

a variance of opinion as to whether the hall was to be used entirely for public purposes, and the matter fell into an argument between the various parties. After consultation with the persons concerned, an agreement has been reached whereby the land with the hall on it is to be vested in five trustees, two to be selected from four persons nominated by the progress association, two to be selected from four persons nominated by the Lord Mayor of Perth, and one to be chosen by the Government. That solution of the difficulty being acceptable to all parties to the discussion, this Bill is submitted in order to give the arrangement the force of law, and also to create the body of trustees to control the operations of the hall.

The hall is an excellent building, and it is important that it should be conducted properly in the interests of the whole of East Perth. Certain debts were incurred for the building of the hall, and the creditors to whom those debts are owed have not yet been paid. Therefore, in the Bill power is given the trustees to raise money on the security of the property and pay off the creditors. Most of the clauses of the Bill are purely machinery clauses, and are such as would appear in a legal document rather than in an Act of Parliament. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Clause 1—Short Title:

Hon. H. STEWART: I should like to state that if earlier in the evening I conveyed an impression to the effect that I doubted the word of Mr. Nicholson, I am very sorry indeed and withdraw what I said.

Hon. J. NICHOLSON: I did not wish Mr. Stewart to make any further reference to the matter, but I thank him for what he has done.

The CHAIRMAN: I did not intervene at the time, though I felt inclined to point out that the Committee stage of the Bill was no place for repeating the discussions of the select committee. However, I am glad that everything is now satisfactory.

Clause put and passed.

Clauses 2, 3—agreed to.

Clause 4—Appointment of trustees:

Hon. J. T. FRANKLIN: This matter has come before the City Council. Sir William Lathlain was not Lord Mayor at the time. The City Council have appointed their trustees, and from that aspect the matter is perfectly in order. There has been difficulty regarding the erection of the hall and also as to various other matters. The hall is now practically built, and provision has been made for shops; but the business is held up pending this authority being obtained from Parliament.

Clause put and passed.

Clauses 5 to 14, Title—agreed to.

Bill reported without amendment, and the report adopted.

Third Reading.

Read a third time and passed.

House adjourned at 11.43 p.m.

Legislative Assembly,

Wednesday, 10th December, 1930.

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

QUESTION—WHEAT CARTING, BALLA AND DARTMOOR.

Mr. PATRICK asked the Premier: 1, Is he aware—1, That there are on the Balla and Dartmoor agricultural areas settlers carrying Agricultural Bank loans who are carting wheat over 20 miles to the railway? 2, That the previous Government definitely promised that the Railway Advisory Board would report on these areas? 3, That the Minister for Lands made a similar promise? 4, Does he intend to include the Balla and Dartmoor areas in the wheat carting bonus scheme?

The PREMIER replied: 1, Yes. 2, The Railways Advisory Board received instructions from the previous Government to report on the proposed railway to serve these areas. 3, The Minister for Lands undertook to discuss the matter with the Premier, who instructed that as no funds for construction were likely to be available for some time, the inspection should stand over for the present. 4, It is intended to apply to those areas where settlers have recently taken up and are working land as a result of a better understanding that railway facilities would be provided.

QUESTION—UNDER TREASURER'S DUTIES.

Mr. MARSHALL asked the Treasurer: 1, How many times has the Under Treasurer visited the Eastern States on Government business since 1st January, 1930? 2, How many days was he absent from his office on account of above visits, and the total of the travelling expenses, including rail fare granted to this officer? 3, Who carried out his duties in his absence? 4, Did he draw the special allowance of £125 per annum for Market and Harbour Trust duties whilst away? 5, Why is this allowance paid, and the £75 to the Assistant Under Treasurer, considering these meetings are attended in Government time? 6, Considering the profits of both the Harbour and Market Trusts are paid into Consolidated Revenue, should not these allowances be discontinued? 7, As the Under Treasurer should be the principal financial adviser to the Government, and in view of the economic position, will he arrange for this officer to attend to his duties as Under Treasurer, and arrange for a Minister to represent the State in the future?

The TREASURER replied: 1, Five. 2, (a) 80 days. (b) £187 19s. 7d. 3, Assistant Under Treasurer. 4, Yes. 5, This was a special arrangement recommended by the Public Service Commissioner and approved by the previous Government, after taking into consideration the extra duties and overtime involved. An allowance is made to cover these, which is less than the fees ordinarily payable. These are now paid to Consolidated Revenue. 6, No. Treasury representation on these trusts is essential. 7, This officer attends to his duties, and the State is usually represented at financial conferences by a Minister. He is accompanied by the Under Treasurer as financial adviser, which is in conformity with interstate practice.

QUESTION—WHEAT BONUS.

Mr. DONEY (for Mr. Griffiths) asked the Minister for Lands: In the event of a bonus on wheat being granted by either State or Federal Government, will it apply only to those farmers who hold wheat on their farms?

The MINISTER FOR LANDS replied: The State cannot pay a bonus on wheat. Should the Federal Government pay a bonus, as I hope it will, payment will no doubt cover all wheat, the product of the crop now being harvested.

STANDING ORDERS SUSPENSION.

On motion by the Premier, so much of the Standing Orders suspended as necessary to permit of the passing at one sitting of the following Bills:—

- 1, Road Districts Act Amendment.
- 2, Metropolitan Town Planning Commission Act Amendment.
- 3, Municipal Corporations Act Amendment.
- 4, Farmers' Debts Adjustment.
- 5, Finance and Development Board.

BILL—ROAD DISTRICTS ACT AMENDMENT.

Introduced by the Minister for Works and read a first time.

Second Reading.

THE MINISTER FOR WORKS (Hon. J. Lindsay—Mt. Marshall) [4.40] in moving the second reading said: The Bill is for the purpose of allowing wooden houses to be erected in road board districts. A little while ago we brought down a Bill for the purpose of erecting dwelling houses. It is not intended to erect wooden dwelling houses in a quarter where all the existing houses are of brick. Wooden houses must be erected on reasonably cheap land, and unfortunately many of the local authorities have laid it down that partition walls shall be of brick or stone. We wish to have the right to erect wooden houses, some hundreds we hope, in certain districts for the benefit of those who require houses at reasonable rentals. A clause in the Bill deals with a request we have received from many local authorities. In July they declared a rate for the year. At that time they were not aware that the position, particularly in the wheatgrowing areas, was going to be so bad at it is to-day, and consequently they declared rates ranging up to 3d. in the pound. They now find that the settlers cannot pay that sum. Consequently the Bill gives power to any local authority to amend the rate during the currency of the rate.

