

Mr. Dwyer: When are we to get a concrete expression of opinion, a reduction in the expense?

Hon. J. MITCHELL: It would be impossible to keep up the grounds as they should be kept if the expenditure was reduced. He was entirely with the Premier, and he hoped the Committee would unanimously reinstate the vote which was no more than was necessary for the proper upkeep of the establishment.

Mr. UNDERWOOD: It had been stated that the previous vote was a snap division, and he wanted to protest against that. In regard to the remarks from the Premier about the leading of the House, they might be taken also as being exceedingly melodramatic. The members who voted for the reduction intended that reduction to stand.

Mr. MONGER: It was regrettable that the vote had been reduced on the motion of a Ministerial member, and he was glad that the Premier thought fit now to ask the Committee to reconsider the decision arrived at.

Question put and passed; vote reinstated at £2,746.

Further resolution reported granting a sum of £1,000 for the purpose of Division No. 2, in addition to the sum already granted.

House adjourned at 3.46 a.m.

Legislative Assembly.

Friday, 29th November, 1912.

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The SPEAKER took the Chair at 3.30 p.m., and read prayers.

ANNUAL ESTIMATES, 1912-13.

On motion by the PREMIER report of Committee of Supply adopted.

Committee of Ways and Means.

The House having resolved into Committee of Ways and Means, Mr. Holman in the Chair,

The PREMIER (Hon. J. Scaddan) moved—

That towards making good the supply granted to His Majesty for the service of the year ending 30th June, 1913, a sum not exceeding £3,449,616 be granted out of the Consolidated Revenue Fund of Western Australia, and a further sum not exceeding £41,838 from the Sale of Government Property Trust Account.

Question put and passed.

Resolution reported.

BILL—MUNICIPAL CORPORATIONS ACT AMENDMENT.

Council's Amendment.

Amendment made by the Legislative Council now considered.

In Committee.

Mr. Holman in the Chair; Hon. W. C. Angwin (Honorary Minister) in charge of the Bill.

No. 1. Clause 3—Strike out the clause:

Hon. W. C. ANGWIN: The Committee were asked to agree to the amendment on the ground that the Government intended early next session to introduce a

local government Bill. At the same time the clause expressed the intention of the framers of the Municipalities Act, 1906. It was intended that no land should be subdivided without the consent of the local governing body first being obtained. That was necessary at present before a plan could be registered, but the provision was useless, because anyone could subdivide a block subsequently and have it transferred without getting the consent of the local authority. It was at the request of the Commissioner of Titles particularly that the clause had been inserted. He moved—

That the amendment be agreed to.

Question passed; the Council's amendment agreed to.

Resolution reported, the report adopted, and a Message accordingly returned to the Legislative Council.

BILL—AGRICULTURAL BANK ACT AMENDMENT.

Recommittal.

On motion by the Premier Bill recommitted for amendment; Mr. Holman in the Chair.

New clause—Funds appropriated by Parliament:

The PREMIER moved—

That the following be added to stand as Clause 4:—(1.) Section twenty-one of the principal Act shall only apply to income arising from the investment of funds raised by the issue of mortgage bonds. (2.) All moneys appropriated by Parliament to the purposes of the principal Act shall be placed to the credit of a fund distinct from that into which moneys raised by the issue of mortgage bonds are paid, and all securities for advances made by the Bank shall state from which fund the money advanced has been drawn. (3.) The interest on and contributions, at a rate to be prescribed by the Colonial Treasurer, to the sinking fund for the redemption of moneys appropriated by Parliament to the purposes of the principal Act shall be defrayed by the Bank out of the principal and interest paid by the mortgagors to whom advances

have been made out of moneys so appropriated. (4.) Notwithstanding anything contained in Section twenty-one of the principal Act, a part of each year's expenses of the maintenance and administration of the Bank shall be paid out of the income of the Bank derived during the year from advances made out of moneys appropriated by Parliament to the purposes of the principal Act, and such part shall bear the same ratio to the total of the year's expenses as the total of such advances outstanding at the end of such year bears to the total then outstanding of all the advances made by the bank.

Under the principal Act there was no provision made for dealing with funds appropriated by Parliament for the purposes of the bank and not raised by means of the issue of mortgage bonds to the Savings Bank. The clause was to meet the omission. Under the conditions prevailing in the past the moneys for the purpose of the Agricultural Bank were obtained from the Savings Bank by the issue of mortgage bonds from the Treasurer, but when the demands upon the bank were such as to make it absolutely impossible to find all the money from the Savings Bank it was necessary to make provision in other directions. Section 15 of the Agricultural Bank Act provided—

The funds necessary for carrying on the bank shall be such moneys as may be raised by the issue of mortgage bonds as hereinafter provided, and such other moneys as may from time to time be appropriated by Parliament for the purpose.

But while there was provision in the Act for the redemption of these mortgage bonds, there was absolutely no provision for the repayment of any money appropriated by Parliament from time to time. So the position was that if any money were appropriated by Parliament for the purposes of the Agricultural Bank, and that money was repaid by the persons who obtained the loan of it from the Agricultural Bank, it would have to be immediately paid by the trustees of the bank into the redemption account, which operated for the purpose of redeeming the mortgage bonds issued to the Savings

Bank, and could not be used for the purpose of redeeming the money appropriated by Parliament. Such a situation would be ridiculous and would be in the interests neither of the bank nor of the general taxpayer. Naturally no one wished to restrict the Agricultural Bank merely to the funds that might be found from the Savings Bank. Already during the four months that had expired of the current financial year £230,000 had been found for the purpose of the Agricultural Bank, and to continue at the same rate meant that over £700,000 would have to be found for the year. The leader of the Opposition would appreciate the fact that it was absolutely impossible to find all that money from the Savings Bank and at the same time get from the Savings Bank the money for the Workers' Homes Board. Therefore, Parliament must be asked to appropriate money for the purposes of the Agricultural Bank. But before asking Parliament to commit itself to appropriate any money, it must first be decided exactly how the money was to be dealt with when appropriated. Hence the new clause proposed to-day provided that Section 21 of the principal Act, the provision requiring the surplus of the bank to be carried to redemption account for the redemption of the mortgage bonds issued to the Savings Bank, should only apply to income arising from the investment of funds raised by the issue of mortgage bonds. All moneys repaid by borrowers to the bank had now to be paid into this redemption account, which could only be utilised for the purpose of redeeming the mortgage bonds, and in the absence of any other provision the money repaid on advances made out of any funds appropriated by Parliament for the purposes of the Agricultural Bank must naturally be paid into this redemption fund as well. But the new clause to overcome this difficulty provided that all moneys appropriated by Parliament should be placed to the credit of a fund distinct from that into which moneys raised by the issue of mortgage bonds were paid, and that all securities for advances made by the bank must state from which particular fund the money advanced was drawn. If

£500,000 was advanced in one year, and of this £250,000 was found from the Savings Bank by the issue of mortgage bonds, it would be paid to the Agricultural Bank into an account for that purpose, and if the balance of £250,000 was appropriated by Parliament that amount would be paid to the credit of the Agricultural Bank into a distinct fund; and when money was drawn from either of these accounts the mortgage would show it, so that any repayment would be paid into a fund for redeeming whichever account the advance came from. At present if £250,000 was repaid in one year by the borrowers of the bank it must be paid into the redemption account which was used to redeem the mortgage bonds, which account was drawn upon annually to the extent of the amount paid into it for the redemption of the mortgage bonds issued to the Savings Bank. The trustees of the bank were not able themselves to reloan any surplus, should borrowers repay in advance of the full period they were allowed; the money must be utilised to redeem mortgage bonds. Now, with the bank operating on money appropriated by Parliament it was not desirable to mix up any fund held by the trustees in this way with any fund that must be devoted to the redemption of mortgage bonds issued to the Savings Bank. The Local Inscribed Stock Act gave power to ask Parliament to appropriate money for the purposes of the Agricultural Bank, on which money the current rate of interest and a half per cent. sinking fund must be paid; but if all repayments to the bank had to be devoted to the redemption of Savings Bank mortgage bonds, there would be nothing in the shape of payment from the Agricultural Bank to the Treasury to meet the $3\frac{1}{2}$ per cent. or 4 per cent. interest and the half per cent. sinking fund on the money appropriated by Parliament. In consultation the Under-Treasurer and the Managing Trustee of the Agricultural Bank and the Solicitor General had decided it would be impossible for the bank to operate with moneys appropriated by Parliament unless the provision contained in the new clause

was passed. The Agricultural Bank would continue to borrow from the Savings Bank, but any money appropriated by Parliament from the General Loan Fund would be treated as if it were an advance made to a department for any purpose, and would be placed to the credit of the bank as a capital fund on which to operate.

Hon. J. Mitchell: Will you not have to alter the Act generally to do that?

The PREMIER: According to the Solicitor General the new clause would make the position absolutely clear.

Hon. J. Mitchell: Can the trustees use the repaid advances?

The PREMIER: Yes. In the case of sums appropriated by Parliament repaid advances would be loaned again. It was really establishing a capital for the bank. Nothing would be repaid to the Treasury by way of redemption, but the Treasury would charge the Agricultural Bank with the interest due on the amount appropriated, plus the sinking fund, and whatever greater amount the Treasurer decided would be necessary for the purpose of redeeming the loan fully at the time it fell due. So any money loaned to the Agricultural Bank in this way would not be a charge on the Consolidated Revenue in actual practice. When the customers of the bank repaid the money advanced by the bank out of funds appropriated by Parliament, the trustees would use it again, just as in actual practice they did with the Savings Bank loans, the only difference being that in this case the Agricultural Bank and not the Savings Bank would keep the account, and the trustees would pay to the Treasury the interest and sinking fund charges, so that when the whole loan was redeemed the Agricultural Bank would still have the original capital. So long as the Savings Bank was flourishing and there were plenty of funds available the Agricultural Bank would continue, as now, to borrow from the Savings Bank; but in view of the heavy probable demands upon the Agricultural Bank, together with the £150,000 that would be required this year for workers' homes, unless there was a big excess of deposits over withdrawals

in the Savings Bank, the latter would not be able to meet the demands of the Agricultural Bank. The proposal before the Committee was the only method of overcoming the difficulty. Of course if Parliament refused to appropriate the money, the Agricultural Bank must continue to lend only just as much as could be advanced by the Savings Bank; but Parliament would not refuse the appropriation, therefore we must give the trustees of the Agricultural Bank the opportunity of dealing properly with the matter.

Mr. Monger: How will you fare if the Federal authorities come in and take the Savings Bank?

The PREMIER: Whatever might happen with regard to the moneys in the Savings Bank we could still appropriate money from the General Loan Fund, and the general taxpayer would not be the loser of a single penny. The Agricultural Bank would provide the interest and sinking fund and eventually end up with a capital account of its own, consisting of the money appropriated by Parliament for the purpose and lent to the farmers and lent again as redeemed. It would put the bank in a much more substantial position than at present.

Hon. FRANK WILSON: From the Premier's remarks it was to be gathered that, in connection with the Agricultural Bank, there was to be a dual system for the provision of capital. The Premier was going to continue the existing method of borrowing by way of bonds issued to the Savings Bank, and was also going to provide certain money from the Loan Funds of the State. There was no objection to that. The Premier must go outside the Savings Bank to find the necessary money to carry on the operations of the Agricultural Bank. The time had come when the Savings Bank funds were not sufficient, more especially in view of the proposed operations in connection with the establishment of the Commonwealth Bank. In Western Australia it was undoubted that the deposits of the Savings Bank would shrink and that therefore the capital would be even smaller than it was at the present time.

On a casual examination of the matter he did not quite like the idea of having a complicated system, or two systems, of raising capital. He would rather have seen the Agricultural Bank independent, that was, that it should be permitted to borrow itself up to a fixed amount which it could utilise, of course through the Treasury, time after time, turning the money over as it was repaid, and to provide a certain contribution towards a sinking fund in order that the bonds might be redeemed on maturity.

The Premier: That is really what will happen; the State will borrow the money instead of the bank.

