mation. It would be quite safe to leave it to the department to decide when the rolls should be issued.

Hon. J. E. DODD: If the clause were passed it might mean that many names would be sent in three or four times and possibly confusion would result. It would be far better to have the returns issued quarterly.

Hon. J. W. KIRWAN: The Minister should agree to the proposal for the retention of the existing system. There were many reasons in favour of that plan. The cost of the publication each quarter would be very small and the periodical rolls served a very useful purpose.

The COLONIAL SECRETARY: If the clause were passed the result might well be that the rolls would be issued even more frequently than once a quarter; certainly they would be if it were found necessary.

Hon. J. W. Kirwan: It was far better to have the slips issued regularly.

Hon. J. W. Hackett: What is the Commonwealth practice?

The COLONIAL SECRETARY: If the clause were passed the measure would be brought into line with the Commonwealth Act. The whole thing might well be left in the hands of the department.

Clause put and passed.

Clauses 11 and 12—agreed to.

Clause 13—Amendment of Section 33:

Hon. J. W. LANGSFORD: What did the clause foreshadow? The cost of the rolls at present was 1s.; was it intended to make a profit on the printing of the rolls?

The COLONIAL SECRETARY: All the portion of the Bill now being dealt with was introduced for the purpose of bringing the measure into line with the Commonwealth Act. The Commonwealth had different prices for different rolls, the charge being according to the size of the roll. It did not follow that if the clause were passed a charge of more than 1s. would be made for a roll?

Hon. J. W. LANGSFORD: It would be wise to insert a maximum amount as the cost of the rolls. It was his intention to vote against the clause.

Hon. J. E. DODD: There was no possibility of any of the State electoral rolls being as large as any Commonwealth roll; there was no necessity for the clause.

Progress reported.

House adjourned at 6.13 p.m.

Legislative Assembly,

Thursday, 20th October, 1910.

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

QUESTION—ASIATIC EMPLOYERS.

Mr. PRICE (without notice) asked the Premier: Will he have any objection to laying on the Table the papers relating to the engagement of a married couple by one Charr Singh, an Afghan farmer, arranged from the Immigrants' Home?

The PREMIER replied: I do not know that there will be much trouble in getting the papers, but I would be obliged if the hon. member would give notice of motion and I will inquire into the matter. I really do not know to what he refers. I shall treat the motion as formal.

Mr. Price: I will give notice of motion.

QUESTION—FREMANTLE PRISON, PROPOSED INQUIRY.

The PREMIER (in further reply to Mr. Seaddan's question, without notice, on the previous day) said: The warders of the Fremantle prison put forward a number of requests to the Comptroller General of Prisons, and at the request of Mr. Murphy, M.L.A., the member for Fremantle, for an independent board to deal with the matter, it has been decided to appoint the Public Service Commissioner (Mr. Jull) in that capacity to investigate and report.

QUESTION—PRESS REQUEST FOR INFORMATION.

Mr. PRICE asked the Premier: 1, Did the Colonial Secretary receive a letter on 9th August last from a Mr. Brown, representing the *Worker* newspaper trustees, asking for a list of the public hospitals in this State? 2, Did he on the 10th August reply, promising to supply such list? 3, Has he kept such promise? 4, If not, why not?

The PREMIER replied: 1, Yes. 2, Receipt of the letter was formally acknowledged on the date named. 3 and 4, The Medical Department was asked to supply the return, but the papers were mislaid. They have now been found, and the return has been furnished to Mr. Brown.

QUESTION—PUBLIC SERVICE REGULATIONS, VALIDITY.

Mr. GILL asked the Premier: 1, Has the opinion of the Crown Law authorities been sought as to the validity or otherwise of the public service regulations just issued throughout the public service? If so, with what result? 2, Have the regulations been laid on the Table of this House? If so, when? 3, If not, why not?

The PREMIER replied: 1, Yes; and the Solicitor General certified that the regulations were not contrary to law. 2, No. 3, The obligation to place the new regulations before Parliament was not disregarded, but owing to the adjournment it is regretted that the matter was overlooked. I have the regulations here. (Laid on the Table.)

Mr. Seaddan: They are *ultra vires* now.

QUESTION—ESPERANCE DISTRICT, SELECTIONS ON PASTORAL LEASES.

Mr. HUDSON asked the Minister for Lands: 1, Have refusals been given to applicants for land selected on pastoral leases in the Esperance district unless an indemnity be obtained from the pastoral lessees? 2, Have any applications for such lands been granted when such an indemnity has been obtained? 3, Has the practice in either case continued since notice of resumption has been given to lessees? 4, Does the Minister intend to continue the practice of allowing the pastoral lessees to determine who may select land on their leases, and, if so, why?

The MINISTER FOR LANDS replied: 1, Yes. 2, Yes, in a few cases. 3, No applications have been granted since resumption notices were issued. 4, It has not been the practice to allow lessees to determine who may select land within their leases, inasmuch as when an indemnity is given the land is made available for general application.

QUESTION—RAILWAY EMPLOYEES' TRANSFERS.

Mr. PRICE asked the Minister for Railways: 1, Does the Commissioner, when appointing men to goldfields positions, take into consideration employees' families? 2, Is any effort made to transfer single men as against married men? 3, Is it made a condition of promotion that all employees must take a turn on the goldfields? 4, How long has Mr. Cox, signalman, been employed in the coastal district?

The MINISTER FOR RAILWAYS replied: 1, Yes. 2, It would not be practicable to transfer single men only to the fields, as a large proportion of the staff is married, but when convenient, if a married man does not wish to go

to the fields, a single man is sent. 3, No, but as far as possible an endeavour is made to give employees who have been any length of time on the fields a change to the coast. 4, There is no signalman of this name in the service.

QUESTIONS (3)—LIQUOR SALES AT TIMBER CAMPS.

Mr. BATH asked the Premier: Has his attention been called to an article in the *Kalgoorlie Miner* of Wednesday, 12th October, headed "Drink Traffic on the Woodlines"—"A Demoralising and Degrading System," in which allegations of illegal drink traffic are made, as also complaints that no effort has been made to repress the evil?

Mr. WALKER also asked the Premier: 1, Has his attention been drawn to an article appearing in the *Kalgoorlie Miner* in the issue of 12th October under the heading "Drink traffic on the Wodlines?" 2, Will he cause to have the proper officers instructed to the end of removing the evils complained of in the article referred to?

The PREMIER replied: Yes. The police have already received instructions, and every effort is being made to minimise the evil, but considerable difficulty is experienced. A charge was laid against one of the offenders a few months ago which was dismissed by the justices on the ground that the methods employed in the sale of the liquor did not constitute a breach of the licensing laws.

Mr. BATH asked the Premier: Has any report been submitted by the police *re* breaches of the law in the direction of the sale of liquor by beer carts at sawmills and timber camps in the South-West area?

The PREMIER replied: Yes, and the matter is receiving the close attention of the police.

PAPER PRESENTED.

By the Premier: Public Service Regulations.

LANDS DEPARTMENT AND CHARGES OF CORRUPTION.

Scope of Inquiry.

Mr. SCADDAN (Ivanhoe): Before we proceed with the Orders of the Day I would like to ask the Premier if members will have an opportunity at an early date of discussing Notice of Motion No. 2 in connection with the appointment of a Royal Commission, prior to the actual appointment of the Commission. I do not desire to move the adjournment of the House on the matter: but if the appointment is to be made prior to our reaching that motion, I will have to do so in order to draw attention to certain matters.

The PREMIER (Hon. Frank Wilson): I do not purpose departing from the usual procedure of the House in regard to this motion. It will come on in the ordinary course on Wednesday week.

Mr. Collier: That is Show day.

The PREMIER: I have already indicated that a Royal Commissioner is to be appointed, indeed he has accepted the appointment, if hon. members will formulate the charges.

Mr. Scaddan: That is intimidation.

The PREMIER: Naturally the leader of the Opposition disagrees with that; he does not want to be put to the trouble of formulating charges. We want full and open inquiry—no whitewashing; and we do not want members to have whitewashing. If they make charges in the House let them substantiate them. I have no intention of departing from the ordinary course of procedure in regard to this motion.

Mr. SCADDAN: May I ask the Premier whether he proposes to permit the Minister for Lands to reply to the criticisms levelled against him on the debate on the no-confidence motion?

The PREMIER: If the hon. member wishes it, I shall be only too delighted to give the Minister for Lands an opportunity.

Mr. Scaddan: I think members on this side would be glad to hear the Minister's reply.

The PREMIER: I shall be glad to afford the Minister for Lands an opportunity, if members wish it; but I do

not want to re-open the no-confidence debate. I hope it will not do so. If the hon. member wishes it I shall be glad to arrange it.

Mr. SCADDAN: If the Minister for Lands is given the opportunity of replying to the criticisms levelled against him I would like the Premier to understand that I did not reply on the motion of no-confidence. I had the right to do so.

The Premier: That is not my fault.

Mr. SCADDAN: If the Minister for Lands is given the right to reply I should be given the opportunity of addressing the House.

The Premier: Oh, no!

Mr. SCADDAN: It does not matter much, but I want to know if the Government are going to reply to the charges, or whether they are going to let the matter go by default—to have a Commission on corruption, and allow all the other matters and charges against the department to go unanswered?

The PREMIER: It is not in order to continue this conversation I know, but I would remind the leader of the Opposition that I replied to the charges fully in every respect. Charges of corruption were undoubtedly made by hon. members, and the Commission will give those hon. members the opportunity of formulating these charges before a proper tribunal. I cannot go further, but I shall be pleased to give the Minister for Lands the opportunity of replying and making the explanation the hon. member wishes.

BILL—PERTH MUNICIPAL GAS AND ELECTRIC LIGHTING.

Second reading.

The MINISTER FOR WORKS (Hon. H. Daglish) in moving the second reading said: In rising to move the second reading of this Bill, it is not necessary to do much more than simply refer to the position of the Perth Gas Company in relation to the city of Perth. The Perth Gas Company was originally formed under the Joint Stock Ordinance of 1858; it was established in 1882, and in the year 1886 an Act known as the Perth Gas Company's Act of that year was passed defining its powers and rights. In this Perth Gas Company's Act, provision is made in Section 50 enabling the city of Perth at any time after the 31st December, 1906, to purchase all lands, buildings, plants, and property belonging to the company after giving six months' notice of their intention to purchase. The same section proceeds to set forth that the purchase price shall be arrived at by mutual agreement, or that in the event of failure to agree, or any dispute arising between the two parties, the purchase-price shall be determined by arbitration. On the 15th June, 1908, the Perth city council in pursuance of the provisions of this section gave notice to the Gas Company of its intention to purchase. On the 15th August the council wrote to the company suggesting a conference between the two bodies with regard to the terms and the conditions of purchase. This conference, however, was declined. At the expiration of the six months' notice, which would be in December, 1908, the city council again communicated with the representatives of the Perth Gas Company offering them the price of £158,868 for the purchase of the property, and stating that if this price was not considered acceptable they would be prepared to consider any counter proposal the Gas Company might put forward. The company did not answer yea or nay with regard to the price, neither did it agree to a conference, but it initiated a discussion as to the basis on which the Council had arrived at the price. This the municipal authorities were not prepared to discuss, and on the 7th January, 1909, the town clerk wrote to the company asking for a definite reply with regard to the offer made, and adding that in the event of an answer not being furnished the council would consider that the company either (*a*) would not accept the offer made or (*b*) would not confer with the council with a view of determining the conditions of the purchase, or (*c*) would not refer the matter to arbitration in the manner provided by the Gas Company's Act,

