

Legislative Assembly,

Thursday, 15th March, 1917.

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The SPEAKER took the Chair at 5-0 p.m., and read prayers.

QUESTION—STATE BRICKWORKS, LABOUR.

Mr. GREEN (without notice) asked the Minister for Works: Is it true that the State brickworks are not working at full capacity at the present time? If so, is this due to shortage of labour, and what is the class of labour required and what are the wages offered in each grade?

The MINISTER FOR WORKS replied: It is true that the State brickworks are not working at full capacity at the present time. This is due to the fact that a sufficiency of labour is not available to carry on the work. The classes of labour required at present are, one trucker at 10s. per day, two clay hole men at 10s. per day, and two drawers, to work on piece work. The drawers at present employed are earning about £4 10s. per week. I may add that I have communicated with the secretary of the Brickmakers' Union, who has promised to do what he can to supply the labour required. The member for Guildford (Hon. W. D. Johnson) and the member for Kalgoorlie (Mr. Green) are, I understand, also interesting themselves in the matter. There seems to be difficulty in finding the labour required owing to the great number of men who have gone on active service. I have an appointment for Monday next with the secretary of the Brickmaker's Union and also with the manager of the

State brickworks. If men suitable for the work are out of employment, I shall be glad if they will attend at the office of the Public Works Department at half-past ten on Monday morning.

QUESTION—WHEAT POOL 1917-18.

Increase of price.

Mr. CUNNINGHAM (without notice) asked the Premier: In view of the recommendation of the Central Wheat Board that the guarantee offered by the Government to farmers for wheat be increased, will he consider the advisability of raising the guarantee to farmers from 3s. to 4s. per bushel for 1917-18 season wheat?

Hon. W. D. JOHNSON: What is the use of guaranteeing an increase now? The farmers will not crop any more because of an increase. A guarantee is valuable only for the purpose of increasing the area to be cropped.

The PREMIER: I understand that 4s. per bushel as guaranteed represents a minimum price f.o.b. The cash advance against the harvest is 3s. per bushel. The Commonwealth Government, I understand, have endorsed that decision of the pool.

QUESTION—FRUIT, RAILAGE TO GREAT SOUTHERN DISTRICT.

Mr. FOLEY asked the Minister for Railways:—May fruit of apple, pear, peach, and plum varieties, if purchased at the markets in Perth, after inspection be consigned by rail to the Great Southern areas without cool storage? If not, will he amend the regulations so as to allow any fruit to be railed, provided it is certified as clean by an officer of the Agricultural Department?

THE MINISTER FOR RAILWAYS replied: (a) No. (b) The regulations are under the control of the Minister for Agriculture. He informs me that this matter is receiving consideration but that the experts advise that in order to protect the industry no undue risk must be taken in dealing with the distribution of fruit.

QUESTION—FRUIT MARKETING.

Mr. FOLEY asked the Minister for Agriculture: 1, Is it a fact that only one market has been consulted in regard to the

distribution of the apple crop? 2, If so, what is the reason for ignoring the other firms carrying on business in this line? 3, Will he be prepared to see that all markets and distributors are brought together in conference, so that those interested can put forward their views to bring about a wider and more economical distribution? 4, Will he alter the existing regulations to allow citrus fruit (after inspection) to be forwarded to any part of the State, from Perth or Fromantle?

THE MINISTER FOR AGRICULTURE replied: 1, No markets have been consulted by the Department of Agriculture. The Apple Committee, which is not connected with that Department, has been trying to bring growers and buyers into direct touch with each other, and, in conjunction with the Associated Fruit Growers, has been conducting operations. 2, Answered by No. 1. 3, It is not intended to move in the matter through the Department of Agriculture, but there is nothing to prevent any combination of markets, distributors, and growers working together to further the scheme of apple consumption. The assistance of the Department will be given in every way possible to help the objects in view. 4, The matter will receive full investigation, but after the expense incurred by the State in the eradication of disease no risks must be taken in dealing with the distribution of fruit.

QUESTION—RAILWAY CONSTRUCTION, NARROGIN-DWARDA.

Mr. BUTCHER, for Mr. E. B. Johnston, asked the Minister for Works: In view of the fact that the Narrogin-Dwarda railway line was authorised by Parliament two years ago, and is urgently required to serve a huge area of well-settled country, as well as to connect the Great Southern and South-Western railway systems, *via* Pinjarra, when do the Government intend to commence the construction of this important public work?

The MINISTER FOR WORKS replied: No funds have yet been provided for the construction of this railway. It is the intention of the Government to include same in the next loan appropriation Bill, but with the difficulty in obtaining material

and the exorbitant prices for same prevailing the Government are not able to fix a definite date for starting construction.

QUESTION—RAILWAYS AUTHORIZED, ORDER OF CONSTRUCTION.

Mr. BUTCHER, for Mr. E. B. Johnston, asked the Minister for Works: 1, Do the Government intend to proceed with the construction of authorised railways in the order in which they were approved by Parliament? 2, If not, will he kindly indicate the order in which it is proposed to proceed with the construction of such railways?

The MINISTER FOR WORKS replied: 1, The construction of railways is contingent on funds being voted by Parliament; and the Ministry of the day, governed by the circumstances of each undertaking, decide the order in which construction shall proceed. 2, Answered by No. 1.

QUESTION—STATE BRICKWORKS, SHUNTING CHARGES.

Mr. GREEN asked the Minister for Railways: 1, Is it true that on inward loaded trucks using the State brickyard siding at Beenup the minimum shunting charge is 10s.? 2, Is it also true that no similar charge is exacted from the privately owned brickyard of Mr. Law, at Armadale? 3, If the facts are as stated, will he have similar arrangements extended to the State brickworks as are given to the private concern mentioned, so that they may not be placed at a disadvantage in their operations?

The MINISTER FOR RAILWAYS replied: 1, Yes. 2, Yes. 3, No. The conditions are totally different. The siding at Armadale is in the station yard, while that at Beenup is of exceptional length, namely, 1 mile and 38 chains. A minimum charge of 10s. per shunt is made to practically cover the cost incurred in shunting this siding.

BILL—LAND ACT AMENDMENT.

In Committee.

Mr. Holman in the Chair; the Minister for Lands in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 9 of principal Act:

Hon. W. D. JOHNSON: This clause deals with an important matter, and one which has given rise to a good deal of comment in times past in connection with land resumptions under other Acts. The proposal is to place resumptions under the Land Act on the same basis as, for instance, resumptions under the Public Works Act. Under the latter measure monetary compensation is paid, whilst under the Land Act compensation has been restricted to exchange of land. That restriction had a salutary influence. Owners of land were not anxious to have it resumed under the Land Act, and the difficulty of arranging exchanges removed from officers the temptation to resume unless this course was absolutely necessary. Where resumptions had to be made, moreover, no great difficulty arose. The innovation of cash compensation under the Land Act is dangerous. Where the course of resumption is made smooth and easy, public servants are not so cautious about resuming. There must be some special cases justifying the proposed amendment. I may move an amendment on this clause; but I think that the Minister might in the meantime explain more fully than he did on second reading the reasons for the proposed departure from a very safe course.

The MINISTER FOR LANDS: There has been considerable trouble in the Lands Department by resumption cases in the past. I think it is only fair to the individual if the State is not in a position to offer land to an individual equivalent to that which has been resumed then the State should compensate the person in another way. Take the case of a person holding a special occupation license. It may be necessary for the Government to resume a portion of his land for a townsite or a railway site. The land all round is occupied and the State cannot give the owner any land adjoining his holding because it is all taken up. The State could give the man land three or four miles away but that is no good to him. In a case like that where it is impossible to give a man land in return for that resumed the State should be in a position to compensate the owner in some other way. We

must consider individuals in these cases, not only the State. In all cases where the State resumes land the State should act justly and equitably. Where there is no land in the vicinity of a person's holding the State should have the power to give the owner other compensation.

Hon. W. D. JOHNSON: This provision as to resuming land has been in the Land Act since 1898 and I do not remember any special cases being brought before Parliament and during the past five years I have heard no complaints. The limitation of the Act has made the officers of the department very careful as to resumptions. Even in public works resumptions there has been suggestions as to the wisdom of them. There have been grave accusations made as to resumptions under the Public Works Act and we do not want to introduce that feature into the Land Act unless it is absolutely essential. This provision only applies to special resumptions for the extension of townsites.

Mr. Willmott: The resumption department uses whichever Act is most suitable, the Land Act or the Public Works Act.

Hon. W. D. JOHNSON: The Public Works Act is very well defined as to how a man can be dealt with, and the Land Act is a separate Act. There may be instances where there has been a difference of opinion as to which Act should be used in cases of resumption. There has been no great difficulty in resumptions under the Land Act since 1898. This is a dangerous provision more particularly when we recognise the state of our finances. We may do something which may make a further draw on the general revenue. If the Minister knowing of a special case which he wished to overcome, and where some hardship was being inflicted, he might explain that to the Chamber, but the Minister says there is no grave difficulty. There has been criticism for no doubt individuals would sooner have the cash than land but individuals have had to bow to the inevitable. I think the Minister might agree to the withdrawal of the clause. It is a direct departure from the policy of the Government who wish to reduce expenditure. Here is an absolute invitation to those who have land and who think that the Government may require that land to pull all the strings possible to get com-

pensation, but at the present time if a man has portion of his land resumed that person has to take other land in exchange.

The MINISTER FOR WORKS: I should like the hon. member to explain why under the Public Works Act the resumptions have proved satisfactory.

Mr. E. B. JOHNSTON: Some of the resumptions have been criticised, resumptions at West Perth, Strelitz's and others were greatly criticised.

The MINISTER FOR WORKS: I do not want to inflict on the House my idea of railway resumptions. The resumptions by the Public Works Department are carried on almost entirely by payment in cash and this has been going on for years. During the last ten years I do not think there has been any resumption case brought forward. The officers have been careful and the resumptions have been made carefully. In this instance the Minister tells me that any resumptions made by his department are for the purpose of town-sites which are required for the benefit of the people who settle there and the department should get the finest sites they can. The Act enables land to be given in exchange for land resumed but often resumptions are made where it is impossible to give a man equivalent land. If it is impossible to give a man equivalent land this clause gives the Minister power to grant compensation for the land that is taken away. During the past few weeks I have had several cases before me arising out of land resumption. In one case we took one-twentieth of a man's land without compensation. That man's home was spoilt and that is where compensation will come in. This particular clause will enable the Minister for Lands to deal fairly and justly with an individual if the Minister is not able to give him the equivalent in land.

Mr. FOLEY: I oppose the clause for the reason given by the member for Guildford. There is a principle involved in the amendment proposed by the Government and it is, in the event of the Lands Department wishing to resume any of it, to give a man who has taken up the land the unearned increment. So far as I am concerned, he is not going to get it. No instance has ever been brought under the notice of the House to warrant the

Land Act being amended in the manner the Government desire. The Public Works Act provides for compensation in the event of land being required for public works. If a man gives £1 an acre for land under the present Land Act, and that land has to be resumed, that man gets all the money that he paid for it plus a certain percentage, and he should not expect anything more. Even if the Government did take a certain amount of land out of a man's holding for the purposes of a townsite I contend the Government give him a *quid pro quo* because they are making a town right near his land. That land, first of all, belonged to the State and until the man has fully paid for it, it still belongs to the State. The amendment is not wanted, firstly because there has been no case brought before the Chamber to prove that it is needed, and secondly because those who have come under it would only be getting the unearned increment which they have no right to collect.

