vital part of the policy of the Government that those persons who have been exempted during the last four years are going to continue to be exempted. That can only be done either by inserting in the assessment Bill the basic wage as we desired originally, or by agreeing to an increase in the amount to be stated in the Bill. This House has indicated very strongly to the Government that it has no intention of agreeing to either course. Mr. Cornell, when speaking, said he thought we were getting away from established practice, that this House was able to deal with the assessment Bill. He said it was the prerogative of the Council to deal with the assessment Bill, and that this House had certain powers in regard to that Bill which it does not possess in regard to the tax Bill. For that reason he said there should have been no alteration this year in the usual procedure, that the Government should have brought down another amending assessment Bill. He went on to say that the assessment Bill provided that all those persons receiving more than £3 15s. a week were liable to taxation. That is perfectly true. That is the assessment Act as it stands at present. But there is nothing to show that all those receiving more than £3 15s. a week shall be taxed under the financial emergency legislation. That is a point which I think members of this Chamber do not realise: there is nothing to compel the Government to tax every person receiving a higher amount than that which is contained in the Assessment Act. It has usually been the custom to take the figure appearing in the assessment Act as being the figure at which taxation shall start. It has been indicated clearly by the Premier that the

Government is not going to depart from the position it has taken up during the last four years, a position that has exempted all those persons who were receiving the basic wage in the metropolitan area and the South-West Land Division. In order to accomplish that, and more particularly in view of the attitude of this Chamber, the Government decided that the starting point for taxation under this measure should be £3 17s. a week. That is a sum just slightly above the basic wage for the metropolitan area and the South-West Land Division. It does not go so far as we would like, but to have inserted a figure which would also cover the basic wage workers in the Goldfields Division would have meant exempting a large number of people receiving wages between the basic wage for the South-West Land Division and the basic wage for the Goldfields Division. And if that were done it would mean a tremendous loss of revenue. Therefore, much as we would desire it we find it impossible to carry out our policy to that extent as the result of the attitude of this Chamber. I say this Chamber has definitely indicated to the Government that it is going to have nothing whatever to do with exempting the basic wage earner. In order to meet the position that has been created by the decision of this Chamber, this Bill has been brought down. There is no alteration in the rates of taxation included in the Bill. The rates are just the same as they were on the last occasion. There certainly is a provision in the Bill prescribing that 50 per cent. of the tax for those receiving an income between £3 15s. and £3 17s. per week shall be remitted. That arises from the fact that they are liable for taxation to the end of this year. But from the end of this year to the end of next June, provided the Bill becomes law, they will be exempt. In order to give equitable treatment to those people it is necessary to provide in this way that 50 per cent. of the tax that will be assessed against them should be remitted. Apart from that there is no alteration in the Bill and no alteration of the principle underlying it. Whenever I introduced this measure, I pointed out to the House and gave the House information regarding the basic wage and the exemption that has been included in the assessment Act, and on each of those occasions the amount has been slightly above the basic wage for the metropolitan area and the South-West Land Division. Members know that on more than one occasion the basic wage has been raised above the exemption provided in the assessment Act. As a result of that—an action by the Arbitration Court over which we have no control—persons who this Parliament have determined should be exempt from the Financial Emergency Acts have been called upon half way through the financial year to pay taxation because the basic wage has raised their income above the exemption in the assessment Act. We wanted to get away from that and the only way to do so was to provide that the basic wage as such should be exempt. But this House has definitely refused to agree to a proposal of that kind. So we have had no option to bringing down a tax Bill which provides that £3 17s. per week shall be the wage at which financial emergency taxation shall begin. Most members who have spoken on the Bill have stressed the fact that there should be an assessment Bill brought down with the tax Bill. There will be another assessment Bill brought down when this Bill providing for £3 17s. per week being the amount to be exempted has been agreed to. There will then be another assessment Bill introduced. I give that information to members so that they will know that we are just as desirous as the rest of the members of this Chamber of having the assessment Bill and the tax Bill coincide.

Hon. C. F. Baxter: Last session you said definitely that you would not amend the assessment Bill.

The CHIEF SECRETARY: I am dealing now, not with last session but with the present session and the position that has been created as the result of the action of this Chamber. This Chamber has had opportunity to agree to the words included in the tax Bill, but it made its position perfectly clear, which was that it was not prepared to agree with the basic wage exemption or to any increase in the amount of exemption in the assessment Bill. So the Government has had its hands forced in this way. It would be a very serious matter if the tax Bill were not passed, because the Government would then be short of at least £500,000 for the second half of the financial year, and that position would be very embarrassing to all sections of the community. Still, the Government is going to stand by its declaration of policy, namely, that those who have been exempted for the last four years shall continue to be exempted. The sooner we under-

stand that position, the sooner are we likely to arrive at a decision. I could go into a lot of detail in reply to Mr. Baxter, who criticised the Government at some length in the course of his remarks. He wanted to know why it was necessary to continue to collect a million pounds under the financial emergency tax. I have had to reply to such matters on more than one occasion during the session, and I have explained fully that the proportion of revenue through which it is possible for this or any other Government to effect economies is a comparatively small proportion. I think I have shown clearly that while this or any other Government has to provide employment for the number of men for whom the Government is finding employment to-day, it cannot do with less revenue than it is receiving to-day, and it is essential that at least the same amount shall be raised from taxation this year as was raised last year. I do not think there is any need for me again to go into the whole of that detail. It was interesting to hear Mr. Miles when he suggested that it would be a good thing if the Loan Council would limit the borrowings of this State to a million pounds per annum. I might agree with him that it would be a good thing if we had reached the position where we could do with only a million pounds per annum. But it would not then be possible for this State to carry on as it is carrying on at present. I would be very glad to think we had reached the stage where our revenue was so large that we could afford to say that we should be limited to a million pounds per annum, or if we had reached the stage where, notwithstanding the great development awaiting attention, we could do with only a million pounds of borrowed money per annum. I should be very glad indeed if we had reached that stage. There is no disguising the fact that in this State a large amount of money has to be spent year by year in developmental projects, which cannot be covered at present by means of revenue or taxation from ordinary sources. It is necessary, and will continue to be necessary, for Western Australia to have a certain amount of loan money every year. I am not quite so pessimistic as are some members. I believe with an improvement in the seasons and this season appears to be better than that of last year, the financial position will gradually improve. As a result of that, it may be possible for us to carry on the affairs of State without increasing the amount of money to be borrowed each year. The Government will be very pleased if that turns out to be the case. We do not borrow money because we like to do so. We are forced to do so in order to carry on as members of this Chamber would desire us to carry on. I can imagine the howl that would arise from this House and in another place if the Government did not happen to be in a position to secure the money that has been obtained this year. Many things have been suggested in this House during the present session that members considered the Government should carry out. There are things which members consider the Government should have sufficient money to carry out, running into an expenditure of millions of pounds. One can imagine the position we would be in if we did not get the money we are expecting to receive this year.

Hon. J. J. Holmes: Only some members think that; not all.

The CHIEF SECRETARY: The hon. member asked how the Government could justify this tax. I may put it back upon him and say, "How could this Government justify the imposition of the taxes which his Government imposed?" The position has already been clearly outlined this session. I would conclude by reiterating that a question of Government policy is involved in this Bill. We have no desire to increase the rate of tax or to make any alteration thereto. What we do desire is that exemptions which have applied during the last year or two, to those who are receiving the basic wage in the metropolitan area and the South-West land division, shall continue. If the Bill is agreed to, that is what will happen. The minimum will be £3 17s., slightly above the basic wage in those two areas. There is no guarantee that between now and the end of the financial year, that amount will not be subject to tax. If the cost of living increases as it has done during the last 12 months, there is every possibility that the basic wage will be increased as a result of the determination of the Arbitration Court, and we shall revert to the position we were in two or three years ago. It is the intention of the Government to introduce another assessment Bill when this Bill has been agreed to. We shall then bring the two measures into conformity, as in the past. I hope the second reading will be agreed to, and that

we shall then be able to deal with the Bill finally without undue delay.

Question put and passed.

Bill read a second time.

## BILL—ELECTRICITY.

*Second Reading.*

Debate resumed from the 10th December.

**HON. H. SEDDON** (North-East) [8.5]: This Bill replaces the Electric Lighting Act of 1892. Some of its provisions are useful and necessary in order to provide for the advance made in recent years in electric power generation, and general development. There is urgent need for co-ordinating and controlling the authorities dealing with certain technical aspects of the generation of current, particularly alternating current, and for greater uniformity in regard to voltage, both as regards alternating and direct current. We have within a range of three local authorities not only a difference in the type of current, in that one local authority provides for and generates direct current, but another immediately adjoining which takes alternating current at a lower voltage. We can realise the confusion that arises in the mind of the consumer when endeavouring to secure equipment adapted to his requirements. To that extent the Bill is urgently needed so that we may rule out some of the surviving discrepancies that exist. An advantage may also accrue in the direction of inducing local authorities to effect economies. Within the same districts we have no less than three separate generating stations, so that the consumer is losing considerably from the fact that three small stations cannot hope to generate current at anything like the cost at which one well-equipped and properly organised station can produce it. The fault I find with the Bill is that it goes further than that, in that it gives powers to the Minister that are very questionable, and it should be seriously looked into by the House before the Bill is passed. Under the Electric Lighting Act, local authorities have power to make an arrangement with the supply authority to generate and supply current within their boundaries. This Bill provides that local authorities shall be subject to the Minister. That is an important departure. They cannot even enter into a contract for the supply of current unless the contracts are drawn up in accordance with a specimen or standard agreement adopted by the department. The Bill goes so far as to prohibit local authorities or generating authorities from buying further plant to meet the increased demand without the consent of the Minister. If the Kalgoorlie Municipality found that the demand for current had increased so that it was necessary to add to the plant, it could not do so without first obtaining the consent of the Minister. That is carrying control to extreme lengths, and I hope the House will look into that aspect of the position. Extensive powers are to be given to the advisory committee, as we can see when we note what members of that committee are called upon to do. They must advise on schemes connected with electrical installations, etc., having regard to their efficiency and economy, and the future progress of the State, as to the supply of electricity throughout the State, and in particular parts of the State, and acquaint the Minister with full details. That is going rather further than ordinary advisory powers. This committee is going to be rather a controlling than an advisory authority. Some of the definitions will have to be revised. They cover all manner of electrical apparatus. Without a stretch of imagination, this Bill could be made to extend to telephones and telegraphs. One clause brings in the activities of the Crown in the matter of electricity, and that in turn would bring in the safe-working instruments of the Railway Department. In the endeavour to give complete powers, the draftsman has overstepped the mark in respect to these matters. They certainly require further revision. The price of current is to be fixed by the Minister under Clause 11. In the formula upon which that price is to be determined, there is no reference to the very important factors of depreciation of plant and equipment, and also that of obsolescence. I would refer members to the report of the Electricity Department, embodied in the report of the Railway Department. They will there find that an item is provided for obsolescence, as well as for depreciation. These are included because of the tremendously rapid advances that have been made in electric generating equipment. At such a rate does the effi-