Hon. FRANK WILSON: The bank could borrow on its bonds, but here there was to be no issue of bonds, and interest and sinking fund was charged as prescribed by the Treasurer. The capital would become the property of the bank and they retained it and used it over and over again. There was a certain portion of the capital that the bank would keep on turning over as repayments came in, and there was the other portion of the capital in the shape of money borrowed from the Savings Bank which could not. It always seemed to him that that had been a cumbersome and unbusinesslike method of dealing with this institution. Although he would have preferred to see a proper amending Bill to put the bank on a sound footing there was no objection to the proposal of the Treasurer. One thing which was patent to all was that money had to be found, and the method suggested by the Premier was simple, at any rate so far as we were concerned to-day, but whether it would be quite so simple when we had to go on the market was another matter.

Hon. J. MITCHELL: It was obvious that the Premier would have to raise money. Under the principal Act it would be a little difficult to borrow, particularly considering the present circumstances outside. The Premier had no other course open than to borrow in the way he suggested, but he (Mr. Mitchell) would like to have seen the Act amended fixing the capital. The other day an article in the *West Australian* referred to the bank's millions as if they were millions which

we owed, but it was not likely to happen that more than half that amount could be owed at one time. There had to be deducted from the three and a half millions the authorisations unearned which amounted to many hundreds of thousands of pounds. Then there were the repayments which amounted to nearly £700,000 and those two large amounts had to come off the three and a half millions. It would be better to give the bank a capital of two and a half millions which they could operate from time to time. If we passed the amendment before the Committee the bank would still be limited in its operations to a total of three and a half millions. If the Savings Bank funds became strained the Premier could borrow for the purpose of the Agricultural Bank to redeem his bonds. The Premier ought to take that power even now.

The Premier: There is no limit to the amount Parliament can appropriate.

Hon. J. MITCHELL: The two funds were going to be kept distinct. The Premier should take the power to redeem the bonds with the borrowed money. We did not know what was happening in regard to the Savings Bank because the Premier had not taken the House into his confidence. The Premier had made us responsible to some extent for what was going to happen and when the Federal Bank opened in January a good deal of the money would flow into it. Our Savings Bank deposits totalled about three and a half millions, and if 20 per cent. of that money went to the Federal Bank the Premier would find himself short of funds even for the purpose of carrying on the Savings Bank. In order that we might provide to the fullest extent to meet trouble of that sort, the Treasurer should submit an amendment of the Act so as to finance the Agricultural Bank from outside sources. It was reasonable that he should do so, because this money had been lent on good security and there was capable management, and the people paid the interest themselves. This would facilitate the business of the Agricultural Bank and would place the Treasurer in a happier position than he certainly would find himself in in January. The House would

have no hesitation in supporting the Premier in that direction so as to bring about further improvements and clearing in the country. There was no reason why a sufficient amount should not be authorised to enable the Premier to advance up to £2,000 which Parliament had agreed to. The Premier had not sufficient power to do what he ought to have the right to do, and he ought to stay his hand until he could give himself the power in the direction which he (Mr. Mitchell) had suggested, and the suggestion was made with every desire to help the Government. The Premier should consult his officers on the advisability of having a clause drafted which would have the effect of giving him full control of the funds of the bank. If there was one thing that the London lender would advance money for willingly it was for the purpose of the Agricultural Bank. The Premier should arm himself with this power. The Savings Bank funds were, apart from the reserve, invested to the extent of a million and a quarter in the Agricultural Bank. That was a far more liquid investment fortunately than the other, and it would be helpful to the Premier, in case people went to the Federal Bank, to have the power to recoup the Savings Bank. It might be desirable for the Premier to point out to the people of Western Australia that in the Commonwealth Bank Act there was a section which ought to be a great weakness to that institution, and which provided that the authorities would not be responsible for fraud. If the Premier made that public as he was entitled to do, the people would hesitate to place their money in the bank.

Mr. B. J. Stubbs: Is that not in our Savings Bank Act?

Hon. J. MITCHELL: It was probably not in any other Bank Act in the world.

The PREMIER: The hon. member's advice was accepted as being friendly to the measure. After all in connection with the operation of the Agricultural Bank there should be no party feeling. He was prepared to accept the hon. member's advice, more particularly as he had had control of the bank as Minister, but the

suggestion made by the hon. member had no bearing on the amendment which was before the Committee. The hon. member's amendment could, if necessary, be made in another place. It was only a matter of giving the Treasurer permission to utilise moneys appropriated for the purpose of redeeming Agricultural Bank mortgage bonds. In view of the possibility of trouble in finding money for the Savings Bank he would go into the matter with the manager of the Agricultural Bank and the Under Treasurer to see whether it would be desirable to carry out the hon. member's suggestion. Personally, he agreed with the hon. member. Whatever happened to the Savings Bank there would be some trouble with regard to the moneys for the purpose of the Agricultural Bank and the Workers' Homes Board. Although the business transacted by the Savings Bank last year had amounted to over two millions the excess of deposits over withdrawals had been only £240,000. That amount was available for the Agricultural Bank, the Workers' Homes Board and water supply purposes, but, of course, it was not nearly enough to cover the amount required; owing to the operations of the Agricultural Bank having been so widely extended. Consequently it would be necessary to provide the money from another source. Again, if it were decided not to hand over the Savings Bank to the Commonwealth, there would be almost certainly some fairly large amount withdrawn from our Savings Bank to be deposited with the Commonwealth Bank, and, as a result, not only would the excess of deposits over withdrawals be materially reduced, but probably there would be an excess of withdrawals over deposits. As it was now, the margin was kept as low as possible, because the more money there was standing to the credit of the Savings Bank the greater difficulty in finding money with which to pay the 3 per cent. interest on the deposits. For this reason the margin was always kept down, and if there was going to be anything in the nature of wholesale withdrawals it would be necessary to find money to replenish the funds, for most certainly he

would not advise Parliament to instruct the Agricultural Bank trustees to call in any of their securities in order to meet the demand. It was only right that he should consult the officers at the bank, and also the Under Treasurer in a matter of this kind. He thought it would be bad policy to allow anything to interfere with the operations of the Agricultural Bank. He would go into the matter, and, if deemed necessary, would have the suggested amendment made in the Council.

Hon. J. Mitchell: You will have to alter the scheme of the bank somewhat.

The PREMIER: Not necessarily, or at least, not at present. Next session we could make a complete amendment of the Agricultural Bank Act with a view to providing the bank with capital outside its mortgaged bonds, and the provisions of the Act could operate in the meantime. Under the new conditions we would redeem the bonds issued from the Savings Bank, and only pay the capital provided for the Bank, as the hon. member desired, and this would gradually grow until it became the two millions which the hon. member wished to see provided at once. An amendment in the direction suggested would permit of all being done that would be necessary for the next two or three years, so long as we did not do anything to disturb the operations of the Agricultural Bank. That was his object in considering so carefully the handing over the control of the Savings Bank, because he realised what any such disturbance would mean. Even if we agreed to the Commonwealth taking over the operations of the Savings Bank, owing to the altered conditions that would prevail under the Commonwealth Act we would suffer, to the extent that there would be no excess of deposits over withdrawals for, perhaps, two or three years. In any case, whether we were to hand over the bank or continue to control it, the Savings Bank would be of no use to us for the next two or three years.

Hon. J. Mitchell: It is just a question whether the people should compete against the Commonwealth.

The PREMIER: It was likely that we could not compete without finding it very

injurious to the people themselves. We were paying 3 per cent. on all deposits up to £1,000, while the Commonwealth Savings Bank paid 3 per cent. only on sums up to £300. There was only £840,000 standing to the credit of persons holding over £300, so the bulk of the money was held by persons having less than £300 in their respective accounts.

Hon. J. Mitchell: You could only compete by a higher rate of interest, and that would not be advisable.

The PREMIER: If a higher rate of interest would have to be paid someone else might just as well have the bank. If we had to pay $3\frac{1}{2}$ per cent. the Agricultural Bank would have to pay $4\frac{1}{2}$ per cent., because the margin of one per cent. was only just sufficient for the purpose of carrying on the operations of the bank. Of course that could be avoided by the system he had suggested. Some months ago the Minister for Lands had brought under his notice the advisability of providing a capital straight out for the Agricultural Bank, and the matter was now being considered by the trustees of the bank and by the Government.

Hon. J. MITCHELL: There was no desire to prevent the amendment being carried, but he thought the altered conditions would serve to alter the general scheme of the bank. It was because of this he thought it would be well if the Premier took time to consider the matter before asking the Committee to agree to the amendment. However, the Premier had given an undertaking that he would have the question inquired into, and, if necessary, the amendment made in another place, and no doubt this would be sufficient for the Committee.

The Premier: We could still make the amendment here, if necessary: we could recommit on Tuesday.

New clause put and passed.

Bill reported with an amendment.

BILL—WATER SUPPLY, SEWERAGE, AND DRAINAGE.

Second Reading.

The MINISTER FOR WORKS (Hon. W. D. Johnson) in moving the second

reading said: The Bill is introduced for the purpose of giving full effect to the amalgamation of the various water supplies throughout the State, and, further, it gives complete amalgamation to the administration of sewerage, drainage and irrigation works also. Under the Bill it is not proposed to alter existing legislation further than that portion of those measures relating to administration and to finance. For instance, provision is made for the administration of the Goldfields Water Supply by a board to be composed of the Minister for Works and two other members, one of whom is to be an engineer. Provision is also made that until the appointment of that board the Minister for Works shall administer the measure. That has been going on for a considerable time, and this condition of affairs is perpetuated under the Bill. The Water Boards Act of 1904 deals with town supplies, or water supplies outside those controlled by the Goldfields Water Supply Act and the Metropolitan Supply Act. The various town water supplies may be controlled by a board or by the Minister. We have found from experience that there are certain supplies which lend themselves to board control, whereas in other cases it is better for the State generally that the administration should be under the Minister. It is proposed in the Bill to continue that method. If it is best in the interests of the State or of the local authority, or of the people in the district that the control should be under a board, then we have power to vest it in a board; but if it is considered that the Minister can the better administer it power is given to the Minister to control under this measure exactly as under the Water Boards Act of 1904. Provision is also made here for a slight alteration of the Water Boards Act, inasmuch as the Governor-in-Council is given power to dissolve a water board. This was evidently an omission in the Act, and it has been found necessary to insert this provision as we experience difficulty owing to its not being provided in the existing measure. That is the only alteration so far as administration is concerned. But, dealing with

finance, it is provided that the gross earnings of the several undertakings shall go into Consolidated Revenue, and the expenses be provided out of moneys appropriated by Parliament. This brings the whole of the operations of the various water supplies throughout the State directly under the purview of Parliament. In the past the Metropolitan Water Supply revenue and expenditure transactions have not been disclosed in the annual Estimates. The revenue has been paid into an account at the Treasury, and applied directly to defraying expenses and paying interest and sinking fund on the debentures. The expenditure has been drawn from this fund, and any balance may be devoted, and, as a matter of fact, has been devoted, to construction work, maintenance, or general improvements. Of course, this is an alteration. It has already been stated on the Estimates that it is proposed to pay the revenue into Consolidated Revenue, giving Parliament an absolute account of the revenue earned and also control of the expenditure. In the case of the Goldfields Water Supply the balance remaining in the suspense account is transferred at regular intervals to Consolidated Revenue, and Consolidated Revenue is drawn upon for the payment of interest and sinking fund on the General Loan Funds that have been raised for the purpose of carrying out that big undertaking. These arrangements that I refer to practically place the Minister in absolute control of those two huge undertakings, and place tremendous powers in his hands. I think it is preferable that in all these huge things Parliament should have a complete check, and under the Bill, Parliament will be in possession of full particulars in regard to the various undertakings. There are, of course, quite a number of undertakings that will be controlled by this Water Supply Department, such as the development of our agricultural and pastoral resources, where wells, tanks, dams, etcetera, require to be provided and water conserved from which no revenue at all is obtained. Of course this will be continued as heretofore; there will be no alteration, and

as a matter of fact, I think there will be greater expedition and more attention concentrated on these various supplies throughout the State. There are various town supplies that will be administered by the department and some will be controlled by boards, but those controlled by the department will bring in a general return, and in a number of cases already they are paying concerns, inasmuch as they provide interest and sinking fund on the capital expended. These will continue in some cases to be operated by the Minister, and the revenue will be paid into Consolidated Revenue as is provided in the case of the metropolitan water supply. In every case the various concerns are classed as undertakings, and for each undertaking a separate account is kept by the Water Supply Department, clearly showing the operations. Proper sums will be charged against each undertaking for interest and sinking fund, and these of course will be fixed by the Colonial Treasurer. Provision will be made for depreciation and setting aside such reserves as may be necessary for maintaining in a sound condition the finances of the undertakings, and those returns will be earmarked and held in trust for the purposes of the respective undertakings for whose benefit they were established. From these accounts there will be prepared in each year on a proper commercial system a full profit and loss account and balance sheet for each undertaking, which will be audited by the Auditor General and presented annually to both Houses of Parliament for their information; and should any attempt be made to exploit one or other undertaking for the benefit of others, such action will, under this new system, be disclosed, not only to Parliament, but also to the community generally by the reports that will be published. Therefore, there will be a complete check on the various concerns by the people and by Parliament. I do not think I need take up any more time of the Chamber. The question of the amalgamation of the various water supplies has already been placed fully before the Chamber, the Estimates have been dealt with, and this

Bill is only to give us legislative power to carry out our proposals. It will place the responsibility on the Water Supply Department to keep books showing the complete results of each undertaking, so that the people in the various districts will know how their respective concerns are operating, and if any profits are made it will be for the Minister to see that reductions in rates are made proportionately.