The MINISTER FOR RAILWAYS: Hon. members know that we do not allow private people to sub-divide townships; we resume the land. Before that time the owner of the land had the full advantage of it. It is one thing to take a small area of land for a road, but another thing to take a large area for other purposes. When we take 500 or 600 acres of land it may be that we are taking the very best that a man has, and then it is a question of dealing fairly by the owner. Unless some such clause as the one under discussion is inserted in the Bill, an injustice will be done.

Mr. Underwood: How have we been getting on during the past 20 years?

The MINISTER FOR RAILWAYS: It is only within the last six or seven years that we have resumed large blocks of land from conditional purchase leases for township purposes, and the Government have derived considerable advantage from them when the areas are cut up into town blocks. We heard the other night that land at Bruce Rock was sold at an £80 premium over the price fixed for leasing. I did not know that the land there had been taken from a conditional purchase lease. If we are going to get a big sum of money from the sale of land which we take from a farmer, that farmer is entitled to receive compensation; he has as much right to it as

the man who has the freehold of a property. I take it that the House will treat settlers fairly and reasonably.

Hon. W. C. ANGWIN : This Bill does not apply to land resumed for water purposes.

Hon. W. D. Johnson : Provided that water is wanted for railways.

Hon. W. C. ANGWIN : There is very little land resumed outside that resumed under the Public Works Act, and the other departments have to go to the Public Works to get land resumed.

Mr. Willmott : Why ?

Hon. W. C. ANGWIN : Because the Act is severe.

Mr. Willmott : That proves how unjust it is.

Hon. W. C. ANGWIN : Under this Bill a man gets the capital value of his property and ten per cent. interest so long as the Government use it, and he would be compensated for any improvements made on the land. If such a man put his money into the Savings Bank he would only get three per cent. interest.

Mr. Green : It is a gilt-edged security.

Mr. Thomson : Is that ten per cent. per annum ?

Hon. W. C. ANGWIN : It all depends on how long he holds the land.

Hon. J. Scaddan : Ten per cent. added on to his annual payments, at compound interest.

Hon. W. C. ANGWIN : The Bill says ten per cent. interest, and not ten per cent. added to the cost. If a man had spent £100 on his land and the Government take it, the Bill does not say he is only to get ten per cent. added. He gets interest at the rate of ten per cent., and on £100 he would get £20 in two years.

Mr. Thomson : It does not say "per annum."

Hon. W. C. ANGWIN : Seeing the large number of townsites which have been laid out, that the value of land has been increased in various ways, and that the individual will get back the full amount that he has paid plus ten per cent., I think people should be well satisfied.

Mr. E. B. JOHNSTON : I know of at least one case in which the powers which existed were exercised by the Lands Department when the Labour Government were in office. I know of a case in which a man could only claim under the Act com-

pensation to the amount of five shillings upon the resumption of his land, plus the cost of his improvements, but the then Minister (Hon. T. Bath) recommended that he should be paid £6 per acre and this was paid. The individual, however, considers he was badly treated in not getting the full market value of his land.

Hon. W. D. Johnson : Why was the land resumed ?

Mr. E. B. JOHNSTON : For the extension of a townsite. Another piece of land in a townsite in my electorate was resumed for water purposes. Although the land was alongside a railway siding it was taken from the owner who was given £10 or £12 compensation. I support the clause.

Mr. HICKMOTT : I have a case in my mind of a selector in my electorate who has a property through which a railway runs. Five acres were taken from him for railway purposes, and on this five acres he had borrowed money from the Agricultural Bank for improvements. It cost him £5 to clear the land and he has to pay interest upon it, but did not get a penny by way of compensation.

Mr. PIESSE : I do not think the clause goes far enough. Why should the owner of a townsite block be on a different footing from the owner of a city block which is resumed and on which compensation is paid ? Where land is resumed for townsite purposes it should be optional on the part of the Government that they should take the whole lot at a price to be fixed by arbitration. Provision should be made where land is resumed for townsite or other purposes under the Act for it to be valued by arbitration and for compensation to be paid accordingly. The Government should take the whole block if it is necessary to resume land for railway construction. The member for Williams-Narrogin has told us of an instance in which forty acres were resumed out of a block of one hundred and sixty acres, and the selector had to sell the balance of the land in order to recoup himself.

Hon. J. SCADDAN : I am not quite in agreement with those who are opposing the clause, and I rise only to point out the different methods adopted in cases of resumption of city land and country land. Under the Public Works Act, under which resumptions of city lands are conducted, a holder

is paid the market value of the property, plus ten per cent.; whereas resumptions of country land are conducted under the provisions of the Land Act, and in such cases the holder is entitled to have returned only the amount he has paid the Government. It must be realised that with the development of our interior lands the city must expand and property become enhanced in value. The Minister for Works well knows that we have had to make extensive resumptions in Perth, and will have to do so again very probably in the future, because of the extension of trade in the country. The procedure often operates to loss by the State. I know of an instance in which a holder of rural land submitted a value on his return of £1,000 for the purposes of State taxation, but immediately he heard of the prospective advent of a railway, on his next return he placed the value at £8,000. I know of another instance in which a gentleman who was a member of this House put a valuation of ten shillings per acre on his land for valuation purposes but when he heard of a railway being likely to be built in his district he placed the value in his next return at thirty shillings.

Mr. O'Loughlen: Was he a member of this House?

Hon. J. SCADDAN: He was, he is and he will be. My point is that the unearned increment is greater in regard to city property than suburban lands. Members are well aware of an instance of this in connection with an estate near the city which was sold for £10,000 and which is now being again sold for over £350,000. As an illustration of the different methods I will quote the case of the member for Guildford, who owns conditional purchase land near Bruce Rock, and my own case in respect of land at Mt. Lawley. The member for Guildford purchased his land from the State, and subject to his performing certain conditions and making certain payments, that land will in time become freehold to him. I purchased a piece of the Mt. Lawley state from freehold vendors. Therefore, our positions are exactly similar inasmuch as we will both be entitled to get the freehold. If the Government resumed my land for purposes of public convenience, they would

not return to me the amount I paid for it plus ten per cent., they would pay me the present market value, which may represent an increase of two hundred per cent., and in addition they would pay me ten per cent. more for the inconvenience of removal. But in the case of the member for Guildford, because he happens to be purchasing the land from the Crown, if that property should be resumed, he can be compelled to accept the amount he has paid plus ten per cent.

Hon. W. C. Angwin: That is the condition upon which he took the land up.

Hon. J. SCADDAN: I realise the legal aspect of the case, but I do not think every man who takes up farming lands obtains a copy of the Land Act and reads Section 39 to learn what powers are reserved to the Crown. If he did I am inclined to think he would not take up land at all. The reservations to the Crown in respect of which land may be compulsorily resumed in the country districts are most comprehensive, and I wish to call attention of members to the fact that lands resumed under that section are dealt with under Section 9, which applies only to homestead farms, conditional purchases and other rural lands. If the Crown desires to resume city lands they will treat with the owner under the Public Works Act, and an entirely different position arises. I do not see that there should be that difference for the reason that conditional purchase is merely a matter of giving a man a term of years in which to make the property freehold.

Hon. W. C. Angwin: You are putting up arguments now against the clause.

Hon. J. SCADDAN: I cannot help it if the hon. member votes against it. My contention is that under the existing system it frequently happens that the State is robbed.

Mr. Harrison: But that is no argument why the State should now rob its citizens in the other parts.

Hon. J. SCADDAN: That is so.

Mr. Green: Or that the State should be robbed in return.

Hon. J. SCADDAN: If the hon. member ever takes up farming lands—

Mr. Green: And you put a railroad through it I will give it to you for nothing.

Hon. J. SCADDAN: We have heard that proposition made previously. I remember a petition was presented urging the construction of a certain railway and the petitioners undertook that if the railway were built the owners of the land would be prepared to give the land free to the State. I was sceptical then just as I am sceptical now of the member for Kalgoorlie. The Minister made it a condition with the petitioners and insisted that a clause should be inserted in the Bill providing that the land should be given free to the Government. Then there was another story to tell. One man came to see me on the subject and the air in the corridor was blue about the injustice sought to be done to the settlers. The petitioners did not mean what they said, they used the promise merely for the purpose of getting the railway Bill through. I wish members to appreciate the fact that the Crown can resume any conditional purchase, homestead farm, or other lands used for agricultural purposes and the compensation to be paid is fixed by Section 9 of the Act, whereas, if the Government resume city lands for public purposes, they must pay the market value of the land, plus 10 per cent. I think the law should be made to apply to all alike. If the present procedure is unfair to the State it should be altered so as to make it fair, and if it is unfair to any of the citizens of the State similarly it should be altered.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. CUNNINGHAM: It is only fair that the Minister should have discretionary power of compensation, because in respect of resumptions there are often special cases in which it is only right that such a power should be exercised. The leader of the Opposition pointed out that in the case of the resumption of freehold land compensation is paid on the valuation basis, but that it is different with regard to conditional purchase land under the Land Act. I have had complaints from several settlers in regard to resumptions, on the score that those resumptions had been made under the Public Works Act, in which case they are not entitled to compensation.

Hon. W. D. JOHNSON: No, it is the other way round; the reverse obtains.

Mr. CUNNINGHAM: Those settlers have been told by the Public Works Department that they are not entitled to compensation either for the land or for the improvements on the portions resumed. I think this treatment unjust. Compensation should be paid for both land and improvements, and in all cases the Minister should have discretionary power to pay compensation.

Hon. W. D. JOHNSON: The hon. member is under a misapprehension. The amendment will not alter the position in regard to the resumptions he refers to. Resumptions for railway construction must be made under the Public Works Act, which provides that monetary compensation may be paid. If it was refused it was because there was no value. Under that Act, one-twentieth of the land can be taken without compensation. If more is taken, the value of the difference must be paid.

Mr. Cunningham: Compensation for improvements was refused.

Hon. W. D. JOHNSON: That could scarcely be. Of course, there is often a difference of opinion between the department and the owner as to what constitutes improvements. The Land Act is not used in connection with resumption for railway construction at all. Only in isolated cases is the Land Act used, hence there is no occasion for the clause. The leader of the Opposition takes a wrong view of the situation. He drew a comparison between the land which he had bought at Mt. Lawley from a private individual and the conditional purchase land which I purchased from the State. The land I bought at Bruce Rock was purchased at a very low price as compared with what the hon. member paid for his land at Mt. Lawley. This was due to the fact that the Government make it a condition of sale that they shall have the right to resume for various purposes, which is not a condition in the title under which the hon. member got his land. Although the value of conditional purchase land is discounted because it is liable to resumption, hon. members propose to have another dip into the State purse and give something more away. This is no time for making inroads into State revenue. The member for Katanning (Mr. Thomson) is always

complaining of want of economy, and of neglect to conserve the State's revenue. Yet now he goes to the opposite extreme, and that too without giving reasons. The clause is altogether unnecessary, and the condition of the finances should make the Treasurer hesitate before attempting to pass a provision of this description.