The company replied that in order to ascertain the respective rights of the ratepayers and the company, and avoid the expense and delay of a premature arbitration, a writ had been issued by them against the council for the declaration of rights, and that until a final decision had been obtained the directors were not in the position to state whether they would accept the offer or make any counter offer. The conference was therefore declined. Following this, on the 14th January, the council advised the company that it could not accept the procedure proposed by the company, and required that the matter be referred to arbitration for the purpose of determining the amount of purchase money to be paid by the City. On the 14th March, 1909, the company applied to the court for an injunction to restrain the council from proceeding to arbitration until after the trial of the action the company proposed to take to define their rights. This application, after being heard by Mr. Justice Burnside, was dismissed with costs against the company. On the 23rd March, 1909, the company having amended its application, again applied to the court for an injunction, and the application was again dismissed. The company then appealed to the Full Court, when the decision of the Judge was upheld by the Full Court, and the appeal was dismissed with costs. Following this, arrangements were made for arbitration, and these proceedings were commenced with Mr. Pilkington, K.C., as the council's arbitrator; Mr. Ford of Wellington, New Zealand, as the company's arbitrator, and Mr. Piper, a barrister of Adelaide, as umpire. The sittings commenced on the 8th June of last year, and continued for a period of about 11 weeks. A vast amount of evidence was submitted on both sides with regard to the question of the value of the property, and the plant of the company. The highest valuation for the company according to the evidence before the arbitrators was £236,564, and for the council, the highest valuation including twelve and a-half per cent. added for engineering and architects' fees, and other expenses, was £155,582. After a large amount of evidence, extending as I have said over a period of 11 weeks had been heard by the arbitrators, the question was raised as to whether they would determine the amount of the purchase money on the commercial or the structural value of the company's property, the real issue being to put it in plain terms whether the council had to pay only the actual value of the plant and property as it stood, or had to pay for the value of the concession granted by law to the company, for which goodwill was claimed. It was impossible when this point had been raised for the arbitrators to give a decision until the court had given them instructions with regard to the basis on which their valuation was to be arrived at. The case when submitted to the Supreme Court resulted in favour of the council, namely that goodwill did not require to be paid for. An appeal was made to the Full Court, and the Full Court ruled that—

> In determining the amount of purchase money the basis of calculation should be merely the value of the land, buildings, hereditaments, lamps, pipes, stock, and appurtenances regarded as being *in situ* capable of earning a profit and should not include the value of the company's statutory powers and privileges or the amount of profits that have been or can be earned by means of the said property or the exercise of the said powers and privileges in the company's business of producing and selling gas and electric current under the provisions of the Perth Gas Company's Act and amendments.

Following this decision, the company gave notice of its intention to appeal to the Privy Council, and at the present time that appeal is pending, and the result cannot be known during the present calendar year. In the meantime it would perhaps have been wiser if the Perth City Council before entering upon its negotiations with the Gas Company, had a Bill passed to enable it to have the decision that might be arrived at at once given effect to, and to at once

secure the property for which it has been dealing. Up to the present, although these negotiations have been going on for over two years, and the cost to the Council has already been some £4,000, there is no legal power on the council's part to acquire this property, or at least to raise the money to acquire the property until an enabling Bill such as the Bill now before the House has been passed.

Mr. Johnson: How would the enabling Bill save the £4,000?

The MINISTER FOR WORKS: It would not save anything at all. I am pointing out that negotiations and legal proceedings have necessitated an expenditure for the purpose of acquiring this property, and that until a Bill such as this one is assented to, it is impossible for the property to be acquired, and that therefore it is desirable before the City be put to any further expense in the matter it should be in the position to be able at once, in the event of getting the question at issue settled by the Court, to at once proceed to acquire the property, that is assuming the circumstances under which it is available are such as to warrant the council and the citizens in securing it. The Bill as submitted is a very simple measure indeed. It gives the Perth Municipal Council power to borrow money for this sole purpose apart, from and in addition to any powers possessed under the Municipal Corporations Act. To that extent it increases the borrowing powers of the city. I do not think hon. members will argue that it would be right to limit the borrowing powers within the lines of the Municipal Corporations Act where it is proposed to acquire an important public and profit-earning service by a municipal council, and the Municipal Corporations Act does not provide sufficiently large borrowing powers to enable a big undertaking like this to be financed without a special Bill of the nature of the one now before the House. It is, of course, impossible in this measure to give authority for the borrowing of a specific amount, for the reason that the amount required must depend on the decision of two tribunals. First of all, on the decision of the Privy Council so far as is concerned the question of whether or not a goodwill is to be considered, and secondly, upon the board of arbitrators so far as the amount to be paid when that first issue has been determined is concerned. It is, therefore, impossible in this Bill to set forth the exact amount the council may borrow; but it is provided that a certificate under the hand of the Mayor of the municipality, setting out the amount required by the council for the purpose of acquiring this property shall determine the precise amount the City Council may raise under the provisions of the Bill. Now, it may be pointed out in submitting this measure that there are some differences in regard to the roll. First of all, provision is made in the Bill—and very liberal provision—to enable ratepayers to object to the loan being floated. Provision is made for them to object by a petition of 20; and following on the submission of that petition of 20 ratepayers, arrangements are made to take the poll on the question of forbidding the raising of the loan. And in regard to that poll, instead of following the machinery of the Municipal Corporations Act—

Mr. Brown: Why?

The MINISTER FOR WORKS: Instead of that, a proposal has been made to provide a special roll which shall include the names of all occupiers and all owners of property within the City area. The member for Perth asked why the same roll as is used under the Municipal Corporations Act in regard to polls to forbid loans should not be followed. I desire to point out that under the Municipal Corporations Act, when it is proposed to borrow money an owner only is allowed to vote. There is a very good reason for adopting this principle of allowing only the owner to vote on an ordinary municipal loan; because if a municipality borrows unwisely or unsuccessfully, the final liability for an unsuccessful or injudicious loan must fall upon the property of the ratepayers who own it. But this proposed loan is entirely different from that. The proposal of the municipal council is to take over a going business, a trading concern, which is already on a sound financial basis,

which is already earning substantial profits.

Mr. Brown: At what price?

The MINISTER FOR WORKS: I will come to that a little later. What I desire to point out now is that as there can be no burden cast upon the owners of property by this loan there is no special reason why those owners should have the last word upon the subject.

Mr. Angwin: Can you guarantee that?

The MINISTER FOR WORKS: I cannot guarantee anything. I cannot even guarantee that the hon. member will not be a member of the City Council one of these days. One can only give reasonable information based upon the facts as they exist to-day. The Perth Gas Company, according to its latest balance sheet, namely, for the year ended 31st May last, showed a profit of £31,320 for the 12 months.

Mr. Jacoby: On what capital?

The MINISTER FOR WORKS: I am not prepared to give the capital, but I am prepared to deal with the question raised by the member for Perth.

Mr. Brown: Yet you are advocating the striking of a rate for any deficit that may occur.

The MINISTER FOR WORKS: I will deal with that presently. With regard to the price, some three or four years ago the Perth Gas Company made an offer to sell their property to the City Council at a price of £400,000. Suppose that price were paid, 4 per cent. interest would represent an annual charge of £16,000 on the ratepayers of Perth, and a 2 per cent. sinking fund would represent another £8,000, making a total charge in interest and sinking fund of £24,000 to be met, if profits remained the same as they were during the year ended 31st May last, out of £31,320, or showing, after the payment of interest and sinking fund, a nett profit of £7,000 odd.

Mr. Johnson: Is a 2 per cent. sinking fund proposed?

The MINISTER FOR WORKS: The loan would come under the provisions of the Municipal Corporations Act, under which, I think the hon. member will find 2 per cent. is a minimum sinking fund provided for. There are special provisions in the Bill bringing the loan under the Municipal Corporations Act, so far as sinking fund is concerned. That would be the case with a purchase price of £400,000, and that is really assuming that the Gas Company still made the same profits. But if the Privy Council gives a decision in accordance with the decision given by our own Full Court goodwill cannot be claimed by the Gas Company, in which case the purchase price must be very much below the £400,000, seeing that the maximum value, from the structural point of view, placed on the property of the company, is somewhere about £230,000. Then there is the further point that the business of supplying gas and electric current is not likely to be a diminishing business in the future in Perth, and that therefore the profit likely to be made in future can fairly be estimated as far more likely to exceed £31,000 than to fall below it. But even putting the conditions, circumstances, and price at the very worst that can be imagined from the ratepayers' point of view, there would be no danger of any demand coming on the property owners of Perth in consequence of the raising of this loan. The member for Perth, however, raises the point, "why is it provided in the Bill that a rate may be struck to pay interest and sinking fund"? I desire to point out it is a necessary safeguard when borrowing money; that in the event of any calamity happening which might entirely destroy the value of the property, the provision would be valuable as a safeguard to the lender of the money. The clause exists rather for the purpose of encouraging persons to take up the debentures of the city of Perth for this particular loan than because it is likely that it will ever be enforced. I have pointed out that there is for ratepayers who object to this loan a very ready means of getting a poll, so as to give the ratepayers themselves an opportunity of determining the issue. But it is desired that the House shall provide some special machinery for the purpose of making that poll effective in the way of arriving at the true view of the ratepayers. In other words, it is felt that it would be in-

judicious to allow a mere majority of the ratepayers to forbid this loan. If a mere majority alone turned up to vote against it it might be because in an election it is nobody's particular business to get ratepayers to the poll. Hon. members know that even where there is an exciting political contest proceeding it is necessary to provide funds and find vehicles, and make strenuous efforts to get the electors to the poll.

Mr. Scaddan: What about afternoon cups of tea?

The MINISTER FOR WORKS: I do not know whether they are particularly effective. In this case there will be on the one hand the municipal council anxious to obtain this loan, and on the other a number of influential ratepayers and a wealthy corporation, anxious possibly to forbid the loan. On the one hand the municipal council which will be anxious only to obtain the loan if the loan be in accordance with the interests of the ratepayers, will have no means for providing money to be expended in getting ratepayers to the poll to vote in favour of the loan; on the other hand, the corporation referred to could find funds in order to get ratepayers to the poll to vote in the other direction. Consequently it is proposed in the Bill to impose on those opposed to the loan the obligation of going to the poll to vote against it. There is reason in the contention that on those who desire to forbid the loan should be imposed the onus of giving a hostile vote; because, as I have pointed out there is the possibility of finding funds to be expended against the loan and no possibility of the council finding any funds to take to the poll people in favour of the loan. I do not know that there are any other points in the Bill that specially need referring to on the second reading. I am hopeful the House will agree to the second reading without undue debate, leaving the discussion of the various clauses for the Committee stage. There can, I think, be no two opinions in regard to the principle in the Bill, namely, that facilities should be given a public body to acquire an important public service, and control and manage it in the interests of the public. After all, that is the principle of the Bill. From interjections I have heard made it seems possible that there will be a divergence of opinion with regard to some of the details of the Bill; but, after all, these can be dealt with in Committee, where I shall be glad to discuss the various points and to earnestly consider any proposition for reasonable amendments. I beg to move—

That the Bill be now read a second time.

Mr. BROWN (Perth): I do not intend to say many words on the second reading, nor to oppose the Bill at this stage, but I certainly intend to oppose some of the clauses when in Committee, more particularly those with reference to voting. Before sitting down I will read to you the opinions of Hon. H. Daglish, the Premier of three or four years ago, and Hon. H. Daglish, the Minister for Works of to-day.

Mr. George: He has reformed since then.