ciency of this type of plant increase annually that these items have to be provided if the generating authority is going to keep itself up to date and introduce necessary economies resulting from such improvements. These items should be introduced, and I propose to place on the notice paper to-morrow amendments to meet that difficulty. There is another point which might be cleared up in the committee stage. Under present conditions, a picture show very frequently has to put in a generator to maintain the type of current best adapted to its purpose. I should like it made clear that Clause 8 will cover the position as referring to the generation of current under these conditions. There is provision for a person who puts in a Delco set, so long as he uses it for his own purpose. It would be interesting to know the position if the owner of a Delco set in the country were to use the set as a means of charging motor car batteries. He would really be selling current, but, according to Clause 8, would be prevented from utilising his plant for that purpose. The question of inspection also comes up. A considerable amount of necessary inspection is carried out at present, with respect to electrical equipment, under the Inspection of Machinery Act. It is to be hoped there will not be created under the Bill a duplicate organisation to carry out inspections of electrical equipment, then to find out that it is covering the same ground traversed by the machinery department. This is what we should avoid. There is another important provision to which I would draw attention, and it is that suppose a local authority resists the encroachment of a supply authority, the Minister will have power to override the local authority and insist on the supply authority being given power to supply current within the area controlled by the local authority. Existing concessions have been arrived at between local authorities and concessionaires with regard to the supply of current, and as far as I can see there is a question whether the Bill will override the conditions of those concessions which have been granted and which apparently are satisfactory to the parties concerned. These are aspects of the Bill that lead me to the point that it is a pity the Bill was not introduced earlier. Matters of this kind require to be looked into thoroughly, and as this is a departmental measure, I do not see why it could not have been introduced at an earlier date. It could even have been introduced in this House and we might have dealt with it, at the time we were considering the Industrial Arbitration Bill and the Factories and Shops Bill.

The Chief Secretary: You would not have had much opportunity to do so while those Bills were before the House.

Hon. H. SEDDON: Yes, the House could have dealt with all the Bills at its leisure. These are points that have struck me in the course of a scrutiny of the Bill and I admit that while it contains useful powers, it looks as if some of the powers given to the Minister are very extensive and should be revised before the measure is placed on the statute-book.

**HON. C. H. WITTENOOM** (South-East) [8.18]: I am glad the Bill has been introduced and I intend to support it. The existing Act is 45 years old and certainly has outlived its usefulness. We are aware of the many changes that have taken place in electrical matters in recent years and improvements are still being effected. It is time, therefore, that we drastically altered our Act and brought it completely up-to-date. I commend the Government on having introduced the Bill and the only criticism I can offer is that it should have been submitted before, either by the present or a previous Government. Had that been done, the probability is that people would have been getting cheaper and far better power and light. One has only to read the Bill to realise that it has been framed on the advice of capable and efficient experts, men who know their work. I read the Bill through with considerable pleasure because if ever a State required a comprehensive electrical scheme, it is this State of ours. We go to one town and we find one type of current, and then proceed to another town to find another type of current. One town adopts a certain voltage and an adjoining town a different voltage. I do not know what the position is in Perth at the present time, but the plant did have a 40-cycle period, and probably it was among the few towns in the world with such a plant. Wherever one goes in Western Australia, alterations in plant and machinery are being made. In almost every town one can see electric motors for sale or are being replaced by those of a more modern type. It is intended that the Bill shall be con-

trolled by the Minister acting on the advice of a board of three experts and the framers have shown great wisdom in making that provision. Wide powers have been given and very wisely too. It will be a great thing for road boards and municipalities who control electric light plants—and those plants are often complicated—to be able to get first-class advice. In many instances costly mistakes have been made by installing plants on advice given by people who are not competent to tender it. I recognise that the Minister is not compelled to act on the advice of his officers. The essence of the Bill lies in Clause 6 which empowers local bodies to generate and sell or appoint concessionaires to sell current. At the same time there are all sorts of restrictions. No other person may do so without the authority of the Minister and it is certain, except in unusual circumstances, permission will be refused. The main object of the Bill is to do away with the multiplicity of plants. By doing this, there will be a decrease in the cost of production and a reduction in the number of generating stations, which is the right thing. The town of Albany is an outstanding example of what should not have been done. There we have a municipality producing current with a crude-oil engine. This was recommended by experts, and generally speaking, it has proved unsatisfactory, more particularly in parts of the town like Middleton Beach which is some distance from the power station. Albany would not have been put to that expense had an act of the type of the present Bill been in force years ago. Albany is now making a complete change from dir ect to alternating current and that is being done at great expense. Then we have in Albany the woollen mills which are producing, with their own machinery, a different type of current—alternating. Collie coal is being used at a cost of 33s. per ton, the freight from Collie being more than half that figure. The Albany freezers also use alternating current. The position with regard to the woollen mills and the municipality, I am glad to say, is going to be altered as the mills will be taking current from the municipality at a decreased cost. One is struck by the power that the Minister proposes to retain. I am not suggesting there is anything wrong in that. Indeed, I think it is quite right and when the Bill is in Committee I trust that members will not find it necessary to make too many alterations. It may be said that even experts make mistakes. It was an expert or experts who advised the municipality of Albany to instal direct current; but it has proved a fatal mistake. Now the plant is being replaced to supply alternating current. The Bill proposes that three fully-qualified experts shall be the advisory committee, and consequently it is not likely that many mistakes will be made, particularly when they remember that whatever they suggest will be open to criticism by other engineers and the public. I have come into contact quite a lot with one of the gentlemen it is proposed to appoint as a member of the advisory committee and I can only say that the Government is to be congratulated on having been able to secure his services as one of the advisers. The support I intend to give to the Bill is largely due to the confidence I have in the three engineers who will constitute the board.

**HON. J. J. HOLMES** (North) [8.27]: This is a very important Bill. It seeks to control electric power from Wyndham to Eucla, and place the authority in the hands of the Minister. If we agree to the Bill as it is, the position will be found difficult to remedy. The Bill provides that there shall be no further generating stations or major works carried out without the consent of the Minister. We are all aware that electricity plays an important part in the development of the State, and we are aware also of the electrical possibilities. I am told that we are on the eve of the establishment of an entirely new factory in this State, and that that concern proposes to instal its own electric power plant. If the Bill passes, that company will not be able to establish itself and supply its own power without the consent of the Minister, and then only on the recommendation of the advisory committee. We know that electricity is still practically in its infancy, and that developments are still taking place. What might be an up to date plant to-day might not be so in five years' time, and it might be necessary to scrap it then. In Perth we are aware that the power plant is supposed to be up to date. We were told that the Government would produce power at so much per unit, which would enable the Government to complete a contract with the

Perth municipality over a period of 50 years at a price per unit which would bring in a handsome profit. The fact remains that the Government, so far as I can judge, has never produced that power to anything like the extent it said it would, and I understand the power has been supplied to the Perth municipality at less than cost price. Suppose a company desired to put in its own plant. It would be right up against a Government proposition which cannot produce at a price it said it could and cannot produce at a price at which private enterprise says it can produce for its own purpose. We have been told that electricity is to play an important part in this State, and we know that will be the case, but we find that private enterprise, which can always carry on business better than the Government can, will have its price fixed by a board, and will be compelled, if the Minister says so, to take its power from the existing service. Probably the price fixed would prevent the company from establishing itself in our midst. This commission or board of control, this honorary committee or board of dictators—call them what you like—will control all supplies issued by local authorities or obtained by consumers from local authorities. That is only one phase. I gather from what has been published in connection with this Bill that the board is to consider matters that may be referred to it by the Minister. It is to furnish reports and advise the Minister thereon; it is to devise schemes for co-ordinating, "having regard to the efficiency, economy and the future progress of the State," the supply of electricity throughout the State, to determine the price to be paid for electricity purchased in bulk by one supply authority from another, to advise and report or recommend any legislation, including regulations appertaining to the Bill, and to perform any other functions of an advisory committee that may be prescribed. The committee therefore will have very wide powers. The Bill also provides that regulations may be either general or restricted to some particular local authority. The board can make regulations to apply to a particular locality, and those regulations can also be made to apply to the whole State. We are told there will be no charge against the general revenue in respect of this committee. Whatever charges there may be will be against the supplying authorities and not against the general revenue of the State. I do not propose to deal with the technical aspect of the Bill because Mr. Seddon has already dealt with it. I am simply trying to deal with the matter from a commercial point of view. The Bill is of such importance that it should not be rushed through. It has been brought here at a late stage of the session when there is any amount of other important legislation to be dealt with, and no harm would be done by breaking off at this stage and picking up the Bill again next session where we leave off now. Possibly we could then make a good Bill of it. The only reason advanced for our rushing the Bill through is that we have been told similar legislation has been passed in the Eastern States, and a lot of fittings have become obsolete in those States in consequence and will probably be dumped over here and sold. Those people dealing with electrical appliances in this State, however, know sufficient to protect themselves, without Parliament rushing in at this juncture on their behalf. According to the Bill we find that if an installation is not in conformity with the general standard scrapping will become a costly matter. That is evidence of the improvements which have been made in electrical appliances and which are taking place every day in the week. What might be an up-to-date plant to-day might be obsolete in five months' time. That brings me back to the important point of allowing companies with capital putting in their own generating plant to supply themselves, and others if necessary, at a price that will enable the business concerned to be conducted at a profit. The Bill provides for the committee to have power to fix the price to be charged for bulk current. The Minister in introducing the Bill said there would be no interference with existing contracts. The Bill does not say that. The Minister said so presumably in good faith. Presumably he was told that by the Crown Law Department, which sometimes makes mistakes, or by the advisory committee. But one thing is certain: that if we are going on with this Bill we must be sure that there will be no interference with existing contracts. I do not want to say anything disparaging about the committee. I know at least two of the members; I have known one of them since childhood. But I want to point out that we are putting very great powers into their hands. I presume the chairman of the committee will be the general manager of the electric power system at East Perth, a gentleman I have known for years and for whom I have the

