

# Legislative Council, Wednesday, 19th August, 1903.

	PAGE
Question : Lunatic Asylum, Fremantle ...	573
Motion : Hospital for Insane, Claremont ...	573
Bills : Dog Bill, third reading ..	573
Early Closing, third reading (debate) ...	573
Lunacy, in Committee, reported...	573
Audit, second reading, in Committee; returned to Assembly for amendment ...	578
Co-operative and Provident Societies, second reading, in Committee, reported ...	582

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

## PRAYERS.

### QUESTION—LUNATIC ASYLUM, FREMANTLE.

HON. J. W. HACKETT asked the Colonial Secretary: If any Report for the year 1902 on the Lunatic Asylum at Fremantle, or on the insane in the State, has been received, and, if so, will it be laid on the table of the House.

THE COLONIAL SECRETARY replied: The report in question will be embodied in the report of the Principal Medical Officer, which will be laid on the table in about a fortnight.

### MOTION—HOSPITAL FOR INSANE, CLAREMONT.

HON. J. W. HACKETT (South-West) moved:—

That copies of plans for the intended hospital for the insane at Claremont be, as soon as possible, laid upon the table of the House.

The object of the motion was to see what the building was to be like. If only the ground plan was supplied, that would be satisfactory.

THE COLONIAL SECRETARY: The plan of practically next year's work in connection with this asylum would be laid on the table, and it would give the House some idea of what the building would be like when completed.

Question passed.

### DOG BILL.

Read a third time, and transmitted to the Legislative Assembly.

### EARLY CLOSING ACT AMENDMENT BILL.

#### THIRD READING.

THE COLONIAL SECRETARY moved that the Bill be read a third time.

HON. J. T. GLOWREY moved, as an amendment, that the Bill be recommitted for the purpose of making the following amendment in Clause 10:—

Strike out the words "But nothing in this section shall prevent the *bona fide* owner, or any one and no more of the *bona fide* owners of a hairdresser's shop, from himself carrying on the business of a hairdresser until the hour of ten o'clock, p.m."

If the clause was passed as in the Bill, the employees would have to work longer hours than at present. With that object he desired to see the words struck out.

HON. F. M. STONE: It was to be hoped the House would agree to the amendment, which would get over the difficulty that had arisen as to the owner of a shop being allowed to carry on business after the closing time. It would be better to have a clause providing for the registration of hairdressers' shops and of *bona fide* owners working between the hours of half-past six and ten o'clock. That would meet with the wish of the member who proposed the amendment.

THE COLONIAL SECRETARY: It was his duty to oppose the recommitment, as the clause had been fully discussed and passed by a substantial majority in a fairly full House. He would make a note of what Mr. Glowrey and Mr. Stone had said, and lay it before the Attorney General, in order that if it was considered necessary an amendment could be made in the Bill when before the Legislative Assembly.

SIR E. H. WITTENOOM: The hon. member chiefly responsible for Clause 10 was not present. That member presumed that the clause had been carried and would not be dealt with again. It was not right that the House should be asked to stultify itself by making changes. Mr. Glowrey could arrange for this matter to be brought before the Legislative Assembly.

Amendment negatived, and the question passed.

Bill read a third time, and transmitted to the Legislative Assembly.

### LUNACY BILL. IN COMMITTEE.

Clause 1—agreed to.

Clause 2—Divisions:

On motions by the COLONIAL SECRETARY, formal amendments made as fol-

low:—Line 32, the figures 166 struck out and 157 inserted in lieu; line 33, the figures 167 struck out and 158 inserted in lieu; line 34, the figures 168 and 179 struck out, and 159 and 180 inserted in lieu thereof, respectively.

Clause as amended put and passed.

Clauses 3 to 31—agreed to.

Clause 32—Governor-in-Council may grant licenses for houses for the reception of the insane:

HON. J. W. HACKETT: An amendment was necessary so that greater publicity might be given to the existence of such houses. While all members were doubtless wholly in favour of these establishments, which were perhaps the most valuable of the proposed additions to our lunacy law, none could shut his eyes to the fact that other countries, for instance Victoria, strongly objected to and absolutely prohibited them, doubtless owing to past abuses. The amendment would let the general public know of their existence, the fact of the licensing, and of such license being revoked or renewed, being duly gazetted. He moved that there be added to the clause the words "and such grant, renewal, or revocation shall be without delay notified in the *Government Gazette*, provided that there shall also be published in the said *Gazette* once in every year, as may be provided by regulation, a list of all licensed houses then subsisting."

THE COLONIAL SECRETARY: No great objection could be taken to this amendment; but he must protest against the statement that some nations would not have such licensed houses. For some five or six weeks he had devoted considerable time to the question, and found that every nation whose legislation was at all up to date permitted them. [HON. J. W. HACKETT: True.] As to Victoria, its legislation was hopelessly behind-hand, and its Parliament was now trying to bring the lunacy laws up to date, and licensed asylums would doubtless become there, as elsewhere, an established feature. No doubt the amendment would be of value.

Amendment passed, and the clause as amended agreed to.

Clause 33—postponed.

Clauses 34 to 42—agreed to.

Clause 43—Superintendent to reside:

HON. J. W. HACKETT: The clause provided for regular visits by a medical practitioner, and an amendment was necessary to insure that a visit should be more than a mere form, that the doctor should not get into the habit of driving up to the door, conversing with the superintendent across the door-step, hearing that all was right, and driving away. He moved that the following words be added to the clause:—

And each medical practitioner shall, on the occasion of each visit, examine and sign the medical journal and the medical case book.