Mr. BROWN: When, three or four years ago, a Bill was introduced by the member for East Fremantle the argument used was that the rating fell on the property owners, and that if a loan were raised a roll should be prepared on which property owners alone could vote. The second reading of that Bill was carried, and it went through Committee without debate. It was quite understood that this rating would fall on property owners and that they alone should vote; and it is the law at the present day. Surely if it be necessary to take a poll of property owners for a loan of two or three thousand pounds it is equally desirable that for a loan of half a million pounds property owners should have the same vote. The Minister for Works has stated that the concern will be a payable one from the start. I would remind members, however, that no one knows what the award will be, and if it is five hundred thousand pounds the ratepayers who are against the loan will have no chance of protesting. The Bill provides that those

who are opposed to a poll shall vote, and that all those who refrain from voting are presumed to be in favour of it. The provisions of the Municipalities Act should apply in this case. As the Minister for Works rightly stated, before entering into this litigation an Enabling Bill should have been brought before the House and the City Council would not then have been in the position of having to ask us to endorse illegal acts. Mr. Angwin when speaking to the second reading of the Municipal Amendment Bill in 1904 said—

> We also intend to protect the property owners in regard to municipal matters, There is not the slightest doubt that, as has been claimed in many instances, municipal management is purely a property qualification. We provide that no person, unless he is the owner of property or a leaseholder with five year's lease to run, shall have the right to vote on the raising of any loan proposed to be raised for municipal works. That is quite sufficient to protect property owners in any municipality; and I think members will agree with me that, as far as municipal loans are concerned, as it is the property that has to be mortgaged for the loans, it is only fair the people who have their property mortgaged shall have the sole right to vote on the raising of municipal loans.

When the Bill reached the Committee stage Mr. Daglish, who was then Premier, said—

> The clause simply gave to persons having a substantially permanent interest in a municipality power to vote at polls, by defining as "owner" those who had substantial leases of which the unexpired term was a fair proportion of the time during which a sinking fund would be accumulated.

In this Bill a sinking fund is provided, and also a rate if the concern is not a payable one.

> This proposal was submitted in the interests of property owners. The majority of assessments were on properties either not leased, or leased for comparatively short terms, or let on monthly or on weekly tenancies. A person with a fairly long interest was surely entitled to vote on a loan proposal. One could understand the preceding speaker's objection if the Government proposed to change the system from one in which none but owners were allowed to vote on loan proposals to one in which persons other than owners could vote. But whatever protection the clause gave to property owners was an innovation. The owner would have a much more powerful voice in determining the loan policy than he could have under the existing Act. Now any owner whose property was leased or occupied by even a weekly tenant had no vote on either a loan proposal or in the ordinary government of the municipality. Only the owners who occupied their properties, or whose properties were unoccupied, could vote; so the clause gave the owner a far greater voting power as to municipal loans than he now possessed, while many lessees would be able to vote practically as owners. The clause was a step in advance of the existing law. As to a roll of voters, surely the difficulties were more imaginary than real. By the following clause the town clerk must prepare a roll of owners and of lessess whose leases had five years to run. A roll of owners practically existed now, and the town clerk could ascertain lessees' names through the rate collector; or if necessary, the onus of registering themselves at the municipal office as persons entitled to vote on a loan proposal should be thrown on the lessees. The names of all owners in fee simple were now entered in a column of the rate book. In regard to any difficulty there might be in the collection of the names of leaseholders who had five years of a lease unexpired, that might be overcome by throwing the onus on the owner to register the date when the lease expired, if he desired to vote on any loan proposal.

The Minister for Works: What has that to do with this Bill.

Mr. BROWN: That shows the opinion of the Minister four or five years ago.

The Minister for Works: I agree with it still.

Mr. BROWN: He was desirous then of protecting property owners who would have to bear the brunt of the rating. If there is to be no loss; if it is to be such a good paying concern, why not strike out the power to come on the property owners for rates. If it were good enough for the Minister four or five years ago, it should be good enough now. Recently in Perth there was to be a loan raised in connection with a recreation ground. A poll was taken and the proposal was defeated, but here where the question might represent half a million pounds the property owners were to have no vote. In one clause of the Bill it is provided that all the provisions of the Municipal Corporations Act, 1906, with reference to loans, shall apply, while two clauses afterwards the provision is dead against that. I desire to expunge Clause 10, and will endeavour to do so when the Bill reaches the Committee stage. I am very pleased that the Minister for Works gives the council power to go into Subiaco and Victoria Park in connection with the electric lighting.

Mr. ANGWIN (East Fremantle): The member for Perth bases his objection on the Bill introduced here some time ago, but he forgot to point out that the loans are entirely different. In the one case nearly all the people of the City of Perth will become customers, and there is to be a loan for the express purpose of purchasing a business which will immediately give a return to the City Council for their outlay. The other case mentioned by the hon. member for Perth is entirely different, for there would be no other system of raising money than through the rates levied on value of property. If it is found that the business of supplying light to the City does not pay at the rates charged for the light, there will be an opportunity to increase the rates and so make it a paying concern, without making it become a charge on the owners of property, as apart from those who are not owners. Then again the hon. member cannot get away from the fact that there will be a very large number of the persons who reside in Perth who will be the principal customers so far as taking a supply of light is concerned, but who are not owners of property. The greater number of the people of Perth, particularly the business people, who will benefit from the purchase of this concern do not own property, but should have a right to say whether the property of the company shall be purchased or not. I am very pleased to see that the Government—I am going to exclude the Minister for Works, as I am of opinion that this Bill was in existence before he came into office—have at last seen the wisdom of allowing all ratepayers to vote, whether rates are paid or not. This is an advance, and if it could be brought into the Roads Bill it would be a great advantage. It is a step in the right direction. The Perth City Council should have had possession of the business long ago, and seeing that the time has come when Parliament has the opportunity of placing the lighting of Perth in the hands of the people I have very much pleasure in supporting the second reading.

Mr. JOHNSON (Guildford): I would point out that there is no analogy between the cases mentioned by the member for Perth—the measure previously introduced into Parliament, and the present Bill. The first-mentioned Bill was introduced when the Minister for Works was Premier and provided for one ratepayer one vote. The voting power was on a democratic basis, consequently it was thought—I do not say I altogether agreed with it—at that time, seeing it was one ratepayer one vote, that on the question of loans property should have a special say. The member for Perth, in quoting the case, might have pointed out that the provision was inserted mainly, if not solely, for the reason that there was provision for one ratepayer one vote. I desire to take the opportunity, in supporting the Bill, to

draw attention to this purchase as providing another illustration of the grave danger of handing over public facilities to private enterprise. The position of the company demonstrates that from the very outset this work could have been undertaken successfully and profitably by the municipality, and yet, without the slightest consideration evidently, they rushed straight in and handed the concern over to a private company. They seemed, by the agreement, to be absolutely incompetent to safeguard the taxpayer against these concerns. Take the money spent on litigation on this question. It is all due to the fact that a provision was not inserted dealing with goodwill. It would have been the simplest thing in the world to have made provision against that. All they did was to fix a time when it should be handed over, but there was no reference to goodwill, with the result that thousands of pounds have been spent in litigation, and the case is not finished yet. We have exactly the same thing in connection with the tramways. I am informed that although it is generally considered that the council can secure the tramways by submitting the question to arbitration, still when the time arrives we will have exactly the same fight on the question of goodwill. The one side says that provision is made that there shall be no charge for goodwill, but I am informed that the company maintain that there is provision for goodwill, and we will have the same fight we have had in connection with the Gas Company. I am rather inclined to think the remarks by the Minister for Works, and again by the member for Perth, to the effect that the Bill should have been brought in earlier, might mislead the public and make them believe that had we introduced the Bill at an earlier stage we would have saved some of the costs in regard to this litigation.

The Minister for Works: I do not suggest that.

Mr. JOHNSON: The idea might go forward and if it did it would be distinctly unfair, when we know that the introduction of the Bill earlier would not have made the slightest difference in that respect. There are one or two clauses in the Bill that are distinctly of a democratic nature, and I want to congratulate the City of Perth—I do not congratulate the Government, for it is not a Government Bill—and especially the Mayor of Perth, for inserting the democratic provision of one ratepayer one vote.

Mr. O'Loghlen: There are elections coming on.

Mr. JOHNSON: I would like to know whether the mayor and the councillors who consented to the introduction of this provision would allow the same provisions to apply in connection with the next municipal elections? I am rather inclined to think that if we had such a democratic provision in the Municipal Act, Mr. Vincent would not be mayor of Perth after November next. Probably while it is right for him to be elected on the four-vote provision under the Municipal Act, he thinks it an altogether different matter when he desires to purchase a trading concern of this nature. However, we have to be thankful for small mercies and be pleased that at last we have a small measure of reform in connection with municipal institutions. In Clause 3 there is a provision that requires some consideration, and I draw the attention of the member for North Perth, and the member for Balkatta, to the provision. It is provided in Clause 3 that the municipalities shall have control over a wider area than that controlled to-day by the Gas Company. The Gas Company have an area of five miles, whereas this Bill extends that area—no doubt in anticipation of the Greater Perth scheme, which I support and which I should like to see brought into existence at an early date. It is provided in the Bill that the Municipality of Perth may control the lighting of other municipalities. This may cause friction, and possibly those members who represent these areas will be able to say whether that is endorsed by other municipalities. There is one amendment which I intend to move, and that is in connection with the voting. If a poll is to be taken, it should be a secret poll. Under

the Bill it is provided that the poll shall be taken by the ratepayers who oppose the raising of the loan by signing their names in opposition. This is distinctly unfair, and it is not in the best interests of any ballot, and consequently I think it should be amended in Committee. Then again, I want to support the provision that the opposition to the purchase of a concern of this description on behalf of the ratepayers should take the responsibility of carrying a vote. If we do not provide the provision in the Bill, the supporters of the purchase would have the sole responsibility of getting sufficient votes to the poll to carry the proposal, but, by the Bill, the responsibility is placed on the opposition to see that they get sufficient votes against it. That is a democratic principle which is contained in the Municipalities Act and it has my support. It is pleasing to note that in the Bill for the purchase of this trading concern which is distinctly reproductive—and it is in my opinion going to be a vast profit to the ratepayers—there is to be a 2 per cent. sinking fund, while in connection with a Government proposition, where the Government are to spend money on works which are not reproductive, the other night we provided for a sinking fund of a half per cent. There is a sinking fund of 2 per cent. provided on a distinctive reproductive work, while only one half per cent. is provided where the money is not expended on reproductive works. It is worth drawing attention to, because it only goes to show that the arguments raised on this side of the House the other night against the provision in the Bill introduced by the Government are right, that the Government proposal is not in the best interests of the State. I beg to support the second reading, and in Committee there is only one amendment I shall move in the Bill.

Question put and passed.

Bill read a second time.

CHAIRMAN OF COMMITTEES, TEMPORARY.

The SPEAKER announced that he had nominated the member for Perth, Mr. Brown, as a temporary Chairman of Committees.

BILL—AGRICULTURAL BANK ACT AMENDMENT.

In Committee.

Resumed from the 6th September; Mr. Taylor in the Chair, the Minister for Lands in charge of the Bill.

[A new clause had been moved by Mr. Price as follows:—"Section 28 of the principal Act is hereby amended by striking out the words 'seven hundred and fifty' in the first proviso and inserting the words 'one thousand' in lieu thereof."]

The MINISTER FOR LANDS: There were now 6,000 accounts on the books of the bank, and it was anticipated that 2,000 more would be added this year. Eleven of these accounts had reached the limit of £750 or over, and 52 had reached a limit of £500. The average amount advanced was £155 17s. 10d. If these 6,000 accounts now on the books of the bank had each reached the £750 limit, we should have advanced the enormous amount of £4,500,000.

Mr. O'Loghlen: Which is not likely.

The MINISTER FOR LANDS: It was not likely, but there were 6,000 accounts, and if they had security sufficient they could apply for the limit. If we allowed £250 to the 6,000 accounts it would mean a million and a half of money. In addition to that, we would probably be opening 2,000 accounts as the result of this year's land sales, which would mean another one-and-a-half millions of money, so that it mounted up; and if we were to allow the limit to all these accounts the total would amount to £6,000,000 quite apart from the suggested increase. There had been absolutely no demand for an increase of the limit from £750 to £1,000. When the demand was made it would be time enough to consider the question of increase. The institution was designed practically to help the small man. That was the intention, and the limit of £750 was very seldom reached by the small man, so seldom that the average was only £155 17s. 10d.

Mr. Collier: And you have been arguing on the assumption that all would take up the £750.