highest regard. From a question asked the other day, however, we know that he is called upon to advise local authorities and others from time to time as to what is best to be done. We were told the other day that he received a handsome fee for such a service. I do not object to that, but I am concerned about what might happen, not now, but on some future occasion when we have some other board and not the one it is proposed to appoint. The chairman may be called upon to advise as to the purchase of a plant or design a plant for some particular person, and that person would have to make application to the Minister before he could embark upon the venture. Some other person may make application to erect a certain plant and that would be referred to the board. It may become the subject of adverse criticism by the board, whereas the plant designed by the board might be approved. Another point that has to be defined and which is not defined in the Bill—though the Minister in another place appeared to think that it was—concerns depreciation charges, obsolescence charges, and interest. We have evidence all round that depreciation and obsolescence is an important matter in connection with electrical appliances. Mr. Wittenoom has told us what happened at Albany. Unless depreciation, obsolescence and interest are taken into consideration when the price of electric power is being fixed, it will readily be seen that what should be a profitable enterprise will become unprofitable. That is an important point because, if a company is running an electric plant and the machinery becomes obsolete, it should not be forced to go back to its shareholders for more capital every time it wants new machinery. It is necessary to provide for depreciation, scrapping, etc., in this Bill, so that when a company wants new machinery it can pay for it out of depreciation and obsolescence reserves instead of going back to the shareholders for additional capital. According to the Minister, the Bill provides for this. So far as I can see it does not. I hope that if we get into Committee that matter will be looked into. Under this Bill a Government official can, by regulation, limit the method by which private concerns are to carry on their business. That is a very important matter. Without any disrespect to the board, I maintain that to approve of such a provision would be arming the board with too much authority.

Hon. H. Tuckey: It would become almost impossible.

Hon. J. J. HOLMES: By those means persons carrying on legitimate business could be compelled by the board to become public benefactors. Instead of producing power at a profit to themselves and the community, the board could compel them to supply power, etc., at a rate that would not pay them. Those are a few points that I desire to bring before members. I have not touched the technical side because I do not know anything about it, but I do know how quickly up-to-date machinery, not only in the electrical world but in other branches of industry, becomes obsolete. Whatever we do, we must provide that depreciation shall be taken into account in fixing what might be considered the rate at which the power shall be sold at a profit. Machinery that is up to date to-day becomes obsolescent probably in a year or two and has to be thrown on the scrap-heap. If we approach the Bill along those lines, probably we shall be able to make a good measure of it, but with the volume of business staring us in the face and the announcement that the session will be concluded this side of Christmas, I fail to see how we can do justice to the Bill this session.

Hon. H. TUCKEY: I move—

That the debate be adjourned.

The Chief Secretary: Why not finish the second reading and get into Committee? We shall not get through it if you go on like that.

Hon. H. Tuckey: It has been here only two nights.

Motion put and passed; the debate adjourned.

## BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT (No. 2).

*Second Reading.*

Debate resumed from the 10th December.

**HON. J. CORNELL** (South) [8.48]: This Bill and the next order of the day—the Public Service Appeal Board Act Amendment Bill—can hardly be separated. They have for their object the rectification of an anomaly found to exist in the legislation that was passed two years ago for the purpose of allowing those public servants

in receipt of a salary of less than £700 a year to come under the aegis of the Court of Arbitration. I understand that the present position has been brought about because of the construction placed upon the law of 1935 and not through any desire that the civil servants should get it both ways. I have discussed the matter with members of the Civil Service who took a prominent part in the framing of the legislation passed to give them access to the Arbitration Court, and while they are grateful to Parliament for extending that concession to them, they are hopeful that Parliament will correct the anomaly in the existing law. I am told that the actual participants are agreed upon this proposed amendment of the law. The only point that concerns me is the verbosity of the proposed amending provisions. To use a vulgarism, they are as long as a wet week-end. I hope that this House will agree to the Bill and that its construction will not cause the civil servants once more to fall between two stools. I support the second reading of this Bill as well as the second reading of the succeeding measure.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

Read a third time and *passed*.

## BILL—PUBLIC SERVICE APPEAL BOARD ACT AMENDMENT.

*Second Reading.*

Debate resumed from the 10th December.

**HON. J. NICHOLSON** (Metropolitan) [8.55]: This is a companion Bill to the one we have just passed and I think it will be entitled to the same support. Members are aware that the purpose of the measure is to rectify a position that has arisen through a mistake. By passing the Bill I feel sure that a measure of justice will be conferred upon those members of the Civil Service who otherwise would be deprived of the right of appeal to the board. I support the second reading.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

Read a third time and *passed*.

## BILL—APPROPRIATION.

*Second Reading.*

Debate resumed from the 10th December.

**HON. J. CORNELL** (South) [8.58]: I desire to make a few observations on this Bill. The first question I wish to ventilate is one that I believe comes within the purview of appropriation. I did intend to deal with it on the Land Act Amendment Bill. I refer to the working of the Rural Relief Fund Act, and I hope the Minister, in his reply, will clear up a grave misunderstanding that has created a good deal of uneasiness amongst settlers throughout the wheat belt. When the Rural Relief Fund Act was passed and the administration became more or less a charge upon the State, it was provided that all moneys advanced should be repayable. Subsequently Parliament agreed that the section dealing with that matter should be made subject to a proviso to the effect that a farmer might, at his option, repay the advance or any instalment thereof at any time before it was due, notwithstanding that the stated period of three years had not elapsed. As regards any moneys advanced under the Rural Relief Act, the Minister for Lands himself has said that the farmer can please himself whether he repays them. But the mortgage which the farmer is asked to sign, after being given accommodation under the Act, contains no reference whatsoever as to whether he shall repay or not. He signs away all his free assets under the mortgage—not only the assets he may possess in the locality where the rural relief is granted, but also any other assets he may possess, such as a house in the metropolitan area. A goodly number of farmers throughout the State have gone to the Rural Relief Board and been granted relief, but have not taken advantage of that relief because they were not prepared to sign away the whole of their goods and chattels. In the mortgage the farmer is called upon to sign, there is no proviso to the effect that he need not repay. That phase should be cleared up. Another mat-

ter which can be brought up under the Appropriation Bill is the trenchant remarks recently passed on the administration of our licensing law by the Licensing Court. Earlier in the year considerable criticism was aimed at Sunday trading in some parts of the State. Only within the last week a magistrate and a justice sitting on the bench pointed out the absurdity of our existing licensing laws, inasmuch as there is one set of laws for one part of the State, and another set of laws for another part. A movement is abroad to leave things as they are in regard to the liquor trade. If ever there was need for reform, if ever there was a long-overdue reform, it is in connection with our liquor laws. By the look of things, the hush-hush policy appears to be granted on those laws for all time, and no effort whatever will be made to bring them up to date and in conformity with those of a civilised community. There is yet another phase to which I may refer under the Bill, inasmuch as revenue has to be appropriated to maintain the force that does not suppress betting but tolerates betting for the benefit of the State revenue. I refer to the police administration of our betting laws. It is a public scandal that week after week men are arraigned before magistrates for conducting betting shops. This happens with all regularity. I believe about £12,000 has been contributed to the State revenue in the form of fines imposed as the result of police prosecutions for shop betting. Only within the last fortnight in that peaceful little hamlet, Southern Cross, where the only means of getting a bet is through the starting price bookmaker, the police became active and fines were inflicted for starting price betting in shops. Moreover, it is being said openly that in the administration of the betting law as regards shops there is favouritism, and that in certain metropolitan constituencies it is almost impossible to get men sent up. It is also said that there are people running starting price betting shops in the metropolitan area who are told beforehand that "the Johns will be along on Saturday." The position is that the chap who is caught is the chap who has never been in the play before, and so gets off with a minimum fine. When that kind of thought gets abroad and is given credence by men of some standing, men who have been registered bookmakers in a big way for quite a long while and who operate on courses only, it is time some definite action was taken to straighten out the present unsavoury set of circumstances.

Hon. J. J. Holmes: It is illegal to bet on a racecourse.