Then we should be certain that the medical officer had gone through the hospital and had seen for himself how things were going on.

Amendment passed, and the clause as amended agreed to.

Clauses 43 to 58—agreed to.

Clause 59—No person to be detained in any reception house, etc., longer than 14 days:

HON. J. W. HACKETT: It might be eminently fitting that an insane person should not be removed, although the condition of the patient might allow it. There might be grounds which were not covered by the words of the clause. He suggested that the words "or any other sufficient ground" be added. He did not press the addition of these words strongly, because the clause applied to reception houses.

THE COLONIAL SECRETARY: This was an intensely technical Bill, containing provisions to be found in an Act passed in New South Wales in 1898, and the provisions had been found to apply to the conditions of that State admirably. It would be somewhat dangerous, unless obvious reasons were shown, to alter the Bill that had stood the test of five years' experience in New South Wales. Reception houses were for the temporary housing of lunatics, and it was proposed to establish at certain populous centres throughout the State padded cells for the reception of insane patients until arrangements could be made for their removal to a hospital for the insane.

HON. J. W. HACKETT: For the reasons given by the Colonial Secretary he did not want to interfere with the Bill. We were never sure that these provisions had stood the test of ex-

perience, therefore he brought the suggestion forward.

HON. G. RANDELL: There was another protection in the appointment of a superintending medical officer.

Clause passed.

Clauses 60 to 69—agreed to.

Clause 70—Procedure on prisoner under sentence of death appearing insane :

HON. J. W. HACKETT: According to the clause the Minister was the final authority in all the cases mentioned under the clause. Would the Colonial Secretary explain why the old rule had been departed from, in which the powers were lodged in the Governor? The old rule was that a criminal lunatic should be kept in confinement during His Majesty's pleasure; but the word "Governor" had been struck out all though the clause, possibly to agree with modern legislation in England, and the word "Minister" had been inserted. Later on it would be found that the word "Governor" was reverted to in Clauses 73 and 76.

THE COLONIAL SECRETARY: The phraseology of the clause had been taken from the New South Wales statute, and apparently it was to prevent unnecessary delay. In all cases, even when the Governor-in-Council was mentioned, it was practically the recommendation of the Minister. There was not any great difference between the use of the word "Minister" and "Governor-in-Council," except a certain amount of delay, which might be advantageous—perhaps often disadvantageous.

HON. J. W. HACKETT: The clause referred to sentences of death. He would prefer going back to the old rule when a prisoner was removed under warrant to be executed. Would the Minister have any objection to accepting the word "Governor" instead of "Minister" in line 8? This was an entire infringement of the criminal law of England, and he would like to know if the clause was adopted from the English law. It was the Crown who pardoned, the Crown who postponed, and the Crown who exchanged one penalty for another. He saw no objection to maintaining the English practice in this respect and have such warrants under the hand of the Governor, and not the Minister.

THE COLONIAL SECRETARY: It was not a question of execution at all; the decision to be given was as to a man's state of mind. The man was already under sentence of death, and it was not left to the Minister, but to the superintendent of the lunatic asylum, to decide the question of the state of mind. It was not possible, where a man had been confined in a hospital for insane for any time, that the sentence of death would be carried out: it was contrary to all British procedure. Did the hon. gentleman know of one instance in which an execution having been postponed the sentence of death was carried out? Surely there was not more than one instance. When sentence of death was postponed, it was commuted to imprisonment for life. The Minister had no power over an execution, but simply gave his certificate that the prisoner was again of sound mind.

HON. J. W. HACKETT: That was practically a warrant for execution.

THE COLONIAL SECRETARY: No; the warrant would be issued before the man went to the hospital.

HON. J. W. HACKETT: If the Minister would take the responsibility, there was no need to go farther; but he was surely mistaken in saying that the provision did not deal with capital sentences when the clause read "whereupon the Minister shall issue his order," instead of "the Governor shall issue his warrant" that such person should be removed from any place of confinement to undergo sentence of death.

THE COLONIAL SECRETARY: The man would have been already sentenced.

HON. J. W. HACKETT: The man, having been proved insane, would be in custody during the pleasure of the Crown. Hitherto, in England, such a prisoner had not been touched except on a direct warrant from the Privy Council ordering his execution. The Minister urged that in no conceivable case could sentence be carried out when the man was *non compos mentis*. If so, why object to the order for execution, or for remission of the penalty, being made an Executive act? He (Dr. Hackett) believed in the words "Governor-in-Council," which cast the responsibility on the Cabinet as a

whole, and insured that the matter would be looked into.

HON. G. RANDELL: The suggested amendment seemed unnecessary. By the clause the Minister might appoint medical practitioners, and if they certified that the prisoner was not insane, the sentence passed was executed. The substitution of "Governor" for "Minister" would be useless, as the Minister acted only on the certificate of the experts.

HON. J. W. HACKETT: Both on constitutional and humanitarian grounds it was altogether improper that the power of life and death should be lodged in a single Minister. Only the Governor and the whole body of Ministers should remit such a sentence, or order it to be carried out. He moved that the words "the said Minister," in line 8, be struck out, and "Governor" inserted in lieu.

THE COLONIAL SECRETARY: The power of life and death was not conferred on one Minister, for the Minister was practically part of the machine of justice to certify that the prisoner was sane, which he did on the certificate of the superintendent of the hospital, or on that of a medical officer and two official visitors. As the safeguards were ample he opposed the amendment.

HON. J. W. HACKETT: It was not a matter of safeguards, but of constitutional privilege.