Mr. THOMSON : Justice should be done to those men whose lands are resumed. Even under the Public Works Act country landholders do not get justice. If the whole of a district derives benefit from the construction of any public work, it should not be left to one, or even three or four, individuals to bear the whole of the injury occasioned by the resumption of land. It is said that since 1897 there has been no case of harsh treatment under the existing Act. If that is so, what warrant can there be for opposition to the clause? Under this Bill, if land is resumed for a road, compensation will be given either in money or in other land. It is useless, however, to give by way of compensation land 10 or 20 miles away. As regards unearned increment, who creates the increment of country land? Not the people living in the metropolitan area. Until the settler makes his land productive, the land is valueless. The settler creates the increment, and is entitled to the benefit of it.

Mr. FOLEY : The member for Katanning is consistent in inconsistency. I expected him to state a specific case in reply to the circumstances outlined by the member for Guildford; but he has failed to do so. No case has ever yet been brought forward in Parliament of the existing system of compensation under the Land Act operating unfairly.

Mr. Thomson : The member for Williams-Narrogin quoted two cases.

Mr. FOLEY : Yes; and the member for Greenough also quoted a case; but those cases were governed by the resumption sections of the Public Works Act. There are different valuations now for purchase and for resumption and for taxation.

Mr. Piesse : They should all be the same.

Mr. FOLEY : Yes; but the hon. member interjecting voted against the Bill brought in by the Labour Government for the purpose of making all three valuations the same. Not one member now sitting on the Government side but voted against that

Bill. I noted particularly that none but Labour members voted for it.

Hon. J. Scaddan : Sir John Forrest, the Liberal chief, as Federal Minister, asked at a conference, for the introduction of that Bill.

Mr. FOLEY : The holder of conditional purchase land takes it up at a low price, knowing that he is liable to be dispossessed on payment of the rents he has met, and of the cost of his improvements, and of 10 per cent. additional. Not a case has been brought forward to prove that this clause is needed. The clause should be struck out, as existing legislation provides fair compensation. The general community ought not to be penalised in respect of resumptions. The real intention of the clause is to allow the holder of conditional purchase land to get out of the bargain he made when purchasing. He purchased at a low price in the knowledge that he was liable to be dispossessed on certain terms.

Hon. J. SCADDAN : In the clause under discussion there is no right on the part of the holder to demand compensation. It only provides that the Minister in his discretion may decide the proportion of the amount of the purchase money to be refunded. The Attorney General will probably inform the House whether that reading of the clause makes the matter clear, definite and final, that the Minister's decision shall not be subject to an appeal at law. Is that the case or not? If this is to be the stepping stone to legal actions I am not very keen on it. If the clause makes it final and it is really at the Minister's discretion, and that it cannot be afterwards appealed against, I cannot see very much harm in it. It will be preferable to knock out this method of resumption. We have too many methods in the various Acts of Parliament in existence. We brought down a Bill some time back for the valuation of land. It provided that valuations should be made by an established department with experts appointed for the purpose, not merely for the resumption of land for public purposes, but for valuing land for all public purposes, for taxation, municipal rating, probate and resumption.

Mr. Piesse : What was the constitution of the board?

Hon. J. SCADDAN : It was not a board. The proposal was that it should be a department. Such a department exists in New Zealand, and there is also one in New South Wales, and in both places they operate satisfactorily.

Mr. Piesse : Do they allow appeals ?

Hon. J. SCADDAN : Yes. That Bill was introduced here by the Labour Government prior to a certain conference being held in Melbourne and the Bill was defeated in another place, but every Liberal member and Country party member in this House at that time voted against it. Shortly afterwards no less a person than Sir John Forrest himself attended one of the Premiers' conferences and submitted a request that all the States acting together should immediately put on the statute-book a Valuation of Land Bill in the very direction we had submitted to the House some time before, the object being to get over the difficulty of the multiplicity of valuations which gave dissatisfaction to the ratepayers, and Sir John put up the very arguments that were advanced when we submitted the measure to this House.

Mr. Foley : And we had just had the object lesson in the West Perth resumptions.

Hon. J. SCADDAN : We had it in East Perth and still we have different Acts of Parliament, different Ministers and different officers carrying out this work. The time has arrived when the Government might consider the advisability even at this stage of reintroducing the Valuation of Land Bill.

Hon. W. D. JOHNSON : It seems very evident that members are determined that, despite the tax this will put on the general revenue, they intend to pass the clause. I think Parliament should have greater control over expenditure than it has had in the past. There has been criticism in connection with resumption ever since I have been in Parliament. That criticism has been due to the fact that resumptions have taken place and payment made without the consent and the approval of Parliament. We have to endorse the expenditure, but the Minister has the power to expend and Parliament has no opportunity to criticise. I propose to move an amendment to the clause. I move—

That in the last two lines the words, "The Minister in his discretion may recommend" be struck out and "may be approved by Parliament" inserted in lieu.

The clause, as I have already stated, is an unnecessary tax on the general revenue, and if it is to be a tax let us check it as much as we can and see that Parliament approves of it before payments are made.

Mr. FOLEY : If any land has to be resumed and if it comes to the point of the Minister's discretion the leader of the Opposition wants to know whether the Minister's recommendation will be final, or whether the man whose land has been resumed can have recourse to a court. The Government should be in a position to give us some information on this point.

The MINISTER FOR LANDS : It does seem absurd that we should provide that a person should have an opportunity of going before a judge over a small matter such as this. I cannot understand why hon. members are opposing this clause.

Hon. W. D. JOHNSON : We have had too many experiences in the past.

The MINISTER FOR LANDS : It has been thought in the past that in the discretion of the Minister some compensation should be given in these cases and this has been given through Cabinet by the Governor-in-Council. The fact that this system existed proves that something of the sort should be placed in this Bill. What unearned increment has the owner of a special occupation lease or a leaseholder to get ? I think any increment that a leaseholder earns he is fully entitled to it. There can be no unearned increment in connection with special occupation leases.

Hon. W. D. JOHNSON : It is unearned increment if railway construction has brought about an increase in value.

The MINISTER FOR LANDS : We must consider what the value of the land was before the railway came. Town lands are very different and there is of course an unearned increment attached to them. It has been ruled by the Crown Law Department that we cannot, in cases with which we are dealing, grant any compensation to the owner except land and the rental with 10 per cent. added to what he has paid on the land which is resumed. It is only right that increases of

hardship the Minister should have discretionary power to give some relief. There is no discretionary power in regard to this matter until we pass this amendment, which gives such power to the Minister to recommend that this compensation shall be given. In the old days of resumptions there was generally to be found some land adjoining the resumed block which could be given in exchange, but to-day that sort of thing does not obtain. I do not think any special occupation license holders are likely to pull any strings in order to have townsites declared on their properties so that they may get compensation. When a townsite is wanted surveyors choose the most suitable and best place along a railway line and survey the townsite, irrespective of who the land may belong to. Where a person has his land taken from him and there is no land available with which to compensate him, some provision should be made for monetary compensation. I see nothing in the arguments which have been raised against the clause to lead me to alter it. I am sure that there have been cases in which land has been taken from a farmer who has had nothing in return and who did not know he could claim anything for it.

Mr. GREEN: The member for Guildford (Mr. W. D. Johnson) is on sound ground in opposing the clause. With regard to the instance quoted by the member for Williams-Narrogin (Mr. E. B. Johnston), I have yet to learn that agricultural lands in this State are worth £6. per acre cleared.

Mr. E. B. Johnston: This particular block was valued at £25 per quarter-acre.

Mr. GREEN: It is said that all that the farmers want is justice, but in this case they are asking for the unearned increment which has been given to land because of railways being brought into close proximity with it. I own a block of land 15 miles from a railway and if a townsite was declared on it I would willingly hand over the area concerned because I would know that a townsite would improve the value of my property. Any reasonable man would think he was on a gilt-edged security in getting a station near his property and being paid for the land taken the full cost with 10 per cent. per annum added.

Mr. Thomson: Where did you read that "per annum" in?

Mr. GREEN: Does the hon. member propose by interjection to tell us he does not think per annum is intended?

Mr. Thomson: Yes. Have you read the Act?

Mr. GREEN: He is the representative of what is supposed to be an intelligent community. Does he wish the House to believe that in his opinion the 10 per cent. mentioned in the Act does not represent 10 per cent. per annum?

Mr. Thomson: Yes, absolutely.

Mr. GREEN: Then there is nothing more to be said. I repeat that a man who is to have a siding near his land and to be given the full cost of that land plus 10 per cent., is being well treated, particularly when it is remembered that he has had the use of the land for years, cropping it for wheat, and in addition is paid for all the improvements he has put on the land. If hon. members are not satisfied with that, I do not know what they would be satisfied with. I trust for the good name of the farmers generally they do not represent the farmers' opinions. The impression is undoubtedly going abroad that the farmers having squeezed one party dry will shortly apply the same process to the present Government. In some countries directly a railway runs alongside a property the betterment system operates, that is to say the farmer pays something for the railway being brought into his district.

Mr. E. B. JOHNSTON: It would appear that the intention of the mover of the amendment is that the question of compensation shall come before Parliament on the Estimates.

Hon. W. D. Johnson: What I want is to put the State first.

Mr. E. B. JOHNSTON: I would point out that once an item is included on the Estimates it must either be passed or reduced. Parliament has no power to increase an item.

Hon. W. D. Johnson: That is another reason why the Minister should be careful in his recommendation.

Mr. E. B. JOHNSTON: It is not likely that the Minister will recommend anything like adequate compensation, and on the top of that the proposal now is that the Minister's recommendation shall be subject only to reduction. If the member for Guildford really desires to deal fairly with

the settler, I would suggest that he word his amendment so as to give a land owner the right of appeal to a court if in his opinion the compensation proposed to be paid by the Government is not fair and adequate. It is not fair that the Government, when it is desirous of resuming land, should be able to resume property practically compulsorily.

Hon. J. Scaddan: Then why not knock out this provision in the Bill and make the Government follow the other course?

Mr. E. B. JOHNSTON: Generally when resumptions take place settlers are compelled to accept whatever is offered by way of compensation, because they are not in a position to come to Perth and go into court and carry out the necessary legal rigmarole.

Hon. J. Scaddan: You would remove all that by having a land valuation board.

Mr. E. B. JOHNSTON: The Crown still has the right to resume one-twentieth of any holding without compensation for the purpose of building roads.

Hon. J. Scaddan: And if the Government had not that power, there would be few roads, because the State would not agree to carry the cost of purchasing the land.

Mr. E. B. JOHNSTON: I hold that where the land is taken from an individual for the benefit of the general community, he should be treated well. It often happens that resumptions for a townsite comprise the whole of one selection.

Hon. J. Scaddan: When they take land for a townsite and re-sell it, the Crown should compensate the owners in full.

Mr. E. B. JOHNSTON: I think the clause would be improved if it were amended to give the selector the right to appeal to a court.