Hon. P. Collier: So that it can be done this year.

The MINISTER FOR WORKS: That is so, although the assessments have already gone out. Those that have paid the declared rate will get a refund.

Hon. P. Collier: I have paid mine; do I get a refund?

The MINISTER FOR WORKS: Power is given in the Bill for a refund if the local authority thinks fit. Under the Bill the local authority can reduce rates and make refunds to these ratepayers who have already paid. I move—

That the Bill be now read a second time.

On motion by Mr. McCallum, debate adjourned.

BILL—METROPOLITAN TOWN PLANNING COMMISSION ACT AMENDMENT.

All Stages.

Introduced by the Minister for Lands and read a first time.

Second Reading.

THE MINISTER FOR LANDS (Hon. C. G. Latbam—York) [4.45] in moving the second reading said: This Bill merely provides for continuing the operations of the Act from the 31st December to 31st March in next year. The commission do not intend nor do they desire to expend any further public moneys. It will be about the end of the year before the report will be completed. In order that they may have sufficient time prior to disbanding to clean up any expense they may have incurred, or dispose of their office furniture, they desire to have this extension of time. I do not think they will want more than to the 15th or 20th January, but, to obviate any difficulty, they desire to have this extra time. If there is any money over when the Act ceases to operate this will be returned to the local governing bodies in the proportion in which it was taken from them. The Bill has nothing to do with the Town Planning Board which comes under a different Act. I move—

That the Bill be now read a second time.

MR. McCALLUM (South Fremantle) [4.47]: The commission will have done very well if they bring in their report as early as has been indicated. When the Act was passed, the general impression was they would not get through their work in the time allotted to them. In Victoria a similar organisation was given an extension for a year or two. It is not an unreasonable request that this commission should be given a few weeks' extension to allow its members to complete their work.

The Attorney General: It is being done better than most select committees do theirs.

Mr. McCALLUM: These gentlemen have given their time in an honorary capacity, purely for love of the work they have in hand, and without any fee or reward. I do not know what the report will be like, but I gather from seeing some of the information they were seeking earlier in their career that it will be something very good. I do not think there is anything we can object to in giving this extension of time. There will be no cost to the State, and the extension will enable these gentlemen to complete the job they have in hand. They have made very good progress in the time allotted to them.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading.

Bill read a third time and transmitted to the Council.

BILLS (3)—RETURNED.

- 1, Friendly Societies Act Amendment.
With amendments.
- 2, Entertainments Tax Act Amendment.
- 3, Forests Act Amendment.
Without amendment.

BILL — MUNICIPAL CORPORATIONS ACT AMENDMENT.

First Reading.

Introduced by the Attorney General and read a first time.

Second Reading.

THE ATTORNEY GENERAL (Hon. T. A. L. Davy—West Perth) [4.56] in moving the second reading said: The second clause of this Bill is a twin to the second clause of that which was moved this afternoon by the Minister for Works. On previous occasions I have protested in this House against the rigidity of the law as it stands that nothing but brick or stone buildings can be erected within any municipal area.

Mr. Raphael: That is not true.

The ATTORNEY GENERAL: There is a definite section in the Municipalities Act which expressly and completely prohibits the construction of any building within the municipal area, the external walls of which are in part or wholly of wood or any other inflammable material.

Hon. P. Collier: Apart from what the municipal council may decide?

The ATTORNEY GENERAL: Yes, but there is a proviso that permits the municipal council to grant a temporary permit or license to erect a building in defiance of

that prohibition for such time and on such conditions as the council may determine.

Mr. Raphael: Quite right too.

The ATTORNEY GENERAL: The law prohibits it in the first place but allows a certain license to the council. It is accepted by the legal fraternity that this is intended to cover the erection of a purely temporary structure, such as a shed at the back of a house. It is true that the power has been widely used by municipal authorities for permitting the erection of permanent wooden buildings. The City of Perth, however, only issues a permit that is revocable at the will of the municipal council. The result is that wooden structures that are erected can be made illegal by the mere revocation of the permit. I have always been of opinion that in this country we should use, with proper safeguards, and in proper places, wood for the erection of dwelling houses. It is commonplace that in other countries many of the most beautiful homes are built of wood. Here, where we have splendid and very cheap building material I fail to see the necessity for insisting upon buildings being constructed of other than wood.

Mr. Raphael: Is it not the dearest timber in the world?

The ATTORNEY GENERAL: Even if it were so, it is cheaper than brick or stone for house construction. I have advocated when fair rents measures have been discussed in the House, that if we could erect cheaper houses it would be a more effective way of bringing down rents than any other way that could be suggested. Houses suitable for people of small means could be erected for not much more than half the cost of a similar house built in brick or stone.

Mr. Raphael: About £100 cheaper.

The ATTORNEY GENERAL: I have had plans and statistics presented to me and verified by responsible people showing that a much greater saving than that can be effected compared with ordinary brick and stone. The Conservator of Forests has erected in various places in the country cottages which I have seen, and which are eminently suitable for persons to live in. These cottages make happy, healthy homes for anyone at a cost of not more than £400. It may be that in the metropolitan area wooden houses would be more expensive. I am, however, satisfied from what people who

know tell me that the price of the ordinary home to the person of small means can be brought down at least 33 1/3 per cent. if the use of wood is permitted.

Mr. Raphael: But they cost more per annum to keep up.

The ATTORNEY GENERAL: The upkeep may be a little more expensive, but that would not counteract the benefit of the largely reduced capital expenditure. The Bill does not go as far as I should like it to do. All it does is to enable the Governor to declare certain picked areas in which the prohibition contained in the Municipal Corporations Act may be suspended.

Hon. P. Collier: It is long overdue.

The ATTORNEY GENERAL: That is my opinion. It is a very useful measure. The present cause of its being introduced was the desire of the Government to erect certain cheap houses from the McNess fund, but I do want to see it given a general application.

Mr. Raphael: Slum houses.