HON. F. M. STONE: the amendment seemed unnecessary, for the question of life and death was already in the hands of a Minister—the Attorney General in this country and the Home Secretary in Britain. In regard to such sentences the latter did not make recommendations to the Privy Council. The clause was presumably taken from the New South Wales Act.

HON. J. W. HACKETT: Then the Minister threw the responsibility upon his two servants. The amendment would be pressed.

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

Ayes	...	...	...	8
Noes	...	...	...	13
				—
Majority against	...			5

AYES.  
 Hon. G. Bellingham  
 Hon. T. F. O. Brinage  
 Hon. J. W. Hackett  
 Hon. W. T. Loton  
 Hon. W. Maley  
 Hon. C. Sommers  
 Hon. B. C. Wood  
 Hon. B. C. O'Brien  
 (Teller).

NOES.  
 Hon. E. M. Clarke  
 Hon. J. D. Connolly  
 Hon. A. Dempster  
 Hon. C. E. Dempster  
 Hon. S. J. Haynes  
 Hon. W. Kingsmill.  
 Hon. G. Randell  
 Hon. J. E. Richardson  
 Hon. F. M. Stone  
 Hon. J. A. Thomson  
 Hon. Sir Edward Witte-  
 noom  
 Hon. J. W. Wright  
 Hon. R. Laurie (Teller).

Amendment thus negatived, and the clause passed.

Clauses 71 to 77—agreed to.

Clause 78—Inspector General to visit hospitals, licensed houses, etc.:

HON. J. D. CONNOLLY: By the clause the inspector must pay a visit every six months. These places should be frequently inspected, and the facts concerning them widely published. The period mentioned in the clause was too long. He moved that in line 2 the word "six" be struck out, and "three" inserted in lieu.

Amendment passed, and the clause as amended agreed to.

Clauses 79 to 84—agreed to.

Clause 85—Plan of hospital in house and official visitors' book to be kept:

THE COLONIAL SECRETARY moved that in line 8 the word "their" be struck out and "his" inserted in lieu.

Amendment passed, and the clause as amended agreed to.

Clause 86—The Governor to appoint official visitors:

HON. J. W. HACKETT: There was always a likelihood that official visitors would do their work more or less in a perfunctory manner. Unless a fee of some kind was attached to an office one could never depend on the duties being properly carried out. In this case the official visitor should receive some fee, and he moved that the following be added as a new paragraph:—

Such official visitors shall receive such fees as may be prescribed by regulation.

THE COLONIAL SECRETARY: There was no objection to the amendment, and, as he had said during the course of the debate, it was the intention of the Government that these visitors should be paid. Furthermore, the duties were laid down, unless he was mistaken, in Subclause 2, which said certain things "shall" be done, not "may."

HON. J. W. HACKETT: There were two ways of doing everything.

THE COLONIAL SECRETARY: There was not the slightest objection to the visitors being paid or to the fact of it being mentioned in the Bill, because it was the intention of the Government.

Amendment passed, and the clause as amended agreed to.

Clauses 87 to 91—agreed to.

Clause 92—Order for conveyance of patient:

THE COLONIAL SECRETARY moved that in line 5 the words "Colonial Secretary" be struck out, and "Minister" inserted in lieu; also that in line 7 the words "or minister of religion authorised to celebrate marriages" be struck out.

Amendments passed, and the clause as amended agreed to.

Clauses 93 to 97—agreed to.

Clause 98—Allowances being made by friends for maintenance of patients:

HON. J. W. HACKETT: It would be observed how carefully Clause 13 was worded in reference to medical practitioners signing certificates, and it was provided that such medical practitioners should not be relations. According to this clause a medical practitioner might be a relation. The Bill might have to be recommitted; therefore he would not propose an amendment at the present time. The boarding out of patients should be safeguarded in every particular, for in such cases abuses might creep in. He did not expect the Bill would have been carried so far to-night.

THE COLONIAL SECRETARY: Members had had fair time to consider the Bill, and he was not trying to rush it through Committee with undue haste. The second reading was moved a week ago, and he had purposely refrained from hurrying the Bill, so that members would have an opportunity of studying such an important and lengthy measure.

HON. J. W. HACKETT: Would the Minister consent to report progress at this stage? It might save a recommitment later on. There was nothing to be gained by rushing the measure through and then recommitting it.

THE COLONIAL SECRETARY: There would be no objection to deferring the third reading, but he did not know how long members required to consider a Bill.

Some time back a week's adjournment was granted to allow members to consider the Bills which were before the House. He would sooner recommit the Bill than report progress at the present stage, because members would then give definite notice of the amendments they wished to propose, and he (the Minister) would have a chance of considering those amendments. He did not wish to hurry the legislation, but he would like members to have their amendments ready when a Bill had been before the House for such a time.

HON. J. W. HACKETT: In the last few weeks members had swallowed a good dose of legislation uninterrupted by any recreation in the shape of a general discussion. The Minister should agree to giving ample time for consideration of the Bill between this stage and the third reading. He should not urge that Bills had been in members' hands from the date of their first reading; because as a rule a Bill was not looked at until explained by the Minister's second-reading speech, for till then members could not grasp it thoroughly. The Minister should recollect that there were other Bills which appealed to members and had occupied much of their time; and members of this House were more ready to attend and consider legislation than members of other places in some of the other Australian States.

THE COLONIAL SECRETARY indorsed Dr. Hackett's remarks, and thanked members for having been so extremely helpful to the Government since he (the Minister) had been in the House. He was far from wishing to cast any reflection on members, for their conduct had been beyond criticism. But in the light of past events Dr. Hackett's request for "ample time" was rather terrifying.