Hon. Frank Wilson: Not necessarily.

The MINISTER FOR WORKS: Of course there is no obligation placed in the Bill for that to be done, but we know full well that when an account is submitted showing that a separate concern is making a large profit, it will be the duty of the Minister to listen to the representations that will certainly be made, either by Parliament or by the people served, for a reduction in rates. I think it is desirable that we should give every one in the various districts an opportunity of seeing exactly how their concern is working, and then, if on the one hand a loss is being shown, the Minister will have an opportunity of going before them with a proposition for an increase of the rates or for some alteration so that Consolidated Revenue will not suffer to any extent; or if, on the other hand, profits are made, it will be for the Minister to see that those people are not unduly taxed who provide the profits and that the rate in the following year is reduced so as to make the concern a paying one and nothing more. I hope the Bill will commend itself to the House as being a business proposition, and one which will compel the Water Supply Department to allow Parliament and the people to know how the various concerns are being operated. I beg to move—

That the Bill be now read a second time.

On motion by Hon. Frank Wilson debate adjourned.

BILL—LOCAL OPTION.

In Committee.

Resumed from the previous day; Mr. Holman in the Chair, the Attorney General in charge of the Bill.

Clause 3—agreed to.

Clause 4—Resolutions to be submitted:

Mr. E. B. JOHNSTON moved an amendment—

That in Resolution B the words "number of licenses existing" be struck out, and the following inserted in lieu:—
"hours for the sale of liquor."

For years the temperance people in the State had been fighting for this point, that where reduction was carried it should be not in the number of licenses, but in the hours of sale. It would be understood that no advantage would be gained by closing up one of three or four hotels in a town if those remaining were to be allowed to keep open for the same hours as at present. If we decided on a reduction vote to altogether do away with some hotels, we would be affording those who represented vested interests in another place an excuse for rejecting the Bill on the ground that confiscation was proposed. The amendment would be fairer to all concerned, because all publicans would suffer equally instead of one or two men being ruined and the others benefitting by the diminished competition. The amendment would give the people fuller control of the liquor traffic than the proposal in the Bill and would obviate the cry of confiscation when the issue of reduction was carried. The papers that had been sent out by the temperance party to Parliamentary candidates asking them for their views had contained a question in the form of the amendment, and he understood that the Premier had signed it.

The Premier: No, not in that form.

The ATTORNEY GENERAL: The amendment could not be entertained because its proper place would be in the Licensing Act, which dealt with the details and regulation of the liquor traffic. This Bill was for a specific purpose and for that purpose only, namely, to submit to the people whether they would have licenses increased, continued, reduced, or extinguished. True, the number of hours greatly affected the well-being of the hotels and the attitude of the community towards the temperance question. The

number of hours was not the only question which required regulation. There were other such questions including the employment of people behind the bar and the quality of the liquor. If this measure was made to embrace both local option and the regulation of the traffic, it should be called a Licensing Bill. There was a licensing law apart from the local option law, and he hoped the hon. member would have his opportunity in that connection at no distant date. The amendment was not more relevant to the Bill than a thousand other questions.

Mr. CARPENTER: To his mind there was no reason, if the Committee so desired, why the question of the reduction of hours of trading should not be included in this Bill. There was a growing feeling that the hours of trading were unnecessarily long.

Mr. A. A. Wilson: Some think they are not long enough.

Mr. CARPENTER: In Scotland the closing hour was 10 o'clock.

Mr. Taylor: That accounts for there being so many Scotsmen out here.

Mr. CARPENTER: The Scottish example had given birth to the idea that something of the kind might be done here. No one knew better than the Attorney General that there would be no chance of getting an amendment of this kind inserted in a Licensing Bill. The member for Williams-Narrogin, however, had somewhat prejudiced his proposition by moving to strike out something which the majority of the Committee wished to be retained. The question of the number of licensed houses had always been one to be submitted to the people, and no matter what the Alliance may have said, the hon. member was running counter to prevailing public opinion if he sought to undo that portion of the Bill in order to substitute something else. If the amendment was moved as an additional paragraph, it would have his support.

Amendment put and negatived.

Mr. E. B. JOHNSTON moved a further amendment—

That a new paragraph be inserted in Subclause 1—"e) That no Sunday trading be allowed in the district."

Mr. Underwood: I want to put it the other way—that Sunday trading be allowed.

Mr. E. B. JOHNSTON: It was immaterial how the question was put so long as the people had a right to vote on it. In mining districts where men worked on Sunday, public sentiment might be in favour of Sunday trading, but in most districts in the State people desired that hotels should be closed on Sunday. The Premier stated on the previous night that he would be prepared to have a poll taken on this question, and in view of that statement the amendment should be accepted.

The ATTORNEY GENERAL: The amendment could not be accepted. This was a measure for local option which had been promised on the specific matters dealt with. The local option provisions had been taken out of the old Act and were being re-enacted by this measure with other details, but every addition was related to the subject of local option as covered by the resolutions. To go further would be to reopen the whole question of the liquor traffic.

Mr. E. B. Johnston: You are opening the question whether hotels shall be open on week-days.

The ATTORNEY GENERAL: That was not so.

Mr. E. B. Johnston: You are giving the right to close them.

The ATTORNEY GENERAL: That was the theme of the Bill and that only. What we were dealing with now was what would be affecting any particular districts, such as increasing licenses or reducing licenses.

Hon. Frank Wilson: Or closing hotels altogether.

The ATTORNEY GENERAL: The detail of whether we would have Sunday opening or not was one that required more consideration than could be given in five minutes under a local option poll which dealt with an entirely different matter. Besides, we might have one district with open trading on Sunday all day long, and in a neighbouring district a limited amount of trading, or none at all.

Mr. Hudson: You may have that on any day of the week under the Bill.

The ATTORNEY GENERAL: It was no use going into the general question of the regulation of the traffic and all its details in a local option Bill. Of course if the Committee wished to take the matter out of his hands well and good.

Mr. Hudson: We would be very pleased to do so.

The ATTORNEY GENERAL: The hon. member had no right to say that.

Mr. Hudson: I did not mean it disrespectfully.

The ATTORNEY GENERAL: We should not go beyond the purpose of the measure for mere academic debate or to amend something belonging to quite another measure, which was promised to the Chamber, and on which the subjects now rejected would be proper for discussion. He objected to having that measure anticipated in the present discussion.

Mr. UNDERWOOD: The member for Williams-Narrogin ought to submit the question whether hotels should be opened for Sunday trading during certain hours, and then if the negative was carried it would not say that the hotels should be opened. The question of Sunday trading seemed to be a fair question for the people to decide. If not, then there were many other questions in the Bill that were not questions for the people to decide. We were dealing with the liquor traffic and the right of the people to control it by local option, and undoubtedly opening on Sundays was equally a question for submission to the people as opening on week days.

The Attorney General: So is the number of hours; also the quality of the liquor sold.

Mr. UNDERWOOD: There were many districts where the people did not desire that hotels should be opened on Sundays, but in other districts the people might wish it. If the matter was left to Parliament, Parliament might decide against Leederville in favour of Marble Bar. By leaving it to the people in the district each district would decide for itself.

Mr. DWYER: There would be no possibility of dealing with this question in any other measure than a local

option Bill. The point was whether Parliament should say whether hotels should be opened on Sunday or not, or whether the people should be allowed to say it; and if it was a question that should be submitted to the people then this was the only Bill where steps could be taken to see that carried out. It appeared to him that the question of closing hotels on Sundays was particularly one for the people to decide. It might seem to be a shirking of responsibility by Parliament, but there would be no end to the possibilities of amendments and divergencies of opinion if it were left merely to Parliament to decide. The people had cried out for local option, and in the name of common sense why not let them have it? Certainly the wording of the amendment was entirely wrong. If the question was to be left to the people to decide, it should be put before them in a proper form. He would suggest that the question should be whether premises licensed for the sale of intoxicating liquors should be open for a limited number of hours a day and every Sunday, the number of hours and times to be determined by the licensing bench of the district.

Mr. SWAN: The only thing in the amendment was the shirking of responsibility by Parliament. If we continued in this way we would be submitting to the people a question as to whether a publican should keep a bull pup. He was prepared to say straight out whether he supported opening on Sundays, and he protested against a question of this description being submitted to a local option poll.

Mr. McDONALD: The Bill was not a fitting place for the insertion of the amendment suggested. Though previously he agreed, in the words of the member for Perth (Mr. Dwyer), that the Government should be thoroughly instructed and informed as to the will of the people by local option, and that this was a question to be submitted with that very object, now that the measure had been amended to provide that the first poll must be taken in 1914, he was not prepared to see that people should go thirsty on Sundays until that date. As

we were promised a Licensing Bill in the near future, the matter could then be brought up for discussion, when he would support limited Sunday trading.

Mr. FOLEY: The Attorney General might permit some amendment in this direction, though that moved by the member for Williams-Narrogin was too indefinite. Many members on the Government side had been just as strong on this subject at the general election as members for the metropolis who were responsible for the Bill being brought forward. The part of the State he represented should be given the right to say whether hotels in the district should be opened on Sundays or not. It was a question exercising the minds of the people on the goldfields and in outback centres to just as great an extent as the temperance question generally was affecting the minds of the metropolitan members. The holders of publicans' general licences should be allowed to open their premises for the sale of intoxicating liquor for four hours each Sunday, the exact hours to be fixed by the licensing bench. The Attorney General should see his way clear to take this into consideration and give Parliament a chance of saying that we were going to place this in the hands of the people and permit them to say to what extent the liquor trade should be governed in the various districts. Looking at it from the goldfields point of view it would be some time before Parliament had the opportunity of saying whether Sunday trading should obtain or not. Everyone knew that the climate on the goldfields was such as to cause men to require a drink on Sunday. In the metropolitan area people had all sorts of conveniences, but outback in many instances there were not even water supplies to enable people to satisfy their thirst. Therefore, it would be advisable in these places at least for the hotels to be open on Sunday.

Mr. HEITMANN: The amendment was quite unnecessary. On this question he was entirely opposed to giving the people the opportunity to say whether hotels should be opened on Sunday.

Hon. Frank Wilson: That is against your principles.