Hon. J. CORNELL: I hold no brief for either the starting price bookmaker or the punter. I was cured of the gambling microbe many years ago.

Hon. J. J. Holmes: So was I.

Hon. J. CORNELL: The other day I said to a young fellow, "I don't see you having your half-crown on." He replied, "No. I have tumbled to that. I saw a certain bookmaker riding in a £1,300 motor car." It has been said that Adam was a flat, and that since his time a flat has been born every minute, besides one or two men being born every hour to catch flats. The other day in the Criminal Court a young fellow got time for altering a betting ticket. The amount of the ticket, I understand, was eighteenpence. In the good days on the goldfields reputable men like the late Jack Cosson, D.C.M., and others I could mention would not tolerate that kind of business in betting. To-day, if a man cannot afford eighteenpence, the bookmaker will take 6d. In the old days reputable men ran the business. I venture to say that to-day the business is not run by reputable men. It is high time for a clean-up. Yet another phase I wish to mention as requiring a clean-up in administration is the gold detection staff. It is published abroad and commented upon that the man who gets a bit of gold that is worth while gets away with it, but that the chap who gets only half-a-crown's worth is made a specialty of and goes up. When that kind of report is abroad, it is time for a tightening-up. That remark applies to the licensing laws, the conduct of starting-price betting, and the administration of the gold-stealing law. With these phases the magistrates have nothing to do. They must deal with cases brought before them. The root of the evil lies with those who are responsible for bringing so-called gold-stealers to book. I have spoken in these directions because I claim that if I am not a worldly man I am nothing. When I take into consideration the disparity between the betting and the bookmakers of to-day and the betting and the bookmakers of 35 or 40 years ago, I marvel that our youth delinquency is not worse than in fact it is. If betting shops

have to exist, I do make a plea to the men running them that they should inquire regarding the calibre of those who ran such establishments many years ago, and whose attitude was such that a large section of the community betting to-day would not have been able to bet in those days. There are many other matters I could bring up under the Bill, but I have mentioned three phases more in a worldly sense for the benefit of the youth of to-day, who will be the men of to-morrow, and will have to carry on when we are gone. It is up to the older section of the community to endeavour to give the youth of to-day information as to what the men of years ago thought was right, so as to put our youth on the right track instead of letting them be encouraged to bet in threepences and sixpences.

**HON. E. H. ANGELO** (North) [9.14]: My contribution to the debate will be short. In fact, I do not intend to touch on questions of appropriation at all. However, there is one matter I consider of vital interest to this State. On my recent trip to the North I met numbers of people and discussed with them a subject on which I have also spoken to numerous North-Westers who have been in Perth.

The PRESIDENT: Order! I trust the hon. member realises the position. He says he is not going to touch on questions of appropriation when speaking on the Appropriation Bill. I hope the hon. member fully realises that when granting money to the Government, any question of public interest can be discussed. Even though such questions may not touch the Appropriation Bill directly, they will touch the question of granting money to those who are managing our affairs.

Hon. E. H. ANGELO: Thank you, Sir. The question to which I desire to refer relates to the future administration of the North. I can assure members that 90 per cent. of the people with whom I have spoken in that regard have come to the conclusion that the portion of the State north of the 20th parallel should be handed over to the Federal Government as soon as possible to be administered in conjunction with the Northern Territory.

Hon. H. Tuckey: You have said that many times.

Hon. C. F. Baxter: And so have many others.

Hon. E. H. ANGELO: And the time has come when we should act. Conditions have developed that are too serious to admit of much greater delay.

Hon. C. F. Baxter: You would give a province away.

Hon. E. H. ANGELO: And I intend to show what we would gain even though we gave part of the State away. For many years I was opposed to giving any portion of the State to the Federal Government because up to a certain time the Commonwealth had done very little towards making the development of the Northern Territory a success. I have been in Parliament for 20 years and as time has gone by I have appreciated the fact that nothing has been or can be done by the State Government. Therefore I claim we must face the position from another point of view. We must now find out whether it is possible to develop the North through the Commonwealth. In Western Australia we have a small community of under 500,000 people. We know what huge expense is involved in developing the southern and middle portions of the State and we also are perfectly well aware that we shall have to wait a considerable time before the population increases to such an extent as to make it possible to do justice to the North. On the other hand, the Federal Government is spending large sums of money in developing the adjoining territory. The Federal authorities, especially lately, have realised how serious it is not to have the North developed, and I understand they are quite prepared to take over the northern part of Western Australia in order to develop it in conjunction with the Northern Territory with one object in view, namely, to develop it until a sufficient population has been established there to enable the area to become a State within the Commonwealth. The position is getting very serious up North. We know from the Press that the Japanese are very active and are working down the coast of Western Australia. I am much afraid that they will completely seize the pearling industry, unless drastic steps are taken by the Federal authorities to control the inroads of the foreigners. They have read in the newspapers of the Government stating that the Federal authorities do not propose to patrol our coast because they look to Western Australia to control its own territorial waters.

Hon. J. J. Holmes: They did not say that. They said they would do the work if asked to do so.

Hon. E. H. ANGELO: I read somewhere the statement I have referred to. It may have mentioned the territorial waters within the three mile limit. At any rate, that is the position. I am afraid the impression has been gained that we in this State have to look to the Federal Government for protection and for that reason alone we should endeavour to act in harmony with the Federal authorities. When we consider what handing over the territory involves, Mr. Baxter remarked that we would lose a province.

Hon. C. F. Baxter: I said you would lose your province.

Hon. E. H. ANGELO: I am broad-minded enough to know that if I have to sacrifice something that will be of advantage to the State and to Australia as a whole, I shall not mind making it.

Hon. E. H. H. Hall: What about Mr. Holmes?

Hon. E. H. ANGELO: Mr. Holmes is bigger in heart, and otherwise, than I am and so is Mr. Miles. I would remind members that I am only suggesting handing over the portion of the State that is north of the 20th parallel. The richest part of the North would still belong to Western Australia.

The Chief Secretary: Where is the 20th parallel?

Hon. E. H. ANGELO: About Condon. My suggestion would involve handing over Broome, Derby and Wyndham with the hinterland. What would we lose? It would mean we would lose the cattle industry, but that is about all. But the cattle would still come down. We would not lose the pearling industry because I am afraid, what with the cheap Japanese labour that is working within three miles of Broome, the industry is almost lost already. All the Broome luggers have to go considerably more than three miles off shore. I am very concerned about the future of Broome. I feel perfectly certain that if that port were under the control of the Federal Government, it would be much better off because the Federal authorities can make concessions to residents of their own territory that cannot be made available to residents of Western Australia. That position already obtains at Darwin. The people there do not pay two income taxes and enjoy many other concessions that are not available to the citizens of Western Australia. There is not much gold mining north of the 21st parallel so that, practically speaking, we would lose the cattle industry only.

Hon. V. Hamersley: What about the Wyndham Meat Works?

Hon. E. H. ANGELO: I for one would be prepared to hand over the Wyndham Meat Works to the Federal Government provided that the control of the works was along the same lines as that obtaining under the State regime, namely, the rendering of assistance to the cattle growers.

Hon. L. B. Bolton: What about the losses?

Hon. E. H. ANGELO: We are losing about £80,000 or £90,000 every year.

Hon. C. F. Baxter: No.

Hon. E. H. ANGELO: Yes, in interest.

Hon. C. F. Baxter: Not half that amount.

Hon. J. J. Holmes: I understand the latest proposal is that a railway be built to take the cattle of the North to Wyndham, conditionally upon the Government taking over the works and making them a payable proposition.

Hon. E. H. ANGELO: If the works are to be made to pay we must have a railway. That is the considered opinion of the people up there.

Hon. C. F. Baxter: Would the Federal Government take the proposition up?

Hon. E. H. ANGELO: I am making the suggestion. I ask the Government to open up negotiations and find out exactly what can be done as soon as possible. As a preliminary, I suggest the Premier should convene a meeting of members of Parliament representing Northern electors, both in this Chamber and in another place, so as to discuss the matter with him.

Hon. J. J. Holmes: What about the Northern Development Advisory Committee?

Hon. E. H. ANGELO: We met and submitted a report.

Hon. J. J. Holmes: They would not get on with it.

Hon. E. H. ANGELO: I do not agree altogether with the hon. member.

Hon. C. F. Baxter: You seldom do.

Hon. E. H. ANGELO: The Advisory Committee made suggestions with regard to whaling that have since been carried out by the Government.

Hon. J. J. Holmes: Strange to say, the shark industry went out of existence.

Hon. E. H. ANGELO: But that will come again some day. The whaling industry and the shark industry will both be below the 20th parallel.

Hon. T. Moore: What about the turtle industry?

Hon. E. H. ANGELO: That will mostly be below the 20th parallel. As I have said, we would be giving very little away if we agreed to my suggestion.

The Chief Secretary: Then it may not be a very attractive proposition for the Federal Government.

Hon. E. H. ANGELO: I understand the Federal Government offered to take over the North. Most decidedly the Commonwealth Government realises the importance of peopling and developing the North from a defence point of view.

Hon. C. F. Baxter: I do not know that that would help us much in making good the losses on the Wyndham Meat Works.

Hon. E. H. ANGELO: The point is that we are practically working in opposition to the Federal authorities. We have the two territories adjoining, and up till the present we do not seem to be able to work in harmony. We have different laws and different license fees. On one side of the boundary people have to pay more than do those residing on the other side. Everything has tended to make it seem that we are antagonistic.

Hon. C. F. Baxter: Do you know that the Wyndham Meat Works lost £500,000 in treating cattle from the Northern Territory?

Hon. E. H. ANGELO: That may be an additional argument for handing over the North to the Commonwealth. However, I am stressing the defence point of view, because, to my mind, that is the most important.