HON. J. W. HACKETT: Say next Tuesday.

THE COLONIAL SECRETARY: Had we got through this Bill and one or two others, he had intended to propose that we adjourn over next week, and possibly over the following week.

HON. J. W. HACKETT: If the third reading were adjourned over next week, ample time would be given for consideration.

HON. G. RANDELL: Better recommit the Bill at a future date, after members had seen the proposed amendments.

Clause passed.

Clauses 98 to 106—agreed to.

Clause 107—Court may order inquiry before a jury :

HON. J. W. HACKETT: Must the jury, whether four or 12, be unanimous? Surely the Committee could decide this. What was the Minister's opinion?

THE COLONIAL SECRETARY: In such cases he had always favoured majority verdicts.

HON. J. W. HACKETT: Subsequently, a definite provision should be made in the Bill.

Clause passed.

Clauses 108 to 180—agreed to.

Schedules—agreed to.

Postponed Clause 33—Notice of intended application for a plan of licensed house to be given to the Minister:

THE COLONIAL SECRETARY: It would be necessary to place in the clause some provision in regard to precautions being taken against fire, to meet the view of Mr. Briggs. He moved that the following be added as a new subclause:—

(d) A statement of the provision made for protection against fire.

Amendment passed, and the clause as amended agreed to.

Preamble, Title—agreed to.

Bill reported with amendments, and the report adopted.

#### AUDIT BILL.

##### SECOND READING.

THE COLONIAL SECRETARY (Hon. Walter Kingsmill), in moving the second reading, said: The Bill which I now ask the House to read a second time is one which I may class as a very technical Bill, extremely technical; and recognising that the subject dealt with is of a very technical nature, the Parliamentary Draftsman has acted on the advice, in the compilation of the Bill, of purely technical advisers. He has had to assist him a gentleman whom we may recognise as a great and reliable authority on the proposed audit of accounts, Mr. Percy Witton, the chief audit clerk of the Commonwealth; a gentleman who has had a long and varied experience of the Audit Acts which

obtain through the Commonwealth. I understand he has had a personal knowledge of the Audit Acts of five of the States. Again, the Parliamentary Draftsman has availed himself of the knowledge, and very ripe knowledge too, of the Under Treasurer, Mr. Eliot, and not least, may I be permitted to add, of the Colonial Treasurer himself, who has devoted a great amount of time and study to the provisions of the Bill, after his experience of the Audit Act under which the finances of the State have been cared for since the year 1891. Members who have read the Bill will have noticed that under the measure the power of the Auditor General is considerably increased; and not alone is his power increased but his duties are increased also; and I am glad to say, to an extent which is thought commensurate with the increased power and duty, so it is proposed to increase his salary. I am certain members will not consider the increase too great; indeed I have heard remarks that the increase is not sufficient for the work which that gentleman will have to perform; and furthermore I think there can scarcely be a more business-like object on which we should expend the funds of the State than providing for a true and efficient audit of the accounts. Members will see in the constitutional aspect, the Auditor General's relations are unaltered. He is still the servant of Parliament and still responsible to Parliament. He has to report direct to Parliament, so that he is very properly rendered independent of the Ministers under whom he has to work and on whom he has to keep so strict an eye. There is one other matter which I may call attention to, amongst the other matters in the Bill which I shall touch on as I go through the measure clause by clause, and that is the securing of a more direct responsibility between the officers of the public service, be they public accountants or other officers who have power in their hands to expend money, and the Auditor General, instead of going through the cumbrous and circumlocutory course of surcharging the Treasurer and allowing the Treasurer to take action against the officer guilty of default. The surcharging of the officer renders him directly responsible to the Auditor General. If members read through the Bill they

will find that for so technical a measure it is couched in language as explicit as the technical nature of the measure demands. Members will find the usual preliminary clauses regarding appeal, savings, and interpretation set forth. Clauses 5 to 16 deal with the office of Auditor General. Clause 6 deals with his salary, which it is proposed to increase. Clause 7 deals with his incapacity for other office. Clause 8 deals with the rights of officers; and Clause 9 provides, as I have already said, that the Auditor General cannot be removed from office or suspended except by vote of Parliament. Clause 10 provides that the Auditor General shall make a declaration on assuming office; and Clause 11 for the appointment of a deputy in case of absence or incapacity. Clauses 12 to 15 are machinery clauses to provide for the proper carrying out of the duties of Auditor General. Clause 16 provides that the Auditor General may in legal matters obtain an opinion; and for that opinion he has to go, not to the Attorney General, who is a member of a Cabinet against which the Auditor General has perhaps to prefer some charge, but to the Crown Solicitor, who, as a permanent officer of the Government, is more or less—and I think to a great extent more—in an independent position, and therefore unbiased in any opinion he may give. Clauses 17 to 20 provide for the appointment of public accountants, or for declaring certain civil servants to be public accountants within the meaning of the Act. Clauses 21 to 29 provide for the collection of moneys; and it is proposed that not only shall the Auditor General, as in the past, see that money collected is properly accounted for, but it is proposed also to make that officer responsible for seeing that the proper amount of money is collected, and for detecting any carelessness exhibited by public officers in connection with public accounts. That is a very important and I think very desirable innovation in the present Bill. Clauses 30 to 36 deal with the payment of moneys, and Clause 31 is extremely important, because it practically does away altogether with those instruments which have been so long, and I may say unfavourably, known to members of Parliament as Forms I and J. I do not know whether