Hon. P. Collier: Oh!

The ATTORNEY GENERAL: Why a person who lives in a wooden house as opposed to a brick one should be accused of living in a slum, I cannot imagine.

Hon. P. Collier: Some wooden houses are more artistic than brick ones.

The ATTORNEY GENERAL: In America I have seen whole towns where the residential area comprises all wooden houses, and where there is not a brick in the place except in the chimneys.

Mr. Munsie: Every suburb in Queensland is made up of wooden houses, which are more artistic than brick.

The ATTORNEY GENERAL: Our trouble is that for some reason, possibly because of the law, we have not developed wooden architecture. There is no reason why we should not do so. I believe this is a move in the right direction. Members may approve or disapprove of Clause 3, although I think it is wise to have it in the Bill. In many cases municipal by-laws insist upon the height of rooms in a dwelling-house being not less than 12 feet.

Mr. Raphael: That is not correct—12 feet.

The ATTORNEY GENERAL: I do not know what the hon. member means by "not correct—12 feet." I say that in many cases the building by-laws passed by local authori-

ties have fixed the height for rooms at not less than 12 feet.

Mr. McCallum: Is not that only in the hot parts of the State?

The ATTORNEY GENERAL: No. I understand that even on the coast that has been done in some places.

Mr. McCallum: In Geraldton.

The ATTORNEY GENERAL: The minimum of 10 feet would be sufficient.

Mr. Raphael: The minimum is 10 feet 6 inches.

The ATTORNEY GENERAL: Clause 3, in spite of any by-laws, enables rooms to be built with a minimum height of 10 feet. I move—

That the Bill be now read a second time.

On motion by Mr. McCallum, debate adjourned.

BILL—FARMERS' DEBTS ADJUSTMENT.

Report of Committee adopted.

Third Reading.

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

BILL—FINANCE AND DEVELOPMENT BOARD.

Second Reading.

Debate resumed from the 3rd December.

HON. P. COLLIER (Boulder) [5.5]: This Bill seeks to create a board with statutory borrowing powers, which I think is an innovation in Western Australian legislation. I am aware that in most of the Eastern States, though not in all of them, there are many boards and trusts with separate borrowing authority. In fact, many of the large undertakings in the capital cities of the East, particularly Melbourne, are carried out by boards and trusts which borrow money quite independently of the Government of the State.

The Premier: They borrow enormous sums, too.

Hon. P. COLLIER: Yes. I think the amount expended by the Melbourne and Metropolitan Board of Works now exceeds £30,000,000. The board control the water supply and sewerage of Melbourne and suburbs. Again, the Melbourne Harbour Trust,

even before I left Victoria, which is a good many years ago, were borrowing money for their own requirements. They now have a debt of many millions of pounds. The position is similar in Sydney and Brisbane. The existence of these bodies has been somewhat of an advantage to the Governments in question since the signing of the Financial Agreement, in that it reduced the amounts required for purely governmental purposes. The Government of this State finance all such undertakings, and therefore have been compelled to include the necessary amounts in their loan programme for the year. Though I shall not vote against the Bill, I am not enthusiastic about it. At a meeting of the Loan Council which I attended towards the end of last year, an agreement was arrived at by all present that boards and trusts of this nature with separate borrowing powers should not be created or established in the various States. I think it was further agreed that in States where such bodies did exist, having power to borrow not subject to the approval of the Governor in Council, the legislation should be so amended as to make such approval necessary. The object was to prevent any board or trust going on the money market without the consent of the Government of the day. Many instances were cited in which boards and trusts had gone on the market for substantial sums—as much as £1,000,000. The Melbourne Board of Works raised £1,000,000 by a single loan. In New South Wales there have been instances of borrowings by these bodies to the extent of £2,000,000 in a single loan. That was done this year by the Sydney Water Board, the loan being raised in America. If such loans were raised without the approval of the Government, they could easily clash with the intention of the Government themselves to go on the market. The effect would be to raise the rate of interest. In one instance the Loan Council were compelled to raise their rate of interest by $\frac{1}{2}$ per cent., because the Melbourne and Metropolitan Board of Works had offered $\frac{1}{2}$ per cent. in advance of the terms offered by the Loan Council. Undoubtedly there should be consultation before the raising of loans. Few of the boards and trusts borrow overseas; usually they borrow in Australia. I know that the Sydney Water Board and the Melbourne and Metropolitan Board of Works borrow overseas.

The Premier: Their average in London is £2,000,000 a year.

Hon. P. COLLIER: That indicates that they have borrowed overseas.

Hon. W. D. Johnson: They cannot borrow now without the approval of the Loan Council.

Hon. P. COLLIER: Yes. That is one of the difficulties confronting the Loan Council.

Hon. W. D. Johnson: Under the Financial Agreement there is an honourable understanding that they shall not do so.

Hon. P. COLLIER: Yes. However, the Loan Council control only Government borrowing. I do not think the understanding referred to has been always observed. Indeed, I think it was reached only within the last year or so, when things became acute. Early last year the Melbourne and Metropolitan Board of Works did go on the money market without any prior reference to either the Loan Council or anybody else, and offered $\frac{1}{2}$ per cent. more than the Loan Council were offering at the time.

Hon. W. D. Johnson: Was not that matter investigated?

Hon. P. COLLIER: It was, and the position was pointed out to the Melbourne and Metropolitan Board of Works. At present there is no power to prevent a board or trust from taking such action. In some States these bodies can borrow only with the consent of the Governor in Council; that is to say, the Government of the day; but that is not the position in all the States. Some of these bodies have perfectly independent borrowing powers, without any reference whatever to the Government.

Mr. Sampson: In view of the Financial Agreement is that proper?

Hon. P. COLLIER: In my opinion it is not. This Bill provides for the approval of the Governor in Council. I consider it entirely wrong that any semi-Government body should be free to go on the money market without the consent of the Governor in Council.

The Minister for Lands: That was done in years gone by, when circumstances were utterly different.

Hon. P. COLLIER: Yes. Most of these bodies have been in existence for well over a quarter of a century; some of them as much as 40 or 50 years. At a meeting of the Loan Council held last year it was agreed

that the Acts creating these boards and trusts should be amended so as to compel them to secure the approval of the Government before raising money. I do not think action has as yet been taken in that direction by the States concerned, but I understand that the boards and trusts have now agreed not to borrow without first consulting the Loan Council.