Hon. W. C. ANGWIN: The amendment would afford Parliament an opportunity of considering whether the amount of compensation offered was fair. I am in doubt as to whether the clause does not now give the power to go into a court. Some land owners are most unfair. Amongst other lands resumed whilst I was in the Works Department was one in respect of which a claim was made for £90. That block was entered on the taxation papers at a valuation of £1; and it was not entered on the sheet because in the

opinion of the departmental officers it was worthless. I will read a few other somewhat similar cases—Taxation value, £130; claim, £1,720; compensation paid £1,623. In another case the taxation value was £1,000, the claim was £4,086, and the amount paid £3,154.

Mr. Harrison: That is all city land.

Hon. W. C. ANGWIN: Some of it is.

Mr. Harrison: Then it does not come under the Land Act at all.

Hon. W. C. ANGWIN: Let us analyse the position. The State builds a railway for the improvement of the land abutting on that line.

Mr. Harrison: No, for the development of the State.

Hon. W. C. ANGWIN: Immediately the railway is surveyed almost every settler along the line wants a siding on his holding, because he knows that eventually townsites will spring up near those sidings. This is shown every day. Why, then, should compensation be paid, especially in view of the fact that the land was taken up on resumption conditions? The amendment moved by the member for Guildford is fair and reasonable. We have no right to do anything involving increased expenditure at the present time. Provision is already made for the resumption of land on fair and just terms.

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

Ayes	14
Noes	17

Majority against .. 3

AYES.

Mr. Angwin	Mr. Mullany
Mr. Carpenter	Mr. Munsie
Mr. Chesson	Mr. Scaddan
Mr. Foley	Mr. Taylor
Mr. Green	Mr. Thomas
Mr. Hellmann	Mr. Underwood
Mr. W. D. Johnson	Mr. O'Loughlin

(Teller.)

NOES.

Mr. Allen	Mr. Lefroy
Mr. Butcher	Mr. Mitchell
Mr. Connolly	Mr. Nairn
Mr. Cunningham	Mr. Robinson
Mr. George	Mr. S. Stubbs
Mr. Griffiths	Mr. Wansbrough
Mr. Harrison	Mr. F. Wilson
Mr. Hickmott	Mr. Thomson

Mr. E. B. Johnston (Teller.)

Amendment thus negatived.

Clause put and passed.

Clause 3—Amendment of Section 27 of principal Act :

Hon. W. C. ANGWIN: I would like some explanation why the system which has been in vogue so long should now be changed.

THE MINISTER FOR LANDS: As I explained on the second reading, the reason is to enable conditional purchase property, the holder of which becomes insolvent or is adjudicated a bankrupt, to be sold either by auction or by private contract.

Mr. UNDERWOOD: I support this clause because it is the only one in the Bill which is left to Parliament, instead of being left to the discretion of the Minister.

Clause put and passed.

Clause 4—Lessee of town or suburban land may acquire fee simple :

Hon. W. D. JOHNSON: This clause deals with the vital principle of leasehold versus freehold for town and suburban lands. I have advocated the leasehold tenure, especially in the case of town lands, ever since I have had an opportunity of thinking the question out. The policy introduced by Mr. T. H. Bath has proved satisfactory. There has been no public agitation for the conversion of leaseholds into freeholds. The leasehold policy was introduced prior to the last general election but one, and thus we are justified in asserting that the public have endorsed it. The present Government propose to reverse that policy without any demand from the people and without the people's express approval. I can overhear what the Premier is saying to the Minister for Lands, and I will explain the matter to which the Premier is referring. In the early days of Kalgoolie, what was known as the miner's right principle obtained. The holder of a miner's right could hold a block of land so long as he continued to hold the miner's right. Eventually, the Government of the day decided to alter that system ; and they notified all the holders of blocks under miner's right, which were known as residential blocks, that unless they forthwith converted their blocks from leasehold into freehold the blocks would be forfeited. On the block I held, I had erected a home,

though only a bachelor's home ; and, naturally, I did not want to lose the block. The policy of Mr. Gregory, however, forced the position just before a general election ; and I had either to forfeit my block with the improvements, or else make it a freehold. Thus, after I had been compelled, at the point of the bayonet so to speak, to become a freeholder, Mr. Gregory went round the country saying that for personal profit I had departed from principle. So much for that episode. Mr. Bath's system of leasehold tenure for town and suburban lands appealed to the public, inasmuch as it gave everyone a chance to obtain a block. The freehold system meant that people with money obtained all the blocks ; and thus people with a small amount of capital, who desired to set up in business, could not readily obtain a site. Under the leasehold system no one could hold more than two blocks. That limitation afforded a fair opportunity for everyone to get a block at a reasonable rate. So much from the individual point of view. From the public point of view, the State gets the benefit of the unearned increment resulting from State expenditure and from the growth of population. However, I will not take up the time of the Committee by discussing the relative merits of freehold and leasehold. Under this clause the Minister proposes to give leaseholders the right to convert to freehold provided they surrender their leases ; but the clause says that the price of the freehold shall not exceed the capital value as determined at the commencement of the lease. That provision is absolutely unfair to the State, because the price originally fixed had no direct bearing on the revenue of the State. Twenty-five pounds was taken as the basis of capital value for a leasehold block, and on that amount of £25 the leaseholder paid 4 per cent. by way of rent. In order to insure the State's receiving a value fairly proportioned to the business which could be done, the lease of each block was put up to auction to be paid for by way of premium. At Bruce Rock, for example, blocks brought premiums of as much as £75. Now, the original capital value of such a block would be only £25.

The Attorney General: But the man paid the £75.

Hon. W. D. JOHNSON: That is the point I am coming to. The fair method for ascertaining the present value of a block would be to put the block up to auction now. If the present holder buys the block again, his original payment by way of premium should be deducted from the purchase price. I am opposing the clause, but if it goes in I want to see that the State gets a fair return for the land. The clause as drafted has not been properly thought out. The Minister has not given that consideration to it that it required and therefore it should be amended. I claim from experience that the leasehold system has worked well and it has been endorsed by the people after having been put into operation.

The ATTORNEY GENERAL: After listening to the member for Guildford (Hon. W. D. Johnson) I have come to the conclusion that the conservatives sit on the Labour benches and the democrats on this side of the House. The clause gives the option to a man to acquire freehold or leasehold. It does not seek to destroy that option, but says that a man who has taken the leasehold may at a later stage acquire the freehold, and may have reasonable and proper facilities for doing so. The man who lives in a house and has his family and belongings there, at some time or other in his life wants the freehold of his property. The hon. member in dealing with Bruce Rock cited a typical instance and one that fits the case to the ground. As a matter of fact I would have cited that very case in support of the clause. The object of the clause is not to rook the last penny out of the leaseholder before giving him the freehold, but to give fair and adequate compensation, and at the time that the hon. member speaks of, he advocated the system as a good one. The town of Bruce Rock has become quite important and the Government do not want to penalise these men here by transferring their blocks and making them put extra value on their land. We say "You may have this land at its capital value, but not its present capital value, but the capital value at the time you acquired it." The hon. member says that is giving away some of the money of the State.

Mr. Munsie: Giving away the assets of the State.

The ATTORNEY GENERAL: I cannot see that, because this land has gone from the State on a 99 years lease, and one cannot imagine when that lease is over that the State is going to take back the land.

Mr. Munsie: The State will go on leasing it.

The ATTORNEY GENERAL: Therefore the State has parted with this asset.

Mr. MUNSIE: I am satisfied that if the people who are residing on leasehold blocks get the opportunity of converting them into freehold, some of them may continue the leasehold until they are desirous of leaving the district. But if a town goes ahead the workers living there in their homes will still be living there and they will be paying rent to the landlord instead of to the Government. I want to prevent that. I want to give them the opportunity of owning their own homes.

The Attorney General: They could still own their own homes by leasehold.

Mr. MUNSIE: In Melbourne some 16 years ago the Government of the day established a suburban area under the leasehold system and it was taken up and applied for principally by working men. A couple of years later the people started to agitate for the freehold and they got it, and at the present time there are not two in that area who are not paying rents to Melbourne landlords.

The Attorney General: That does not prove anything.

Mr. MUNSIE: It proves that it is a good thing to give the working people and business people a chance of going into the leasehold system.

The Attorney General: They are not the same people.

Mr. MUNSIE: There is any amount of the same people still living in the homes they built under the leasehold system but paying rent to the landlords. Other instances in this State could also be quoted.

The Attorney General: Do you say, once a leaseholder always a leaseholder?

Mr. MUNSIE: Certainly. That is one condition of the platform of the party with which I am connected that I do not agree with. I believe there is only one solution to the land problem and that is to

nationalise the whole of our lands. If early Governments of the State had kept Perth on the leasehold system they would have been getting sufficient revenue to run Western Australia with.

The Attorney General: And the capital of the State would have been at Albany, and Perth would have been a sheep run.

Mr. MUNSIE: I want the clause wiped out because I wish to see the leasehold system extended and not curtailed.

The Attorney General: You would cut out the freehold.

Mr. MUNSIE: Yes, because it is in the best interests of the State to do so. No Government will ever make the leasehold system popular whilst freehold is allowed to exist alongside it. Has there been any complaint from the townships that are under the leasehold system in this State to be made into freehold?

Hon. W. D. Johnson: Not one.

The Premier: Any quantity. They never leave me alone.

Mr. MUNSIE: The Government have not given this clause proper consideration. There has been no agitation on the part of the people for the conversion of leasehold into freehold.

Mr. Thomson: It was no use appealing whilst the Labour Government were in office.

Mr. MUNSIE: The Government have not considered the people of the State in the matter.

The Attorney General: I raised that question at every one of the meetings during my election campaign.

Mr. MUNSIE: There has been only one election fought in Western Australia on the question of the leasehold *versus* the freehold tenure of land, and that was in 1911 when the Labour party were returned with a large majority. Again, in 1914 the Labour Government were returned to office, but on this occasion the taxation Bill was the basis on which the election was fought, but although the majority was small there was still a majority. There has been no appeal to the people since, and it verges on a scandal that a system which has been in vogue for so many years should at the last moment of the session be altered and the rights of the people given away for the sake of allowing someone to get a few pounds out of trafficking

in freehold land. I trust the Minister will reconsider his decision with regard to this clause. The Minister should be prepared to give the House the reason why the change is desired. Has there been any request?

The Minister for Lands: There have been many requests.

Mr. MUNSIE: I believe in the leasehold system, and in my opinion the proposal of the Government amounts to giving away the heritage of the people for the next 30 years. Where the leasehold principle has been given a trial in this State it has proved successful. I may quote an instance at Dangin, an agricultural town, where to-day there is a settlement of leaseholders on land which is freehold, but the owner of which so well realises the value of the leasehold system that he will not part with the freehold. Letters have appeared in the public press from Mr. R. E. White appreciative of the success of that settlement. I admit that some leasehold systems which have been adopted here, even under the Workers' Homes scheme, have been such as to render success impossible. This is chiefly by the putting of an exorbitant value on the land. The Minister should not endeavour to force this through Parliament without first consulting the people. It would be unjust to the State and unjust also to those holding under leasehold to-day. Had it not been for the leasehold system, there are many people at present owning their own homes who would not have been in that position as they would never had had the necessary capital to make the purchase right out. My protest against the clause is chiefly made in the interests of the State itself.