The MINISTER FOR LANDS: They would have the right. There had been no demand for an increase, and he was endeavouring to point out that the bank was designed to help the small man, and was helping him. Did members wish to do more than help the beginner on the land? If so, they must remember that it would take a great deal of money. He was sure the member for Brown Hill would agree with him, for he remembered when a similar Bill was before the House last year that hon. member pointed out it was mainly a Bill to help the poor man. The Government had to find the money, and an increase of from £500 to £750 was something that should be regarded as drawing a large sum of money from the Government. The responsibility of finding this money rested with the Government, and it was really a position, when there was a desire to increase the capital, that the Government should consider the ways and the means. He was not prepared to accept the amendment. The increase was altogether unnecessary, therefore he would ask the Committee to vote against it.

Mr. BATH: The Minister for Lands had expressed his intention of opposing the amendment, and had devoted his time to advancing excellent reasons why members should support it. The Minister quoted some remarks which he (Mr. Bath) had made last session, or at the time the capital of the bank was increased, but the Minister forgot to remind the House that those remarks were largely due to the statements made by the members of the Government themselves, that was, that they were desirous of liberalising the provisions of the Agricultural Bank. But at the time they did not feel themselves justified in agreeing to the advance, seeing that financial arrangements had not been made to meet such an advance. Since then the hon. member had sat down with folded hands, and made no attempt to devise the means to raise additional capital in order to liberalise the bank. As a matter of fact the attitude taken up by the Government was forcing those who utilised the Agricultural Bank, and who were desirous of extending their operations, to go to the private banks and pay a much higher rate of interest, while with a proper scheme there would be no difficulty in lending these persons £500, £1,000, or even £1,500 at a much more reasonable interest without any loss to the State; indeed with a small profit.

The Minister for Lands: They seldom reach their limit now.

Mr. Price: Then, why not extend it?

Mr. BATH: The farmers knew they could not get a sufficiently large amount from the Agricultural Bank and therefore went to the private banks; and the policy of the Government was a policy of forcing the farmers to do this and pay an unnecessarily high rate of interest. There ought to be no difficulty in securing sufficient funds to provide the amount mentioned in the proposed new clause. As a matter of fact we discouraged the deposit of money over a certain amount in our Savings Bank, simply because we refused to pay interest on deposits over £1,000. If the Treasurer wanted a remunerative field of investment for the money in the Savings Bank he could find an outlet by making the Agricultural Bank as liberal as possible. The Minister was very simple in taking the number of the clients of the bank and multiplying them by the amount proposed to be advanced, and telling members that it would require six million pounds. As a matter of fact, there were many engaged in farming who did not have a sufficient area to warrant them asking for the maximum. Some clients of the bank would be satisfied with £200 or £300. What was asked was that those whose operations warranted the borrowing of a larger sum should have the opportunity of doing it through the Agricultural Bank at a reasonable rate of interest, instead of having to go to private institutions that charged exorbitant rates of interest. Instead of fostering the producers the policy of the Government would be to foster the banks and enable them to secure a monopoly over the land. What

happened in the Eastern States in this direction was written in large letters for us to take warning by. Our policy must be for the producer and the farmer and not for the man that farmed the farmer.

The PREMIER : The argument of the hon. member could be understood if it was advocated that the amount that might be advanced should be unlimited at the discretion of the trustees, but it was hard to understand the argument when it was advocated that the advance should only be increased from £750 to £1,000. The Minister had shown there were few applicants who had taken advantage of the limit which now appeared in the Act, so that raising the limit of £1,000 would not make much difference. The bulk of the settlers who had transferred their accounts from the Agricultural Bank to private institutions had done so because they probably wanted much more than £750. They probably wanted £1,500 or £2,000. They wanted large sums of money. Another reason was that from private institutions the farmers could get larger advances on the land itself. Private institutions advanced on the unearned increment, if it could be so termed ; and they allowed the borrower to do what he liked with the money. Borrowing from the private institution was freer in every way, and suited the farmer who had land rapidly increasing in value. The Agricultural Bank was a different kind of institution. We utilised it to assist the settler in his early struggles to enable him to settle on the land when private institutions would not advance him a penny. We also used the institution to enforce certain improvements and see that the money was properly expended in order to get an output. The State wanted the private institutions that would bring capital into the country and lend it at a reasonable rate of interest, and it was indeed pleasing to find that they were lending money at a moderate rate of interest, very different from what it was a few years ago when borrowers had to pay through the nose. It was an encouraging sign to find them establishing branch banks right through the agricultural areas and not waiting for the farmer to come to them for advances but going to the farmer and offering to make advances. Apart from any other consideration, it would be a pity to attempt to force all borrowers to go to the Agricultural Bank. We should have a number of financial institutions ; they served their purpose in different ways and served it admirably. It was to be hoped the Committee would not force the amendment on the Government. The Ministry were quite open to amend the Act in this direction when they found the necessity arose. When the directors of the Bank reported that they thought it advantageous to increase the amount that might be advanced to a single settler, the Ministry would be ready to extend the operations of the bank, but it might be well to let this go until next year, and if it was found there was necessity—there was none at the present time—Ministers would be prepared to amend the Act to a safe limit. It might be advisable to go a little further than £1,000. Another aspect of the question had to be considered, and that was that the Treasurer had to finance the institution. It was no use the member for Brown Hill finding fault with the Savings Bank, which paid interest on deposits perhaps more liberally than similar institutions in other States and was doing good work. The Agricultural Bank had to be financed ; and without having looked into the question fully, it appeared to him that if the limit was unduly raised the Treasury might have committals that would require a special system of finance in order to find the capital for the bank. No such trouble was anticipated—there was none at present—but hon. members should allow the Bill to stand as it was until next year when it could be seen how matters were going on, and until a recommendation was obtained from the directors to increase the capital that might be advanced to a single settler.

Mr. JACOBY : The main object of the Bill was to assist the development of the agricultural areas of the State, and if it was good to help a man to get 50 acres under crop surely it was much better to help him to get 200 acres under

crop. The present system was that the State institution took the risk during the most risky stages of the security, but when a man made his property something of a decent security he was handed over to other institutions. No great credit was due to the private institutions so far as the development of the agricultural industry was concerned. It was only during the last two years they had consented to assist in it. The cardinal principle of the Agricultural Bank was the system of easy repayments and the low rate of interest. By that we assisted a man in his earlier stages until he got something under crop. Surely we should help him still further so that he could get on with greater rapidity. There was no need to fear. If the Minister said this could not be done because there was not available sufficiently safe security there would be some argument in it; but if the security was good enough, why should the State hesitate to lend up to £1,000, especially as the advance of £1,000 would probably be upon security to the whole of £2,000? There was no other direction in which the financial resources of the State could be used to such a good end as in giving additional facilities to the farmers. The trustees were tied down by too many restrictions as to the particular work for which the money was to be advanced. Sometimes a man rather than borrow money for purchasing stock would prefer to borrow it entirely for clearing or cultivating; Perhaps a man would not want money for machinery, and so on; but as it was now there were too many restrictions; the trustees were not given a sufficiently free hand to exercise their discretion and help a man in a way most likely to be of advantage to him. The whole system of the bank should be recast. Greater responsibility should be put on the shoulders of the trustees, and a larger amount of money should be given to them to advance to each settler. It was merely a question of security. The security was good and the money would be used to the best advantage of the State.

Mr. FOULKES: Both the Savings Bank and the Agricultural Bank would improve their positions if they had extended powers with regard to the amount they lent, because the securities were improved considerably with the improvements that were made upon land. Take a block of 2,000 acres in extent. The more money spent in improving that area the more valuable it became, and therefore the security became more valuable. It was often said that the financial institutions of the State had altered their policy with regard to the loans they were advancing on properties. Even the insurance companies were now adopting a similar policy, and all this went to prove that it would be a safe policy for the Agricultural Bank to increase the amount which it should lend on agricultural lands. The Agricultural Bank saw the farmers through the pioneering stage, and the farmers then paid off and went to other financial institutions. That was a distinct loss to the Agricultural Bank because that bank was losing gilt-edged securities. It seemed astonishing that the Agricultural Bank should be satisfied to pass over such securities to other banks.

The Minister for Lands: What limit would you suggest?

Mr. FOULKES: It was not incumbent upon the board of directors of the Agricultural Bank to lend every man £1,000. It could be left entirely to their discretion. If they were satisfied that the security was good enough, then let them have the power to lend the increased amount.

Mr. GORDON: It was advisable to remain as we were with regard to advances made by the Agricultural Bank. When one took into consideration the security of land to-day as against what it was four or five years ago the margin would be found to be much smaller. The sum of £500 was quite enough for any struggling settler. Before the bank was introduced how many men started farming on just a few hundred pounds? It would be preferable to advance £500 to a settler to start with. The security to-day was not as good as it was five years ago by 25 or 30 per cent. There had been up to the present time few if any losses

in connection with the Agricultural Bank, but if we were going further out and charging double the price for the land and were making the same advances it stood to reason that the security could not be as good.

Mr. COLLIER: The argument of the member for Canning was quite a new one. He told the Committee that because the price of land had been increased the security had been decreased. It was the first time such an argument had been heard. One was not surprised to hear of the anxiety of the Premier for financial institutions which lent money on agricultural land. It had been the usual policy to let the State do the pioneering work and when the land was brought up to a condition of productiveness and was becoming valuable, to hand it over to private individuals so that they might make a profit. If it was quite good enough for the State to assist in the pioneering days it was quite good enough to continue giving assistance when the security became more valuable.

Mr. Gordon: Why did you support the reduction some time ago?

Mr. COLLIER: The hon. member was quite wrong. He (Mr. Collier) never supported any reduction. It had also been pointed out that the settler who had been enabled to borrow £750 was not the wealthy man the Premier would have the Committee believe. A man might be able to secure £750 on his block and still be in the struggling stages.

The Minister for Lands: He could get £7,500 and still be struggling.

Mr. COLLIER: And that was an argument for still further assisting him. The Minister for Lands stated that there was no need to increase the amount because those who had already taken advantage of the bank had only borrowed an average of £150 each, and that was evidence that there was no desire for an increased amount. The Minister also argued that if the amendment be carried it was possible that the department would be called upon to provide six millions sterling in order to give £1,000 to each of the customers. One argument contradicted the other. The Minister also stated that there was no demand for an increase from £750 to £1,000. How did the Minister know that? Was there a demand for an increase from £500 to £750?

The Minister for Lands: I ascertained it and put forward the Bill.

Mr. COLLIER: The demand for an increase from £750 to £1,000 was just as great or greater than the demand was for an increase from £500 to £750, and the Minister for Lands had no information to the contrary.

The MINISTER FOR LANDS: There had been one point forgotten and hon. members should be reminded of it, that under the provisions of the Act a settler could get £750 for himself and £750 for his wife.

Mr. Underwood: Suppose he has no wife or suppose his wife has no land.

The MINISTER FOR LANDS: Every settler should have a wife.

Mr. Underwood: Did you not send the late Premier to England to get wives for our farmers?

The MINISTER FOR LANDS: There had been no demand made to the Bank for an increase of the limit.

Mr. Underwood: What would be the use of asking for more than the limit if they could not get it?

Mr. Jacoby: Why are you losing your customers then?

The MINISTER FOR LANDS: Because it suits them to go to other institutions.

Mr. Jacoby: Because they cannot get enough money from the Agricultural Bank.