The Premier: The various boards and trusts notified at one meeting that they were going to borrow a total of £7,200,000.

Hon. P. COLLIER: That might easily clash with a loan placed on the market by the Loan Council. The result would be to raise the rate of interest, and complicate the whole position. In my opinion, the number of the boards and trusts should be reduced rather than increased. If the system of creating boards as proposed by this Bill were to extend to all the other States, the Financial Agreement itself could be entirely nullified. Boards could be created in every State for the purpose of this work, that work, or the other, until the State Governments themselves would require very little loan money indeed. The loan moneys required would be obtained by the boards and trusts.

Hon. W. D. Johnson: So the States could legislate themselves out of the Financial Agreement.

Hon. P. COLLIER: Yes. The object of the Loan Council would be defeated. Co-operation in borrowing, and the limitation by common agreement of the amount to be borrowed by the Commonwealth as a whole in any one year, could be defeated by the creation of a number of these boards and trusts with independent borrowing powers.

The Premier: All city authorities throughout Australia floated loans.

Hon. P. COLLIER: I know they did.

Mr. Patrick: Do you think it would be of advantage to the East Perth power house if those in control could borrow funds?

Hon. P. COLLIER: Quite so.

Hon. W. D. Johnson: You could multiply that proposition.

Hon. P. COLLIER: Yes; for instance, the tramways might like to borrow.

Hon. W. D. Johnson. Or the Fremantle Harbour Trust commissioners.

Hon. P. COLLIER: That is so. But would it be beneficial to us, or to Australia as a whole, if all these various small bodies

were permitted to approach the London money market with their several loan propositions and compete with each other? Is it to be assumed that weaker bodies can borrow better, or even borrow at all, when greater authorities find it impossible to do so?

The Premier: That could easily happen.

Hon. P. COLLIER: I do not think so.

The Premier: I am sure it could.

Hon. P. COLLIER: The Premier is confident that if we were separate from the Loan Council, we could borrow money under satisfactory conditions.

The Premier: I am sure we could.

Hon. P. COLLIER: I do not subscribe to that view at all. I am unable to agree that Western Australia could borrow money to-day when the Commonwealth as a whole find it impossible to do so. Of course, we know that the Commonwealth could have borrowed money at any time during the past 12 months, but it would have been at a price. If we were to borrow, our stocks would go down from £84 to £70 or to £50. Obviously we could get money at a price, but it would spell ruination for the country with stocks going down at such a rate.

The Premier: Western Australian stocks stand better in the money market than those of other States.

Hon. P. COLLIER: Yes, by a mere fraction.

The Premier: Ours stand better than Commonwealth stocks.

Hon. P. COLLIER: I know that stocks are down to £84, but some of the State stocks are down to £72 at the present time.

The Premier: Our stocks stand at £86.

Hon. P. COLLIER: Yes; our stock has fluctuated and has varied from £82 up to £86. Two or three months ago the stock stood at £88 or £89, but now it is down to £86.

The Premier: You write to our old friend in London!

Hon. P. COLLIER: I cannot see how our position could possibly be better than that of the Commonwealth. Surely the board to be set up will not be able to borrow money, if the State cannot do so! I am willing to allow the Premier to have a try because I am satisfied that nothing else will convince him that we cannot borrow on better terms than the Commonwealth. Let the Premier try it! I am convinced he will not be able

to raise money under the provisions of this Bill.

The Premier: I will have a bet with you.

Hon. P. COLLIER: Very well.

Mr. Pantou: The Premier will tax the winnings.

Hon. P. COLLIER: It does not seem reasonable to imagine that this small board will be able to borrow for the purposes of agricultural development and to transfer money so raised to the Agricultural Bank. It does not seem feasible that the board will be able to raise that money in London from some source that is not available to the Commonwealth.

The Premier: The board will have nothing to do with the Commonwealth.

Hon. P. COLLIER: I appreciate that fact.

The Premier: At any rate, the board can do no worse than the Federal Government.

Hon. P. COLLIER: This board will be created with limited powers to raise money for agricultural development only.

Mr. Willcock: And with limited security, too.

Hon. P. COLLIER: That is another point I intended dealing with. The whole investment will be in agricultural development, and this at a time when agricultural production is unprofitable. In these days we hear that the farmers are bankrupt and cannot carry on. It is on such a security that the board will approach the London money market, with a view to raising funds for agricultural development!

The Premier: At any rate, the board cannot do worse than the Federal Government.

Hon. P. COLLIER: I am confident the board will not be able to do better.

The Premier: Of course, we cannot go on the London market at the moment.

Hon. P. COLLIER: The security that the board will be able to offer is not as good as that offered when the Commonwealth seek to borrow.

The Premier: Yes, it is.

Hon. P. COLLIER: I know that the State will be responsible for the loans and will be behind the board. Even so, the Commonwealth as a whole stands behind Federal borrowings, whereas this State alone will be behind the transactions of the board. The Commonwealth provide a payment of 10s. per cent. as a contribution to the sinking fund on all borrowings authorised by the Loan Council. The Bill

provides for a similar payment, but the State will have to pay the whole of the sinking fund charges. For other borrowings the Commonwealth pays 10s. per cent. rent.

The Premier: That is not so.

Hon. P. COLLIER: The Commonwealth pays half, but under the Bill we will have to pay the full amount. The funds raised will be made available to the Agricultural Bank, which will make advances to settlers in turn. That means that the settlers themselves will have to pay the contributions towards the sinking fund, whereas that contribution is now provided by the Commonwealth Government.

The Premier: They pay the sinking fund charges now.

Hon. P. COLLIER: Perhaps we make them pay.

The Premier: At any rate, they will not pay any more than at present.

Hon. P. COLLIER: But the State will have to pay more.

The Premier: Yes, 5s. more.

Hon. P. COLLIER: That is the position.

The Premier: The fact remains that the Commonwealth Government have failed, and cannot raise the money.

Hon. P. COLLIER: And the Premier is confident that he will succeed where the Commonwealth Government have failed.

The Premier: The City of Perth has borrowed money.