Mr. THOMAS: I regret that hon. members have not gone into this question and studied it from the point of view of what the leasehold system would mean in this State in years to come. We have to-day a population of only 300,000 people and there is ample room for all and room for expansion, but the day will come when those conditions will not obtain. I would ask members to ponder on the vast rents which are to-day paid to private individuals in the metropolitan area. Had the leasehold system been introduced in the early days of the State that money would now be going into the coffers of the State and

the deficit, which is now causing so much concern, would be relieved by the enormous revenue coming from the rents in the City ; and that position would have been brought about without doing an injustice to anyone. Lands which to-day in Perth are worth many thousands of pounds per acre were probably originally worth little or nothing. They had only their productive value, and were bought by individuals at that value. No one will assert that an individual owning one or two acres of land in Perth has produced the value that that acreage now holds. The enhanced value is due purely and simply to the expenditure of Government money, to the activities of the Government in the development of Western Australia and to the influx of population. Were it not for the people who have come here what would be the value of City lands to-day ? The people having produced that value, the unearned increment must properly belong to the people. It is now too late to make an alteration so far as our metropolis is concerned, but members should grasp the facts, and if they do that it will be seen we will be doing the right thing if in respect of every new settlement we decide that the land shall be held by the State as trustees for the people and retained for the people for all time. If that be done and our population increases until it is numbered by millions, the day will come when this State can be governed without imposing one penny of taxation. But it can only be done by saving to the people what to-day is their right and heritage. Why should we perpetuate an injustice on the great mass of the people ? There is a land hunger among certain sections of the people, but it is the duty of the Government to resist that rather than to succumb to it. Members on the Ministerial side plead that leasehold is a failure, notwithstanding which they perpetuate the system of leasehold in the North-West. I am convinced that no appeal we can make will induce the Government to deviate in their attitude on the Bill. The clause will be carried, but I am afraid that ere long the people of the State will have cause to regret it.

Hon. W. D. JOHNSON: I move an amendment :—

That in line 3 the words "but not to exceed the capital value as determined at the commencement of the lease" be struck out, and "which shall be the capital value at the date of surrender less the premium paid for the lease" inserted in lieu.

It would be unfair to sell the blocks at their original capital value. That value was fixed with a view to determining a fairly low rental, to be paid to the State. The true capital value of the land was not taken into consideration. The clause as printed will give the lessee the right to secure the freehold at something lower than the true capital value. I desire to see the true capital value paid, but at the same time it would be unfair to get that and also retain the premium already paid to the State. I think the amendment should be accepted by the Minister so that the State may obtain the true capital value, taking into account the premiums already paid.

Hon. W. C. ANGWIN: The amendment assists the Minister by affording him a better opportunity of determining the capital value at the time of sale. The values of the blocks were in some cases fixed at very low rates, with a view to reappraisal at a later date if the towns progressed.

Amendment put and negatived.

Mr. GREEN: I oppose the clause. Some of the arguments of the Attorney General were indeed surprising. It passes the comprehension of the average lay mind to explain how the legal mind, in discussing the simplest question, works itself into a tangle. That phenomenon is no doubt due to the lawyer's practice of holding briefs for litigants in the justice of whose cases he does not believe. The Attorney General contends that as regards leasehold blocks the State has already parted with its asset. That remarkable statement can be readily refuted by presenting an analogous case. Suppose that in the old Crown colony days the Downing-street Government had been wise enough to determine that all lands in the city of Perth should be leased. Then after a period of, say, twelve years, Perth lands would have been reappraised and the immense increase in land values would have gone to the State instead of the landlords. Certainly, with such a system of land

tenure we would have had no deficit to-day. By leasing, the State retains its asset, and does not lose the asset. The fear is that under existing legislation the worker will obtain a fair deal. The Attorney General has said that only working men have these blocks. To my knowledge one member, and a wealthy member, of this Chamber has over a score of these blocks. Obviously, it is to that member's advantage to obtain the freehold. In this respect the Bill will help only the speculator and the boodler. The measure, in fact, represents a breach of faith with the people of Western Australia. The blocks were originally leased under certain conditions. Now the Government, possibly because the member for Toodyay has a few interested friends pushing him, and certainly because the member for Pingelly has friends pushing him, submit this proposal. The friends of those hon. members want something for nothing.

Mr. Piesse: I do not know a single individual who holds one of these blocks.

Mr. GREEN: My statement applies, at all events, to the member for Pingelly, because he has admitted as much in this House. Even if there is such an agitation, that is no argument in favour of granting the freehold. The system of tenure under which the blocks were originally granted should be retained. The evidence against the freehold system, which older countries afford, renders it our bounden duty to try a different system. In the Eastern States the people are becoming divorced from the land. In New South Wales, which has an area of over 300,000 square miles and a population of less than two millions, 706 people own 40 per cent. of all the alienated lands. In Victoria 415 people own 20 per cent. of all the alienated lands. Even here in Western Australia 299 people own one-third of all the alienated lands. And it may be confidently assumed that the lands first alienated are, generally speaking, the most valuable. In the Mother Country 2,500 people own half of the United Kingdom, and 70 people own half of Scotland. If we do not establish a different condition of affairs here, we shall find our children emigrating to an Eldorado in which they may have the right to live, just as our fathers emigrated to Australia. In the county of Gladstone

from 1891 to 1901 there was a fair increase in population, but while there should have been an increase of 29,000, it actually was only 18,000; that is to say that in that district there was a loss of 11,000 people as compared with the increase in the metropolitan area, simply because the land had got into the hands of fewer people. In the county of Kurri Kurri the population that should have increased to 24,000 only stood at 16,000 in 1901, and in the adjoining county of Normanby, instead of there being an increase of 17,000 it was only 11,000. I quote these figures to show that in the sparsely populated areas the population has practically decreased. That is a serious state of affairs and it will continue until we alter our system of land tenure.

[Mr. Carpenter took the Chair.]

Hon. W. C. ANGWIN: By continuing the leasehold system, it will be an advantage to the State in years to come. The Commonwealth Government are reaching out for new avenues of taxation and in the near future, owing to the large expenditure which the country is now going through, the Federal Government will be extending their taxation in regard to land. As far as the lands of the State that have been sold are concerned, in a few years time the revenue on them will cease. There will be a great outcry in regard to duplication of taxation on such lands, that is if the Federal Government put on another land tax. They have a land tax now, but it is put on to break up large estates. Where is the revenue of this State to come from unless we retain some of the land which the Government owns at the present time? Unless we do something to obtain revenue for the State there will be this outcry against double taxation, for the Federal Government will tax the land and the State will tax it also. The only revenue from land in the future is going to be from leaseholds. The Minister has said that we have millions of acres of land ready for settlement, but we have millions of acres that are not fit to settle on. I want to look to the future and see if possible that the State has some revenue in years to come for the purpose of carrying on the functions of the State, and the only way to obtain revenue is by

income tax and land tax, but there will be an outcry against land taxation. When the land which has been sold on conditional purchase conditions has been paid for, there will be no money coming from those lands towards the revenue of the State. We know that some of the most prosperous towns in the old country are all leasehold. There appears to be a very serious outlook for the future and there is a possibility of it becoming worse. We are receiving a large revenue from customs and there is a possibility in the future that that will stop. We shall have to look somewhere else for revenue and we shall have to look to the land. The revenue received from land taxation at present is very small indeed. During the last past four or five years we have issued thousands of leases in townsites on which the rent will go on perpetually and if this is continued, there will be no necessity for taxation. The rents derived from these lands will provide most of the money that is required for the conduct of the affairs of the State. Therefore, we shall be taking a backward step if we pass such a clause as this.

Hon. W. D. JOHNSON: If we can only convince Parliament that the land of the State should be let on the leasehold principle, we could ensure, for a generation to come, an annual rental from all the lands of the State. Look at the injustice of giving these blocks of land to the present owners at the original upset price, which was not the true capital value of the land at the time it was dealt with. Why should some individuals who have speculated in these lands have the lands given to them at the price of £25 when we know well that the value is over £100? We are throwing away the people's heritage and no one appears to be concerned. Will not members realise that they are dealing with millions of acres in this way? The Minister has no right to give the people's land away at the Minister's own value. The valuation should be the people's and that is the value created by the people and the value existing at the time a lease is converted. The Minister does not propose that.

Hon. J. D. Connolly (Honorary Minister): How will you arrive at the present capital value?

Hon. W. D. JOHNSON: Take the roads board valuation. We are giving away

fully £8,000 that belongs to the State and we are not justified in giving to individuals that which belongs to the State and, above everything, at the present time when we have a special obligation to the State in the way of conserving our revenue. We do not want to give anything away and we are justified in expecting a legitimate revenue that we should get from the individual. If we pass this clause as it is we shall be disposing for £25 blocks of land that have been proved by recent sales to be worth as much as £200. I do not think the Minister intended that the clause should operate as it will operate, and something should be done to protect the State against an injustice of that description.

The MINISTER FOR LANDS: We want to value the land at the time the lessee took up his lease.

Hon. W. D. Johnson: That would be all right if at the time he took up the lease we established the true capital value.

The MINISTER FOR LANDS: Suppose the block were put up for £25 and a man gave £45 for it, the State would get the benefit of the extra £20 and the money would go into the Treasury. The lessee pays on the capital value which is fixed on the land. I cannot agree that these prices were fixed low. I do not think in the interests of the State it would be wise to fix that capital value too low under the leasehold, because we only get as annual rental 3 per cent. on the capital value of these lands as fixed from time to time.

Hon. W. D. Johnson: I think it is 4 per cent.

Mr. E. B. Johnston: It is 4 per cent. for town lots.

The MINISTER FOR LANDS: Regulations were passed in 1912 dealing with leases for town or suburban lands for cultivation. We cannot alter these regulations that were made in regard to the rental on the capital value which may be altered from time to time.

Mr. E. B. Johnston: On page 144 of those regulations dated 18th May, 1913, you will find an amendment making it 4 per cent.

The MINISTER FOR LANDS: You cannot alter it on the leases granted in 1912, on which the rent is 3 per cent. on the capital value. Following that date 4 per cent. is imposed, and I suppose that hold

good at the present time. The people have complained that the capital value has been fixed too high in some cases. The provision contained in the Bill seems a fair and equitable one. The most equitable way is to base the capital value on what it was when the individual leased the land from the State in the first instance.

Hon. W. C. ANGWIN: Leasehold does not stop people from improving their property. I would refer the House to some remarks made by the member for Williams-Narrogin in a speech which appears in *Hansard* on the 8th May, 1912, but I have not heard him to-night defend his action on the leasehold system. On the occasion of which I speak he says that the leasehold system is no new system. There are three or four more pages of *Hansard*, all tending to show that the leasehold system is more advantageous to the settler than the freehold. The Minister for Lands must surely realise the very large amount of revenue which will be lost to the State in the future if the proposals of the Government in this Bill are carried into effect.

Clause put and passed.

Clause 5—agreed to.

Clause 6—Amendment of Section 64:

Hon. W. D. JOHNSON: I do not understand the clause. It apparently refers to applications to transfer from residence to non-residence conditions, but such applications in no way concern the Land Board.