Mr. HEITMANN: It was in accordance with his principles to this extent, that there were hundreds of questions that we would not think of placing before the people. If in the aggregate or individually members were asked to explain the virtues of liquor, there would not be one who would not say that alcohol had done more injury to manhood than all the other vices we had.

Mr. Gardiner: Do you not think the people would realise that if we put it before them?

Mr. HEITMANN: In a state of excitement the people might carry almost everything.

Mr. Gardiner: Then you do not believe in the referendum?

Mr. HEITMANN: What he believed in was using his commonsense as to what should be put before the people. There were hundreds of questions members would not think of submitting to the people. He was prepared to limit to a greater extent the sale of alcoholic liquor than was the case at the present time. The member for Leonora gave the extraordinary reason why people should be permitted to drink liquor on Sunday that the water was bad and in some places they had no water at all. But wherever a thirst was raised there was always something besides liquor with which to quench it. This was one of the questions that he would not submit to the people.

Mr. Dwyer: You do not trust them.

Mr. HEITMANN: If the whole of his electorate instructed him to vote for the opening of public houses on Sunday he would refuse to do so. The amendment would not be any more effective than the present Act. He did not want to say that no man should have a drink on Sunday, but he would like to induce a man to believe that he would be better without it.

Mr. Monger: Why do you not practise what you preach?

Mr. HEITMANN: There was one thing he would commend the hon. member for, and it was that he did practise what he preached in that direction to the best of his ability. If we could have one day

in the week free from the sale of liquor it would be much better for the community.

Mr. Hudson: They could take it home on Saturday night.

Mr. HEITMANN: Hon. members might contend that the closing of hotels on Sunday did not limit the sale of liquor. That was not so.

Mr. Gardiner: That is very questionable.

Mr. HEITMANN: Why was it that the publicans were so anxious to open their premises on Sunday?

Members: They are not.

Mr. HEITMANN: Then he had discovered a virtue in the publican which he had not known before.

Mr. Wisdom: It is there.

Mr. HEITMANN: The majority of publicans desired to sell liquor on Sunday. Why did we see men stationed at the doors to watch?

Mr. Hudson: You are unsophisticated.

Mr. HEITMANN: Probably he was; at any rate he was going to do everything in his power to endeavour to curtail the sale of liquor, irrespective of the fact that he might be accused of being afraid to submit a certain question on the subject to the people.

Mr. McDOWALL: The amendment would have the effect of overloading the Bill, and it was therefore his intention to oppose it. If he had his way he would cut down the Bill rather than overload it.

Mr. Dwyer: What would you cut out?

Mr. McDOWALL: The absurdity of taking a poll on the questions of occasional licenses, temporary licenses, packet licenses, and many other things which were absolutely farcical.

Mr. Underwood: Do you think you would leave the title?

Mr. McDOWALL: If the title were left in it would be leaving in a good thing. By the way we were handling the Bill and the farcical results that were likely to follow, there would not be the slightest chance of it becoming law. If we sent the measure weighted with two-penny half-penny things of this kind we would never get it through. Suppose the hon. member carried his amendment and

suppose a poll was taken, and the districts voted in favour of Sunday trading, would the hon. member be satisfied? He should imagine not. We found that the people of every community were generally endowed with a certain amount of commonsense, and while there were a few faddists in every direction who would do almost anything, the general opinion of the people was sound on questions of this description. If we wanted to stamp out intemperance we would have to educate the people up to it. We could not make any man sober by Act of Parliament. If a man did not choose to exercise his will power and refrain from taking liquor nothing in the world would save him. The member for Cue treated this opinion with disdain. Why should the hon. member imagine that his opinion and his opinion only should be the correct one? Others were entitled to have opinions and to express them. His (Mr. McDowall's) opinion was that unless a man checked himself no legislation would help him do so. What were we here for if we were not to take the slightest responsibility when any question of importance came along, but were required to refer it to the people? According to some hon. members every twopenny-halfpenny question should be submitted to a referendum. In his opinion we should not pass everything on to the people. Only a year or so ago we had had the farce of a referendum at which the people had thrown away their ballot papers. He was prepared to trust the people on the main question in connection with the liquor traffic, to trust them as to whether they would have increased licenses, decreased licenses, or no licenses at all. In all questions of vital importance he was prepared to trust the people, but he was not prepared to embarrass them with questions of detail like this. If we overloaded the Bill with so many trifling matters it was not likely to become law.

Mr. UNDERWOOD: The liquor question was the most illogical that could be introduced into any Parliament, and probably that was the reason why so many members liked to speak upon it. If the people were to be trusted to close up

hotels altogether, surely they were to be trusted to open or close them on Sundays. It seemed to him that those who had argued against the amendment did so because they were afraid that if it were submitted to the people so much of it as was law to-day might possibly be lost, and the existing system altered.

Hon. J. MITCHELL: This was a matter of detail which should be dealt with by the Committee. He agreed with the member for Coolgardie (Mr. McDowall) that we should not overload the Bill if we desired to see it become law. He was against Sunday trading in any degree. It would be ridiculous to close hotels at Fremantle on Sunday and allow them to remain open in Perth. He trusted that the amendment would be withdrawn and the matter left to be dealt with by the Committee.

Mr. GILL: The more that was heard for and against the amendment, the more was he convinced that it was a matter for the Committee to decide. If we were going to ask the people to say whether or not hotels should be opened on Sundays we should also give the people an opportunity of saying for how many hours, if any, the hotels should remain open on that day. Then there was the bona fide traveller question with an equally good claim to go before the people. Where were we going to stop? Clearly all these things were details which the Committee should determine.

The ATTORNEY GENERAL: Section 99 of the Licensing Act dealt particularly with the question of closing on Sundays, Christmas day and Good Friday, while Section 100 dealt with the conditions of sale under what were known as the "bona fide" provisions. These matters should be dealt with in the Licensing Bill. Certainly this was not the time to deal with them, when we were dealing with what was really Part V. of the Licensing Act. Although this was not a party question, still he had adopted what the party had decided upon in respect to it. The party stood for the nationalisation of the liquor traffic, and for local option as to continuance, increase or reduction of licenses, and by this creed he stood also. The member

for Coolgardie had rightly said that we should not overload the questions to be asked of the people. There was no logic whatever in submitting this one question any more than all other questions upon which the public should speak affecting the liquor traffic. We might add 50 or 100 equally vital and pertinent questions, and ask the opinion of the people on them.

Mr. Taylor: The tendency is in that direction.

Mr. Dwyer: We are here to register the will of the people.

The ATTORNEY GENERAL: A penny in the slot machine would do that, but Parliament was supposed to be more than a machine; it was supposed to lead public thought and to come to a decision after mature deliberation and gathering of the facts.

Mr. McDOWALL: The interjection from the Opposition side that he had spoken against local option was incorrect, as was also the statement that he was going against the platform of his party. He was giving his hearty support to the platform of the party in every way.

Hon. FRANK WILSON: It was amusing to listen to the Attorney General in his magnificent manner throwing aside all the tenets and principles of the Labour party when it suited his convenience. Even the referendum must go by the board. Yet he had heard the Attorney General in just as strong language and eloquent periods declaring the right of the people to be consulted on every important question by means of the referendum. He had some recollection of the referendum, initiative, and recall being in the Labour party's platform; yet the Attorney General rose to denounce hon. members who suggested that such an important question as the opening and closing of hotels should be submitted to the people's vote.

The Attorney General: I have done nothing of the kind.

Hon. FRANK WILSON: Then the Attorney General would vote for the amendment?

The Attorney General: No, I will not, because it is the wrong place to put it.

Hon. FRANK WILSON: It was always the wrong place to put it when one

did not want it. The Bill was absolutely the right place to put it, if it was to be submitted to the people at all. The question of opening or closing public houses on Sunday had for many years been a burning question in all parts of the British Empire. It was one of the main principles of liquor control, and essentially a principle which the people ought to decide upon. He said that, although he was not in favour as a general rule of submitting questions to the people by referendum. But if we came to the conclusion that we would submit the question of licenses to the people, why not submit the equally important question of Sunday opening or closing?

Mr. Dwyer: Why did you not do it in your Bill; was it the wrong place?

Hon. FRANK WILSON: It was the wrong Act. If the Attorney General would withdraw his Bill he was prepared to stand by the Act, because he did not believe it could be much improved upon. If we were to have a referendum there was no more important question that could be submitted to the people than that of Sunday trading, and for his own part he would rather see every public-house in the State closed on Sunday than have the present half and half arrangement. And rather than have partial opening of publichouses even for an hour on Sunday he would prohibit the sale of liquors except to those persons residing on the premises. As we were going to submit the questions of reduction, increase, or prohibition he would certainly support the inclusion of the question as to whether the voter was in favour of Sunday trading.

Mr. O'Loughlen: Let Parliament settle it.

Hon. FRANK WILSON: Let Parliament settle all these questions and withdraw this Bill.

Mr. WISDOM: The Attorney General was perfectly right in his definition of local option. That had been laid down as the Labour party's conception of the limits of local option. The present Act embodied the opinions of the late Government as to what local option was.

Hon. Frank Wilson: No, the opinion of the late Parliament.

Mr. WISDOM: There was no reason why Parliament should not enlarge the scope of local option if it thought it wise to do so, but the more questions of this kind were complicated the more difficult it would be to ascertain the opinion of the people. Regarding Sunday trading, if a referendum could be taken of the whole State it might be practicable, but a referendum taken in a multitude of districts would produce absurd and pernicious results. One district might decide to have all public houses closed and the adjoining district might vote in favour of Sunday trading, and the result would be that people would be rushing from the closed to the opened districts.

Hon. Frank Wilson: You have that under prohibition.

Mr. WISDOM: Prohibition was not under discussion. The majority of the publicans favoured closing on Sunday. Some hotels ought to be open for the convenience of the public, but as a rule hotels should be closed on Sunday. Sunday trading was a source of annoyance, worry, wear and tear to the publican, who would sooner close than submit to the trouble.

Mr. O'Loughlen: Provided everyone closed.

Mr. WISDOM: Certainly.

Mr. Foley: What about the convenience of the public?

Mr. WISDOM: It was his desire to refute the statement of the member for Cue (Mr. Heitmann) that publicans preferred to keep their premises open on Sunday. If the amendment was passed we might have hotels closed in Fremantle, open in Claremont, closed in Subiaco, and open in Perth. The danger was that the scope of local option was being made too wide and a lot of detail was sought to be introduced which should be embodied in the Licensing Act. Members should realise that they were here to decide these matters. If all such questions were to be referred to a referendum we might as well have a committee of three to administer the country and arrange for referenda on every conceivable subject. He hoped the amendment would not be passed.

Mr. HARPER: The Attorney General had rightly objected to the amendment. A referendum would be far too complicated and people would hardly know what they were voting for. He considered a referendum would be largely a failure in any case, because people did not take sufficient interest to go to the inconvenience of recording their votes. In connection with the Federal referenda not more than two-thirds of the people voted, notwithstanding that they were asked to vote on other issues. Unless a referendum was held simultaneously with an election, only the extremist would take any interest, and the country did not wish to be governed by extremists from either side. Regarding Sunday trading, there were some hotels where travellers could not get supplied.

Mr. Dwyer: They could be compelled to supply.

Mr. HARPER: In some instances it was a great inconvenience to serve travellers as it necessitated an employee's attendance merely to supply a few drinks and the Sunday trade meant a loss. Since the Act was amended by the late Government, the drink traffic had decreased and the statement about licensees keeping someone on the lookout for policemen was exaggerated.

Mr. TURVEY: The amendment would have his opposition, because it would be overloading the Bill. If this question was submitted to the people, it was equally right that other questions should be submitted in the same way. The Bill was intended to deal with licenses and not with the regulation of the traffic. As the Bill was proceeded with the necessity for an amending licensing Bill became more apparent. It was a pity that members were asked to discuss a Bill based largely on an Act which was to be amended early next session. In opposing the amendment he was not afraid to trust the people, but he did not agree that this had been a burning question. He was surprised at the illogical attitude of the leader of the Opposition in discriminating between clubs and hotels. An hotel was a residence in as great a degree as a club.