Hon. P. COLLIER: We have failed on the London money market at the moment through unforeseen circumstances, but largely owing to the actions of all Governments in past years. While dealing with that phase of the problem, I wish to refer to a statement that appeared in the Press during the last day or two. That statement was to the effect that both the Premier and I considered that borrowing would remedy the troubles of the State. I do not think that represents the view of either the Premier or myself.

The Premier: No, not the whole of our troubles.

Hon. P. COLLIER: That is so. Limited borrowing would be a great help to lift us out of our present difficulties.

The Premier: Of course it would.

Hon. P. COLLIER: No one would suggest for a moment that borrowing represented the solution of all our difficulties. We appreciate that one of the contributory

factors to Australia's troubles of to-day has been over-borrowing by various Governments over a period of many years. It is also due to the fact that a large proportion of that money was expended or invested on works that were not reproductive.

The Premier: There is no doubt about that.

Hon. P. COLLIER: Many of those works could not carry the interest charges. We have piled up interest payments, and in many instances the money was expended on works that have been such that there was no possibility whatever of securing a return from them.

Mr. Willecock: That was not so bad when we had to pay three per cent. for our money, but now we have to borrow at six per cent.

Hon. P. COLLIER: That has been a great factor in our financial problems. Some of our loans raised at $3\frac{1}{4}$ or 4 per cent. have had to be converted when they fell due at 6 per cent. That has added considerably to our interest rate and has made our difficulties all the greater.

The Premier: If we had to pay six per cent. on all our loans, it would mean for Western Australia alone the expenditure of £1,000,000 more than at present.

Hon. P. COLLIER: That serves to indicate the great part that interest payments play in our troubles. That is emphasised by the conversion of four per cent. money into six per cent money.

The Premier: That immediately raises our interest bill by two per cent.

Hon. P. COLLIER: And increases our interest bill by hundreds of thousands straight away. Anyone who gives this question a moment's consideration must agree that over-borrowing in the past is one of the reasons why we find ourselves in the difficult position we are in to-day. I wish the Premier luck in his desire to carry the London money market by storm. He will say to the British financiers, "You will not have the security of Australia to back our application for a loan, but our little board will be backed by the State itself." I do not think anything of the sort can be done. Occasionally it may succeed, but it will be through the instrumentality of some good hearted generous friend in London who may feel well disposed towards Western Australia and, in consequence, may make money available as a philanthropic act.

Mr. Kenneally: Perhaps that financial friend, of whom the Premier spoke, may be able to assist.

Hon. P. COLLIER: Yes, we heard something about Sir Hal Colebatch. He may be able to use his influence.

The Premier: I should think our own Agent General would have some friends in London.

Hon. P. COLLIER: I am sure he has, but not to the extent of the willingness of those friends to lend huge sums to Western Australia in particular.

The Premier: They have always loaned us money in the past.

Hon. P. COLLIER: But under different circumstances.

The Premier: No.

Hon. P. COLLIER: The Premier has frequently stated during the session that conditions nowadays are different from what they have been in past years. When we emerge from our present period of difficulty—we shall do so at some time or other—then no doubt the board will be able to borrow money, as boards or trusts in the Eastern States have in the past. In recent years those subsidiary bodies in the Eastern States have borrowed on the Australian market, not in London. When they borrowed years ago outside Australia, it was when the market was favourable and interest rates were low.

The Premier: Most of their stock is quoted in London now.

Hon. P. COLLIER: That is so, but the amounts were borrowed when interest rates were low.

The Premier: I think some of the local authorities borrowed in America.

Hon. P. COLLIER: At any rate, they would not approach the London market to-day because they know they could not get any money.

The Premier: I think they could.

Hon. P. COLLIER: If these bodies in the Eastern States could borrow in London to-day, then the Loan Council should ask them to borrow more than they require so as to make some of the money available for Australia as a whole.

The Premier: I think the Perth city bonds are quoted at £94, with 5 per cent. interest.

Hon. P. COLLIER: That may be so, but they probably refer to some little work undertaken many years ago and people have held on to the stock as an investment.

The Premier: Well, what about the Melbourne Metropolitan Board of Works, whose stock is quoted at £87, and the Launceston City bonds at £93?

Hon. P. COLLIER: The Premier can quote as many figures as he likes on this particular point, but I am convinced that the board to be set up under the Bill will not be successful in London, seeing that the Commonwealth Government cannot raise funds there.

The Premier: I do not think we should go on the London market until the financial position is straightened out.

Hon. P. COLLIER: But when that time comes, there will be no need for the board to borrow because the Government will be able to borrow on their own account.

Hon. W. D. Johnson: If we agree to the Bill, that will not be so.

Hon. P. COLLIER: Surely it must be clear that if the position were normal, the board would not be necessary because the Government could raise all the funds necessary.

Hon. W. D. Johnson: We would have to repeal the Bill first.

The Premier: That is not so.

Hon. P. COLLIER: No, because we could still borrow for ordinary purposes apart from what would be required by the board.

The Premier: And even the Agricultural Bank could be supplied with funds from ordinary borrowings.

Hon. P. COLLIER: Of course. I do not intend to oppose the Bill. It should be passed and be regarded as a test. I hope that immediately it becomes law, the Premier will make straight for London. Then we will see how he will get on. I do not want him to wait until the financial position becomes normal. I want him to get the Agent General to work at once.

The Premier: I will make arrangements with Kingsford Smith.

The Minister for Lands: I bet you won't.

Hon. P. COLLIER: If the Premier succeeds, it will go a long way towards doing away with the necessity for the Loan Council. In fact, Mr. Lang will then be able to satisfy the other Premiers that the Loan Council can be dispensed with. I hope the Premier will do that in order to show to the Loan Council and to the Commonwealth what can be done outside that ironbound circle of theirs, which is restricting the introduction of money from

overseas to-day and has been doing so for the last 12 months. If the Premier can make a success of it, Mr. Lang will create 20 boards a month after.

The Premier: He has them now.

Hon. P. COLLIER: Then he will create more because his needs are great.

The Premier: He created one immediately the Financial Agreement was signed.

Mr. Sampson: Like the Leader of the Opposition, the New South Wales authorities are high fliers.

Hon. P. COLLIER: There are many boards in New South Wales and Victoria and also in Queensland.

The Minister for Railways: We have too many public utilities for which the Government are providing the loan funds.