The MINISTER FOR LANDS: I explained the clause on the second reading.

Hon. W. D. JOHNSON: I read your explanation but still could not understand the clause.

The MINISTER FOR LANDS: An applicant is granted a block by the Land Board under residence conditions, and soon after taking the block up, he applies for a transfer to non-residence.

Clause put and passed.

Clauses 7 to 11—agreed to.

Clause 12—Repeal of Section 101 of the principal Act and substitution of a new section:

[Mr. S. Stubbs took the Chair].

Hon. W. D. JOHNSON: This clause deal with the stocking of pastoral leases. Has it any connection with the clause dealing with the renewal of pastoral leases?

The MINISTER FOR LANDS: The object of the clause is to make the stocking conditions more stringent.

Mr. BUTCHER: I move an amendment—

That in line 11, after "lease," the following be inserted:—"Provided that should the number of sheep or large stock fall below the said rate by reason of flood or drought, the Minister may, in his discretion, permit a lesser rate."

The clause imposes more stringent stocking conditions such as would be a hardship in times of flood or drought. It frequently occurs in pastoral country that in such times the number of stock is reduced considerably. The suggested proviso would empower the Minister to exercise his discretion in those circumstances. I am not keen on the amendment, and would be satisfied with the assurance of the Minister that discretion would be used.

The MINISTER FOR LANDS: The clause provides that a lease is liable to forfeiture for failure to stock up to requirements. Circumstances of drought or flood, as mentioned by the hon. member, would of course be taken into consideration by the Minister when any question of forfeiture arose. We would require to have definitions of "drought" and of "flood." Surely such conditions must be left to the consideration of the Minister. The Minister must always be very careful in exercising the right of forfeiture, and undoubtedly if it could be shown that there had been drought or flood, no under secretary would ever dream of recommending forfeiture. In these circumstances the amendment is quite unnecessary, and I trust the hon. member will not press it.

Mr. BUTCHER: Later, when there is keener competition for pastoral leases, applications for forfeiture may become relatively familiar. However, I will withdraw the amendment.

Amendment by leave withdrawn.

Clause put and passed.

Clauses 13 to 16—agreed to.

Clause 17—Amendment of Section 2 of Act No. 60 of 1915; reduction of price of conditional purchase land:

Hon. W. D. JOHNSON: There is here a great deal of alteration of the Act of 1915. Personally, I think the Minister is coming

to be a little too liberal and the Country party too exacting in regard to land prices. We are sacrificing the people's estate in consequence of the exactions of the Country party. Under the Act of 1915 it is provided that a reduction shall take place, but that before the reduction can be made the rents have to be paid up. This clause deletes that condition.

THE MINISTER FOR LANDS: I have thought carefully over this. In the case of a small man who has encountered hard times, and in consequence could not pay his rent, it is hard that he should not have relief under the provision. At the same time, it seems unfair to those who do pay that others should be allowed to defer their payments. I think the hon. member will agree that a hardship will be inflicted on numbers of lessees if they are prevented from coming under the clause by reason of the fact that they have not been able to pay their rents. Since 1911 the farmers of the State have had a very bad time, and many of them in consequence have not been able to pay their way. We should give them all the legitimate relief that we can.

HON. W. D. JOHNSON: I know of men who have deliberately refused to pay their rents, notwithstanding that they were in a position to do so. Those men have waited and are waiting to get their rent arrears written off. At present the inducement is to get as far as possible in arrears and then to put up pitiful tales until ultimately the arrears are written off.

Sitting suspended from 11.45 p.m. to 1 a.m.

1 o'clock a.m.

MR. GRIFFITHS: Does the clause provide that the repricing of wodgil lands shall date from the day of selection, and are the instalments paid by settlers on those lands to be credited as from the day of selection?

THE MINISTER FOR LANDS: The clause is very clear. The settler shall not receive a refund prior to the 1st January, 1916, nor shall the liability of a lessee for payment of rent to that date be affected.

MR. GRIFFITHS: The wodgil board has said that if a reclassification of these lands is made, the settler asking for the reclassification should have to pay for that

reclassification. The people who have taken up those lands argue that they should not be charged for the reclassification, seeing that the land was sold to them under misrepresentation. Again, interest has been paid on the money advanced, yet there appears to be no provision in the Bill for a refund.

MR. HARRISON: The men who took up those lands expected to grow crops. Nearly all the clearing of the wodgil country, and the expenditure of energy in cultivating has been lost to those men. Should not the cost of clearing be placed to the credit of those men at the Agricultural Bank? They have suffered serious loss on the wodgil lands and the State is getting the benefit of their experience.

THE MINISTER FOR LANDS: The question of placing the cost of clearing to a man's account at the Agricultural Bank cannot be brought into the clause.

MR. E. B. JOHNSTON: I move an amendment—

That after "per acre" in line 4 of Sub-clause 2, the following be inserted:—"And land already held under conditional purchase lease shall be revalued on this basis and the price reduced accordingly on the application of the lessee."

I think this is the intention of the Government, but the measure of relief to be given to the settler appears to me to be vaguely expressed in the clause and left largely at the discretion of the Minister. Whilst I feel certain it is the intention of the Government to act in the direction shown in the amendment, I cannot see that there is any right on the part of the settler to take advantage of the measure unless the amendment is accepted. If we have a less sympathetic Government in power, it may be interpreted by them that the 15s. maximum should apply only to lands in future and not existing holdings. I do not think that is the desire of the present Minister for Lands. It must be the intention of the Government, where a man was charged, say, 18s. an acre, that he should come down to 15s. an acre. All the lands west of the Great Southern Railway will have to be reclassified and the whole of the repricing in that area will have to be done over again on the new basis laid down in the Bill. Much of the land in my electorate had

imposed upon it the maximum price in the last repricing measure.

Mr. UNDERWOOD : I hope the Minister will not agree to the amendment. After hearing the speeches of hon. members I really think that this Bill must be a Bill to enable Ministers and other members to make electioneering speeches. The speeches to-night simply consist of electioneering stuff. There seems to be an opinion on the part of country members that it is their duty to subordinate everything to the farmers whom they represent. Those who have paid more than 15s. an acre for their land in my opinion have the pick of the land.

Mr. Thomson : Not all of them.

Mr. UNDERWOOD : Then they must have been very bad judges if they did not get the pick of the land at the time they took it up. The land that was first taken up was undoubtedly the best land and what is left is only the timber land. There is no argument in favour of the Government accepting the amendment. I wish to condemn the practice of some hon. members of this House continually trying to do that which they think will win their seats for them.

The MINISTER FOR LANDS : I hope the hon. member will not press his amendment. A great deal has been given to agriculturists under this Bill. The Act passed last session provides that the agricultural lands may be reclassified and reduced to as low as 3s. 9d. per acre. I do not know what more hon. members expect. The member for Williams-Narrogin wants to fix the price of land which is reclassified.

Mr. E. B. Johnston : I want to know whether a man who has paid £1 per acre will get a reduction under this section ?

The MINISTER FOR LANDS : Certainly, if he applied for a reclassification in order to get his land reduced to 3s. 9d. and if the board advise it. The hon. member may leave this matter in the hands of the Administration. Everything will be done to see that the settler does not pay more than his land is worth. If the land is worth the price he has paid for it, he must, of course, continue to pay that price.

Mr. E. B. JOHNSTON : In view of the Minister's statement I will withdraw my amendment.

Amendment by leave withdrawn.

Clause put and passed.

Clauses 18, 19, 20—agreed to.

Clause 21—Postponement of rent :

Mr. E. B. JOHNSTON : I congratulate the Minister on having this important clause put into the Bill. It is something which members of this House have fought for on many occasions and for many years, and has been promised by political parties and Governments for many years. This is the first time that it has been brought forward as a distinct legislative proposal by a Government. It has been promised before but the promise has not been fulfilled. I expected to see it brought in six or seven years ago, when it was promised that such a policy would be introduced. It was not done then, however, and I am glad that the present Government have the courage to put this important proposal before Parliament.

Clause put and passed.

Clauses 22, 23—agreed to.

Clause 24—Land for settlement by returned soldiers :

Mr. UNDERWOOD : The first part of the clause, I submit, is unnecessary as it is provided for already in our Act. I suggest that all the words down to the end of the third paragraph of this clause be struck out. The provisions are already contained in the Act.

The MINISTER FOR LANDS : I think we might leave these provisions in the Bill. They will make no difference ; certainly they will do no harm.

Mr. UNDERWOOD : Even at so late an hour as this I would like to see work reasonably well done. It is absurd to include in an amending Bill provisions already contained in the principal Act. With regard to the first paragraph of the clause, Section 73 of the Act of 1906 fully meets the position ; and Section 71 of the same Act, as amended by the Act of 1909, gives the Minister for Lands power to improve. I have said that the increase of railway freights seemed to have been fixed up by the office boy ; but not even the office boy would draft such a Bill as this, which is an absolute disgrace to the Lands Department.

Clause put and passed.

Clause 25—agreed to.

Clause 26—Pastoral Leases :

The MINISTER FOR LANDS : I move an amendment—

That in Subclause 1, line 6, "Governor" be struck out and the following inserted in lieu :—"Minister acting on the advice of a board of appraisers consisting of the Surveyor General, who is to be chairman, and not more than three other members, to be appointed by the Governor."

Hon members will agree that this amendment represents a great improvement in the clause.

Amendment put and passed.

The MINISTER FOR LANDS : I move an amendment—

That in Subclause 1 paragraph 2, the words "nor more than £3 per thousand acres per annum, except in special cases, to be approved by the Governor" be struck out.

In view of the previous amendment, these words are unnecessary.

Amendment put and passed.

The MINISTER FOR LANDS : I move an amendment—

That the following paragraph be added to Subclause 1 :—"Provided also that the rental of land applied for after the passing of this Act and before such land is appraised shall be at the rate already provided in the several divisions of the State."

This amendment speaks for itself.

Amendment put and passed.

The MINISTER FOR LANDS : I move an amendment—

That Subclause 4 be struck out and the following inserted in lieu, to stand as Subclause 4 :—"Any lessee holding a pastoral lease granted under the provisions of Part X. of the principal Act may, at any time within one year from the commencement of this Act, apply for leave to surrender such lease, and for a new lease under this section : Provided that if the lease is subject to any registered mortgage or encumbrance, the consent of the mortgagee or encumbrancer shall be necessary. If the application is approved, rent shall be payable by the lessee at the rate reserved by the original lease to the date of such approval, and after such approval until the acceptance or refusal of a new lease by the lessee, as hereinafter provided, double the rent so reserved shall be payable by the lessee. The Minister shall serve notice in writing on the lessee of the amount of the

annual rent to be reserved by the new lease, and the lessee shall, within six months after such service, by notice in writing to the Minister, declare his acceptance or refusal of such rent. If the lessee declares his acceptance, a new lease shall be issued to him accordingly, and the original lease shall by force of this Act be surrendered, but any mortgage of or other encumbrance on the surrendered lease shall attach to the new lease and the approved application for such lease, and shall be endorsed on such lease accordingly, and any rent paid by him in excess of that reserved by the new lease shall be repaid to him on demand : Provided that to such extent as improvements were effected on the land prior to the surrender of the lease, the lessee shall be exempt from the provisions of Subsection (3). If the lessee declares his refusal, he shall retain the original lease, and the application for a new lease shall be annulled, and any rent paid by him in excess of that reserved by such original lease shall be repaid to him on demand."