I should explain to members—perhaps it may be superfluous, but I shall risk it—the difference between those forms. Form I is to remove a difficulty when the vote for any year is insufficient for the purpose intended. Form J, on the other hand, is to provide money for an unforeseen purpose for which no vote at all exists. Form I is used to a great extent because of bad estimating; and it has been one of the objects of the Government for some time past to check this bad estimating, for we feel that the presence of an easy remedy—and the remedy is very easy, as it simply means the writing of a few words on a sheet of blue paper—only leads to the continuance of that practice. It is therefore necessary to adopt some drastic measure. Members will find that Clause 35 will largely obviate the use of this form, and will provide a certain relief in cases of estimates being put in which, although individually somewhat “out,” may be in the aggregate correct. The provision in the clause is found in the New South Wales and the New Zealand Audit Acts. Say that we have in a subdivision provision for the erection of 20 schools, against each of which a definite sum is set down, and that on calling for tenders we find we are able to save £75 on the construction of one school, but that another school will unfortunately cost us £50 more than the estimate, the clause will render it possible to take from the £75 saved on one school the £50 needed to complete the other. I think members will admit that is an essentially reasonable and safe provision. As to Form J, by which votes are created that do not exist on the Estimates, everyone must admit that unforeseen circumstances are likely to arise in the best regulated Governments; and it is proposed that the Treasurer shall place upon the Annual Estimates a certain sum of money which he may, to use a colloquialism, “come and go upon.” But members will observe that it is in the power of Parliament to decide what that sum shall be, and the limit by which the estimate of expenditure shall be exceeded. Of course in the past it has on some occasions been customary to bring in an Excess Bill. For one year I fancy the Bill was for £700,000—I am subject to correction—and it was a good thing that the bringing in of such a Bill

was rendered necessary by the abnormal development of the State, which could not be properly estimated. However we have now reached a period of no less prosperity; but that prosperity is more settled. It is, I believe, easier at this stage of the State's history to estimate accurately what the expenditure should be; and therefore it should be easier to keep the excess expenditure within proper limits. Hence it is proposed by the Treasurer that he shall in each year place upon the Estimates a sum of money which, as I said, he can "come and go upon." This provision will be found in Clause 31 read in conjunction with Clause 35. A very important clause is 36, which will add to the ease with which the somewhat complicated accounts of the State may be studied by Parliament. It practically provides for a clean start in each year. This provision exists in the Audit Acts of some other States and also in that of the Commonwealth. Members who have had an opportunity of studying the Commonwealth Estimates are aware that each unexpended balance at the end of the year is clearly set down, as also the outstanding liabilities; so that at the beginning of each year there is what may be termed a perfectly clean start. Clauses 37 to 48 deal with what is really the principal object of the Bill—audit and inspection. The most noticeable clause in this part is perhaps Clause 44, which provides that the Auditor General—which expression of course includes his officers—shall, at least once in each year, inspect, examine, and audit the books and accounts of every public accountant, and of every other person in the public service, or, subject to the provisions of this Act, to whose possession or control any moneys shall have come. It may be possible—in the light of past events perhaps it will happen—that this may require a somewhat increased staff; but I am sure members will view with delight any expenditure which will result in the public accounts being kept more efficiently. Furthermore it is necessary, because an audit which must take place once in every year affords less opportunity to those persons who may come into the civil service with a desire to add by illicit methods to their worldly wealth, and I maintain it exercises some deterrent influence upon those civil servants who,

perhaps through the weakness of their natures, may be tempted to resort to the courses I have already indicated. I think it an essentially good provision, and one which I hope will be strictly carried out. Subclause (d) of the same clause, which I think one of the most important in the Bill, provides that it shall be the duty of the Auditor General to ascertain the quantity, description, and price of all stores purchased on account of His Majesty, and of all stores supplied for the use of every department, and whether any person in the public service has requisitioned for or obtained any stores in excess of the reasonable requirements of his office. This is a direction in which lavish and in some cases useless expenditure has, I regret to say, taken place in the past; and it is proposed to make it part of the duty of the Auditor General to see that waste, where waste has existed, shall in future be prevented. Subclause (f) provides that within one week after such examination the Auditor General shall report the result to the Treasurer; so it will be seen that as his inspections will be more frequent than they have been in the past, so the reports thereon will be much more promptly made. The rest of the clauses in this part of the Bill are machinery clauses for giving it effect.

HON. J. W. WRIGHT: Why should the Governor be allowed by Clause 48 to exempt certain accounts from audit? An audit is not an audit unless the accounts be examined in detail.

THE COLONIAL SECRETARY: If the hon. member will ask me in Committee I will ascertain the answer. I am sure he will recognise that I can scarcely be expected to understand all the intricacies of such a particularly technical Bill. It has just been suggested to me by Mr. S. J. Haynes that one department at all events may be cited as an instance—a department which does its own auditing, and where what I may call the general audit, but not the detailed audit, is carried out by the Auditor General. The Railway Department does its own auditing; that is, the checking of tickets, passenger fares, and so forth, is carried out by the departmental officers, and only the general or what may be called the appropriation audit is made by the Auditor General. Clause 49 provides