The MINISTER FOR LANDS: The financial institutions not only advanced money against the security of the land, but they discounted bills, etc. The financial institutions in Western Australia were lending money at a much lower rate of interest than they did before, and it was not fair to say that they were making enormous profits out of the farmers. The Agricultural Bank had made £14,000 after charging 4 per cent. and paying 3½ per cent. for its money.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. PIESSE: It seemed a pity that the maximum amount to be advanced should ever have been reduced from £1,000 to £500. Last session the amount had been increased to £750. That increase had been very favourably received throughout the agricultural districts, but he was not aware there was any great anxiety on the part of the farming community to have the amount again increased from £750 to £1,000. Still there was not the slightest doubt that such proposed increase would be very popular, and would be the means of saving settlers from the necessity of making applications to outside financial institutions for assistance to carry them through. A great deal had been made of the fact that such applications to outside institutions had been found necessary. He knew that in certain cases such applications had been made, but he would point out that in many instances the necessity had been brought about by the fact that the security of the Agricultural Bank had increased very greatly during the last few years. He totally disagreed with the member for Canning, who had said that the assets of the bank had decreased. As a matter of fact they had increased very much indeed. While he wished to give full credit to the management of the Agricultural Bank for the success that had attended their efforts, he considered that to a very great extent the increase in the securities had been brought about by the action taken by outside financial institutions in going into the agricultural districts. Ten years ago there had not been a single branch or agency of the Associated Banks between York and Albany, whereas to-day there were to be found thirty such branches along that strip of the country, clearly showing that agricultural land securities had greatly increased. While no doubt an increase from £750 to £1,000 would be very popular among the settlers, he doubted whether it would get over the difficulty put before the House by the member for Brown Hill; because it was doubtful whether the raising of the maximum to £1,000 would obviate the forcing of settlers to other institutions.

Mr. Bath: We need not stop at £1,000.

Mr. Collier: Will it not go some part of the way?

Mr. PIESSE: That was obvious. He agreed with the member for Brown Hill that if we raised the amount at all we should not stop at £1,000. At the same time, if we were going beyond that amount it should be realised that the Agricultural Bank was different from any other financial institution in that it was not making advances upon what was known as a commercial basis. If we were going to make the advance unlimited, we should reconsider the whole question of the Agricultural Bank.

Mr. Jacoby: The advances will always be limited by the security.

Mr. PIESSE: That was so. However, it seemed to him there was no desperate need to increase the amount to £1,000. He would be very pleased if the Minister accepted the amendment, but there was no absolute necessity to increase the amount, seeing that a promise had been given by the Premier that the question would be taken into consideration. It was to be hoped that ere long a measure would be brought down to the House considerably increasing the amount to be advanced, after which there would be no occasion for settlers to solicit advances from outside financial institutions. If the amount were increased such increase would be gratefully received in the agricultural districts.

Mr. PRICE: The member for Katanning was to be complimented on his ability to say "yes—no." The hon. member had assured the Committee that he would like to see the increase, and in the same breath he had told the Committee there was no necessity for it; that it would be very popular, but perhaps it had better be left till later on. Surely we should not put off the securing of a good thing one moment longer than was absolutely necessary. If this increase was half as good as the member for Katanning had assured the Committee it was, then by all means let us have it at once. Thus far every speech

made against the proposal had been strongly in favour of it.

Hon. A. MALE (Honorary Minister): It was always understood that the intention of the Agricultural Bank was to help new settlers to get on the land and make a start. The bank was not to be looked upon as a banking institution in the sense in which banks were talked about generally. The intention was to try to do the greatest good for the greatest number; but if we started to extend the amounts that could be advanced, we would not achieve that end. The resources of the bank were limited, and if the amount of the advance to each client was to be increased the scope of the bank would be reduced. We had to consider the good to the country as well as the good to the individual, and by putting as many individuals on the land as we could by assisting them to get over the first two or three years, we were doing good to the country and pushing our agricultural development in the way it should go. When a man was in the position to go to a bank and say, "I have sufficient assets to ask for an overdraft of £1,000," that man was not a struggling settler. If one was ambitious, and endeavoured to bite off more than he could chew, and wished to become a landed proprietor, that man was outside the scope of the Agricultural Bank. It was a bad policy to increase the amount that could be advanced. The money should be reserved to lend to as large a number of settlers as possible and to those settlers making a start on the land. We should stick to the original principle of the bank, that of assisting settlers to get on the land, and not assisting them when they were in a position to go outside and get advances from other institutions. The Agricultural Bank did not afford the facilities which a farmer in his business required from his bank.

New clause put, and a division taken with the following result:—

Ayes	21
Noes	21
A tie	0

Ayes.	
Mr. Angwin	Mr. Johnson
Mr. Bath	Mr. Keenan
Mr. Bolton	Mr. O'Loghlen
Mr. Collier	Mr. Price
Mr. Foulkes	Mr. Scaddan
Mr. Gill	Mr. Swan
Mr. Gourley	Mr. Troy
Mr. Heitmann	Mr. Walker
Mr. Holman	Mr. A. A. Wilson
Mr. Hudson	Mr. Underwood
Mr. Jacoby	(*Teller*).

Noes.	
Mr. Brown	Mr. Male
Mr. Butcher	Mr. Mitchell
Mr. Carson	Mr. Monger
Mr. Cowcher	Mr. S. F. Moore
Mr. Daglish	Mr. Murphy
Mr. Davies	Mr. Nanson
Mr. Draper	Mr. Piesse
Mr. George	Mr. Quinlan
Mr. Hardwick	Mr. F. Wilson
Mr. Harper	Mr. Gordon
Mr. Layman	(*Teller*).

The CHAIRMAN gave his casting vote with the Noes.

New clause thus negatived.

Title—agreed to.

Bill reported with an amendment.

BILL—LICENSING.

In Committee.

Resumed from the 18th October; Mr. Taylor in the Chair, the Attorney General in charge of the Bill.

Clause 76—Place and date of voting:

Mr. FOULKES moved an amendment—

That all the words after "district," in line 3, be struck out and the following inserted in lieu: "during every general election for the Legislative Assembly and simultaneously with the taking of the poll (if any) in such election in the electoral district or districts which constitute or the electoral district which comprises such licensing district.

The clause provided that a poll was to be taken every three years. The object of the amendment was that the poll should be taken when the vote was taken for Parliamentary elections, because more people were likely to vote on general election day than would be likely to vote if the issue on the day the poll was taken was merely the question of local option.

Many people now found it difficult to take part in an election, and it was necessary that on this question the public should have every possible opportunity to exercise their franchise. There were many precedents for taking a poll on election day. It was the practice both in New Zealand and New South Wales. A general election took place in New South Wales a few day ago and a local option poll was taken then.

Mr. O'Loghlen: It was not satisfactory to the local optionists.

Mr. FOULKES: It did not matter whether it satisfied one or the other body. What was needed was to fix a day which would be most convenient for the people as a whole.

The CHAIRMAN: Did the hon. member intend by his amendment to strike out all the words in the clause after the word he had mentioned, or only the remaining words of the subclause?

Mr. FOULKES: The remaining words of the subclause.

The ATTORNEY GENERAL: The clause should be allowed to stand as printed. Opinion might be divided as to how far the New Zealand method of having the local option poll on the same day as the general election was a success. No doubt a large number of people in New Zealand would prefer to keep this question of local option altogether outside the ordinary political arena. It might be said there was no reason why the two matters should not be kept separate, although the two votes were taken on the same day; but where a number of separate issues were placed together before the electors there was a difficulty in securing an equal amount of attention to each. On the one hand public interest might go almost entirely in the direction of the issues of a general election, while on the other it might happen that the temperance party on the one hand and the liquor interests on the other had succeeded in working up public interest on the question of the drink traffic to so great an extent that the interest of the general topic of the general election would be eclipsed. It was undesirable that the large number of questions that had to be dealt with at a general election should suffer eclipse. Those interested in the drink traffic might think it equally undesirable that that question, which was the question of all others to them, should have to suffer. One of the two things must happen. The only argument against holding a local option poll on a day other than that of the general election was that of expense. That question, however, need not be looked upon as very serious if the provision in the clause as to the preliminary petition were carried. If the clause were adopted in its present form and a preliminary petition were necessary, as was provided for, in all cases where there was no demand for local option, where the people in a local option district were satisfied with the existing state of affairs, there would be no poll and consequently no expense. The latest example of the result of a local option poll had been provided during the past few days in New South Wales. We found there that in 90 local option districts 75 were in favour of continuance. If the clause were carried as printed the result, where no petition was presented, would be exactly the result obtained in New South Wales at the recent polls in the great majority of the local option districts, because if there were a party in any district in favour of having licenses increased they could not obtain that end without first having a local option vote; if, on the other hand, there were a considerable number of people in the district who wished to have a reduction of licenses, it was equally necessary for them to secure a local option vote on the issue. There were two parties; those in favour of increases and those in favour of decreases, equally interested in securing a vote to test the question, but if the great majority of the people were in favour of allowing things to remain as they were, not to reduce the licenses nor to increase them in that district, it would not be necessary to have the local option poll. No great difficulty was interposed in the way of securing a poll, for the percentage of voters who had to sign the preliminary petition was only one in ten of those on

the roll, and in a country like Western Australia, where the franchise was on the widest possible basis, where practically every man or woman over the age of 21 years had a vote, it would be a matter of the very smallest difficulty to obtain a petition of 10 per cent. of the voters in favour of a poll if there were the slightest desire in the district to test the question by popular vote. The churches were particularly interested in this matter, and during the last week or two meetings had been held at different churches in Perth and Fremantle in regard to the Bill. And seeing the interest the churches took in the matter it would be very simple on any Sunday, if a petition were placed at the door of a church in Perth, to obtain a sufficient percentage of voters in favour of a poll. On the other hand it might happen in the more remote country districts, where there was relatively more expense than in the towns, that there would be no demand for any change. Therefore, the provision for the preliminary petition was very useful in preventing unnecessary trouble and expense of having a local option poll.

Mr. BATH: It was highly undesirable that the question of local option should be decided on general election day. Therefore, he would oppose the amendment. We could not afford to allow the very important question of administration and legislation, the administration of our great departments, the development of our resources, the question of education and other important topics, to be made a buffer between the contending forces of the publicans and temperance reformers. It would act detrimentally to politics. To permit such a thing would have a tendency to subordinate very important questions to a faction fight between two conflicting parties. The amendment of which he had given notice provided for a fixed month during which the poll should be taken. This would be of some advantage to those interested in the local option question, because instead of the date for the poll being left uncertain—it would be uncertain if left to the Executive Council—he proposed that a certain month should be specified in which, every third year, the local option poll should be taken. That would mean all those interested in the question would know that the poll would be taken on that day, interest could be aroused, they could see not only that the polls were complete but that their supporters were aroused to the necessity of taking an active part, and at the same time the matter would be moved from the sphere of the administration and legislation of the State.

Mr. GILL: It would be a mistake to adopt the amendment. The question as put by the Attorney General appealed to one as being reasonable and well worthy of the consideration of the Committee. Undoubtedly there was always a danger on the day of a Parliamentary election in mixing up matters of this kind with political questions, and party political questions such as there were at these excitable times. It was wise to keep a local option poll clear from all political events, and then we would get a better expression of opinion than under the excitement of a general election. It had been said that we would not get that full expression of opinion which was desirable and which it was possible to get only on an election day. If that great amount of interest was being taken in the matter which the advocates of local option contended was the case, there should be no difficulty in getting the people to attend at the polling booths even though the poll were not taken on the day of a general election. The remarks made by the member for Claremont at a public meeting on this subject were somewhat surprising. The hon. member professed to be consumed with anxiety for the passage of the Bill, and it was difficult to understand his remarks regarding the abolition of the Labour party. As the hon. member knew, the Labour party were the only party who were in accord with him with regard to this measure, with one exception, and that was this question of the day on which the vote had to be taken. And yet the hon. member declared at a public meeting that the reason the Labour party were advocating the taking of the vote on a day other than that of a general election was

that the party were afraid that if the poll were taken on election day too many people would vote and that would be detrimental to the Labour party. That statement was most unjust, but as it was made at a ladies' meeting there might be some excuse for the hon. member being somewhat carried away. It would be unwise to take a poll on the day of a general election even for reasons altogether different from those referred to by the member for Claremont.