Hon. V. Hamersley: They started a navy many years ago, and what have they done with it?

Hon. E. H. ANGELO: At the present time the Federal authorities are fortifying Darwin while we are doing nothing. Wyndham is just as important as Darwin will ever be. On the other hand, nothing will ever be done until one authority has control of both parts of Australia. A few years ago there was a proposal to secure English capital to develop the cattle industry in the North. The proposal was rejected by the British people for one reason only. They would not deal with two authorities. They said that if one authority were in control, whether State or Federal, they would be inclined to spend their money here to develop the cattle industry as it should be, but they would not have anything to do with two authorities. I do not blame them, because one authority might over-ride the other. The position now is most serious. It is the function of the Federal Government to defend the people of Western Australia. The defence aspect is most important in the North. Therefore, I urge the Government to open up negotiations with the Federal authorities to ascertain their point of view. If a satisfactory proposal is advanced by them, then the Government could submit it to Parliament for consideration next session.

**HON. A. M. CLYDESDALE** (Metropolitan-Suburban) [9.30]: I wish to draw attention to the small amount of money that was expended not only last year, but in previous years on the tourist traffic in Western Australia. I feel very deeply about this matter, and I think we are losing a large amount of money through it. When we think that there was spent last year on tourist traffic in this State £3,750, whereas in a small State like Tasmania there was spent £30,000 in the same way, it shows there is something wrong somewhere. You cannot tell me that Tasmania has greater tourist attractions than has Western Australia. I was in conversation with a tourist agent in the other States who was visiting here. I showed him around for a week and on the conclusion of our trip I asked him what he thought of Western Australia's tourist attractions. To use his own words he said, "I wish I had your goods to sell." Outsiders realise the value of the goods we have to sell, but we do not realise it ourselves. We have lost time over the tourist traffic, and we shall have to make it up. In future we shall have to go out and look for business instead of sitting here and waiting for it to come to us. What is happening in some of the steamship companies? Yesterday I looked up a leading Sydney paper and a leading Melbourne paper, and I could not find in one advertisement of a shipping company advising people where they could go to in Western Australia. Who is to blame them for that? Now take the other side: You can look up any Western Australian paper and find in it tourist advertisements from almost every part of the

world. That means that Western Australian tourist money is leaving Western Australia, but no tourist money is coming back in return. Then when you visit Brisbane by any of the ships of the steamship companies calling at Western Australia you find you can make the steamer your hotel while in port. It saves hotel expenses. The same thing obtains in Hobart. Why then does it not apply here? Why have we been isolated so long? The Perth City Council and the various local authorities are doing their best—and they must succeed—to make Perth the most beautiful city in Australia. It will be all that.

Hon. E. H. H. Hall: Why should not the passengers go to hotels while in port?

Hon. A. M. CLYDESDALE: It is sometimes believed that the hotels are waiting to fleece them. The amount expended on tourist traffic in Western Australia last year, namely £3,750, was totally inadequate. The Tasmanian representative told me that in Perth there is a staff of two. Although I cannot divulge it, I know the amount of Perth office turnover, and I assure members it would surprise them. He also told me that they have a strict computation of the value of each visitor to Tasmania, that each visitor, man, woman and child is worth £10 to that State. Suppose we had a large number of tourists coming here each worth £10 to the State! Here we have all sorts of attractions to offer, including winter trips and summer trips. I cannot see why it is that with all the people travelling in Australia and all the money they have to spend, none is coming to this State. Who is to blame? Fancy spending less than £4,000 on tourist traffic from Wyndham to Esperance in order to attract tourists to Western Australia! It is absurd. As I have said, we have to gain ground that has been lost. The Government would be justly entitled to spend £20,000 a year on this object. I hope the time is not far distant when Western Australia will come into its own in this tourist traffic.

On motion by Hon. V. Hamersley, debate adjourned.

## BILL—MORTGAGEES' RIGHTS RESTRICTION ACT CONTINUANCE.

*Second Reading.*

Debate resumed from the 17th November.

**HON. H. V. PIESSE** (South-East) [9.35]: I intend to support the Bill. As a member representing a very large country province I realise the value this Bill has been to the farmers, and I sincerely hope that members will support the second reading. The Government should give at least two years' notice when it is intended to cancel the Bill. If it were discarded to-day it would create hardship throughout the farming areas unless further time was granted before the mortgagees were able to take action under their mortgages. It must not be forgotten that these mortgages were executed before and during the early days of the depression. Values of farming properties are still very low, and whilst a number of farmers may realise sufficient to pay the existing amount of the mortgage, it must be borne in mind that when these mortgages were taken out the advance was not more than 60 per cent. of the value of the property. Should those properties be sold now at or about the amount of the mortgage, the borrower would lose his equity of 40 per cent. which undoubtedly he put into the property himself. In 1928 a well-known farmer and grazier had a valuable property in the South-East Province. He purchased another property of 1,100 acres at a price of £8,000, meaning to establish his 18-year old son thereon. The property was maintained in good condition, rates, taxes, and interest being paid in full. He arranged for a £4,000 mortgage on the same property, and by force of circumstances and the depression he had to realise upon this property, which he sold in 1936. Although the prices of wheat and wool were the highest they had been for some years he was only able to realise £4,400 for the property. After the commission had been paid to the agent he received £240 as his equity. He was not forced by the mortgagor compulsorily to sell this property. The price obtained was the result of considerable bargaining with a number of purchasers over a long period. How much worse would the position have been in the event of a forced sale when the payment for the mortgage on the property would have been in demand, and how much worse will the position be if the protection afforded by this Act were taken away and a number of forced sales held within a short period. Surely it is right that as long as reasonable payments of interest are made by the borrower and the property was fully

maintained, the lender should be prevented from throwing the loss upon the borrower when there is a fall in prices, which although not the fault of the lender was certainly not the fault of the borrower. An order will be made by the court if it can be shown that the latter has neglected to pay interest, or if it can be proved that he is able to redeem the mortgage out of his own money or by borrowing at a reasonable rate of interest. In cases therefore where no attempt is made to pay interest, the Act puts no restriction on the lender. However, I hope to show that it is almost impossible for the borrower to pay off the mortgage by borrowing at a reasonable rate of interest. The amount advanced on mortgages before the depression would not exceed 60 per cent. of the value of the property, and there is no farming property to-day that is worth more than 60 per cent. of its value before the depression. No mortgagee to-day will lend more than 60 per cent. of the present-day value, and therefore it is impossible for any borrower in ordinary circumstances to borrow sufficient to repay a mortgage debt at a reasonable rate of interest. Owing to the reduction in values he would find it almost possible to obtain a new mortgage to pay off the old. If the Act were suddenly terminated chaotic conditions would prevail, and it is essential that the price of wheat and wool remain at the present-day value to give farmers a chance to make good. The Act will have to remain in operation for a longer period than two years, but I am hopeful enough to believe that some special readjustment could be made within that period if the markets of the world remain stable. Mr. Parker said he would vote against the Bill unless the Act was altered so that the borrower, not the lender, would have to make application to the court. This might be a suitable proposal for incorporation in the Act in two years' time after the notice that I suggest had been given to the people concerned. But I cannot believe that it would be necessary or equitable at the present time. It must be remembered that the borrower who has not made any attempt to honour his obligations is not protected under the Act if the lender makes application to the court. I do not know whether there is any great need for this Act to remain in force in the metropolitan area. In this matter I would be prepared to be guided by those representing the metropolitan provinces. If they say it is not required, I shall be prepared to support an amendment accordingly. A widow, a stranger to me, called at Parliament House last week and told me that on the death of her husband, before the depression, certain moneys were invested on behalf of herself and her children in house property mortgage. This money was supposed to be paid to her children and herself on the children attaining their majority. Under this Act payment of the money could not be forced. There was a second mortgage on the house property. An investor purchased the equity of this second mortgage and he has received the rent in full from the tenant, and has paid the widow and children the interest on the first mortgage, less the 22½ per cent. But he did not register the transfer of the property into his name, otherwise he would have been responsible for the principal. He has allowed the buildings to deteriorate and it is said that some of the rates have not been paid. So long as an investor collects all rents and pays all interest according to the Act, the place can go to rack and ruin. I realise the hardship that this widow and children are under as they desire to use the money willed to them. But members must realise that we cannot legislate for all individual cases. Hardship follows depression and, as I have stated, I would support an amendment in this connection if it is desired by metropolitan members. I should also like to refer to a large pile of buildings in the country consisting mainly of shops and flats, the value of which before the depression was approximately £16,000.

Hon. L. Craig: It had that value.

Hon. H. V. PIESSE: It was valued at that amount by a sworn valuer. The property was bringing in sufficient interest to make it a payable investment. In the course of the year 1931 the rents from the building dropped over 50 per cent. The persons who had charge of the flats accumulated rentals amounting to £600, due to the landlord. The landlord eventually had to take over the running of the estate, and this reduced the income of the widow concerned. Many tenants were allowed to remain in the shops at as low a rental as 12s. 6d. a week in order that the shops might be kept fully occupied. Things are looking a little better to-day. Rents are firmer, but there is still a big accumulation to pay back on the property. Just now, however, it would not be

possible to borrow sufficient money to raise the original mortgage that was taken out 22 years ago.

Hon. L. Craig: Will you ever be able to do so?

Hon. H. V. PIESSE: Yes, given reasonable seasons.

Hon. L. Craig: Not in 100 years.

Hon. H. V. PIESSE: The income from the estate has improved to such an extent that I would not be surprised to see it in order in the next two or three years, and a mortgage raised to repay the present mortgagee if so desired.

Hon. H. S. W. Parker: Do not you think the mortgagor could put up a good case to a judge?