for quarterly statements of receipts and payments by the Treasurer, and Clause 50 that the Treasurer shall prepare a balance-sheet for audit by the Auditor General once in each year. I should like to call members' attention to Sub-clause 2 of Clause 54, and to say that in my opinion this clause is eminently desirable. It provides that in cases where a special report concerning the Treasurer is being made to Parliament by the Auditor General, such report shall first be sent to the Treasurer. That is a very wise provision, in order, as the clause states, that the Treasurer may be able to make to Parliament any explanation he may think desirable. That, I think, is only fair, so that if the Treasurer is to be attacked, he may have a reasonable forewarning that the attack is to be made. The next group of clauses deals with what is known as the General Loan Fund; and Clause 56 perpetuates with statutory authority a principle which, I am glad to say, has for some years past existed in this State—the charging up monthly of interest payable on account of the public debt. Instances have been known in other countries than Western Australia of such interest being allowed to run over the 30th June, in order to reduce a deficit or to augment a surplus. This clause will render such a course impossible. Clause 58 provides for suspense accounts for defraying the cost of any material the delivery of which is likely to extend over a considerable period. The clause will provide a convenient method of keeping accounts properly, and buying goods in a businesslike manner. Clauses 60 and 61 provide machinery for dealing with trust funds. Clause 62 deals with moneys outside the State. In Clauses 63 to 69 penalties are provided for various infringements of the Act, and Clause 70 gives power to the Governor to make regulations for its specific purposes, and provides also that such regulations shall be laid before Parliament within 30 days of the making thereof. The schedule sets forth the form of declaration to be made by the Auditor General on taking office. I may here note that the Bill passed through another place absolutely without amendment, I suppose because members knew of the care with which it had been prepared. However, if members here wish

to suggest any amendments, I shall be grateful to them if they will let me have, in the debate on the second reading, some notion of what they propose to do, so that, in view of the technical nature of the Bill, I may seek professional advice. I have pleasure in moving the second reading.

Question put and passed.

Bill read a second time.

At 6:30, the PRESIDENT left the Chair.

At 7:30, Chair resumed.

#### IN COMMITTEE.

Clauses 1 to 21—agreed to.

Clause 22—State Public Account:

HON. J. W. HACKETT: Could the Treasurer only deal with one bank?

THE COLONIAL SECRETARY: The clause provided that the Treasurer might deal at any bank.

Clause passed.

Clauses 23 to 26—agreed to.

Clause 27—Public servants collecting private moneys to place them to their credit in bank:

HON. G. RANDELL: The side-note was misleading: the moneys evidently had to be paid to the official credit of public servants.

THE COLONIAL SECRETARY: The latter portion of the clause made it clear that the moneys had to be paid to an official account.

Clause passed.

Clauses 28 to 32—agreed to.

Clause 33—Duty of paying and certifying officers:

HON. G. RANDELL: The duty of authorising payments devolved by the existing Act on the Auditor General, but was now apparently to be carried out by some official to be appointed. The Governor might appoint the Auditor General or any other officer.

THE COLONIAL SECRETARY: Authorities to pay were often issued by a Minister, some by Under Secretaries. After payment was authorised and before it was made, the Auditor General frequently called in question the authority. The first paragraph of the clause dealt with the issue of authorities. The Auditor General did not issue these, but looked into them.

Clause put and passed.

Clauses 34 to 47—agreed to.

Clause 48.—Governor may exempt certain accounts from detailed audit:

HON. G. RANDELL: The clause provided that a statement as to such exemption should be laid before the Legislative Assembly if Parliament were then sitting. Surely this was a typographical error, as the Council had an equal right to the information. He moved that it be a suggestion to the Legislative Assembly that the words "the Legislative Assembly if Parliament is," in line 7, be struck out, and "Parliament if" inserted in lieu.

Amendment passed, and the clause as amended agreed to.

Clauses 49 to 53—agreed to.

Clause 54—Auditor General to make suggestions for collection and payment:

HON. G. RANDELL: A useful section in the existing Act had been omitted from the Bill—that which gave power to the Ministerial head of the Auditor General to audit the accounts of any municipality or other body which received aid from the public revenue.

THE COLONIAL SECRETARY: When that section was passed there was no provision in the Municipal Act for holding special audits. Such provision had since been made, and would, he hoped, soon be amplified. The Governor could now order a special audit of any municipal accounts, and could for that purpose appoint a special auditor. Provision was not necessary in this Bill; and to add to the large quantity of work to be placed on the Auditor General's shoulders would be inhuman. The power in question might be amplified by appointing certain travelling officers, whose business it should be to audit municipal accounts whether required to do so or not. Under the new Roads Act the Governor might appoint one of each roads board's auditors and a special auditor also.

HON. G. RANDELL: The existing Act provided a very prompt procedure which, in the case of one municipality not a hundred miles from Perth, he, when Colonial Secretary, had used with great effect.

Clause put and passed.

Clauses 55 to 70—agreed to.

Schedule—agreed to.

Progress reported, and leave given to sit again.

Bill returned to the Legislative Assembly, with a request that amendment be made as suggested.

#### PAPERS PRESENTED.

By the COLONIAL SECRETARY: Half-yearly report of the Fremantle Harbour Trust Commission, for period ending 30th June, 1903.

Ordered, to lie on the table.