Hon. P. COLLIER: I think so. Even when a small undertaking like the ferries requires £5,000 or £6,000 for a new boat, it has to be included in the State's loan programme for the year, and the result has been to magnify out of all proportion our per capita indebtedness as compared with that of the Eastern States. Anyone taking up the figures would say, "What a high per capita indebtedness Western Australia has! It is about double that of the other States. What spendthrifts you have been and how you have plunged the country into debt!" I have read articles based on such arguments, but those are conclusions arrived at without a knowledge of the facts. Any such comparison is of no value whatever unless we take into consideration the amount of money borrowed by separate boards in the other States. The money required by the Metropolitan Board of Works and the Melbourne Harbour Trust is not included in the loan indebtedness of the State; only the money borrowed directly by the Victorian Government is included in the State's loan indebtedness. The Government of Western Australia have borrowed for everything. Railways, trams, ferries, and in fact every public utility has been a Government undertaking; the Government have borrowed the money for each of them and the amounts appear in the total loan indebtedness and swell the per capita indebtedness. On the other hand, scores of millions of pounds have been borrowed for similar undertakings in the other States and do not appear in their loan indebtedness, and so their figures look very favourable as compared with ours.

Something can be said for the constitution of trusts. Personally I think some of our utilities now controlled by the Government ought to be controlled by boards or trusts with separate powers, and their loan requirements from year to year ought not to appear amongst the Government's requirements or in the figures of total indebtedness.

The Minister for Railways: And the charge should be against the people who obtain the benefit.

Hon. P. COLLIER: Everyone will subscribe to that. At meetings of the Loan Council—and I attended a good many—the representatives of States like Victoria and Queensland would mention their requirements, and when we laid our requirements before the Loan Council they were considerably in excess of those of the other States. The remark was made, "You, with only 400,000 people, want so much more money than we require!" Of course it had to be explained how many undertakings the Government here financed as compared with the Governments in States like Victoria, New South Wales and Queensland. So there is something to be said for constituting boards and trusts with separate borrowing powers to control such utilities. This is the first time that a move has been made in this direction, and I can only say I wish the Premier luck.

MR. SAMPSON (Swan) [5.35]: It goes without saying that I shall support the Bill, but nevertheless I regret that the necessities of the situation require the introduction of such a measure. The needs of the Agricultural Bank are so great, and the requirements of the man on the land are so outstanding that efforts must be made to obtain money. It is a matter for regret that since the arrangement was entered into with the Loan Council, it should be necessary to try to obtain money apart from the Loan Council. The question whether the State could borrow money more advantageously than the Commonwealth is open to argument. I am inclined to take the view of Senator Sir Hal Colebatch, who said that people in the Old Country having trust moneys to invest found the State loans provided a very convenient method for investing their funds, because those loans were for relatively small amounts and were requested at shorter intervals. I shall look

with interest to see what measure of success will attend the Premier's effort. Personally, I would prefer, if it were possible, to withdraw from the Loan Council, but I understand that that cannot be done unless there is unanimity on the part of the States. It may be that the other States would agree, in view of the difficult times through which all are passing, that the Loan Council arrangement should come to an end. I appreciate the fact that the States would be borrowing in competition, but the arguments submitted by Sir Hal Colebatch were sufficient to show that the State loans would always receive consideration. I realise that the Premier has been compelled, by force of circumstances, to introduce the measure. It is an innovation, and I question whether it will be possible to do what is desired. The Eastern States had boards of works and other bodies with borrowing powers prior to the establishment of the Loan Council, but we did not, and so the positions are not similar. We joined forces with the other States and became a party to the Loan Council having a full knowledge of the circumstances and the conditions that would attend the operations of the Loan Council.

HON. W. D. JOHNSON (Guildford-Midland) [5.39]: I have always contended that if there was one virtue in the Financial Agreement, it was that part which created the Loan Council and firmly established it as the authority to borrow money for the whole of Australia with certain definite arrangements for sinking fund. We in this State propose to make the first move towards undermining that authority.

The Premier: No.

Hon. W. D. JOHNSON: Allow me to reason it out in my own way.

The Premier: But you are wrong and I want to keep you right.

Hon. W. D. JOHNSON: It is true that in the other States there are bodies invested with borrowing powers, but they existed before the Financial Agreement came into operation.

The Premier: Not all of them.

Hon. W. D. JOHNSON: The majority of them. The Premier can tell me of those that have been created since; I do not know of any. The Financial Agreement could not control those that existed previously.

The Premier: It cannot control any of them.

Hon. W. D. JOHNSON: I admit it is impossible to control them other than by honourable understandings, but if the authorities controlling various activities came into conflict with the Loan Council, the Loan Council undoubtedly could limit and restrict them.

The Premier: No.

Hon. W. D. JOHNSON: The Loan Council could certainly take action that would make it very difficult for them to raise loans, and it might be necessary, for the protection of the finances of Australia, for the Loan Council to take strong action through the Commonwealth Bank to limit such bodies.

The Premier: The Loan Council cannot do it.

Hon. W. D. JOHNSON: But a minor activity could not be allowed to interfere at a critical period with the loan-raising activities of the Government. Therefore I maintain it is because those boards and bodies realise that they cannot play fast and loose with loan raising that they have come to an honourable understanding with the Loan Council not to borrow, except after consultation with the Loan Council.

The Premier: When was that honourable understanding arrived at?

Hon. W. D. JOHNSON: I have heard it definitely stated in this House—I think the Leader of the Opposition mentioned it—that an honourable understanding had been arrived at in respect of such borrowings.

Mr. Willcock: There was talk of introducing legislation to deal with such borrowings.

Hon. W. D. JOHNSON: I am coming to that. It is only common sense that if Governments can gradually but surely undermine the Financial Agreement—as we propose to do by this Bill—the Financial Agreement must be either stiffened or scrapped. It is idle to imagine that we can with impunity undermine the Financial Agreement as is proposed by this Bill. If we do it for the Agricultural Bank—and I admit there is some argument in favour of legislation for that institution—we could do it for other activities, and there would be no limit to what we might do in the matter of borrowing. We could borrow money for the Fremantle Harbour Trust, for the Metropolitan Markets, for the water supplies and for the railways, and so we could go on undermining the whole of the work of the Loan Council. Australia is not going to

tolerate that, and I do not think members here would subscribe to it. Everybody appreciates the value of the control of the Loan Council as defined in the Financial Agreement. I was opposed to the Financial Agreement—

The Premier: You supported it.