Mr. FOULKES: The opposition to the amendment did not prevent him from thinking that a great mistake would be made if the amendment were not carried. The State of New South Wales in the last Parliament dealt with the question and decided that the poll should be taken on the day of a general election. The Attorney General referred to the fact that in New Zealand a large number of people were strongly of opinion that it was a mistake to take the poll on a general election day. The fact that the Local Option Act had been in existence for many years in New Zealand and that that provision had not been altered showed that there could be no strength of public opinion in the direction of altering it. In New South Wales it had been decided in three and a half years in 66 constituencies out of 90 on the first occasion, and in 10 afterwards, making a total of 76 constituencies, that the public-houses should be reduced in number, and that was in a State where the local option poll was taken on the day of a Parliamentary election. We knew that there had been a strong vote between the two parties in New South Wales, and it had been shown that the elector was quite capable of dealing with the issues involved in a Parliamentary election and also local option.

Amendment put and negatived.

Mr. BATH moved an amendment—

That in line 3 of Subclause 1 after "the" the words "month of April of the" be inserted.

The effect would be that in the month of April, 1912, the local option poll would be taken, and in that month every three years afterwards the same poll would continue to be taken. While he considered it undesirable to have a poll on Parliamentary election day it was advisable to have a fixed day so that parties might array their forces and have a good percentage of votes cast, and the matter decided in a thorough manner.

The ATTORNEY GENERAL: The member for Brown Hill might agree to a bargain in consideration of no opposition being offered to his amendment, and consent to forego his proposed amendment to Subclause 2. There was no intention to offer any serious opposition to the amendment to Subclause 1. It was to be seen that there were advantages in having a fixed time for taking this poll in a certain month once in every three years.

Amendment put and passed.

Mr. BATH moved a further amendment—

That in lines 3 and 4 of Subclause 2 the words "on a petition being presented as hereinafter provided" be struck out.

It was a pleasure to be able to get his amendment through without having to enter into a bargain with the Attorney General. More importance was attached to the present amendment than to the one which had been carried. The Attorney General anticipated discussion on Subclause 2 by arguing in favour of the provision for a petition before a local option poll was taken, and had referred to it as a very slight matter, and that it was an easy thing for those interested to secure the necessary signatures to the petition and so have a poll taken. The very thing that the Attorney General claimed that this was designed to avoid was that very thing which would be encouraged if we permitted this provision for a petition to remain in the Bill. Complaints were repeatedly made and members had heard the member for Claremont complain that the alleged Liberals never turned up at the poll, and on the strength of that argument the Committee were asked to impose a restriction upon those who did take a sufficient interest to turn up at that or any other poll which was taken in the course of the legislative work. It was not de-

sirable to hedge a matter of this kind with unnecessary restrictions. Without any recourse to compulsory methods an increased percentage of the electors was turning up at the poll to record votes. It was to be hoped the Attorney General would not insist upon the provision in the Bill, but would allow this question of local option to be carried without the restrictions imposed in the Bill.

Mr. FOULKES: The amendment was deserving of support. The member who moved it had appealed to the Attorney General to allow the amendment to pass; but surely it would have been wiser to appeal to the Minister for Works, who had always taken an active interest in the securing of local option. Those in favour of the amendment knew that they had the sympathies of the Minister for Works and he (Mr. Foulkes), would urge that Minister to plead with the Attorney General in their behalf.

The ATTORNEY GENERAL: Very great importance attached to the preliminary petition. Wherever in any district there was a small portion of the electors who wished to exercise local option powers he would say, by all means give them the fullest exercise of those powers. But if in a district ten per cent. of the electors could not be found willing to go to the trouble of affixing their signatures to a petition, it was to be considered presumptive evidence that the vast majority in that particular district were perfectly satisfied with the existing state of affairs. The preparing of a petition would be just as incumbent upon those who desired to increase licenses as upon those who desired reduction. But in a widely scattered district such as Kimberley, it might easily happen that there was no demand for a poll and that the people were satisfied with the existing condition of affairs. Why then, in such circumstances, go to the expense of a wholly unnecessary election? If, as the Committee had been told, there was a strong general desire for these local option polls, there would not be the slightest difficulty in obtaining the preliminary petition. His experience showed that the average person was only too ready to sign a petition, without taking very much trouble to ascertain what might be the object of the document. He would urge the Committee to adopt the provision for the petition, in order that in those districts where there was no real demand for a local option poll the State would not be put to the expense of providing a wholly unnecessary election.

Mr. FOULKES: There were to be found in every district people who would not care to sign a petition one way or the other, owing to an apprehension that they might in some way suffer for having thus publicly expressed their opinions. People would always hesitate about demanding a local option poll, for fear of incurring the displeasure of some powerful section of the community.

The Attorney General: You only want one righteous man in every ten.

Mr. FOULKES: The principle of petition was altogether opposed to the poll system. It was almost a wonder the Attorney General had not made provision that the poll should be an open one instead of by ballot.

Mr. WALKER: It was to be hoped the amendment would be carried, if only for the reason that the getting up of a petition was inconsistent with the main principles of the Bill, and placed a duty on somebody to be the moral or liquor censor of a particular district. Why should anybody be put to trouble in the matter? Why leave to individual impulse the testing of public opinion? Without being illogical the Attorney General might have gone on to argue that there should never be another Parliamentary election until someone petitioned for it. It almost seemed as if the Attorney General hoped by the retention of the petition provision to prevent the application of local option. A petition meant more than the mere trouble of getting it up; it meant the beginning of agitation and strife in a district. Another reason why the principle of petition should not be adopted was to be found in the old adage that what was everybody's business was nobody's business.

Mr. George: What about the temperance associations.

Mr. WALKER: Why should the Committee impose upon temperance people

the necessity of hawking round a petition? It was the duty of the State to test public opinion, and save the people from the perpetual annoyance of buttonholing and such like. There was no sense in having a restriction of this kind upon the object of the Bill.

Mr. GEORGE: It was not reasonable to suppose that the temperance organisations would relax their efforts, and they would get the necessary petitions so that polls could be taken. Surely in North Perth the signatures of 700 persons could be obtained for a petition? It was no use talking about the trouble of it. These people, if sincere in temperance questions, would not talk about its being a trouble.

Mr. COLLIER: The trouble might not exist in the City, but in many large districts there were no temperance organisations, and there would be no one to take the initiatory steps unless the temperance organisations in large centres incurred the expense of sending persons to travel over these districts to obtain signatures to petitions. At the last general election there were candidates on the goldfields who did not secure 10 per cent. of the voters on the roll; and if the principle in the Bill was applied to members of Parliament and the signatures of 10 per cent. of the voters had to be presented on a petition before members could be removed, some members might never be removed from their seats. The amendment should be carried; and if it was found later that the country was put to considerable expense when polls were not required, the Act might be altered later.

Mr. SCADDAN: There might be reason for the provision under discussion had there not been an alteration in the constitution of the licensing boards, but, as these boards had to be elected every three years, there would be a saving of expense in having the polling for the local option taken on the same day as the election of members of licensing boards.

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

Ayes	.. .. ..	22
Noes	.. .. ..	19
Majority for	.. ..	3

[41]

Ayes.

Mr. Angwin	Mr. Johnson
Mr. Bath	Mr. Keenan
Mr Bolton	Mr. O'Loghlen
Mr. Carson	Mr. Price
Mr. Collier	Mr. Scaddan
Mr. Cowcher	Mr. Swan
Mr. Foulkes	Mr. Troy
Mr. Gill	Mr. Walker
Mr. Gourley	Mr. A. A. Wilson
Mr. Heitmann	Mr. Underwood
Mr. Holman	(*Teller*).
Mr. Hudson	

Noes.

Mr. Brown	Mr. Mitchell
Mr. Daglish	Mr. Monger
Mr. Davies	Mr. S. F. Moore
Mr. Draper	Mr. Murphy
Mr. George	Mr. Nanson
Mr. Hardwick	Mr. Piesse
Mr. Harper	Mr. Quinlan
Mr. Jacoby	Mr. F. Wilson
Mr. Layman	Mr. Gordon
Mr. Male	(*Teller*).

Amendment thus passed.

Subclauses 3 and 4—consequentially struck out.

Clause as amended agreed to.

Clause 77—Resolutions to be submitted:

The ATTORNEY GENERAL: Several amendments to this clause appeared on the Notice Paper and were of an overlapping character. There were two main questions to be decided in dealing with this clause. First, what were the questions to be put to the voter at the local option poll, and, secondly, when should those questions be put? There was provision in the Bill for immediate local option in regard to the reduction of existing licenses, and for the total abolition of all licenses. That result was secured without infringing on the principle of compensation, by providing for a fund to be raised by contributions given annually by existing licensees, and a Licenses Reduction Board was provided which, in the event of a resolution being carried in favour either of reduction or total abolition of existing licenses, would decide as to the licenses to be reduced and fix the amount of compensation to be paid. Evidently some members wished to see that portion of the Bill dealing with the creation of a compensation fund and the appointment of the Licenses Reduction Board struck out. If that great change

were made in the measure the result would be to simplify the Bill very materially, because a great deal of machinery, rendered necessary by the expense of the compensation fund, the raising of it and the payment, would necessarily be swept away. However, he did not wish at this stage to go into that aspect. His object in rising was to suggest to those members who had notified their intention to move amendments to the clause, that a convenient method of dealing with the amendments would be if the member for Claremont waited to bring forward his amendments until the amendment of the member for East Fremantle to Subclause 3 had been moved. If that course were adopted the first amendment to be dealt with would be that proposed by the member for Brown Hill, which had regard to resolution (b), "that the licensing court may in its discretion increase the number of licenses." If this course were not adopted there would be a danger of our getting tangled up in the other amendments. The clause was probably the most important one in the Bill and should be dealt with as expeditiously and with as little confusion as possible.

Mr. GEORGE: Before resolution (b) was reached there was a question he desired to ask as to resolution (a). Would that interfere with the power of the licensing court to cut down any licenses they thought undesirable.

The ATTORNEY GENERAL: If the premises were unsuitable or if anything were done by the licensee contrary to the Act there was power given to the bench to deprive a licensee of his license. It would be the duty of the licensing court to obey the instructions of the local option poll, providing no offences were committed by the licensee. If a licensee broke the law in regard to the conduct of his house he should not be placed in a position to turn around and say that there was a local option poll bidding the court to reduce licenses, and that he could snap his fingers at the court. If there were local option it would be undesirable that the licensing court, providing the house was properly conducted, should have the power to deprive a licensee of his license. Members must remember that the poll would be taken every three years, and it might frequently happen that the result of the poll at one period would be reversed when the next poll was taken. So far as possible it was desired that the decision of the local option poll should be carried.

Mr. BATH: In moving the amendments standing in his name there was no desire on his part to take up more time than was necessary in explaining them to the Committee. The first amendment referred to resolution (b), Subclause 1, and said, "That the licensing court may in its discretion increase the number of licenses." His desire was to give local option, but the method proposed by the Bill would cloud the issue, and to avoid it he proposed to alter the paragraph in such a way that it would read, when attached to the subclause, as follows:—"Except where resolution (d) of this section has previously been carried and is in force in a district the following resolutions shall be submitted to the vote of electors:—(a) That the number of licenses existing in the district continue; (b) That the number of licenses existing in the district be increased." That would make the clause very clear and would leave no doubt in the minds of voters as to what was meant. He moved an amendment—

That in line 1, paragraph (b), Subclause 1, all the words after "the" be struck out and "number of licenses existing in the district be increased" be inserted in lieu.

The ATTORNEY GENERAL: With regard to the increase of licenses, it was just as well that there should be no doubt as to the discretion of the court to grant additional licenses. The local option poll would give a general direction for an increase, then an application would be made to the licensing court by possibly a number of people, possibly only by one, and it might happen that the applicant was not considered suitable to have a license, and his character might be such as to render him a person who should not be fitted for the position of a licensed victualler; also his premises might not be considered suitable. It was, therefore,

in the public interest that the board should have discretionary power to increase. It would have to be used reasonably, and there would be no danger on that score. It was necessary that the court should obey the instructions of the local option poll.