Mr. UNDERWOOD: There had not been one logical argument against the

amendment. It was absurd to say the extra question would overload the measure.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. UNDERWOOD: Throughout Australia no matter what laws were enacted there was no absolute prohibition of Sunday trading, because the legislation was against the general desire of the people. Notwithstanding stringent Sunday-closing Acts he had never failed to get a drink on Sunday in any Australian city, and from what one heard of the dry districts of New Zealand not only could one get a drink, but he could get a friend to supply it. Where there was a strong minority against the closing of hotels on Sundays the law would not be enforced, no matter what was enacted to prevent it.

Amendment put and negatived.

Hon. J. MITCHELL moved an amendment—

*That in Subclause 2 after "Paragraph E" the following be inserted:—
"Provided that Resolutions A, B, and D shall not be submitted to the electors until after the 31st December, 1920."*

The object of the amendment was to provide that existing licenses should not be subject to a local option poll in reference to reduction or total abolition until the ten years' time limit provided in the Act of 1911 expired. It was practically to make the clause in line with the existing law as passed in 1910. Having agreed so recently that there should be a time limit of 10 years, it seemed unfair, two years later, to take away the right that the last Parliament decided licensed houses should carry, when in the meantime we had allowed people to buy and sell in the belief that the law so recently passed would be observed. There should be compensation for closing licensed houses, and, having decided that the compensation should be time compensation, we should continue that and act fairly towards the holders of existing licenses.

Hon. W. C. ANGWIN (Honorary Minister): According to the reports of the debates on the second reading, when he was

unfortunately absent from the Chamber, his name was freely used in connection with the compensation provision of the Act, and his attitude during the last Parliament had been discussed. That attitude was still his attitude, notwithstanding he was associated with the Attorney General from whom he differed in this matter. It was because he conscientiously believed that we should try to do something to bring about a reform in the liquor traffic that he had moved in the last Parliament to fix the compensation as time compensation. In every part of the world the matter of compensation was one of the main questions on which there was dissension. Had it not been for the objection to compensation Great Britain would have had a Local Option Bill 40 years ago, and he had considered it would be a good way to get out of the difficulty to decide definitely on a term of years and to tell those with existing licenses that after that period of years they could not look for any further consideration in regard to their rights to renew their licenses. If we decided to close certain hotels by the vote of the people without giving due notice in that respect it would be unfair. That was the opinion he held during the previous Parliament. It was true licenses were granted for 12 months only, but it was implied that if the licensee conducted his premises in accordance with the Act in all probability the license would be renewed. Not only that, but the conditions of the old Licensing Act were such that before a person could be granted a license it was necessary to submit plans and specifications of the building, and the licensing magistrates had the power which they exercised in a number of instances of causing the expenditure of more money than it was originally intended to spend and which sometimes was quite unnecessary. No one would accuse him of being hand in glove with those who were engaged in the liquor traffic. Perhaps he had spent more time than some of the gentlemen who wrote letters to the Press in endeavouring to prevent the issue of unnecessary licenses. He had been engaged in this work in a legitimate man-

ner, and the views he held to-day were similar to those he had always held.

Mr. DWYER: The amendment would receive his support. While it did not interfere in the slightest with the principle of local option, at the same time it endeavoured to give some compensation to persons who were liable to be injured financially owing to the carrying of an adverse resolution. If we considered how licenses had been and were being granted, we would say that bare justice required there should be some compensation. It was necessary when an application was being made, to submit a plan, and unless it was an elaborate plan the application was thrown out. It had happened that licensees had been told that unless they carried out necessary improvements their licenses would not be renewed, and these people had been compelled to alter their buildings. If a publican's general license was to be looked upon as conveying nothing more than the privilege of selling intoxicating liquor for twelve months, it would be absurd to require so much attention to detail in regard to the buildings. Then the proprietor and the lessee had an assurance that if the business was conducted properly the renewal of the license would be granted from time to time.

Mr. E. B. Johnston: No promise of a renewal at all.

Mr. DWYER: There was, and he hoped there always would be an implied promise to renew the license where so much had been required of the licensee. True there was no legal promise, but it was implied and morally binding. There was nothing in the amendment which would conflict with the principle of local option. With regard to compensation, the fairest and most efficient way was that provided in Victoria, namely, that if a hotel in a district was abolished the remaining hotels should contribute the necessary amount to compensate the owner and the licensee.

Mr. Turvey: A good scheme too.

Mr. DWYER: It was a principle that he believed in, but he had been led to believe that it would be impossible to carry it in this Chamber, and therefore he had decided to support the amendment moved by the member for Northam. He regret-

ted there was no provision in the Bill by which the Government could acquire hotel property and give proper compensation to owners and lessees.

Mr. HARPER: The amendment was deserving of support. He was sure that no hon. member desired to deprive people of their just rights. It was a time-honoured custom in this State that hotel licenses should be continued from year to year. It would be a grave injustice indeed to practice confiscation by abolishing such a license at a year's notice. Hotels that afforded good accommodation were deserving of every encouragement. It was wholly unreasonable to suppose that any man would go to the expense of erecting and equipping a superior class of hotel the license of which would be held merely on sufferance. If we were to adopt a system of temporary licenses, which might be withdrawn at any time, the accommodation to be found in a house held on such tenure would be of very inferior quality indeed. It was a common thing in Western Australia for the licensing court, when considering an application for a provisional license, to insist upon accommodation far ahead of immediate requirements. How unjust would it be to capriciously withdraw a license, from such a place after it had been held for 12 months or two years. The further one went into the Bill the more apparent did its defects become.

Mr. ALLEN: Like other hon. members he was utterly opposed to anything in the nature of confiscation, and therefore he would support the amendment. In the past the great objection to the principle of compensation had been based on the then popular belief that the only source from which compensation should be drawn was the State exchequer. However, that idea had long since exploded, and with it had disappeared the only valid objection to the payment of compensation. No sane person would dream of putting up a costly building if the license was to continue merely for 12 months. If in the event of a licensed house being improperly conducted it was thought desirable to cancel the license, there was ample provision for the taking of this course. It was preposterous to

suggest that a license should be capable of being withdrawn without valid reasons. He hoped the Committee would agree to the amendment.

Mr. E. B. JOHNSTON : The amendment was simply a deliberate attempt to kill the whole Bill. If the amendment were agreed to there would be no reform at all for the next nine years. The basic principle of the Bill was the placing of the control of the liquor traffic in the hands of the people ; but the amendment meant that the people would not be allowed to exercise that control for another nine years. There would be no advantage in taking the Bill any further if the amendment were carried. At the present time the holder of a licensed house secured the license for one year, and the Bill merely proposed that when such license ran out it should not be renewed. With the issue of a license the State gave a man a valuable monopoly for nothing ; and when the people of the State said that the concession should not be renewed why should we compensate the man who had already enjoyed for a number of years a most valuable privilege ? It had been amusing to hear the member for Perth pleading for the hotels in Perth—in Perth, of all places. The majority of the hotels in Perth were wretched, tumbledown rookeries, which should not be licensed at all ; places right in the heart of the City such as the Shamrock, the Criterion, the rookery at the corner of George-street, the Empire : all these places had no accommodation, and were not fit to be licensed. It was a disgrace to the Perth licensing court that these places should be holding licenses to-day. Even in a place like Albany, the standard of hotel accommodation was immensely superior to the standard of Perth. He hoped that when next the Attorney General had an opportunity of filling the position of police magistrate for Perth he would appoint a man who would see to it that these places were rebuilt. Members of the Committee should consider the interests of the people, and not those of a handful of rich landlords who had already made huge profits. The *London Times*, a journal which could not be regarded as

prejudiced in favour of the temperance party, had said of this question—

To put the case in half a dozen words, the profits in which the liquor sellers now claim a vested interest are realised to a vast extent at the cost of popular degradation, vice, and misery ; and the question is simply whether the Legislature of a country is not justified in placing with due consideration the welfare of the people above the gains of a trade.

He hoped the Committee would put the welfare of the people above the gains of a trade. Let us trust the people and not perpetuate the present bastard local option measure now on the statute-book.

Mr. TURVEY : One had never listened to such extreme views on the local option question as those which had just emanated from the member for Williams-Narrogin. The hon. member was not in favour of giving the slightest degree of compensation, and had stated that some of the hotel buildings would not have been put up as boarding houses only. Would it be thought for one moment that if it was for a boarding house only, an applicant would appear before a licensing bench with plans of a building costing £15,000 or £20,000 if he thought that his interests might be swept away in a period of twelve months ?

Mr. Dwyer : It is ridiculous.

Mr. TURVEY : The hon. member was right in saying that the State should take into consideration the immense profits that some individuals were deriving from the liquor trade, but that was a matter to be dealt with by an amendment of the Licensing Act, and he hoped that when the Attorney General brought down his amending Bill next session more control would be taken over the immense amount paid for ingoing in connection with some hotels. He had found some of the hotels of Perth provided excellent accommodation, and whilst there might be some which had not good accommodation that fact did not justify a scathing denunciation of them all. The point he wished to emphasise was the necessity for giving

compensation of some sort. There had been hotels recently erected at a cost of £10,000 or £15,000 and yet the member for Williams-Narrogin thought it would be fair to give to the people the right to take away from the licensee that which had been granted to him by the State. Whilst he was not wedded to this particular form of compensation he realised that it was absolutely just that some measure of compensation should be given, and therefore he intended to support the amendment.

Mr. B. J. STUBBS: A satisfactory feature of the discussion was the fact that no member had advocated monetary compensation, and he was sure that in five years' time those members who were to-day advocating time compensation would discard that also. Licenses in connection with the liquor trade had been granted only because the traffic was of such a dangerous character that it was essential in the interests of the people that it should be controlled. The licenses were issued by a body created by Act of Parliament, and to use the argument that because they had been granted by a statutory body there was some implied promise that the people would never be able to take away the licenses by an amending Act of Parliament was illogical. Parliament which had created an Act under which the license had been granted, could create another Act under which the licenses could be taken away. There was no reason whatever why compensation should be granted to the liquor interests. As the Premier had pointed out we did not give compensation to an orchardist on whose property a dangerous pest had been discovered. The State simply destroyed his orchard. Similarly, if a diseased cow was found in a dairyman's herd the animal was destroyed and no compensation was paid. Another instance was that of the people who had been engaged in the condensation of water on the goldfields, and whose livelihood was taken away by the completion of the Goldfields Water Scheme. When those people waited upon the then Premier (Sir Walter James) and asked for compensation on the ground that their liveli-

hood had been taken away they were laughed at, and if those people who had invested their capital in an industry which had been highly beneficial to the State were not entitled to compensation why should compensation be paid to persons engaged in a traffic that was injurious to the community? He hoped the amendment would not be passed.

Mr. UNDERWOOD: There was no possible shadow of doubt that the last Parliament had given an understanding to those engaged in the liquor traffic that there would be no vote on this question for ten years. The amendment moved by the member for Northam was really contained in Section 77 of the Licensing Act, and if that hon. member had not moved it some other member would have done so. The question had been thoroughly considered by the last Parliament. The Act which was carried by a fairly large majority gave those engaged in the liquor traffic 10 years' notice. We were dealing with people who had purchased hotels and the leases and goodwill of hotels, and in that respect this legislation differed from general legislation. When Parliament gave people an understanding in the shape of an Act, Parliament should stand by it. Our ancestors had been taking alcohol for untold centuries without restriction, and we could continue for another eight years. Only rarely did intemperate temperance advocates stick to facts. The member for Williams-Narrogin tried to persuade the Committee that the unexpired period was nine years.

Mr. E. B. Johnston: It will take a year to bring it into force.