Hon. W. D. JOHNSON: No, I did not: I was opposed to it, but I was not blind to the fact that the Financial Agreement contained much virtue because of the control by a central authority in the matter of raising loans for Australia and providing a sinking fund for every loan. I agree with the Leader of the Opposition that it is very doubtful whether we shall be able to borrow money. In the first place I question whether the Loan Council will endorse, encourage, or even condone legislation of this kind. I believe the Loan Council will have to take a serious view of a departure of this kind.

The Premier: It cannot.

Hon. W. D. JOHNSON: There is no doubt about the power of the central authority and there is no doubt about the people's desires. I do not know of any State or any financial authority or anyone taking a serious view of the financial position of Australia that does not subscribe to the fact that there should be one loan authority in Australia. I am positive the Loan Council will have to take a serious view of this departure and restrict it as much as they can. So in my opinion there will be trouble to convince the Loan Council, and then even though the State Government will get past the Loan Council, I do not subscribe to the opinion so often expressed now that the smaller bodies can do better on the London market than can the central Government or the Loan Council. We know, of course, that small scares can be manufactured or cultivated and then become exaggerated. But unfortunately for Australia we are not loyal to the best interests of our country. We are very active politicians, but as political parties we are liable to injure the credit of Australia to a great extent. The Governments will attempt to do certain things, and the Opposition will resort to tactics to defeat the objects of the Government. At the present time and for the last few months there has been a certain amount of propaganda for the purpose of discrediting the financial position of the Commonwealth. That is to be deplored. In-

stead of trying to get together and to maintain stability, there have been sections who are gloating over the fact that credit is depreciating as far as the central Government are concerned, and they seem to take pride in that fact and declare that the State can do better than the central authority. In my opinion we want to maintain that central borrowing authority, for the stability of Australia is really centralised in the Commonwealth Government. I do not think the Bill will be recognised, that the Loan Council will grant permission to do what the Government desire. Even if permission be granted, I do not think the Premier will be able to do any better than has been done by the Loan Council. The present is not the best period to introduce legislation of this kind. We are going through times of financial stress and depression, and we are using the depression for creating reform in various ways. There is no doubt that members are inclined to give some latitude to the Government because of the special financial circumstances of the hour. I am convinced that the Bill would be carefully scrutinised and criticised if it were not generally felt that the Agricultural Bank's needs are great to-day, and the possibility of supplying those needs from State funds is very remote. Therefore, because we are going through this period of stress, we have to amend our laws in the hope that something better may be done. I am not one of those who believe that the present is the correct period to institute changes of this kind. If there is any virtue in the proposal by Mr. Latham in the Federal Parliament that a board should be appointed to investigate matters of this kind, here is an instance in which the idea could be put to the test. There is no doubt some Governments require to be steadied, and if there were a board in existence that could exercise a steadying influence and stop these rushes into schemes of this nature, it would do a power of good. Instead of rushing in, we should think more and do less. With regard to the proposal before us, the Premier said a great deal on the subject of the power and ambition of the board. It is to be a developmental as well as a financial organisation. In my opinion we must be mighty careful in connection with our developmental policy. I have urged caution for some time past in respect of agricultural expansion. I remember taking part in a discussion and

counselling that care should be exercised before money was advanced for the development of light land. Parliament became quite enthusiastic at one period on the subject of our light lands. The present Minister for Works held forth on one occasion regarding what could be produced from light land in this country. I had experience of it on my own farm and I pointed out that we could not go on advancing money from the Agricultural Bank with safety to develop the light country. I notice that the trustees of the Agricultural Bank in their latest report emphasise the fact that care will have to be exercised with regard to advances for light land development. The trustees declare that the experience of the past two or three years leads them to the conclusion that light lands are not a sufficiently safe proposition for the investment of public funds without special safeguards. Not only that, but they have discovered that morrel land which we at one time thought was valuable land, is causing great anxiety.

Hon. P. Collier: The position with regard to morrel land is very serious.

Mr. Griffiths: We knew that in 1914.

Hon. W. D. JOHNSON: We did not know in 1914 what we know to-day regarding morrel land. We knew in the eastern wheat belt that it was not safe to crop morrel land in dry seasons, but in years of light rainfall we got low production. We have since discovered other difficulties, and any hon. member who in the last 12 months has taken an interest in agricultural development will know that there has been increasing anxiety in respect of cropping land where morrel timber previously grew.

The Minister for Agriculture: Do you suggest that light lands should not be developed?

Hon. W. D. JOHNSON: I say that the Agricultural Bank should not be encouraged to advance money for the development of light land. I have always maintained that light land can only be developed safely when it is associated with forest country. I know what I am talking about; I made a study of it and came to the conclusion that we were going too far and advancing too much money on light land. The Agricultural Bank Trustees have come to the conclusion that there is a danger in that regard. The board proposed to be appointed under the Bill will handle the development and financing of the agricultural industry. We as responsible

people should try to endorse the opinions of the trustees of the bank. The trustees point out that funds are to be limited, that advances must be restricted. In their latest annual report the trustees say—

The limitation of funds at the disposal of the bank has rendered necessary the restriction of advances, and the following decision has been notified:—

1. Advances will not be made for clearing in excess of 600 acres of first-class or 900 acres approved second-class land.

2. Approvals for any purpose will as far as possible be limited to £250 at any one time.

3. Further approvals are to be confined to clients not more than one year in arrear with their interest and then only when satisfactory arrangements can be made to secure payment.

4. Advances for fallow will not be continued. Settlers who have received advances for this purpose will be required to repay same before further assistance will be given.

5. The amount advanced to any settler in one year will necessarily be limited, and operations carried out with borrowed money must be on a reduced scale.

That goes to show that at the present time restrictions must be made. The point I wish to emphasise is that the restrictions apply to land within carting distance of our railways.

The Premier: The trustees have not any money.