Mr. MUNSIE : We have heard a good deal as to the amount of extra revenue which is to be obtained under this Bill. Some members are of opinion that we are going to get many applications from pastoralists to come under the new provision. I do not think we shall get two pastoralists holding leases under the present Act to apply to come under the new Act within the next 10 years. We are giving to the pastoralists in the North-West an extension of their leases for 20 years and in return for that we should ask something, and the only way is to compel them within 12 months to come under the provisions of this Bill. If they take up new land they can still come under the old Act. If we are not going to get these pastoralists, we are not going to get more rent and I do not think we shall get more pastoralists. Those men who went out in the early days and took up pastoral areas have too much sense to turn round and offer the Government double the rent they are paying now when they are not compelled to do so. I think we should strike out the word "may" and insert "shall" and then these pastoralists would be obliged to come in. If the Bill is passed, the lessees will ignore it and they cannot be interfered with for 12 years, for the con-

ditions of the Bill cannot be enforced until 1928. Members think that we are going to get revenue by these means, but I do not think the pastoralists will agree to come in under the Bill; they will be very foolish to do so. How can we expect the pastoralist to hand over practically £100,000 to the Government for nothing. The least we can do is to demand that the lessee shall come under the Bill within the next 12 months.

Mr. UNDERWOOD: Applicants for land not already held will come under this Bill and they will pay the price for their holdings which will be fixed by the Prices Fixing Board. At the end of the existing lease pastoralists will take the chance of getting a renewal of their leases or not, if they do not apply to come in under the Act within 12 months. The present holders will have some inducement to come under the Bill and pay the extra rent assessed by the Board. If they do not come under this they will take their chance of renewal. We cannot compel the lessees to come under the Bill because we cannot pass an Act to break a contract which has already been entered into. Therefore, when the hon. member speaks of compelling lessees to come under the Bill, he is asking something which Parliament cannot do. We must stick to contracts which have already been made.

Mr. S. Stubbs: Or else pay compensation.

Mr. UNDERWOOD: Even if we pay compensation we cannot break a contract. All we say is that if they like to come under the Bill, they will be sure of having their leases; if they do not like to come under it, they will not be sure of a renewal in 1928. It is claimed that there is no security of tenure, but this will give that. We are getting for the State something for giving that security of tenure.

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

New clause:

The MINISTER FOR LANDS: I move—

That the following be added to stand as Clause 27:—"On production to the Registrar of Titles of a transfer (endorsed with the approval of the Minister for Lands) by the lessee of his interest in any portion of the land comprised in a pastoral lease registered under the Transfer of Land Act, 1893, the registrar shall register such transfer, and endorse on the original lease

a memorandum cancelling the same so far as it affects the portion of land the subject of the transfer. The duplicate of the lease shall be delivered up by the transferor, and after being also endorsed as aforesaid shall be transmitted by the registrar to the Minister for Lands, who, after adjusting the proportion of rent payable by the transferee and the original lessee, shall issue a new lease to the transferee of the land transferred to him and return the duplicate of the original lease to the transferor."

New clause put and passed.

2 o'clock a.m.

New clause—Grass tree licenses:

The MINISTER FOR LANDS: We passed a Bill dealing with question of the granting of leases for the cutting and removal of kingia grass. That Bill was referred to a select committee in another place and the Colonial Secretary has promised that a license should be granted to enable people to cut and remove kingia grass. I want to provide that a license may be granted for the cutting and removal of kingia grass just as licenses are granted for cutting bark and sandalwood or to charcoal burners. It is a simple provision. It merely authorises the granting of licenses for 12 months and no more. Section 110 of the Act provides for the granting of various licenses. It is proposed to give power to grant licenses for the cutting and removal of the kingia grass tree. I move—

That the following be added to stand as Clause 13:—"13. Section one hundred and ten of the principal Act is hereby amended by inserting a subsection, to stand as 5a, as follows:—(5a) A grass tree license authorising the licensee to fell, cut, and remove any grass tree known as 'Blackboy' or 'Kingia Grass' growing upon any Crown land in the locality named in such license."

The license will merely give the right to cut and remove blackboy or grass tree for a term not exceeding 12 months.

Mr. FOLEY: What will be the position in reference to the areas granted under the Bill which we had before us last year? That Bill prohibited the cutting of blackboy in certain areas. Does the Minister wish this new provision to be operative on all lands.

The Minister for Lands: Only on Crown lands.

Mr. FOLEY: Will it not be a duplication of the licenses for cutting blackboy?

The Minister for Lands: No.

New clause put and passed.

New clause—Grass tree license fees:

The MINISTER FOR LANDS: The 34th Schedule of the Act sets out what licenses shall be granted and what fees paid. I move—

That the following be added to stand as Clause 14:—"14. The thirty-fourth schedule of the principal Act is amended by adding the following words 'Fees for timber licenses—Grass tree license, per month, per man, 5s.'"

New clause put and passed.

New clause—Divisions:

Mr. TAYLOR: I move—

That the following be added to stand as Clause 4:—"Section 38 of the principal Act is amended by striking out the word 'six,' in line 2, and inserting 'five' in lieu thereof. By striking out the words 'central division' and the description of the boundaries immediately following, and by striking out the word 'Central' in the description of boundaries of the Eastern Division."

I have discussed this with the Minister, and he is prepared to accept it, so there is no necessity for me to detain the Committee in explanation. Instead of six divisions, as now, there will be five, and the lessees in the central division will pay 5s. per thousand acres instead of 10s.

Mr. E. B. JOHNSTON: Apparently the object of the new clause is to lose a good deal of revenue. I thought the Bill was devised to obtain additional revenue. Surely we are entitled to hear reasons from the Minister as to why he accepts the new clause.

The MINISTER FOR LANDS: The new clause is merely to deal with all that area throughout the goldfields, known as the central division. This land used to be leased at 2s. 6d. per thousand acres. The hon. member now desires to reduce the present rental from 10s. to 5s. Personally, I think it is quite enough to pay for that land as compared with the land in the North-West. I propose to accept the new clause.

Mr. FOLEY: I would like to say a few words in reply to the member for Williams-Narrogin. I would point out that when there was anything in the way of a reduction there was no objection on his part.

Mr. E. B. JOHNSTON: The House was never told until I got up.

Mr. FOLEY: I would point out that the men in this area have all the rabbits fenced off to them on account of the rabbit-proof fence. As this country extends to the South Australian border it is only right that these men should get some consideration. They are doing a great deal for the country, and are using up a number of cattle from the North-West which could not be brought down except by these people. I support the amendment.

Mr. E. B. JOHNSTON: The member for Mt. Margaret moved for a reduction of 5s. per thousand acres on this large area of pastoral country. He was careful not to tell the House what the effect of the amendment would be. Whilst I was prepared to accept the amendment I felt entitled to let the House know what the effect would be.

Mr. TAYLOR: I discussed the matter with Ministers and they realised the justice of the amendment. There was no necessity for them to stress the point, therefore. I had no intention of withholding the effect of the amendment from the House, and needless to say there was no collusion on my part with Ministers.

Mr. E. B. JOHNSTON: No one suggested such a thing.

New clause put and passed.

New clause:

Mr. TAYLOR: I move—

That the following be inserted to stand as Clause 11: "Section 94 of the Principal Act is hereby repealed."

This clause is only a consequential amendment.

New clause put and passed.

Mr. TAYLOR: I would draw the attention of the Committee to the fact that Section 26 of the 1906 Act may have to be repealed by striking out the word "central." Such a course is, I think, consequential upon the other amendment.

Title—agreed to.

[The Speaker resumed the Chair.]

Bill reported with amendments, and the report adopted.

Message.

Message from the Governor received and read recommending the Bill.

Third Reading.

The MINISTER FOR LANDS: (Hon. H. B. Lefroy—Moore) [2 a.m.]: I move—
That the Bill be now read a third time.

Mr. SPEAKER: I would draw the attention of the House to Standing Order 299. By its own motion on the 1st March, 1917, the House decided—

That for the remainder of the session the Standing Orders be suspended so far as to enable Bills to be passed through all stages in one day, and Messages from the Legislative Council to be taken into consideration on the day on which they are received.

The obvious intention of the motion being that all Standing Orders embodying formalities and not affecting principles which would interfere with the decision should be suspended. Is the certificate of the Chairman provided for under Standing Order 299 before the third reading, certifying that the fair print is in accordance with the Bill as agreed to in Committee, merely a formal proceeding, or does it embody a vital principle? I am inclined to say that so long as the Chairman is satisfied that the amendments are clearly expressed and written so that no mistake can occur in the printing of the Bill, the formality of certifying before the third reading can be dispensed with, provided the Chairman certifies that the fair print is correct, before it is sent by Message to the Legislative Council. Outside of the fact that under similar circumstances this practice has obtained in this House, and that a fair print of the Bill with amendments before the third reading is never circulated amongst members here, is proof that it is merely a formal proceeding, merely certifying the correct printing of such amendments and affecting neither the principle of the measure nor the privileges of members. I have to interpret a motion of this House and the Standing Orders to advance the business of the House, and therefore rule that, being merely formal where Bills are amended in Committee, Standing Order 299 stands suspended in order to give full effect to the motion of the House passed on the 1st instant.

Question put and passed.

Bill read a third time and transmitted to the Legislative Council.

BILL—SPECIAL LEASE (STIRLING ESTATE).

Message received from the Council notifying that amendments Nos. 2 and 4 were not insisted on and that the Assembly's further amendment to the Council's amendment No. 7 had been agreed to.

BILLS (2)—RETURNED FROM THE COUNCIL.

- 1, Racing Restrictions.
 - 2, State Trading Concerns (No. 2).
- Without amendment.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

Council's Amendment.

Bill returned from the Council with an amendment which was now considered.

In Committee.

Mr. Holman in the Chair; the Premier in charge of the Bill.

Council's amendment—Add a new clause to stand as Clause 8 as follows:—"8. Provided that the first assessment under this Act shall be based on the income for the half-year ending the 30th June, 1917, and shall be for six months only and one-half the exemptions and reductions provided under the principal Act shall be allowed":

The PREMIER: The Council's Message contains an amendment in the form of a new clause to stand as Clause 8. It explains itself. The Council consider the original proposal unfair, for the reason that a firm might possibly have earned all its income in any one half-year.

Mr. Taylor: I understand the object of the clause is that income tax shall be paid on only half a year in the first instance, after which income tax will be paid as from June to June.

The PREMIER: Yes. I move—

That the amendment be made.

Question put and passed; the Council's amendment made.

[*The Speaker resumed the Chair.*]

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

BILL—INDUSTRIES ASSISTANCE ACT AMENDMENT.

Council's Amendments.

Bill returned from the Council with a schedule of amendments, which were now considered.

In Committee.

Mr. Holman in the Chair; the Minister for Railways in charge of the Bill.