Mr. UNDERWOOD: The hon. member put up a good case for giving licensees reasonable notice. He condemned buildings like the Shamrock and Criterion hotels. To put up better buildings would cost £10,000, but the hon. member claimed that the licensing bench should demand better buildings, and on top of that he said the licensees had no right to any guarantee of security for the future. The Criterion hotel was one of the most comfortable at which a bushman could put up. The Criterion and Shamrock were respectable places, and not to be com-

pared with the ordinary boarding-house or the old rookery known as "Riley's happy home" which formerly stood in Murray-street. If there were no hotels, that was a sort of ramshackle at which visitors would have to stay. The profit made from the sale of intoxicating liquors enabled the licensees to provide comfortable accommodation for visitors. The member for Williams-Narrogin, being a member of the Weld Club——

Mr. E. B. Johnston : That is absolutely untrue.

The CHAIRMAN : Order !

Mr. E. B. Johnston : I cannot allow that remark to pass.

The CHAIRMAN : Order ! The hon. member must withdraw the word "untrue."

Mr. E. B. Johnston : I withdraw.

The CHAIRMAN : Now the hon. member can take any objection.

Mr. E. B. Johnston : I wish to explain that the hon. member has made an absolutely incorrect and misleading statement which is liable to affect me prejudicially, and I ask that it be withdrawn.

Mr. UNDERWOOD : I regret that I made a statement which is not correct.

Hon. Frank Wilson : It is the West Australian Club.

Mr. UNDERWOOD : The information appeared to be reliable, and he accepted the hon. member's denial. If it was not the Weld Club, it was another

Hon. Frank Wilson : The West Australian, a better Club.

Mr. UNDERWOOD : One could appreciate the sentiment that the hon. member would not go to the Weld Club because Asiatic cooks were employed. Regarding money compensation he had never favoured such compensation being paid by the State, and he had never heard it advocated in Parliament. The best way of making compensation was that proposed by the late Attorney General, somewhat on the lines of the Victorian system, and if it was possible he would like to see it introduced into this measure. There was a certain amount of trade to be done, and whether there were three or six hotels the same amount of alcoholic liquor would be sold.

If one half of the hotels were closed the remaining houses would get the benefit of the increased trade, and those houses should bear the compensation for those which lost their licenses.

Mr. Heitmann : Suppose the trade is dying and not increasing ?

Hon. Frank Wilson : They would be kept alive all the longer.

Mr. UNDERWOOD : As with a grocer's shop so with an hotel, when there was not sufficient business, they should close up on their own account. Some hundreds of hotels had been closed. Practically from Perth through the gold-fields to Kimberley and Hall's Creek little centres could be found where mining had been undertaken and where one or two hotels had been opened, but the mining had ceased and the hotels had closed. The man running an hotel was the best judge as to whether it was a paying proposition or whether it should be closed. It was a fallacy to imagine that the closing of hotels would diminish the consumption of alcohol. The member for Subiaco (Mr. B. J. Stubbs) said these premises were licensed because they were a source of danger. By the same token billiard tables, eating houses, and dozens of other things for which licenses were issued must also be dangerous. Those who had built hotels had done so on the assurance that they would get a license for a considerable period. Without that assurance they would not have built, and that being the case they were entitled to consideration. The argument regarding the Coolgardie condensers was not a parallel case.

Mr. DWYER : In his remarks he had not referred to Perth hotels particularly but to hotels generally. The principle of the amendment would apply to the whole state. The member for Williams-Narrogin displayed a most intimate knowledge of the holes and corners and crevices in some of the older hotels of Perth. He had been inside all the hotels mentioned by the hon. member, and though in a few cases some repairs would have improved them, he had not seen the terrible evidence of dilapidation, insanitariness, and disagreeableness which

had been depicted. The hon. member must have been poking his nose into the darker corners. The hon. member also took the opportunity to attack the Perth police magistrate and suggest he should be changed because he granted renewals of licenses to certain hotels, but that magistrate acted thoroughly conscientiously in licensing matters, and the hon. member's attack was an unnecessary, unprovoked and unmerited slur on him. In several cases renovations and fresh plans had been required by this magistrate before licenses were renewed. As a matter of fact all the hotels mentioned by the hon. member were well conducted, and even the Shamrock, though it looked the worse for wear, still was a venerable place and better liquor could not be obtained anywhere else in Perth. In considering this question we must take into consideration the position of one who purchased or built an hotel in 1910 at a cost of £6,000. By a vote next year were we to deprive that man of the fruits of years' of industry and certainly all the money he invested? It was an untenable proposition. The State was in honour bound to observe the provisions of the Act. Probably a poll in Yilgarn would decide to reduce licenses, and it might mean that those who leased blocks from the Government for ten years at Bullfinch and carried out the stipulation of the Government to erect costly buildings would be involved in heavy loss. That would be an absolute breach of faith. There was no analogy to be drawn from the case of the owners of condensers who were deprived of their livelihood by the construction of the Coolgardie Water Scheme. Those men were not called upon by the State to erect plants of a certain kind. Nor did we call upon the vigneron to plant a special class of vine. There was no analogy between these cases mentioned by the member for Subiaco and hotels where Parliament stipulated that a certain class of building should be erected. The Act clearly showed that the right of renewal was implied. The word "renewal" first appeared in Section 26, Subsection 3, and in Section 28 defining publicans'

general licenses there was no mention that the licenses should continue for a year and no further. Section 43 provided that a license should remain in force for a year.

The Attorney General: And no more.

Mr. DWYER: It provided that the license should remain in force until the 31st day of December in the year for which it was granted, and nowhere in the Act did it say that the license was to last for no more than the last day of the year for which it was granted.

The Attorney General: It does not say it shall continue to the next year.

Mr. DWYER: That was implied, and the Act spoke of renewals right through the sections.

The Attorney General: A renewal is equal to another application.

Mr. DWYER: There were clear grounds stated upon which a renewal could be refused. It was absolutely implied that when the license was granted it would be renewed from year to year upon the good conduct of the licensee, and a renewal could only be refused on the grounds mentioned in Subsection (a) of Part X., dealing with wrongful behaviour of the licensee, the condition of the premises and three convictions for offences against the Act.

The ATTORNEY GENERAL: It was the custom to regard a license as perpetual property, but except in one instance under the Privy Council, which had been questioned, in no case had it been held that there was endurable interest in a license beyond the twelve months. All a man got by taking out a license was permission to sell spirituous liquor for twelve months and not a day longer. If a man sold liquor a day longer without a further application to the court, he forfeited his right to renewal.

Mr. Wisdom: So there is a right to renewal?

The ATTORNEY GENERAL: The licensee forfeited his right to apply and put himself out of court so far as obtaining another license was concerned. The word "renewal" was used for brevity. It meant *de novo*. The application for a so-called renewal was an application for

twelve months—another twelve months certainly, but only twelve months; and the fact of having to approach the court showed it was necessary to take out a further license, and that the existing license was waste paper at the end of the year. Even the section that was read by the hon. member distinctly admitted the principle which he (the Attorney General) was contending. It said—

The court may refuse the application for renewal and against such refusal there shall be no appeal: provided also that the renewal of any license granted after the commencement of this Act for premises not licensed at the commencement of this Act, shall, subject to the provisions of Part V. of this Act, be in the absolute discretion of the court.

Where we "may" refuse we gave to the court discretion; that was the point. Then Section 53 provided that no compensation should be paid to any person by reason of the refusal of the court to renew any license.

Mr. Wisdom: Read paragraph (b) of Section 52.

The ATTORNEY GENERAL: The hon. member knew it.

Mr. Wisdom: I want the Committee to know it.

The ATTORNEY GENERAL: It read—

Provided that if the license has been allowed to expire or is liable to be forfeited or cancelled under any of the provisions of this Act, the court may refuse the application for renewal.

It was as wide and as comprehensive as anything could possibly be. All these matters could be considered by the bench and the bench had absolute discretion. Whenever the case had been submitted to the court the decision had been that there had been no further interest than the 12 months. That point then might be taken as clear, that so far as the law went a publican had no vested interest in his license beyond 12 months.

Mr. Dwyer: He has an implied right.

The ATTORNEY GENERAL: The hon. member contended that at best there was only an implication, that custom would carry it on, that was to say that a man investing in that kind of property had a sort of understanding that he would not be interfered with so long as he behaved himself. The implied assurance was no more than the habitual attitude towards the publican. There was no promise, no assurance, no guarantee; it terminated at the end of 12 months when a new license had to be asked for.

Mr. Wisdom: A renewal.

The ATTORNEY GENERAL: It was a new license. The first license was one, the renewal was another, and that was the second license. It was not the same document, it was not the same authority, it required two attendances at the court to obtain the two. The applicant had to go through like formalities in each and on the second time, as on the first, all objections usually taken could be taken. The license would not run beyond the day mentioned in the Act. It expired.

Mr. Wisdom: If not renewed.

The ATTORNEY GENERAL: The renewal was a fresh authority of the court to continue for the next ensuing 12 months.

Mr. Wisdom: The Act says renewal.

The ATTORNEY GENERAL: The Act took the view that he was taking, and provided the machinery for carrying out that view. He was bound to admit that there was an element of equity in the assertion that a man spending his thousands of pounds expected to have some security for that expenditure; but when we faced another problem, when we looked on the one hand at the justice in considering the compensation to a landlord who had spent his money, and we contrasted that with the evil that was being done to the community by the existence of the traffic, we would have to say that the public welfare should be the first consideration, and in the prosecution of public justice, in the furtherance of public rights, in the maintenance of public health, private interests must be subordinate.

Mr. Wisdom: Then why erect State hotels?

The ATTORNEY GENERAL: Because we were erecting them subject to all the provisions he had indicated, and we would cause them to cease the very moment the people declared they were a danger to the district. For not a moment would he lend his advocacy to the establishment of State hotels or their continuance if he believed that the State by that method would obtain an agency which would cause the liquor traffic to exist for ever. If he believed himself foisting upon the public an evil, the nature of which it would be impossible to describe—

Mr. Wisdom: If you are logical you must believe it.

The ATTORNEY GENERAL: What he believed and what was his firm conviction was that in the course of a few years State or private hotels would, by the natural growth of the moral character and the intelligence of the community, be swept out of all existence. In the proposals the Government made, nothing more was done than in the public interests in every other case. The Municipalities Act provided that we should compel builders to erect buildings of a certain kind. We interfered with them as we interfered with builders of hotels, and we not only could order a man to destroy or remove, or alter a building in which he had his vested interests, but if he refused to do that we could send our own servants to pull it down or alter it in the interests of the public, and we could cause the landlord to pay the costs. Why did we want these palatial mansions for hotels? Was it for the liquor trade; was that the purpose? No. Hon. members knew that the spirit of the age was such that it recognised as subordinate the evil part of the business, that of liquor selling and that the legitimate purpose of the hotel was the accommodation for visitors. We said, "If you have these licenses from us, you shall have clean and commodious bedrooms, and that these may be multiplied to meet the necessities of travellers; you shall have your dining rooms, your sitting rooms, your furniture such as will make comfortable the traveller; the mere supply of the tap room shall be subordin-

ated to the comfort of the traveller." That was for the purpose of this, just as the local governing laws provided for the comfort of citizens in ordinary residences, prescribing that the structure should be built in a certain way, of certain material, to a certain alignment.

Mr. Wisdom: Where is the *quid pro quo* for all this expense you demand from the publican—one year's license?

The ATTORNEY GENERAL: Yes. Everybody knew there was a possibility of the license lasting for only one year. The licensee knew that his license might be sacrificed for any of a score of different reasons. He ran that risk, and the profits of the trade has been so enormous that the licensee was willing to take the risk. To discourage the licensee from taking the risk, and to diminish the traffic, the spirit of the law had said, "Make it difficult to obtain a license; make it expensive by prescribing substantial buildings, and then make the license liable to forfeiture." If the Bill went through, the best hotels would continue to stand, although some of those which had not made proper accommodation for travellers, which were mere drinking dens, would have to go.

Mr. Allen: But that is being done every year when they apply for their renewals.