Hon. H. V. PIESSE: Yes, but the expense would be too great. The mortgagee has had to suffer much hardship as a result of mortgages on country properties. Why should be loaded up with that expenses? With respect to country districts generally, I would point out that the Minister for Lands, when introducing the Bill, dealing with farmers' debts adjustment, stated that 3,000 farmers were to-day carrying on under stay orders issued by the Farmers' Debts Adjustment Department. If insolvency means what I think it does, a state of affairs where the value of the assets being realised upon is less than the amount of the liability, then as the position stands to-day between 50 and 75 per cent. of the farmers are in an unfortunate position financially. I do not suggest that if this percentage of farmers is left alone they will not be able to make good, given runs of reasonable seasons and prices. If the Act is to be terminated, due notice should be given to that effect. That would provide people who had borrowed money with a greater opportunity to meet the situation. The majority of mortgagees concerned in country properties are those who have lent the money as a business. Farmers have found and are still finding it very difficult to meet their annual commitments. If Mr. Parker's idea were carried out, and the borrower made to apply to the court, that would be better than that the onus of incurring the expense of such an application should rest on the lender, until times improved. No other State in Australia has cancelled this class of legislation.

Hon. L. Craig: It has been amended in Victoria, where the onus is put on the mortgagor.

Hon. H. V. PIESSE: That was from the inception of the Act.

Hon. L. Craig: No, last year.

Hon. H. V. PIESSE: This was one of the first States to see the error of the laws made in the other States.

Hon. L. Craig: You are guessing now.

Hon. H. V. PIESSE: No, I have made a close study of the position. Members who represent country provinces must have every incentive to support the Bill. I ask those representing other parts of the State to remember that only by a contented agricultural community can we have a prosperous city of Perth. I should like them to realise the effect that the repeal of this legislation would have upon country people. The Act applies only to those who are debtors of institutions which are not Government institutions. It does not apply to the Agricultural Bank or similar Government instrumentalities.

Hon. L. Craig: Yes, to anyone who had a mortgage after a certain time.

Hon. H. V. PIESSE: It is, therefore, for the benefit of those who have carried on without Government assistance. Surely they are entitled to the utmost consideration. A leading lawyer in another place, when speaking on this Bill, bore out this contention, and considered that time and notice should be given before the Act was discontinued. The Bill met with a splendid reception in another place. Members here who have so far spoken are all opposed to the Bill. Fortunately only two or three have so far spoken. I have every hope that a majority of members will favour the passing of the Bill. Mr. Cornell said that the Act was passed last year without consideration. I would remind him that at that time we were waiting to hear about the ex-king's position. For that reason the Bill was passed without discussion.

Hon. L. Craig: The King saved it.

Hon. H. V. PIESSE: Yes, and the King has saved the British Empire before to-day. I have the idea that the King may have saved the farming community also. Whilst the market for wheat and wool is fluctuating this Act should be continued. I hope the majority of members will cast their votes in favour of the second reading. The Bill has my hearty support.

**HON. T. MOORE** (Central) [9.53]: I would not have spoken had I not thought that some support for the Bill was required. Apparently some members do not under-

stand the position of country farmers. It is necessary to go back before the depression to know what was taking place, when people were trying to get a footing upon our country land. Most of the farmers who are in trouble to-day went on the land after 1920 and worked very hard and enthusiastically. Practically all the money they got up to 1930 they put back into their properties. They had built up good assets, as is proved by the fact that at that stage outside financial institutions were prepared to assist in carrying them on. Up to that time the Agricultural Bank was mainly responsible for the development of our wheat areas. The financial institutions then said to some of the men who were clients of the Agricultural Bank, "You are not going as fast as you could; we are prepared to advance more than is the Agricultural Bank." They then took over a number of properties, because of the good condition in which they were found. Within a short space of time the position completely changed. Prices fell to as low an ebb as we have ever known them, though I understand at one time wheat was sold in Australia at 1s. 6d. a bushel. I know of one man who had a fine crop in 1930, when he produced 9,000 bags of wheat. He lost money on every bag. He had been in a good way before the depression, but after 1930 the financial institutions which had advanced him money took over his dealings and sold his wheat at 1s. 8½d. per bushel. They said they could not get any more than that, and he had no option but to allow it to be sold.

Hon. L. Craig: Did you not sell some at that price?

Hon. T. MOORE: Others did, too. The financial institutions took those people over.

Hon. L. Craig: They could not have got a better price for themselves.

Hon. T. MOORE: The financial institutions had made a bargain with the farmers. They said, "We can do better for you than the Agricultural Bank, and we will assist you." What chance have those men had to make good, or relieve themselves of the load of debt since 1930?

Hon. L. Craig: The banks are carrying them on. They did not have to go to the banks.

Hon. T. MOORE: There was an honourable understanding between the banks and the farmers. They were part of an agreement that was made. As soon as things became bad, the banks said it was no longer good business, that the farmers had gone too far. That is exactly what has happened. What chance has the farmer of getting square? Members say the time has now arrived to wipe out the Act. They must realise it has not been possible for farmers to get out of their difficulties in the last six years. They have had little or no opportunity to cut their debts down, and when prices were low they inevitably got behind. Their commitments were too great for them to make headway. When prices improved this State suffered from a run of bad seasons. In my province the seasons were very bad. Farmers cannot be blamed for not meeting commitments that were entered into by the banks as freely as they were by the farmers. If it was fair at that time for the institutions to enter into an agreement with the farmers, it was equally fair that the former should wait a little longer and give the farmers a chance to make good. Better seasons are likely to be experienced. Until we do get a run of good seasons and fair prices we should not blame the farmer for not making good. Too many people say they have not done all that was possible. There are men who could not be bettered as farmers, and yet they have not found it possible to discharge the burden of debt hanging over them. It is a fair thing to give them another three years so that they may free themselves of their financial obligations, and regain their equity in the farms they have spent so many years in building up. Members should take into consideration what has happened in the last six years.

**HON. L. CRAIG** (South-West) [10.0]: I am sorry that Mr. Moore has depicted mortgagees as bald-headed vultures who are waiting to swoop down on unsuspecting farmers. Mr. Piesse also suggested that if this legislation is thrown out, the vultures will swoop down upon the poor unsuspecting farmers. It must not be forgotten that the mortgagee is about the only man against whom this restriction is imposed to-day. Everyone else has had his former position restored to him, but the mortgagee must continue in the position he has been in for the last few years. I have no special liking for the mortgagee. I have been in the position of mortgagor, and in a bad position too. Any mortgage that was in existence before August, 1931, is subject to this restrictive legislation, but any mortgage entered into

after that date is free from it. This Act does not apply to Government institutions. It was many years before the Government thought fit to reduce the interest rate on properties over which it had mortgages. The Minister will remember that interest on repurchased estates was reduced from 6 per cent. to 5 per cent., and that was done only the year before last. So what is good for the public goose is not good for the Government gander! The Act does not apply to any Government instrumentality, and there we have the position that what is good for the private goose should also be good for the public gander. It must not be forgotten, also, that action can be taken against those people who do not pay their interest, and that can be done just as if the Act we are considering did not exist. Thus the starving farmers and householders are not affected by the Act.

Hon. H. V. Piesse: They can be put off their properties.

Hon. L. CRAIG: The banks are not entirely governed by this Act. They can close down on any of their clients if they wish to do so; but they are behaving in an honourable and decent way towards their clients.

Hon. H. V. Piesse: No one is complaining about the banks.

Hon. L. CRAIG: The banks could close down any account to-morrow, if they so desired. I know they are carrying desperately bad accounts, and carrying them willingly. If they were not carrying them willingly, they would not carry them at all. I have been in that position, and I know all about it. It would in some cases be rather drastic to say at this moment that on the 31st December of this year we would wipe out this legislation.

Hon. H. V. Piesse: What about trustee investments?

Hon. L. CRAIG: What about them? I am a trustee of an estate on which there is owing £1,100 out of £2,200, and the mortgagors are asking £4,000 for that property to-day. We say we would like this paid off, but they say they do not intend to pay it off. There is owing, as I have said, £1,100 on what is considered to be a £4,000 equity, for which £2,200 was paid. I have had many letters from people complaining about this Act remaining in force. It is assumed by Country Party members that if the legislation be wiped out, every mortgagee will swoop down and attack the farmers. But the mortgagees do want fair treatment, and they are not getting it to-day. I had a letter the other day from a person complaining bitterly. That person lives on what he gets out of interest, and he said the security on which his money had been advanced was in a deplorable state, pickets being out of the fence, the house needing a coat of paint, and the roof leaking. The time has come when mortgagors should be told that in the near future—a definite date could be set out—that this restrictive Act would be eliminated. We have done it with other emergency legislation.

Hon. C. F. Baxter: How long do you suggest?

Hon. L. CRAIG: Six months. There is unlimited money available to-day. People are looking all over the place for investments.

Hon. C. F. Baxter: If banks have plenty of money, why worry about the Bill?

Hon. L. CRAIG: I trust that the Bill will be amended; I do not say that we should vote against the second reading, but I am certainly going to assist, in Committee, to fix a date on which the Act shall cease to exist. I do not consider this is fair legislation. The depression is over. We know that there are some farmers who, whatever action is taken, will never get out of their troubles. They are living on this restrictive legislation. It is time it was stoped.