No. 1—Clause 4, insert the following proviso at the end of the clause:—"Provided that a caveat in the form set out in the Schedule to the Industries Assistance Act, 1915, or to the effect thereof, shall be lodged against any land in respect of which the applicant is registered as lessee or proprietor";

The MINISTER FOR RAILWAYS: There is nothing new in this clause; it merely does not appear in the existing Act. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 2—Clause 8, paragraph (c), strike out all words after "Act" in the paragraph:

The MINISTER FOR RAILWAYS: This clause refers to the property of farmers under the Industries Assistance Board. The idea was that the board should have security over all the property of the farmer, instead of merely over that part of his property which had been supplied by the board or by the Agricultural Bank. It was considered that a farmer assisted by the Industries Assistance Board should leave his property intact, partly for the sake of creditors whose claims were suspended by the moratorium. I move—

That the amendment be agreed to.

Hon. W. D. JOHNSON: I regret that the Government are agreeing to this amendment. There has been trouble as regards the farmer who gives the board security over a part of his property and has something else outside, and thereupon sets to work to defeat the board's attempts to obtain repayment. The State will continue to have difficulty in obtaining repayment of advances if this amendment is adopted. It must be borne in mind that under the Industries Assistance Act advances are made on practically no security at all. Some farmers deliberately seek to defeat the

State in the matter of repayment. There seems to be an attempt at collusion between certain members of Parliament and the farmers to defeat the State in this respect; and the time will arrive when pastoralists and the people of the goldfields, and in fact the general community outside the farming districts, will realise that they are paying taxes in order that the farmer may be permitted to rob the State. Farmers' representatives are making themselves a party to this business, and in doing so they are rendering the farmer the worst possible service. What happened in New Zealand will happen here—all other classes will combine against the farmer. The day of reckoning will come, and the Country party will have to bear the burden of the sins that they are heaping up.

Mr. E. B. JOHNSTON: The remarks of the member for Guildford must not be allowed to pass unchallenged. There are members who attack the farmer whenever he is mentioned in this Chamber, and attack him in a most unwarranted manner. The clause under which the whole of a farmer's goods would become a security to the board was harmful, and evoked much indignation in the country districts. In this matter we have to be thankful to members of another place for recognising the injustice which was about to be done. In many instances the advances of the board amount only to payment of rent, and under the clause as it stood the whole of a farmer's property would have been mortgaged to the board even in such a case, with the result that he could not have got any credit outside at all.

Hon. W. D. JOHNSON: That is not so. The payment of land rents by the board comes under a different subsection.

Mr. E. B. JOHNSTON: The effect of the original clause would have been to stop a farmer's credit entirely in such circumstances.

The Minister for Railways: This clause applies to A and B advances, but not to C advances.

Hon. W. D. JOHNSON: That is so.

Mr. E. B. JOHNSTON: Much alarm was occasioned in the country districts by the clause, and I am glad the Government accept the decision of the Upper House. The original clause represented a serious injury to the credit of farmers with large

assets who had received only small advances from the Industries Assistance Board.

THE MINISTER FOR RAILWAYS : The clause refers to the cash advanced by the board. It may happen that a farmer has half a dozen horses, three supplied under the Act and three owned by himself. At present it is possible for him to sell three of those horses and then go to the board and say that he cannot take off his crop except further horses are supplied to him. Again, a farmer may sell his assets while protected by the moratorium. I propose when we meet again to introduce a modified provision to take the place of what was originally proposed. I agree with the member for Guildford that there is necessity for the provision.

Mr. GRIFFITHS : I strongly resent the strictures passed by the member for Guildford on country members. There might be some wasters amongst the farmers, but wasters are to be found in all sections of the community, even at the Midland Junction workshops.

Hon. J. SCADDAN : Hon. members seem to have lost sight of the fact that there is in the clause a proviso providing that the board may exempt any portion of a man's assets and chattels which the board may think fit. The member for York says there are wasters in the agricultural industry, yet he is prepared to wipe out safeguards put in to protect the State against such men. There is no other country in the world where the State provides farmers with tooth-picks and even with teeth if required, as the Industries Assistance Board has actually done. Now the hon. member asks why we should take a mortgage over all that the farmer has. We are faced with the necessity of making Acts of Parliament to catch the dishonest man. The man doing the right thing by the Industries Assistance Board will get all the encouragement possible, as he has had in the past.

Mr. FOLEY : The farmer is protected under the Industries Assistance Board to a greater extent than is any man in any other industry. As the Minister points out the moratorium prevents outside creditors coming in and taking anything from the farmer. It is too much to ask other industries that this industry should be so carefully nursed.

3 o'clock a.m.

Question put and passed: the Council's amendment agreed to.

No. 3—Clause 9, add the following proviso:—"Provided that where any land of an applicant is mortgaged in priority to the security of the Colonial Treasurer, it shall not be obligatory on the Colonial Treasurer to apply the proceeds of the crops of such mortgaged land to the liquidation of the indebtedness of the applicant, and the Colonial Treasurer, in the exercise of his discretion to distribute the surplus proceeds as aforesaid, may exempt from such distribution the proceeds of crops raised on such mortgaged lands":

THE MINISTER FOR RAILWAYS : There are certain cases in which permission has been given for a farmer to crop certain lands under the Industries Assistance Board, and in which certain other lands have been cropped by the aid of associated banks. It is thought advisable to have power to pay over to the bank the proceeds of the crop sold on the bank's land. This puts the thing in legal form and I think we should make the amendment. I move—

That the amendment be agreed to.

Question put and passed, the Council's amendment agreed to.

No. 4—Insert a new clause to stand as Clause 17 as follows:—Consent of mortgagee to advances.—Notwithstanding anything contained in the Principal Act and its amendments to the contrary the following provisions shall have effect:—1, No advance shall be made after the commencement of this Act to any settler or other person not already in receipt of assistance from the board whose land, chattels, or crops are subject to a registered mortgage or charge, without the consent in writing of the mortgagees or encumbrancer. Discharge of Securities. 2, Any settler or other person indebted to the board for advances may, subject as hereinafter provided, at any time repay the amount of such advances with interest, and the receipt of the board for such payment shall operate as a discharge of all charges, liens, and encumbrances created by the Principal Act or its amendments in favour of the board: Provided that the board may, as a condition of such discharge, require the consent of all creditors

of such settler or other person as aforesaid, so far as such creditors have given notice to the board of their claims, or the payment by such settler or other person as aforesaid to the board of such further amount as shall be sufficient to satisfy such claims, and the release of the board from all guarantees :

THE MINISTER FOR RAILWAYS : The effect of this will be that no new client can come under the Industries Assistance Board without the consent of the person to whom he has mortgaged his land or chattels. I think that is desirable. What is asked is that before we take anyone else under the Board we should have the consent of the mortgagee. This is reasonable because the Industries Assistance Act protects the farmer in so many ways.

Hon. W. D. Johnson : In any case, the sooner we stop new business the better.

THE MINISTER FOR RAILWAYS : The second part of the amendment says that when the debt of the board is paid off, and the outside creditors have given their consent to a discharge, such discharge may be granted. I move—

That the amendment be agreed to.

Question put and passed, the Council's amendment agreed to.

No. 5—Clause 16, add the following proviso at the end of the clause :—" That no such amendment shall effect the priority of any encumbrance given previous to the coming into operation of this Act " :

The MINISTER FOR RAILWAYS : This is intended to protect the mortgagee who holds a mortgage over land before the Bill comes into operation. The Government have control over all lands held by a client of the board. We have power now to control the crops on all lands belonging to the applicant. This merely says, that where the land is mortgaged subject to a priority advance, we cannot get that security.

Question put and passed ; the Council's amendment agreed to.

[The Speaker resumed the Chair.]

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

BILL—AGRICULTURAL BANK ACT AMENDMENT.

Council's Amendment.

Bill returned from the Council with an amendment, which was now considered.

In Committee.

Mr. Holman in the Chair ; the Minister for Agriculture in charge of the Bill.

No. 1—Clause 3, add the following proviso to Subclause 1 :—" Provided that if the mortgaged land is subject to a mortgage registered in priority to the bank's security, such lease shall not be binding on the prior mortgagee without his consent " :

The MINISTER FOR INDUSTRIES : This clause refers to leases of land which fell into the hands of the Agricultural Bank. The amendment says that if the land is mortgaged first to any other person, and, secondly, to the bank, the bank must secure the mortgagee's consent first before leasing. There is only one such case on the books of the bank at the present time. I move—

That the amendment be agreed to.

Question put and passed ; the Council's amendment agreed to.

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

BILL—FIRE BRIGADES.

Council's Amendment.

Bill returned from the Council with an amendment, which was now considered.

In Committee.

Mr. Holman in the Chair ; Hon. J. D. Connolly (Honorary Minister) in charge of the Bill.

Amendment—Clause 19, Strike out " two," in the last line, and insert " seven."

Hon. J. D. CONNOLLY : The amendment provides that the meetings of the board shall be held not less than six times a year, and that notice in writing, except of adjourned meetings, shall be sent by post to each member of the board at least two clear days before the date of such meeting. The amendment was only a slight one, altering the number of meetings by one. This is the only amendment which has been made in the Bill. In order that sufficient

notice of ordinary meetings may be ensured to members of the board who reside outside the metropolitan area, this amendment has been made.

Question put and passed : the Council's amendment agreed to.

[The Speaker resumed the Chair.]

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

BILL—BUNBURY TOWN LOT 318.

Second Reading.

Mr. THOMAS (Bunbury) [3.18 a.m.] : This is a very simple measure. Bunbury town lot 318 was originally granted to the Congregational church for cemetery purposes. Another cemetery having been arranged, it is now desired to give the church power to dispose of the land for other purposes. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee, etcetera.

Mr. Holman in the Chair ; Mr. Thomas in charge of the Bill.

Clauses 1, 2, 3—agreed to.

Clause 4—Magistrate may order removal of corpses buried in land :

The ATTORNEY GENERAL : For the information of the Committee, I wish to mention that with a view to assisting the member for Bunbury I requested the Solicitor General to search the Lands Titles Office in connection with this Bill and also to inform me whether the Bill is in order. The Solicitor General advises me that the Bill was drafted by the Crown Solicitor and is in order. Clause 4 does not mention at whose expense exhumation and reinterment shall take place. The land is to be sold for the benefit of the church. Possibly, relatives of those buried in the cemetery may not be available, and thus in the event of a sale the bodies would be left there. I think the Committee may well insist that exhumation and reinterment shall be at the cost of the church.

Mr. Thomas : Only two or three cases of interment took place on this land, many years ago.

The ATTORNEY GENERAL : I move an amendment—

*That the following be added to the clause :
“ at the expense of the church and prior to the sale of the property.”*

Mr. THOMAS : If we add “ at the expense of the church ” I think it would be wise to drop the balance of the amendment, because it may in some measure delay the disposal of the land. The provisions of the clause provide that this shall be done with every consideration for the feelings of the relatives.

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

Preamble, Title—agreed to.

Bill reported with an amendment, and the report adopted.

Read a third time and transmitted to the Council.

ADJOURNMENT—SPECIAL.

The PREMIER (Hon. Frank Wilson—Sussex) : I move—

That the House at its rising adjourn until three o'clock Friday afternoon.

Question put and passed.

House adjourned at 3.39 a.m. (Friday).