The ATTORNEY GENERAL: No. Even on the licensing court there seemed to be a sense that by withholding a renewal they were turning a man out of his employment, or a woman out of her house. And then there was ever the commiseration for the poor landlord. "There should be compensation for the landlord." But where was the compensation for a ruined home, for the death of a breadwinner, for the imprisonment of a misguided son?—calamities all of which were to be charged against the traffic. Under the Bill the best of the licensed houses would be left. But even supposing that all were abolished, that we had no more licenses, and it was asked what was to become of the palatial mansions which previously had enjoyed a license? As a matter of fact, in the great cities of the world they were building accommodation houses, hostels, call them what one might, equally

palatial with the best hotels hitherto constructed. We would always require accommodation for the travelling public with good rooms and clean beds, and these palatial mansions would meet the purpose. So there was no great danger even to the landlord if the clause was carried. He regarded legislation upon appetite as more or less of a farce, and this was why he had put no limit, fixed no duration, upon a vote of the future. By all means let the people vote in 1914, and if they were intelligent enough to vote for reduction, let us have that reduction. It was better to elevate the community than to pass laws. The duty of every man was, first, to enlighten himself, and then to enlighten his fellows. If the bulk of the community in 1914 came to the conclusion that drink was unnecessary and a danger to the community, and inimical to the national welfare, why should we seek to prevent them from putting their vote into execution? Why should we not leave the future unfettered? Hon. members talked and prated of liberty and yet they asked Parliament to put chains on the wrists, mental efforts, and moral habits of the people. There was to be no voice and no agitation, but the people were to be bound down for a period of time on one of the greatest questions of the twentieth century. It was asked that for 18 years the people should be dumb and helpless on this great question. In the voting to-night he was keeping in mind compensation to the victims of drink, and he trusted that the mere compensation to those who had engaged in the traffic with their eyes open would not obliterate the necessity for considering the unfortunates who had been victimised by the traffic.

Mr. E. B. JOHNSTON: Earlier in the discussion he had said that in his opinion the Perth licensing bench had failed in its duty in continuing to license tumble down hotels that were not fitted to be licensed, but he recognised fully the long and valuable services which the police magistrate had rendered to the State and his worth as a citizen and magistrate. He certainly had no intention of making a personal attack upon that gentleman.

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

Ayes	22
Noes	11

Majority for 11

AYES.

Mr. Allen	Mr. Monger
Mr. Angwin	Mr. Mullany
Mr. Dooley	Mr. O'Loughlin
Mr. Dwyer	Mr. A. N. Piesse
Mr. Foley	Mr. Swan
Mr. Harper	Mr. Taylor
Mr. Hudson	Mr. Turvey
Mr. Lefroy	Mr. A. A. Wilson
Mr. Lewis	Mr. F. Wilson
Mr. McDowall	Mr. Wisdom
Mr. Mitchell	Mr. Underwood

(Teller).

NOES.

Mr. Carpenter	Mr. Munsie
Mr. Collier	Mr. Scaddan
Mr. Gill	Mr. B. J. Stubbs
Mr. Johnson	Mr. Walker
Mr. Johnston	Mr. Heitmann
Mr. McDonald	

(Teller).

Amendment thus passed; the clause as amended agreed to.

Clauses 5, 6, 7—agreed to.

Clause 8—Resolution D, how given effect to:

Mr. WISDOM: If resolution D was carried, would eating house, boarding house, and lodging house licenses be affected?

The Attorney General: Yes, all licenses for the sale of alcohol.

Mr. WISDOM: Those establishments did not sell alcohol, they were only licensed to supply it, and it seemed harsh that they should be closed down.

The Attorney General: Under the definition of "license" all licenses permit of the sale of alcohol.

Clause put and passed.

Clause 9—agreed to.

Clause 10—Provisions applicable as between lessor and lessee:

Mr. WISDOM: Would it not be possible to give an opportunity for the licensee and lessor to come together and arrive at an agreement as to the rent and ingoing?

The ATTORNEY GENERAL: This was purely a provision which might be exercised by the lessor and under the following subclause by the lessee. It was

only a permission that within fourteen days after the license ceased, he could give the lessee written notice of determination. That was when there was no understanding between the two and when the lessor wanted to get rid of the tenancy and use the building for other purposes.

Clause put and passed.

Clauses 11, 12, 13—agreed to.

Clause 14—Power to grant licenses or establish State hotels where no licensed premises within 15 miles:

Mr. DWYER: Regarding paragraph (a) presumably the State could not apply for a license outside of the 15 miles radius where a private person could do so. Under this measure the State could apply and it was in this superior position that the court might, if the Minister consented, grant a license to a private person. If a person went before the bench with the Minister's approval, it was a million to one that he would get a license in spite of the word "may."

The Attorney General: The written authority would be given, not to the applicant but to the court, and if there were several applicants the court would decide.

Mr. DWYER: If all and sundry could apply, there did not seem to be any objection.

Mr. E. B. JOHNSTON: The clause was objectionable because it appeared to be giving a blank cheque to the Government to establish hotels wherever they liked. Under the clause, the Government would not have to consider a local option poll on the question of an increase of licenses. The main question at a local option poll was whether licenses should be increased or not. A majority may have voted against fresh licenses, but on a second and entirely subservient vote they may have decided that if an increase was carried they would prefer a State to a privately owned hotel. The Government were trying to put the second question ahead of the primary one. The clause would throw the onus of getting up a petition against the hotel on the people who did not want an hotel. As the Government would benefit from the establishment of a State hotel, why should the people who

did not want it have to spend their time and money travelling to a licensing bench to keep it away? Surely it would be better for the Government to get up a petition to show that the people wanted an hotel, and not throw this work on the temperance section of the community. There was no need for the Government to apply to a licensing bench when they wished to establish an hotel more than 15 miles from an existing hotel. That was a wrong provision. The bench should be permitted to say whether an hotel was required at all. Was it intended by the Government to establish hotels all over the country?

The Attorney General: No; the meaning is that it shall be a State and not a private hotel.

Mr. E. B. JOHNSTON: Would the Government accept an amendment that they should establish hotels only where the people voted in favour of an increase of licenses?

The Attorney General: Is not that provided for?

Mr. E. B. JOHNSTON: No. The clause provided that where the people had voted against an increase, the Government could establish an hotel, provided the people had voted in favour of a State hotel in preference to a private hotel if an increase was carried.

Mr. Dwyer: It must be 15 miles from an existing hotel, and it must be advertised and there must be no objection to it.

Mr. E. B. JOHNSTON: The whole onus of getting up a petition was thrown on the temperance people, and that was being done although a majority might have voted against an increase. The clause would really enable the Government to nationalise the liquor traffic where the people in the district did not want an hotel. He believed in nationalisation where the people voted for an increase, but not otherwise. The Government should withdraw the clause and substitute one to the effect that new hotels should be State hotels if a local option poll showed that the people in the district affected wanted an hotel. Surely that was reasonable!

The ATTORNEY GENERAL: If the hon. member read the provisions carefully he would see that the public were amply safeguarded. First the Bill tried to prevent the obtaining of a license by a private individual, and then it was made lawful for the Minister to establish a State hotel provided that it was 15 miles away from any other, and if at a poll taken in the district before the commencement of the Act a majority voted for State as against private licenses or at a subsequent poll, a majority of the votes was in the affirmative if Resolution C was carried.

Mr. E. B. Johnston: And they have already voted against an increase? The Minister for Works: Resolution C is for increase. Mr. E. B. Johnston: No. The ATTORNEY GENERAL: Yes, it was.

Mr. E. B. Johnston: You are still adhering to the old poll. The ATTORNEY GENERAL: This question had not been answered. The Government did not want to put hotels where they were not requested and not wanted, and would not be a benefit to the community; but the measure went further and provided that if there was a petition against the proposal, the Government would hold their hand. Nothing could be fairer.

Mr. DWYER: The verbiage of paragraph (a) was not satisfactory. Would the consent of the Minister first be obtained or would the applicant first approach the bench and then go to the Minister and get his consent? The Attorney General: There is provision for rules and regulations. Mr. DWYER: It was merely his desire to direct the Minister's attention to the faulty drafting of the paragraph. Hon. J. MITCHELL: The Minister was right in taking power to establish State hotels where they were required, and he must make provision for providing licenses where the Government were not prepared to establish hotels. The Government must be consulted; otherwise they would be unable to establish hotels. The wording of paragraph (a) was not

amended agreed to. Hon. J. MITCHELL: But in that case the license had to be granted by the licensing bench, whereas under this Bill the Government could simply determine to establish an hotel without any license from the bench. The Attorney General: The Crown always have the power to license itself. Hon. J. MITCHELL: Then why was there need to bring down a Bill to establish State hotels? The ATTORNEY GENERAL: We are only satisfying form by introducing that measure.

Hon. W. C. Angwin (Honorary Minister): As Rothnest was not 15 miles away from an existing license this Bill could have no effect. Many people preferred State hotels to private hotels. No matter what Government were in power they could be trusted not to put an hotel where it was not required. Mr. E. B. JOHNSTON moved an amendment—
That after "relates" at the end of paragraph (a) the words "provided that notice shall be given in the Government Gazette" for one month of the Minister's intention to grant such consent" be inserted.
Amendment passed, the clause as amended agreed to.
Clauses 15 to 18—agreed to.
First and Second Schedules:
The CHAIRMAN: The schedules would be consequently amended in accordance with the decision of the Committee.
Schedules put and passed.
Third Schedule:

Mr. WISDOM: The resolution to be submitted in this schedule was, "If resolution C is carried, are you in favour of the establishment of State hotels in the district?" Would it not be well to insert the word "only" before "State" in order to make it clearer to the voter that if the number of licenses in the district was to be increased, he was asked whether he agreed to the establishment of nothing but State hotels.

The Attorney General: That would mean that existing licenses would cease.

Mr. WISDOM: It only applied in the case of an increase of licenses, and the Bill gave the Treasurer the first option to erect State hotels in such circumstances. It would give the voter the knowledge that his vote on resolution C would be contingent on the establishment of nothing but State hotels.

The ATTORNEY GENERAL: In the event of the State not establishing hotels, to amend the schedule in the direction suggested would preclude private licenses being issued, though the people in the district desired an increase of licenses. The vote under this schedule was merely a sort of warranty to the Government that they were acting rightly in providing State hotels.

Schedule put and passed.

Title—agreed to.

Bill reported with amendments.

BILL—FREMANTLE HARBOUR TRUST AMENDMENT.

Council's Amendments.

Schedule of three amendments made by the Legislative Council now considered.

In Committee.

Mr. McDowall in the Chair; Hon. W. C. Angwin (Honorary Minister) in charge of the Bill.

No. 1—Clause 2.—Strike out paragraphs (b) and (c) and insert the following paragraph to stand as (b):—"For loading and unloading vessels owned by the State Government":

Hon. W. C. Angwin moved—

That the amendment be not agreed to. There had been a long discussion on this question on both the second reading and

in Committee. The clause as it was in the Bill was in the best interests of Fremantle.

Hon. Frank Wilson: Report does not say so.

Hon. W. C. ANGWIN: Members thought so. The Bill was drafted at the request of the Commissioners. It had been said that there was no request for it, but he had been assured that there was.

Hon. Frank Wilson: From whom?

Hon. W. C. ANGWIN: The Bill was drafted by the solicitor of the Harbour Trust Commissioners.

Hon. Frank Wilson: The Commissioners had since decided against it.

Hon. W. C. ANGWIN: The request was that power should be given to the board to do the work of stevedoring. There was no need to go into the details again. The matter had been thoroughly debated.

Hon. FRANK WILSON: So far as was known there had not been any request whatever for this power. The Harbour Trust through its secretary and its solicitor, wished to have the power to do the stevedoring of vessels, but lately they had stated they were not desirous that it should be given to them. The Minister should reconsider his decision, because he would only jeopardise the Bill by refusing to agree to the request. The Minister wanted members to believe that the work of the harbour was carried on in such a manner that possibly in the near future the Trust might have to step in to see that it was properly carried out, so as to preserve the good name of the port. That was absurd. The port had been built up by the enterprise of the people connected with the shipping industry, and if this power was given to the board the very fact of the board having it would naturally induce people using the harbour to go to the Trust and say, "We want you to carry out this work." The Committee should agree to the amendment made by the Legislative Council.