#### CO-OPERATIVE AND PROVIDENT SOCIETIES BILL.

##### SECOND READING.

THE COLONIAL SECRETARY (Hon. Walter Kingsmill), in moving the second reading, said: The necessity for the introduction of this measure is found in the repeated applications by co-operative societies and bodies, banded together for business purposes which would come under the jurisdiction of this measure, which have been made and with which the Government have hitherto been unable to comply. A Bill to enable business people to be registered was introduced in 1901, but, owing to the then disturbed state of the political atmosphere, it after a while lapsed. We hope in these calmer times the measure, which I am sure hon. members will agree with me is a very useful one, will reach that maturity which it deserves. There are no new principles, no untried experiments to be made in this Bill. Similar measures are in existence in most of the Eastern States, and this Bill is founded on an Imperial Act of 1893, which in its turn was founded on Acts which had prevailed from earlier times. The objects of the Bill, shortly stated, are to extend to companies of small traders—men of limited capital, and in some cases limited in number—the advantages and privileges and the protection afforded to companies by the Companies Act, without placing upon them some of the more irksome processes and expensive proceedings which have to be gone through to comply with that Act. I think it may be laid down almost as an axiom of political economy—I almost regret I started on this line of argument, because when one talks of axioms of political economy he is apt to create an unfavourable impression—but I know it is an established fact that the wealth of a country not only lies in the

wealth of the individual members but in the number of well-to-do persons in that community. It was with a view of forwarding the interests of persons who have means to invest, not large amounts it is true, and who for the purpose of trade combine together in forming buildings societies, land societies, or anything of that sort, that this measure is introduced to afford them protection, because their doings must be fairly public, and furthermore their officers should be under guarantee, and must comply with the rules, roughly speaking, which companies that contract to do business have to comply with. When I say that the Bill is to provide for small investors, members will realise what I mean when they read that clause of the Bill which provides that any shareholder in one of these registered co-operative societies, such shareholder not being in another registered society, shall not hold scrip to the capital value in the society of more than £200; so that the operation of this Bill is proposed to be restricted to small investors. I have again to state that there is nothing revolutionary in the Bill, nothing that has not been tried and found successful elsewhere.

HON. J. W. HACKETT: May building societies come under this Bill?

THE COLONIAL SECRETARY: They may come under the Bill.

HON. G. RANDELL: They must register first.

THE COLONIAL SECRETARY: Of course. There is nothing automatic about it.

HON. J. W. HACKETT: There is nothing to compel any company to come under the Bill?

THE COLONIAL SECRETARY: No. It is thought the protection and privileges enjoyed by registered companies under the Bill will be such that few if any of the trading concerns that may come within the objects of the Bill will be able to resist the temptation. The usual interpretation clause starts the Bill, and members will see that the Registrar of Co-operative Societies means the Registrar of Friendly Societies, who has already been appointed under the Friendly Societies Act of 1894. Clause 3 defines the societies which may be registered, and also lays down that no member shall have or claim an interest in shares of a society exceeding £200.

That is the clause in which the operation of the Bill is limited to small investors. Clause 4, in laying down the conditions of registration provides that no society of less than seven persons will be allowed to take advantage of the Bill; and Sub-clause 5 of the same clause lays down the fee for registration which members will notice is very much lower than the fee charged under the Companies Act. The Registrar has in the first place the option, according to his discretion, of acknowledging or refusing to acknowledge any application for the registration of a society; and if in the opinion of any society the refusal appears inequitable, the society has power to appeal to the Supreme Court, as laid down in Clause 6. Clause 8 provides that the Registrar may, with the approval of the Minister appointed to carry out the provisions of the Bill, cancel the registration of a society for various causes; but later on members will notice that fair and proper notice of the cancellation of such registry must be given, so that co-operative societies may have the chance of settling their affairs before cancellation takes place. Again, in Subclause 4 an appeal is provided for to the Supreme Court from the decision of the Registrar if a society thinks it has been ill-used. In Clause 9 we find that rules of the society may be made and shall contain provisions in respect of the matters mentioned in Schedule 1, which schedule, members will agree with me, deals with most of the questions likely to affect the well-being of the societies under discussion. Clause 10 and following clauses provide for what is, after all, practically the essence of the Bill—that is, for the debts and obligations of the registered societies. Clause 10 is a very similar clause to that appearing in the Companies Act, fixing the locality and the registered office, the properly advertising and fixing of the society which is registered so that the public may know where the society's office is. Clause 11 provides for the proper audit of the books of a society, and I think it is a very useful clause for that reason. Clause 12 provides for annual returns; and Clauses 13 and 14 are machinery clauses in connection with the furnishing of such returns. Clauses 15 to 26 give in detail the privileges which are to be derived from the registration of these societies. Notably Clause

18 gives to a member of a society over the age of 16 the power of nomination, in case of decease, for the transfer of his interests in the society. It also lays down what proceedings shall be taken on the death of the nominator, and it makes provision for a member dying intestate, and also deals with how the property of insane members shall be treated. Generally it deals with the privileges which are to be enjoyed by members of these societies. Clause 26 provides that the contracts which are made on behalf of or with any registered society shall follow the rules of contracts between private parties. Clauses 27 to 31 provide for the investment of property and funds and the legitimate channels for the investment of the funds of these societies. Clause 30 is important, and provides that a registered society may become a member of any other registered society. Clause 32 is a business clause, relating to the discharge of mortgages. Clause 33 is a very good clause, as affording protection to members of these societies by providing that their officers who are in receipt of or have charge of moneys shall execute a bond or shall find bondsmen before entering on the duties of their office. Clause 34 deals with the accounts of officers. Clauses 35 and 36 deal with disputes that may arise and the method of settling them. These clauses provide that the Registrar may step in and decide disputes, and they give to him the power of examining witnesses on oath in the trial of such disputes. Clause 36 provides for the enforcement of the decision of the Registrar. Clauses 37 and 38 provide for the inspection of the books, and give to any society, upon the application of one-tenth of the members, the right to have an inspector appointed to examine into the affairs of the society. Clause 39 provides for the change of name of a registered society, and it is laid down in the earlier portion of the Bill, which I should have referred to when passing, that no society may upon its incorporation assume such a name as seems to be a colourable imitation, and thereby lead to confusion with any other society already registered and in existence. Clause 41 provides for the amalgamation of one society with another; and Clauses 42 and 43 provide for the conversion of a