Mr. BATH: Even if the local option vote were carried the applicant would have to conform with the provisions of the Act with regard to accommodation. With regard to the continuance, it was known exactly the conditions the house had to comply with, and if the conditions of a house were not suitable, or if the lessee committed any offence that rendered him liable to be deprived of his license, then the court had full power notwithstanding the resolution carried in favour of continuance.

Amendment put and passed.

Mr. FOULKES: The effect of the next amendment standing against his name on the Notice Paper was to provide that existing public houses should retain their licenses up to the year 1916. Would the Attorney General agree to the point being raised later on if paragraph (e) were allowed to be passed for the present? If the amendment standing in his (Mr. Foulkes') name were carried, that compensation be granted in the form of time instead of cash, there would not be any necessity for the reduction of licenses before 1916.

The Attorney General: We can raise that when we come to Subclause 2.

Mr. BATH moved a further amendment—

That the following be inserted to stand as paragraph (e):—That any new licenses shall be held by the State.

At the present time we had one State hotel in existence and undoubtedly there were a large number of electors throughout the community who considered that the best means of dealing with the evil was the nationalisation of the liquor traffic. In submitting the matter to the electors we should put that important question to them.

The ATTORNEY GENERAL: It would be of undoubted advantage to obtain the opinion of the electors on the important question of State ownership. Hon. members would understand that if a resolution of this kind were carried the Government of the day would not necessarily be bound to immediately establish State hotels in every district where such a resolution was carried, but it would be impossible, if the resolution were carried, for privately owned hotels to be established.

Amendment put and passed.

Mr. BATH moved a further amendment—

That the following be inserted to stand as paragraph (f):—That all licenses in the district shall be held by the State.

We should test the opinion of the electors with regard to the nationalisation of all licenses. Members would see that the amendment was slightly different from that which appeared on the Notice Paper.

The ATTORNEY GENERAL: The form in which the hon. member placed the amendment originally on the Notice Paper was, "Are you in favour of State control throughout the district?" There would have been no objection to that proposal. The question in the form it was first proposed merely sought an expresion of opinion, an academic opinion, from the electors throughout the district. The hon. member now desired to go very much further, and if the amendment were carried it would be necessary to define at a later stage in the Bill, possibly in Clause 79, exactly what was to be the effect of that resolution. It was questionable whether it was wise to further cumber the question paper with this additional resolution. After all, the hon. member had gone a long way in the direction he desired when he succeeded in obtaining an expression of opinion with regard to new licenses being acquired and carried on by the State. The question of the State acquiring existing licenses was exceedingly complicated, and one that could not be effectively settled until the period of notice which it was proposed to give under this measure had expired. When an existing license had no sort of claim for compensation either in money or time, when it was held as all licenses

would be held, merely from year to year, that might be an appropriate time to go into this difficult question of acquiring all existing licenses. He (the Attorney General) did not know whether he would be opposed to the nationalisation of the retail drink traffic, but the question was far too difficult and too complicated to deal with at this stage before one could say whether one was in favour of a question like that, except merely in favour of it from an abstract point of view. One must be in the position to know how it was going to be carried into effect and that would involve a large financial consideration. If the hon. member would be content with the resolution he had obtained, namely, that we should get an expression of opinion in regard to State ownership of new licenses, it would be found that the Committee had gone as far as was necessary for the present. Within a year or two of the time period to be fixed by the Committee would be quite sufficient to go into the larger question of the State acquiring existing licenses.

Mr. BATH: There was a good deal in the first part of the argument used by the Minister against the form in which the amendment had been drafted. He was inclined to adopt the Minister's view in regard to the advisability of reverting to the form on the Notice Paper with the substitution of the word "management" for "control." With that object in view, and by permission of the Committee, he would withdraw his amendment.

Amendment, by leave, withdrawn.

Mr. BATH moved a further amendment—

That the following be added to stand as paragraph (f):—Are you in favour of State management throughout the district?

There was a good deal in the contention of the Attorney General that we should confine ourselves to securing the opinion of the electors; then, if it were discovered that there was a considerable majority of the community in favour of this change in policy, the Government or Parliament could enter into a discussion of ways and means, and as to whether the policy comprised in the paragraph should be carried out. He was only desirous of securing this opinion on that policy, and generally on the broader question of nationalisation, and therefore he would defer to the arguments of the Attorney General and move the amendment in its modified form, in which it would secure merely an expression of opinion instead of an actual mandate.

Mr. BROWN: The State should have nothing whatever to do with the sale of liquor. He hoped members would not allow this to go through on a silent vote. It was despicable in members to allow so many things to go through without protest of any sort. With regard to this particular amendment he would divide the Committee.

The ATTORNEY GENERAL: Both these resolutions, namely, that in regard to new licenses and that in regard to State management, were to a large extent of an abstract nature. The resolution in regard to new licenses being conducted by the State would prevent any new licenses being granted to private individuals, but it would not compel the Government of the day to establish new houses under State control. As to the State management resolution, it was purely abstract, and he could not see any strong objections to ascertaining the opinion of the electors on the subject. This was a most important problem which had to be settled in every country possessing representative institutions under the British flag. In the more advanced countries of Europe there was a large body of opinion in favour of State ownership and control of public houses. Opinion on this question could not be held back; it should rather be invited. Although he had taken exception to the amendment as originally stated, he could not see any objection to it in its present form.

The CHAIRMAN: Perhaps it should be pointed out that paragraphs (a), (b), (c), (d), and the new paragraph (e) were resolutions, while the amendment before the Committee was in the form of a question, and, consequently, seemed

rather out of place among the other paragraphs, if not actually contradictory. It was not necessarily out of order, but it scarcely seemed to be in its proper place.

The ATTORNEY GENERAL: On recommittal the words "and the question" might be inserted before the proposed new paragraph.

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

Ayes	.. .. ..	28
Noes	.. .. ..	12
Majority for	.. ..	16

AYES.

Mr. Angwin	Mr. Mitchell
Mr. Bath	Mr. S. F. Moore
Mr. Bolton	Mr. Nanson
Mr. Collier	Mr. O'Loghlen
Mr. Cowcher	Mr. Plesse
Mr. Daglish	Mr. Price
Mr. Foulkes	Mr. Scaddan
Mr. George	Mr. Swan
Mr. Gill	Mr. Troy
Mr. Gourley	Mr. Underwood
Mr. Hardwick	Mr. Walker
Mr. Heitmann	Mr. A. A. Wilson
Mr. Holman	Mr. Carson (*Teller*).
Mr. Hudson	
Mr. Johnson	

NOES.

Mr. Brown	Mr. Male
Mr. Davies	Mr. Monger
Mr. Draper	Mr. Murphy
Mr. Harper	Mr. F. Wilson
Mr. Jacoby	Mr. Gordon (*Teller*).
Mr. Keenan	
Mr. Layman	

Amendment thus passed.

Mr. FOULKES moved a further amendment—

That the following be added as paragraph (g):—Are you in favour of the closing hour for licensed premises being an hour earlier than at present?

We had already provided for ascertaining whether electors wished the number of public houses to be reduced. It was equally important to give the electors an opportunity of deciding whether the closing hour should be an hour or two hours earlier than at present. In Scotland when the hours were reduced the result was that it reduced the amount of drunkenness.

The ATTORNEY GENERAL: It was generally admitted there was more drunkenness during the last hour of hotels being open than during any other hour of the day, and it seemed logical, if electors were given the opportunity of increasing or abolishing public houses, to give them the opportunity of saying at what hour they would require public houses to be closed. No doubt it would be a valuable temperance weapon, and would lead to a reduction in the consumption of alcohol, but we had not yet decided what the closing hour was to be. The time fixed in the Bill was 11.30 p.m. Another consideration was that if this amendment were carried there was nothing to prevent another member moving a further amendment giving the voters the right to say how long houses should remain open. That also would be a logical question to submit to the electors. It was better to fix the closing time in the Bill, and provide no departure from it. We should not cumber the voting paper to be submitted to the electors.

Mr. GEORGE: Those ardently in favour of getting the Bill through ran the danger of defeating their own object by crowding the measure, and by crowding the voting paper to be submitted to the electors.

Mr. BROWN: The hon. member in moving the amendment could not be serious. That hon. member was a member of a club and could get drink all night, and yet would deprive others of that opportunity. The hour should be fixed in the Bill. It was a fair thing to have hotels closed at 11.30 p.m.

Hon. A. MALE (Honorary Minister): If we were to continue putting questions to the electors in this way, there was no reason why we should not submit every hour of the day to them. But we had not yet decided the hour at which hotels were to close, and it was not logical to agree to submit the question of closing an hour earlier than a time not yet decided on.

Amendment put and negatived.

Mr. ANGWIN moved a further amendment—

That in Subclause 3, after "resolution," the words "C and" be inserted.

It had been his intention to move in another way, but as it affected the constitution of the Licenses Reduction Board, and seeing that it would only apply to wine licenses, he thought it better to move as he had now done. The amendment would have the effect, if carried, of providing that all existing licenses should remain as at present until the 31st December, 1920. Resolution D (no licenses) was not to be submitted, according to the Bill, until after the 31st December, 1920, when the Licenses Reduction Board would disappear; but he desired that Resolution C (reduction of licenses) should be similarly postponed, rendering the clauses providing for a licenses reduction board as quite unnecessary. Following upon the amendment he would move for another one in the next line, which would provide that no reduction should take place until after the 31st December, 1920. Under the Bill the Licenses Reduction Board would be entitled to be paid their fees out of the compensation fund, therefore, the holders of licenses would be forced to pay not only towards the compensation of those whose licenses had been taken away, but also the salaries and expenses of the board. The latter would be a considerable expense and would eat up a great portion of the funds provided for compensation. In order to get over that difficulty it would be wise to have a time limit. Almost every hotel in the State had been in existence for only a few years, and they should certainly be allowed a time limit. The effect of the amendments he proposed, if carried, would be that there would be no poll for reduction or renewals until 1920.

The ATTORNEY GENERAL: The principle of the amendment was a very important one, for it would really determine the question whether there was to be immediate reduction of licenses, or whether there should be no reduction until the time limit had expired. If the proposal of the member for East Fremantle were carried the Bill would be very much simplified; we should sweep away the whole of the machinery for the establishment of the Licenses Reduction Board and compensation. From an administrative point of view that might be of advantage, but if one regarded the matter from the point of view of social reform it would be realised that the usefulness of the Bill would be to a great extent nullified. The object the Government had in view when preparing the measure was to embody in it what was best in the local option principle, and at the same time enable the methods of reduction pursued in Victoria, which had met with very great success in securing immediate and large reduction in licenses, to be adopted here. The difference between the Victorian methods and ours was an important one, namely, that the machinery could only be set in motion in Western Australia as the result of a local option vote. Provision, therefore, had been made for the fullest recognition of the local option principle, in that there could be no reduction until a local option vote had been carried in favour of it; but, once it had been carried, we provided for the making of the reduction within a period of 12 months. Members who looked at this question more particularly from the point of view of vested interests—and he would be the last to advocate that we should altogether disregard vested interests—would not be disinclined to see taken out of the Bill that machinery which would create a compensation fund to be contributed to only by the licensed victuallers and the owners of licensed premises; but he must express surprise that the provisions as to the compensation fund and the Licenses Reduction Board, which had been inserted entirely in the interests of temperance, should have failed to secure the unanimous support of the temperance advocates in and out of the Chamber. The Government had decided whatever other members might think, to adhere to their proposal, and would go to a division in support of it. If the amendment were carried against

them by a combination, a perfectly honest combination, of opinion that was hostile to their view, they would not accept a vote of that kind as one to be regarded as vital to the Bill. Certainly if it were carried the Bill would undergo radical alteration, which, to his mind, would not improve the measure; still, there would be left a useful and admirable measure providing for local option, but which would prevent any local option, in regard to the reduction of existing licenses, coming on for a period of years, yet to be determined by the Committee. The hon. member suggested by an amendment he would move presently that the period should be fixed at 1920. It was to be hoped the Committee, if they carried the present amendment, would fix that period at a later date than 1920. Personally, he trusted that the provisions for the immediate reduction of licenses and the payment of compensation would be adhered to; that system should work well; it had done so in Victoria. A summary of the work done under the Victorian Act during the three years of its existence showed that no fewer than 311 licenses were abolished.