**HON. C. H. WITTENOOM** (South-East) [10.8]: I intend to support the second reading of the Bill. The majority of the people I represent are farmers or people interested in farming, and several with whom I have spoken have shown considerable concern in the fate of the Bill. Really they want the Act continued from year to year as has been done during the past several years. They will not hear of the Act being terminated altogether. It has been suggested that the Act should be carried on for another year or two with a view ultimately of doing away with it altogether, say in two or three years' time. I would not support such a proposal. We should continue to enact the statute from year to year because none of us is a sufficiently good prophet to be able to foresee when the time will arrive that it will be possible to end the Act. I have no wish to be a pessimist, but I consider that that time is a long way off. The price of wheat, as we know, is anything but satisfactory,

and while there has been a little increase in the price of wool, no one can say that it is going to be permanent. It would be a terrible blow to the farmers if the Act were to be brought to an end. They are paying now perhaps four or five per cent., but if the Act were not in existence they would probably be forced to pay a rate of 7 or 7½ per cent. I shall support the second reading.

**HON. J. J. HOLMES** (North) [10.11]: When this Bill was first introduced in another place I understand, as in the Eastern States, it was the mortgagor and not the mortgagee who had to apply for relief.

Hon. L. Craig: That is so now.

Hon. J. J. HOLMES: I know of some very bad cases of hardship where elderly people five years ago had a few hundred pounds to invest. They put it out on mortgage and retained enough to carry them on until the mortgage fell due. When the mortgage fell due they found that they could not collect their money and so were unable to meet their everyday expenses. That is the section of the community that is suffering to-day and it is that section that should be relieved. We can imagine old couples who invested £200 or £300 and are now wanting that money to carry on with until the Karrakatta stage is reached; and the money cannot be collected. True, it might be collected by going to the court, but considerable expense would be involved which they should not be called upon to incur. They can get an order for the payment although there has to be a very clear case before such an order is granted. We have heard a lot about what the banks are likely to do and what other mortgagees are likely to do if we suspend this legislation. The position is that there is any amount of money to-day in this State ready for profitable investment. There is no man with any common sense who, if he has money out on mortgage—even on a farm, provided the farmer is doing his job properly—is likely to call up his money; because if he has the right man in charge he cannot get a much better investment elsewhere. We have heard about the difficulties of the farmers. The farmers, when things were prosperous, wanted to borrow and spend. From every machinery merchant who called they purchased machinery, whether they wanted it or not. It is years since I stood on the floor of this House and said that I saw with my own eyes farmers travelling in motor cars to meet every train in order to get their mail, and the only mail they could expect was a mail containing bills they were not in a position to meet. That has gone on for years. I must say a word on behalf of the banks. The banks have done remarkably well in this country. I do not know a man worth his salt who has played the game and upon whom the banks have closed down. I heard the other day of a man who had been abusing the banking system from one end of the country to the other. The bank investigated his position and found that he was so far in debt that he could not pay. The bank wrote and told him, when he was expecting to be foreclosed—and this is not hearsay but fact—that they were writing off £1,000. He rushed in and said to the bank, "In future I am a supporter of the banking institutions and will not say another word in condemnation of them."

Hon. E. H. H. Hall: There are not too many instances of that sort.

Hon. J. J. HOLMES: A lot of these people have brought trouble on themselves. I will admit that, particularly in the area to which Mr. Moore referred, farmers have had bad seasons. They had rust which in one year wiped out thousands of bags of wheat; but the banks do not foreclose on such people. The only people upon whom they would foreclose are those who are not playing the game.

Hon. H. V. Piesse: It is not the banks we are worried about.

Hon. J. J. HOLMES: Suppose a mortgagee called up his money to-morrow. Suppose he was getting five per cent.—and if he does not get the interest he can take proceedings. If he called up his money to-morrow, I do not know where he would get an investment at five per cent.

Hon. L. Craig: There is not one.

Hon. J. J. HOLMES: I could put my hands on half a million pounds of money in the terrace to-morrow——

Hon. A. M. Clydesdale: Things are not half so bad as you make them out to be.

Hon. J. J. HOLMES: The money is there but conditions have been imposed—by whom I will not say—of such a nature that people are not prepared to invest their money because they are afraid that those conditions will make things awkward for them later on. We have seen the Commonwealth put a loan on the market at less than four per cent.

and the money was over-subscribed. Hundreds of thousands of pounds are awaiting investment, but people are afraid of the harassing conditions imposed on private enterprise in this country to-day. I do not know whether we can amend this Bill in Committee.

Hon. L. Craig: Yes, we can.

Hon. J. J. HOLMES: I think we can and I therefore propose to vote for the second reading. I do not think limiting people to six months will meet the position. If the Act were abolished altogether there would be a general stampede amongst the small mortgagees to see who could get in first. If, in Committee, we could fix the responsibility for applying for relief upon the mortgagor——

Hon. L. Craig: You cannot do that in Committee. You can only alter the date.

Hon. J. J. HOLMES: Well, I will vote for the second reading but reserve a right as to the alteration of the date in Committee.

**HON. E. H. ANGELO** (North) [10.23]: I was a member in another place when the Mortgagees' Rights Restriction Act, with about six or seven other emergency Acts, was passed, and it was distinctly understood that when the depression was over all those Acts would disappear.

Hon. T. Moore: The depression is not over.

Hon. E. H. ANGELO: All those Acts have disappeared with the exception of this one. Mr. Craig has pointed out that other sections of the community have had relief from this restrictive legislation. We have heard what the farmers' representatives have had to say about the distress that the removal of this Act would cause. I venture to say that for every person that the removal of the legislation would affect, there are three being affected at the present time owing to its retention in all parts of the State. Are we fair to those people? Is the Parliament of Western Australia giving a fair deal to those people when everybody else has had relief and the mortgagee has not? I agree with what Mr. Holmes says, that there is plenty of money available for the mortgagor to raise another loan to pay off the mortgagee. Look at the huge buildings these insurance companies are putting up.

Hon. A. M. Clydesdale: A war scare would tie money up in a moment.

Hon. E. H. ANGELO: The fear of war might have that result, but look at the huge buildings they are putting up. Why? Because they cannot get a proper investment for their money. We heard to-day of one insurance company which has lent over a million pounds on the broad acres of this State. That shows that their policy is to lend, provided the securities are all right. Provided a man can offer a decent security he can raise money. What chance to get right have these men who have no decent security to offer? Our wool prices are higher and our wheat prices are not so bad. We may never have another better opportunity than now of getting rid of this obnoxious Act. For that is what it is; all these emergency Acts are obnoxious. Not only are we in the dying hours of this Parliament but we are also in the dying hours of the year. This Act will expire on the 31st December, 17 days hence. That does not give much chance for the mortgagor to get money elsewhere. I am inclined to agree with those members who say that we should give the mortgagors a little time. Six months is ample. That should get over any war scare as suggested by Mr. Clydesdale. In six months we shall be at war or the fear will have disappeared. I may be an optimist but I hope that is true. I shall vote for the second reading in the hope that an amendment will be carried altering the duration not to the end of 1938 but to the end of June, 1938. If that amendment is not agreed to I am going to vote against the second clause because I think the time has arrived when this Act should be taken off the statute-book. In view of the fact that we have only 17 days left to give these people notice, I am agreeable to the six months' extension in order to give them a chance to put their affairs in order.

**HON. G. FRASER** (West) [10.43]: All the opponents of this measure tell us there is a lot of money available for investment. But what will happen if this measure is defeated? It must mean chaos.

Hon. J. Cornell: Not in the West Province.

Hon. G. FRASER: Particularly in the country areas.

Hon. L. Craig interjected.

Hon. G. FRASER: We must take some notice of those representing those particular areas.

Hon. L. Craig: I do.

Hon. G. FRASER: The hon. member is the one exception. The only others I have heard speaking against the measure are those well out of the farming areas, or the city members.

Hon. L. Craig: The party has said so.

Hon. H. V. Piesse: Rats!

Hon. G. FRASER: It appears that the Government has taken notice of the members representing those country areas. Chaos would reign should this Bill be defeated. We are told that quite a number of people are suffering because of the continuance of this Act. I will admit there are elderly people with money invested in property in city areas who want their money to-day and find themselves in a tight corner because they cannot get it. But in trying to decide what is the best thing to do we must have regard for the number who will be affected either by the defeat or the passing of the measure. Having listened attentively to all sides of the question it appears to me that the greatest good to the greatest number will be caused by the re-enactment of the measure and I intend to support the second reading.

**HON. G. W. MILES** (North) [10.30]: I oppose the second reading. There is another section of the people to be considered apart from the mortgagors, and they are the mortgagees, the thrifty people of the community who have invested their money, and a number of whom have been affected by the Act. As has been pointed out by other speakers, this was a piece of emergency legislation introduced at the commencement of the depression. All other emergency legislation has gone by the board, and I am of opinion that this measure should not have been re-introduced by the Government. The mortgagees have a right to protection. These thrifty people who saved money and invested it in mortgages, are suffering, and it is time we gave them some consideration.

**HON. E. M. HEENAN** (North-East) [10.31]: As a representative of North-East Province I can speak quite dispassionately on this subject, because it does not apply much to my constituency. I must admit that I am not very enthusiastic in supporting the Bill, except that I realise that ample notice must be given to the people to whom the Act applies. It is only right that the weak should be protected against the strong, but after a lapse of six years we have to respect the rights of mortgagees, and I quite believe that a number of them also are suffering hardships. The wisest course to adopt would probably be to pass this measure and indicate that this is the last occasion on which it will be passed. I do not know how that could be done. I would not say that next year I would support a similar measure.

Hon. L. Craig: Do not you think six months would be sufficient?