society into a company under the Companies Act, and *vice versa* for the conversion of a company under the Companies Act into a society under this Bill. Clauses 44 and 45 are machinery clauses; and Clauses 46 to 48 deal with the dissolution of these societies and how it shall be brought about; furthermore they deal with the liability of the members of a society upon dissolution, as to debts or moneys that are owing. Clause 48 provides that the instrument of dissolution shall set forth an accurate statement of the affairs of the society at the time of such dissolution. Clauses 49 to 59 deal with the offences and the penalties therefor, and the legal proceedings to enforce the penalties in connection with the societies under discussion. Then we come to Clauses 64 to the end of the Bill, which are supplemental. They give the forms of acknowledgment of the Registrar of a society, which is practically the instrument of registration, and the appointment of public auditors under the Bill to examine into the affairs of a society. There is a legal clause dealing with the judicial status of societies, which provides that printed copies of the rules shall be *prima facie* evidence of the registration of any society. Clause 64 gives to the Governor the power to make the usual regulations for the better carrying out of the provisions of the Bill. Clause 65 provides for a report by the Registrar to the Minister, and for the Minister laying such report before Parliament in the usual course.

HON. J. W. HACKETT: Why have not the regulations to be laid before Parliament?

THE COLONIAL SECRETARY: I am informed by our legal adviser that, unless otherwise mentioned, the provisions of Section 11 of the Interpretation Act refer to all such regulations, and that it is unnecessary to enact, unless any special time be required, that they shall be laid before Parliament within 14 days of their being made, or if Parliament is not then in session within 14 days of the assembling of Parliament. Clause 66 saves the liability of His Majesty's Government. I do not know that I can say more to recommend the measure. It is a business Bill. As members will observe, it seems to be simply worded and almost self-explanatory. It is a Bill

to encourage thrift and promote prosperity among persons who are, perhaps from want of funds, excluded from embarking on larger ventures; and while encouraging thrift it seeks to afford the utmost protection to those persons, and to secure the proper supervision of the accounts of any society which may be formed in accordance with its provisions. For such a Bill there has been a keen demand in certain quarters; and it is to supply this demand and other requirements which have arisen that the Bill has been introduced by the Government. I have pleasure in moving its second reading.

Question put and passed.

Bill read a second time.

#### IN COMMITTEE.

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

#### ADJOURNMENT.

The House adjourned at 8.26 o'clock, until the next day.

## Legislative Assembly,

Wednesday, 19th August, 1903.

	PAGE
Urgency Motion for Adjournment; a Minister's Speech at election meeting	585
Questions: Jandakot, Expenditure on Roads	606
Land Selection, Speculators	606
Liquor License, Abuses	606
Railway Platforms, South-West	607
Norseman Goldfield, Report	607
Railway Light Rails, Sale	607
Fremantle Shipping Berthage	607
Railway Trucking at Walkaway	607
Wages Fortnightly	608
Water Supply for Geraldton	608
Resident Magistrates, how retired	608
Bills: Early Closing, first reading	608
Dog Bill, first reading	608
Norseman Goldfield, Notice postponed	608
Papers and Returns—Steamship Subsidy, Fremantle-Geraldton	608
Claim, Mr. J. O'Mahoney	608
Land (Midland) held by Absentees	609
Railway Savings by the Commissioner	609
Railway Locomotives in Use	609
Width of Tires, failure to enforce Act	609
Water used on Railways	609
Motions: Tick Regulations, to Rescind	609
Timber Wasted, how to be utilised	621
Municipal Subsidy, how to distribute	622

THE SPEAKER took the Chair at 4.30 o'clock, p.m.

PRAYERS.

#### URGENCY MOTION FOR ADJOURNMENT.

#### MINISTER'S SPEECH AT ELECTION MEETING.

THE SPEAKER (Hon. Sir J. G. Lee Steere): The hon. member for Mt. Margaret has handed me a request, that he may be allowed to move the adjournment of the House for the purpose of calling attention to the utterances of the Minister for Works at a meeting held in support of one of the candidates for the extraordinary vacancy caused by the resignation of the member for North Fremantle. Some members will recollect that last session I laid down a ruling, which I intended to abide by in the future, that I would not take the responsibility on myself of saying whether an hon. member who desired to move the adjournment of the House for calling attention to a matter of urgency should be allowed to do so, but that I would follow what I ascertained was the Parliamentary practice of asking the House whether it would give the hon. member leave to move, and that it was for the House to say whether leave should be given to move the adjournment for calling attention to a matter of urgency. The question is now that the member for Mount Margaret shall have leave to move the adjournment of the House for the purpose of bringing this matter before it.

Question passed, and leave given.

MR. G. TAYLOR (Mt. Margaret): The object of moving the adjournment of the House this afternoon is to draw attention to a Press report of a meeting held at North Fremantle, addressed by a candidate, Mr. J. M. Ferguson, at which the Minister for Works, according to the report, set forth that he, in support of the candidate, promised in these words certain works for North Fremantle. It is as well to read the paragraph:—

The Minister for Works (Mr. C. H. Eason, M.L.A.), speaking at North Fremantle last night, remarked that the dry-dock for Fremantle was one of the many subjects of ancient history which had been left to the present Government to take up and accomplish. They could depend upon it that the Government were going to make that dock. (Applause.) It was not going to be any toy dock; it would be a most modern dock, capable, he hoped, of accommodating the largest ship afloat. (Applause.) They proposed to get the services of Mr. Thow, an engineer from New South Wales, who was an