Mr. Underwood: What good has that done.

The ATTORNEY GENERAL: A considerable amount of good. In the year 1907 there were 65 hotels deprived of their licenses, and compensation was paid. In 1908 there were 143, and in 1909 there were 103. Some persons believe that the number of hotels had no appreciable effect on temperance or intemperance. Personally he did not hold that view, and it was not one widely held, the prevailing opinion being that if the temptation to drink were diminished the drinking habit would be diminished.

Mr. O'Loghlen: Has the consumption of liquor been much lessened in Victoria?

The ATTORNEY GENERAL: The Victorian system of reduction of licenses and paying of compensation had been a far greater success from a temperance point of view than the New Zealand system of purely local option. On that point, however, there was a great divergence of opinion, and when he said he thought the Victorian system had achieved the better results he was merely expressing his own opinion, for it was a very difficult thing to say with absolute certainty what was the precise effect of these social reforms. The present Bill was claimed to include the benefits of both the New Zealand and Victorian systems. No funds were taken out of the pockets of the general public, and altogether the provisions should work well. It was to be hoped the Committee would agree to the provisions of the Bill relating to the establishment of the Licenses Reduction Board and the payment of compensation.

Mr. FOULKES: The Bill provided that a certain percentage was to be levied upon the trade to form a compensation fund, and that this compensation fund was to be applied at the discretion of the licenses reduction board in any district that they thought fit. The position would be that in the various districts where a local option poll was taken, although there might be a large majority in favour of either reducing or abolishing the number of public houses in that particular district, there was no guarantee that their wishes would be carried out. He believed in giving some time to the trade, because it would be unjust to close a house without a certain amount of notice. The only objection to the amendment as far as he was concerned was that 10 years was too long. If six years were given to the trade that would be reasonable. As long as they carried on business and kept within the four corners of the law they need not be afraid that their licenses would be taken away.

Mr. UNDERWOOD: The member for Claremont put up an excellent verbal fight for the abolition of alcohol, but when he came to the most important question, namely, the application of local option to clubs, the hon. member absented himself from the Chamber.

Mr. Foulkes: I paired.

Mr. UNDERWOOD: At the same time it was little use arguing the point any further: it would only resolve itself into

whether we had pubs or clubs, and one was as good as the other.

Mr. Collier: As bad as the other.

Mr. UNDERWOOD: The Attorney General and the Minister for Works assumed that the reduction of hotels was a move in the right direction. The reduction of hotels did not reduce the consumption of liquor; and some of those who believed that it did should tell the Committee what had been the reduction in the consumption of liquor in Victoria, where so many reductions had taken place. If there was any reduction in the consumption by the reduction in the licenses then we were losing in two ways, we were losing revenue, and the general public were losing accommodation. After all, the position was that the more hotels there were the more competition there was, and the more likely the ordinary individual would be to get decent accommodation and attention. If the hotelkeepers got a monopoly they would treat us as the sugar and other monopolies were treating the people. There should be unlimited competition in hotels just as we had unlimited competition in grocery establishments, drapery shops, and various other concerns. He was opposed to monopolies and the closing of hotels, and was in favour of letting the people have a vote upon the matter and permitting them to please themselves. The arguments of the members for East Fremantle and Claremont seemed to be most extraordinary. Under the present proposal the Government during the next 10 years could close some hotels if it was desired to close them. There would be sufficient money in the compensation fund to close some, but under the proposal of the hon. members for Claremont and East Fremantle none would be closed. The position was most extraordinary and those members were teetotalers.

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

Ayes	.. .. ..	26
Noes	.. .. ..	12
Majority for	.. ..	14

Ayes.	
Mr. Angwin	Mr. Keenan
Mr. Bath	Mr. Monger
Mr. Bolton	Mr. Murphy
Mr. Brown	Mr. O'Loghlen
Mr. Carson	Mr. Price
Mr. Collier	Mr. Quinlan
Mr. Davies	Mr. Scaddan
Mr. Foulkes	Mr. Swan
Mr. Gill	Mr. Troy
Mr. Gordon	Mr. Walker
Mr. Gourley	Mr. A. A. Wilson
Mr. Holman	Mr. Layman
Mr. Jacoby	*(Teller).*
Mr. Johnson	

Noes.	
Mr. Cowcher	Mr. Mitchell
Mr. Daglish	Mr. Nanson
Mr. Draper	Mr. Piesse
Mr. Hardwick	Mr. F. Wilson
Mr. Harper	Mr. Underwood
Mr. Hudson	*(Teller).*
Mr. Male	

Amendment thus passed.

Mr. ANGWIN moved a further amendment—

That all the words after "until" in line 2 of Subclause 3 be struck out.

It was his intention to subsequently move to insert in lieu of the words proposed to be struck out the words "after the 31st December, 1920." He could not understand the Attorney General saying he would like to see the time lengthened, because the words he (Mr. Angwin) proposed to insert were based on the time set out in the Bill for the operation of the licenses reduction board. If hon. members would give the question consideration they could not arrive at any other conclusion than that ten years' notice was quite sufficient.

The ATTORNEY GENERAL: When speaking at an earlier stage on this proposed amendment he had been under a misapprehension. He no longer proposed to opose the date suggested by the hon. member, as he now clearly understood that it would give ten years' notice.

Mr. FOULKES: When the words proposed to be struck out were struck out he would move an amendment to the effect that the year to be inserted should be 1916 instead of the 1920 proposed by the member for East Fremantle. He (Mr. Foulkes) considered that 10 years' notice was altogether too long.

Amendment put and passed.

Mr. ANGWIN moved a further amendment—

That the words "after the 31st day of December, 1920" be inserted in lieu.

Mr. FOULKES moved an amendment on the amendment—

That "1920" be struck out and "1916" be inserted in lieu.

Mr. MURPHY: The Committee should first vote on the longer term; then if that was defeated the amendment for the shorter period could be moved.

Mr. BATH: Surely the proper course to follow would be to put the question "that the words of the amendment proposed to be struck out stand part of the amendment."

The CHAIRMAN: The question to be put to the Committee would be "that the figures '1920' stand part of the amendment."

Mr. COLLIER: Like many others he intended to support the amendment moved by the member for Claremont. In his opinion six years' notice—or four years as it would really be—would be quite sufficient in the way of compensation to the lessees and hotel owners. If they had four years' notice it would not be the lessees who would suffer. He had no wish to inflict any hardship on a man who, perhaps, had paid a large ingoing and who was going to be deprived of his license before the lease expired; but the majority of leases ran for five or six years, so if 1916 were fixed upon most of the licenses in existence to-day would have expired by that time. As for the owners of the properties, in view of the compensation they had been drawing for many years' past, in his opinion they were entitled to no further consideration whatever. According to the return laid on the Table at the instance of the member for Fremantle, it would be found that for His Majesty's Hotel, Perth, an ingoing of £6,000 had been paid with an annual rental of £2,041. Of course it was a substantial building and, may be, it was worth the ingoing and the rental. Then there was the Shamrock hotel, leased for a term of five years from 1906. In this case an ingoing of £6,000 had been paid, and the annual rental was £2,080. This meant a rental of £40 per week, which, with the ingoing, represented £64 per week for a term of five years for an old rookery which was a disgrace to the City, and which, had the city authorities done their duty, should have been pulled down years ago. Were we to allow the owner a further term to carry on? Were we not justified in saying that the owner had been sufficiently compensated by the number of years he had been drawing this enormous rent? Many other hotels were in the same position—old rookeries that were a disgrace to the city, and the owners were drawing enormous rents. If the Shamrock Hotel were turned into a grocery, it would draw a rental of not more than £20 a week, and the difference between £20 and £64 was given to the owner by the people.

Mr. FOULKES: It was most extraordinary that Treasurers had refrained from putting further taxation on this remunerative trade. In one country town a hotel costing £3,000 and standing on a block which cost the owner £40 was paying only £75 per annum in license fee, yet the owner refused an ingoing of £2,000 and an annual rental of £500 for five years. This great gift to the owner of this property was because the State give him the sole right of selling liquor in the town and prosecuted other men who infringed on his monopoly. The erection of a public-house in a district led to the establishment of a police station which cost the State more than was derived in license fees. These people had men who infringed on his monopoly. The question had been discussed for many years, and ample notice had already been given to the trade.

Mr. ANGWIN: There were hotels in the suburbs that had been closed up because they were unpayable propositions. The hon. member was not sincere, else he would have moved to increase the license fees when the particular clause was before the Committee.

Amendment (Mr. Foulkes's) on amendment put, and a division called for.

Mr. Scaddan: I would ask that the names of those who vote "Aye" be stated. The reason for this is that there are members on that side who are personally and

directly interested. Those I particularly refer to are the members for Toodyay and Beverley, who are directly interested in the result of this division.

The Chairman: The names will be on record and there is no necessity to state them now.

Mr. Scaddan: I am drawing attention to the fact that those members should not vote.

Division resulted as follows:—

Ayes	.. .. ..	15
Noes	.. .. ..	22
Majority against	..	7

AYES.

Mr. Bath	Mr. O'Loghlen
Mr. Bolton	Mr. Price
Mr. Collier	Mr. Scaddan
Mr. Foulkes	Mr. Swan
Mr. Gill	Mr. Troy
Mr. Heitmann	Mr. Walker
Mr. Holman	Mr. Hudson
Mr. Johnson	*(Teller).*

NOES.

Mr. Angwin	Mr. Mitchell
Mr. Brown	Mr. Monger
Mr. Carson	Mr. Murphy
Mr. Cowcher	Mr. Nanson
Mr. Daglish	Mr. Piesse
Mr. Davies	Mr. Quinlan
Mr. Gordon	Mr. Underwood
Mr. Gourley	Mr. A. A. Wilson
Mr. Hardwick	Mr. F. Wilson
Mr. Harper	Mr. Layman
Mr. Jacoby	*(Teller).*
Mr. Male	

Amendment on amendment thus negatived.

Mr. Scaddan: The Standing Orders are absolutely rotten.

Mr. Monger: I wish to call the attention of the Chair to the fact that the leader of the Opposition has said that the Standing Orders are absolutely rotten. Is that appropriate language to use.

The Chairman: I do not know what the hon. member is referring to.

Mr. Monger: The hon. member was referring to the division which has just taken place. Is it right that members should cast reflections across the floor of the House?

The Chairman: A member is not in order in reflecting on the Chair.

Mr. Monger: Was the leader of the Opposition in order in casting reflections upon members on this side of the House and upon the Standing Orders?

Mr. Scaddan: I was not in order, and I withdraw.

Amendment (Mr. Angwin's) put and passed.

The clause (77) as amended agreed to.

Progress reported.

BILL—PARKS AND RESERVES AMENDMENT.

Received from the Legislative Council and read a first time.

House adjourned at 11 p.m.

Legislative Council,

Tuesday, 25th October, 1910.

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

QUESTION — BULLFINCH GOLD FIND.

Hon. B. C. O'BRIEN asked the Colonial Secretary: Whether, in view of the vast importance to Western Australia of the recent sensational gold finds at Southern Cross (the pioneer goldfield of the State), the Government have taken any steps to advertise the same broadcast?

The COLONIAL SECRETARY replied: The Government have taken steps to disseminate authentic information in England and elsewhere about the recent gold discovery at Bullfinch in the Yilgarn Goldfield, and advices have been received from the Agent General that the find has been given full publicity to in the British Press.