Question put and a division taken with the following result:—

Ayes	24
Noes	7

Majority for 17

AYES.

Mr. Angwin	Mr. Munsie
Mr. Carpenter	Mr. O'Loughlin
Mr. Collier	Mr. Scaddan
Mr. Dooley	Mr. B. J. Stubbs
Mr. Dwyer	Mr. Swan
Mr. Foley	Mr. Taylor
Mr. Gill	Mr. Turvey
Mr. Hudson	Mr. Underwood
Mr. Johnson	Mr. Walker
Mr. Johnston	Mr. A. A. Wilson
Mr. Lewis	Mr. Heilmann
Mr. McDonald	(Teller)
Mr. Mullany	

NOES.

Mr. Allen	Mr. F. Wilson
Mr. Mitchell	Mr. Wisdom
Mr. Monger	Mr. Lefroy
Mr. A. N. Piesse	(Teller).

Question thus passed, the Council's amendment not agreed to.

No. 2, Clause 3—Strike out this Clause :

Hon. W. C. ANGWIN : If any part of the Bill was justified it was Clause 3. It was to the advantage of the importers and the merchants that the powers therein contained should be given to the Harbour Trust.

Mr. Allen : Did they ask for it ?

Hon. W. C. ANGWIN : No, but they had asked that the Harbour Trust should take the responsibility for the goods landed, and they were willing to pay for it. The hon. member had heard the Shipping Association and the Oversea Shipping Association, and the committee of the Fremantle Chamber of Commerce, who were all the same people representing three different bodies, condemn the clause, but the hon. member had not heard the Perth Chamber of Commerce condemn it. On a previous occasion the hon. member had declared that the Harbour Trust ought to be able to meet the responsibility for damaged goods out of the profits they were making, and the hon. member had inferred that those profits had amounted to some £4,000 per annum. As a matter of fact, for the year ended 30th June last the total amount of profit made through the handling charges amounted to £269. How would the hon. member get sufficient from that sum to take on the heavy responsibility involved ? The total amount paid in wages by the Trust

had amounted to over £26,000, while all charges, for the hire of machinery, cranes, etcetera, and wages incurred in the handling of cargo amounted to £35,000, out of which, a profit of £269 had been made. Was it reasonable, therefore, to ask them to accept extra responsibility ? He was convinced that it was the desire of the resident traders in Western Australia that the Harbour Trust should take this responsibility, and he believed those people were willing to pay the small charge which would be made. He moved—

That the amendment be not agreed to.

Mr. MONGER : It was interesting to see how another place had dealt with the Bill, leaving us only the Title and Preamble, having thrown out everything else.

The CHAIRMAN : The hon member was not in order in thus referring to another place.

Mr. MONGER : Seeing the debate that had taken place in another place—

The CHAIRMAN : The hon. member had no right to allude to the debate in another place.

Mr. MONGER : It was his intention to support the amendment.

Hon. FRANK WILSON : This was another clause which he thought it had been fairly shown was unjust, and he hoped the Committee would refuse to accept the motion moved by the Minister. The matter had been fully thrashed out when the Bill was previously before the Committee, and he did not propose to reiterate the arguments advanced on that occasion. The Minister was in error in asserting that it was the wish of the importers that this legislation should be passed. The Harbour Trust had taken over this work at the request of the merchants of the Port when the Trust would not take any responsibility for goods passing through their sheds. That position was forced on the merchants and the shipping companies. The latter claimed, justly, that their responsibility should end with the discharge of the cargo, when it was received by the Trust's servants, and that they should not be held responsible for ullage or damage during the time it was in the care of the servants

of the trust. Because the trust would not accept the responsibility from the ship's slings to the sheds or carriers, the Harbour Trust were asked to take over the work, and immediately the Trust imposed an extra charge of 3d. a ton to cover that liability. Now we were asked to legislate that ships should not work overtime in the loading or discharging of cargo, except with the written permission of the commissioners. That was the way we were going to make the harbour popular.

Hon. W. G. Angwin: That is very necessary.

Hon. FRANK WILSON: Ships should be allowed to work during any hours. Then we were asked to legislate that the commissioners might make such charge as they deemed fit to cover the liability for working overtime, and also require the ship owners to indemnify the trust against loss, for which liability the trust were already making an extra charge. If we wished to make the harbour renowned for putting obstacles in the way of shipping this Bill would do it. If the Minister was wise, he would agree to the amendments or drop the Bill altogether. The harbour was doing very well under existing conditions, and why should we hamper the shipping companies and merchants with restrictions which were unnecessary, and were only playing into the hands of an official who desired extra powers for the aggrandisement for his own position?

Mr. ALLEN: These extra charges which the trust desired to make would be passed on to the consumer. We were crying out against the increased cost of living, and this was one of those things that would tend towards that increase.

Hon. W. C. ANGWIN: Can the State do the work for nothing?

Mr. ALLEN: The Minister had already said that the commissioners made a profit of £200, and they ought to have made more because they were receiving an extra charge of 3d. per ton. It had been proved repeatedly that although the Trust officials said that certain goods had been short shipped, the extra cargo was in their hands all the time. He failed to see the need for interfering

with the present conditions. The work was being carried on satisfactorily and neither the shipping companies nor the merchants had asked for this change.

Hon. W. C. ANGWIN: As a matter of fact the merchants took all the responsibility to-day, because the shipping companies' bills of lading were so worded as to fully protect them.

Mr. Allen: Do you know that the shipping companies pay thousands of pounds in claims every year?

Hon. W. C. ANGWIN: The shipping companies did not pay as much as the hon. member might think. In 1906 the then Government found it necessary for the harbour trust to be able to make regulations to exempt themselves from any liability, and also to put increased charges on agricultural machinery, double the amount which the harbour trust requested, in order to carry on work in connection with the Fremantle harbour. In addition to raising the charges on agricultural machinery from 3d. to 6s., a harbour improvement rate of 6d. per ton was imposed. The then Government saw the necessity of taking revenue in every way possible from the harbour, and to-day, under legislation provided by the late Government, the trust were exempted from taking responsibility in regard to those goods. The trust said that the revenue to-day from handling charges was not sufficient for them to take on this responsibility. The merchants had requested them to do so, and they had agreed, provided a small charge was paid, to meet the compensation.

Mr. Allen: Threepence a ton?

Hon. W. C. ANGWIN: No amount had been stated. It depended on what was necessary to meet the charges. In some years it might be more than in others.

Hon. Frank Wilson: Have you reduced any of the charges?

Hon. W. C. ANGWIN: Transshipment charges on wool had been reduced from 5s. to 1s. a ton.

Hon. Frank Wilson: Why did you reduce the charge on wool when it could well afford to pay?

The Premier: He wanted the wool to come this way.

Hon. W. C. ANGWIN: When an indemnity was given by the shipowner that he would take the responsibility, no charge was made. As regarded working after hours, it was necessary to give notice so that arrangements could be made, and to obviate delays. Members would realise the wisdom of the clause, and if another place threw it out the responsibility would be theirs.

Question put and passed; the Council's amendment not agreed to.

No. 3, Clause 4—Strike out this clause:

Hon. W. C. ANGWIN moved—

That the amendment be not agreed to.
This was merely consequential.

Mr. MONGER: It was strange that another place should have struck out all the delicate portions of the Bill on information supplied by members who were intimately acquainted with the working of the port, and he was surprised that the Minister desired to enforce his wishes. The Minister should give fair and reasonable consideration to the amendment.

Question put and passed; the Council's amendment not agreed to.

Resolutions reported, and the report adopted.

A committee consisting of the Attorney General, Hon. W. C. Angwin, and Hon. J. Mitchell, drew up reasons for not agreeing to the Council's amendments. Reasons adopted and a Message accordingly returned to the Legislative Council.

BILL—KALGOORLIE AND BOULDER RACING CLUBS ACT AMENDMENT.

Second Reading.

The PREMIER (Hon. J. Scaddan) in moving the second reading said: This is a measure that requires only a few minutes' consideration. It is introduced at the request of the Kalgoorlie and Boulder racing clubs in order to comply with new conditions they are desirous, after conferring with the W.A. Turf Club, of putting into operation for the convenience of the club as well as for the purpose of reducing the number of race meetings to be held on

the goldfields. In a communication received from the clubs they say—

For various reasons it has now been decided to reduce the number of racing days on the goldfields, and after conference with the W.A. Turf Club, which body controls registered racing in this State, it has been arranged that next year and thence forwards until otherwise arranged the clubs here will race only at two seasons of the year, namely, April-May, and August-September.

At present they race in March, June, August, and September. The letter goes on to say—

It is obvious that it will be quite impracticable to balance the books of the club in the midst of their race meetings or at any date immediately preceding or succeeding a race meeting; and as the clubs are desirous of observing and performing all statutory obligations and duties imposed upon them by their private Act, it is considered imperative that some other date should be substituted for the 30th April.

Section 38 of the Kalgoorlie and Boulder Racings Clubs Act provides that the books of the club shall each year be balanced up to the 30th April, and Section 39 further provides that a copy of the annual account shall be transmitted by the chairman to the Registrar General on or before the 1st June in each year. We propose to amend the Act so that instead of fixing a definite date it shall be, "a date in each year to be fixed from time to time by the by-laws of the club," and there is a further amendment that, instead of June, the provision for forwarding the copy of the annual account to the Registrar General shall be within thirty days after the date upon which the books of the club are balanced. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—MELVILLE WATER AND FRESHWATER BAY ROAD.

Second Reading.

The MINISTER FOR WORKS (Hon. W. D. Johnson): in moving the second reading said: This is a small Bill, introduced by the Government at the earnest representations of the local bodies round Claremont. For some considerable time people in that locality and a number of visitors to that portion of the metropolitan area have been urging the Government on various occasions to give them the opportunity of partaking of the advantages of Freshwater Bay from a health point of view. Unfortunately, in the old days when land was sold, the title was given for it to high water mark, with the result that while Freshwater Bay is there in all its beauty, it is impossible for the people to view it other than from the heights surrounding the blocks that run to the water's edge. The municipal council for a number of years have been endeavouring to come to terms, as the Government have done in connection with the foreshore at Perth, with the owners of the land abutting on Freshwater Bay, but they failed to agree in regard to the reclamation of certain lands so that the people have been denied the opportunity of being able to either drive or promenade around this portion of the river. While the majority of the owners were agreeable to meet the council one or two objected, with the result that the council have not been able to make the progress we were fortunate in doing in Perth where the people owning property concurred in the action of the Government. This Bill is consequently being introduced to give the right to reclaim one chain from high water mark to be defined by the Surveyor General for the purpose of constructing a road. The idea is not to take any land from those who own it in the locality, but simply to provide for the construction of a road a chain wide, and for which purpose the land below high water mark shall be reclaimed. It was proposed at the outset to reclaim a portion of the foreshore of Freshwater Bay, but after con-

sideration it was thought advisable to make the reclamation from the Old Men's Home to Chidley Point. This will give to the people a water frontage from Crawley Park to Chidley Point. There will be a great difficulty in reclaiming land at a certain part of Freshwater Bay, but the time may arrive when this will be possible, and anticipating that possibility, the Government desire to have the right to reclaim the area shown on the plan which is hanging on the wall of the Chamber. This question has been before the public for many years. Successive Governments have had it submitted to them for consideration, and they have expressed their sympathy, but it has never gone beyond the sympathetic stage. We desire to make it a practical proposition by submitting this Bill which I commend to the favourable consideration of members. I beg to move—

That the Bill be now read a second time.

On motion by Mr. Wisdom debate adjourned.

PAPERS PRESENTED.

By Hon. W. C. Angwin (Honorary Minister): 1, Third Annual Report of the Bunbury Harbour Board for the year ended 30th June, 1912; 2, Papers relating to the appointment of the Chief Warder Fremantle gaol (ordered on motion by Mr. Carpenter.)

House adjourned at 11:15 p.m.