**HON. H. SEDDON** (North-East) [10.33]: I have very little to say on this Bill because the ground has been covered so thoroughly. As regards the farmers they will have very little to fear from the banks if this legislation disappears from the statute-book. There is no likelihood of the banks or financial institutions abusing their position, because they would be the last people to desire to destroy their security. If they precipitated a crisis by calling in the money they have advanced on mortgage, it would certainly destroy the value of all their securities. They are not going to do that. The real privation is that imposed upon people who have advanced small loans. A certain number of people certainly might be inclined to call up their mortgages, and we must allow time for the mortgagors to effect a change. If a period of six months is given it will enable mortgagors to make the necessary preparations, and I think the experience will be that as money is cheaper to-day than it has been for many years and as much money is available for investment, there will not be any difficulty in mortgagors getting somebody to take over their mortgages. In the circumstances, I shall support the proposal to terminate the Act in six months' time. A suggestion has been made that we should re-enact the law for 12 months on the understanding that thereafter it will not be renewed. However, we know that year by year a similar Bill has been introduced for the purpose of continuing the Act for one year only, and if we allowed an extension of another 12 months, I fear that a similar position would be created in 12 months' time. I trust that the House will agree to the six months' period. The Act deals with only a certain number of mortgages; those

executed since 1931 do not come under it. Therefore we are really discriminating against people whose money was placed out at mortgage before that time.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [10.35]: I do not propose to reply at length to anything that has been said. I certainly agree with quite a lot of the contentions put forward by those who are supporting the Bill, and also to some extent with remarks made by those who are opposing the measure. At the same time I am of opinion that while the present position continues, particularly in our farming areas, we cannot afford to discard this legislation. The time may come, and I hope it will come quickly, when we shall consider it quite safe to deal with this legislation as we have dealt with other emergency legislation, but I do not believe that that time has arrived yet. I hope the second reading will be passed, and if it is, I propose to defer the Committee stage until tomorrow night.

Question put and passed.

Bill read a second time.

## BILL—LAND ACT AMENDMENT.

*Second Reading.*

Debate resumed from the 17th November.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [10.37]: The only question arising out of the second reading debate was that raised by Mr. Baxter, who asked a question regarding the use of the term "cultivable." For his information the word "cultivable" is used because this is the word used in Section 47 of the Land Act, and the distinction made in land legislation has always been between cultivable and grazing land. The term "first-class" land has never been used in the Act. The term "cultivable" is well understood in the department and also by the farming community, and I think there would be considerable confusion if it were altered. A large proportion of second-class land is also cultivable, and the introduction of the term "first-class" land would alter the principle in the existing land legislation. The hon. member also raised a question about morrell country, and said it would not be fair if large areas of morrell country were also included in what is termed "cultivable" land. The hon. member will be pleased to know that this land is already treated as non-cultivable, and therefore does not affect the principle in the amending Act, which is to enable people to hold up to 2,000 acres of cultivable land. This measure is essential in the interests of a very unfortunate section of our community and I hope there will be no difficulty in regard to its passage.

Question put and passed.

Bill read a second time.

## BILL—WORKERS' COMPENSATION ACT AMENDMENT.

*Second Reading.*

Debate resumed from the 29th September.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [10.40]: I secured the adjournment of the debate on this Bill, but I do not propose to speak on it except to commend the measure to the House. Possibly certain amendments will be moved in the Committee stage, which I hope will not be taken to-night. The Honorary Minister is in charge of the Bill and, in order that we may reach the next order on the notice paper, I hope that the Bill will be put through the second reading.

Question put and passed.

Bill read a second time.

## BILL—SUPERANNUATION ACT AMENDMENT.

*Second Reading.*

**HON. J. CORNELL** (South) [10.42] in moving the second reading said: This Bill is the outcome of the debate last week on the inclusion of certain emoluments by certain civil servants who have retired, are about to retire, or will retire later, for computing the amount of their pension. Members will recollect that when Mr. Baxter moved the urgency motion last week, exception was taken to the amount of the allowance—I will not call it salary—that the ex-Under Secretary for Public Works received for acting as chairman of the Transport Board, being included in the assessment under the Superannuation Act of the pension he received on retirement. Consequent upon that, the Under Treasurer was brought into the discussion on the question

of what he received as one of the Commissioners of the Agricultural Bank in addition to his salary as Under Treasurer. A third officer brought into the discussion was the clerk of the Executive Council, whose salary is fixed by the Constitution Act. I think there is no gainsaying the fact that this House was almost unanimously of the opinion that none of those emoluments or allowances should be taken into consideration in assessing the pension that those three officers should receive upon their retirement from the public service. It was pointed out by the Chief Secretary that in the case of the ex-Under Secretary for Works, what that officer should receive was determined by a ruling of the Crown Solicitor, and that it was upon that ruling the Government approved of the officer receiving a pension in the vicinity of £960 a year. Having accepted the ruling of the Crown Solicitor and having paid under that ruling, one could not expect the Government to deviate from it. That being so, this position arose: that there is something in the land above the Government, namely, the Legislature. Quite a few members of this branch of the Legislature and some members of the other branch consider that a Bill should be introduced setting out definitely that any allowance or emolument received by any civil servant under the State Transport Co-ordination Act or the Agricultural Bank Act, or as the result of holding the position of Clerk of the Executive Council, should not be taken into computation for pension purposes. That is all the Bill endeavours to do. It seeks to set out that such allowances and emoluments shall not be taken into consideration for the assessment of pension in the case of the three civil servants I have mentioned. The Bill is retrospective in its effect to the 1st January, 1934. That date, I think, is three or four days before assent was given to the State Transport Co-ordination Act. The Bill does something else. Only one of the three officers is involved in the matter of already having received a pension—the late Under Secretary for Works. Though the Bill proposes to disqualify him from being assessed for pension in respect of the emolument or allowance, it does not propose to take away from him anything he has been paid on that assessment up to the end of this year. If the House is of opinion that such emoluments or allowances should not be considered in the scheme of things, it will pass the Bill. I submit that my contention is based on good grounds because, as I have already pointed out, when the State Transport Co-ordination Act and the Agricultural Bank Act were passing through this Chamber no hon. member could have thought that any civil servant receiving an emolument under either measure would have such emolument taken into consideration in the assessment of his pension. And I think the gentleman who holds the position of Clerk of the Executive Council as well as that of Secretary to the Premier's Department should be placed in a similar position. If the Council thinks these officers should receive extra pension by reason of emoluments or allowances, it will reject the Bill. If it thinks that they should not, then its course is to pass the Bill. If another place thinks that the Council has not done the right thing in endeavouring to stop these men from receiving extra consideration, it can refuse to have anything to do with the measure. But if another place falls into line with this place and considers that some attempt should be made to circumvent a move which has not much to commend it, the Government should be placed in the position of saying whether or not, in the event of the Bill becoming law, it should take away from these men what it thought they were entitled to, leaving the onus of proof on them. The introduction of the Bill has, in a sense, a parallel on the converse side. Hon. members will recollect that a certain Bill was passed through two Houses and eventually was held by the Commonwealth High Court to be valid and to override everything that went before it. This is in relation to a highly esteemed member of this Chamber who on the advice of the Crown Law Department and of various members of the legal fraternity took a position in the belief that his doing so did not jeopardise his position here. On that gentleman's behalf a special Act of Parliament was passed. All the Bill asks is that Parliament should give to three of those gentlemen the status which the Legislature considered they had before the Acts under which they claim were passed. That is a converse case to that of the hon. member of this Chamber. If the Bill is agreed to, three minor drafting amendments will be necessary. In the eighteenth line on page 2 the word "be" will be deleted and "have been" inserted in lieu, and in the 25th line "than" will be deleted and "then" inserted

in lieu, and in the 33rd and 34th lines the word "proclamation" will be struck out and replaced by "passing." I have no antipathy whatever to the three gentlemen whom the Bill may affect. I am merely asking Parliament to rectify an obvious advantage which they have taken, one which I do not think was ever intended, and one which never should have been taken. I move—

That the Bill be now read a second time.

On motion by the Chief Secretary, debate adjourned.

*House adjourned at 10.55 p.m.*

# Legislative Assembly.

*Tuesday, 14th December, 1937.*



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

## BILLS (2)—FIRST READING.

1, Dairy Products Marketing Act Amendment.

2. Meat Industry (Treatment Works) Licensing.

Introduced by the Minister for Agriculture.

## PERTH MUNICIPAL ADMINISTRATION SELECT COMMITTEE.

*Extension of Time.*

On motion by Mr. Sleeman, the time for bringing up the report was extended to the 28th December.

## BILL—HEALTH ACT AMENDMENT.

Read a third time and transmitted to the Council.

## BILL—RESERVES.

*Second Reading.*

**THE MINISTER FOR LANDS** (Hon. M. F. Troy—Mt. Magnet) [4.33] in moving the second reading said: This is one of the Bills usually introduced towards the end of the session, and about which there cannot be much argument. It concerns the alteration of various reserves which has been considered by local authorities in the various districts of the State during the year. Particulars of the areas referred to in the Bill are as follows:—Cue lot 41 is held under a 999 years' lease by trustees for the Murchison Amalgamated Workers' Association. This lease was issued in 1901. The association is now defunct and is incorporated with the Australian Workers' Union. It is desired to mortgage this land but, until the present association obtains a deed, it is impossible to deal with the land. There is no means of transferring the lease except by the provisions of this Act. The Bill therefore re-vests the land in His Majesty in order that a similar lease may be issued to the Australian Workers' Union, West Australian branch. In 1908 Mt. Magnet Lot 63 was purchased by the Amalgamated Workers' Association at Mt. Magnet, and the certificate of the said lot is held by trustees of that association. These trustees are all dead and it is now desired that the title of the land be issued to the Australian Workers' Union. The purpose of Clause 3 therefore is to re-vest the land in His Majesty in order that a fresh grant may be issued to the Australian Workers' Union, West Australian branch, accordingly. Under the Reserves Act 1928 provision was made when excising Swan View Lot 105 from Class A reserve 2994 for such lot to be set apart as a hall site, but, as a hall has been erected in another position, this land is not required for that purpose. It is therefore