Hon. W. D. JOHNSON: I know that and it is my desire to help the Premier because this is a matter that is causing me some little concern. I have read to the House the restrictions that are taking place to-day. Those restrictions will limit the development of land to areas within the recognised carting distance of existing railways. Yet we are going to expend money in areas that are hopeless as far as economic farming is concerned. I do appeal to the Premier and to the Minister for Lands to realise that it is going to be so long before we get loan funds that those people so far removed from the railways will be disheartened and discouraged, and ultimately will have to give up. What is the use of going on maintaining those people out there by our Agricultural Bank funds when we know that ultimately it must cease? Why not go into the question now and see how it can be wound up? There are areas within carting distance of existing railways, on which, if proper investigations were made and those areas earmarked, gradually but surely we

could bring in those settlers so far from the railways and give them an opportunity to take up land within carting distance of existing lines, or alternatively make other arrangements for the cessation of farming in those remote areas.

Mr. Willcock: All the land within reasonable distance of existing railways is taken up.

Hon. W. D. JOHNSON: No; it is remarkable the area of land not taken up, still available for selection.

Mr. Willcock: Good land?

Hon. W. D. JOHNSON: Cultivable land, well worth settling. Some of it first-class land. The hon. member is trying to convey that there are not large areas of this land. None of us knows whether there is such land in any large areas. I know there are some blocks. What I want to convey is that there are considerable areas of land held but not farmed. I believe it is possible for the Government, if they have the necessary data regarding those large areas of land unimproved to-day, to make some arrangements so that the land could be utilised on a satisfactory basis. This question of development must be faced. We are wasting an enormous amount of money over it. It is a hopeless proposition. We cannot expect settlers in those remote areas to compete in the marketing of their products, and therefore something requires to be done. In this regard I wish to refer to the annual report of the Agricultural Bank. This bank deals in millions of money and is functioning in a manner that is of very great interest and education to the House, if the bank's knowledge is reflected in its report. The bank has expended over eight millions of money and to-day has some five millions out under Agricultural Bank funds, and five or six millions under soldier settlement funds; yet the bank's annual report is merely a typewritten document laid on the Table of the House. On the other hand the annual report of the Mines Department is printed and distributed at very great expense. Of the many reports that are tabled here for the information of members and the public, to my mind the most important is that of the Agricultural Bank. Yet its report is merely a typewritten document. As to the matter of the report, I think the bank's trustees should be encouraged to give more detailed information than they do. It is true they refer to morrel land and the Esperance area, and our light lands, but

there is no reference to the 3,500 farms scheme, nor anything about the development of the remote areas.

Hon. M. F. Troy: Why should the bank in its report touch upon the 3,500 farms scheme when the bank is not operating there?

Hon. W. D. JOHNSON: That is news to me. I understood that all agricultural development, except group settlement, was subject to the control of the Agricultural Bank.

Hon. M. F. Troy: The Agricultural Bank is not operating in respect of the 3,500 farms scheme, and so is not wasting time dealing with it in the annual report.

Hon. W. D. JOHNSON: If the bank is not interested in that scheme, of course we could not expect reference to it in the bank's report. But it is news to me. I know the Agricultural Bank is interested in the development of areas in which the settlers are out 50 miles from an existing railway. Whether that area is part and parcel of the 3,500 farms scheme I do not know, but I do know that out east of Narembuen there are farmers 50 miles away from the railway, and those farmers are regularly visited by an inspector of the Agricultural Bank.

Hon. M. F. Troy: The only thing anybody could say about those farmers is that they require a railway.

Hon. W. D. JOHNSON: They cannot succeed without a railway, and our chances of giving them a railway within the next 10 years are very remote indeed. My point is that we put them there, thinking that the Migration Agreement would enable us to give them the facilities to farm profitably; but we now find we cannot do it, and instead of waiting until we can do it, it would be better to admit our inability and cut our loss in that respect. One other thing in relation to development is the habit of Governments to deplete or in other ways utilise the staff of the Agricultural Bank; I mean to utilise them in what might be called associated activities or activities of development that are not the responsibility of the Agricultural Bank.

Mr. Griffiths: Just as the police force are used.

Hon. W. D. JOHNSON: But more serious even than that. In my opinion one of the brightest men we had in the Agricultural Bank was the chief inspector, Mr. Hewby. At the time of Mr. Hewby's pro-

posed transfer I appealed to the Minister not to remove Mr. Hewby from the bank. I did that because of his special qualifications, his special knowledge, and his special administrative ability. Yet we find to-day that not only has Mr. Hewby been taken away from the bank, but his services to the State have been discontinued altogether.

Mr. SPEAKER: I am afraid the hon. member is outside the scope of the Bill. We are not dealing with Mr. Hewby.

Hon. W. D. JOHNSON: The Bill is dealing with development.

Mr. SPEAKER: What has that to do with Mr. Hewby?

Hon. W. D. JOHNSON: With all due respect, everything.

Mr. SPEAKER: I cannot allow the hon. member to continue discussing Mr. Hewby under the Bill.

Hon. W. D. JOHNSON: It is just as well to realise that members have some rights and privileges. There is in this Chamber a tendency to restrict discussion. I have no desire to take exception to your decision, Sir, but here we have a Bill definitely referring to development and the appointment of a financial board; and I am pointing to the dangers that must accrue if an attempt is made to develop the Agricultural Bank by inefficient officers. When I take that line I am told I must not proceed. This is important, it is vital, and one must draw attention to the dangers of such development. You, Sir, may smile, but I take the Bill most seriously. It may not interest you, but it certainly interests the country.

Mr. SPEAKER: I take great exception to the hon. member's remarks concerning myself. I ask the hon. member to confine himself to the subject matter before the House, and not to discuss individual officers, whose affairs have nothing to do with the Bill. If the hon. member persists, I may have to ask him to sit down.

Hon. W. D. JOHNSON: The Bill is for an Act to provide for the establishment of a financial and development board for Western Australia and to define the powers and functions thereof, and for other incidental purposes. I do not wish to offend, but I do say it is important from the point of view of my constituency and also from my own point of view that I should point out that to-day the development part of the

functions of the Agricultural Bank is being interfered with to a dangerous extent by the taking away from that bank, officers experienced in the development of the State. Not only do I desire to draw attention to the position of Mr. Hewby, but I desire also to say a word about Mr. Grogan's position. Mr. Hewby has been put out of the department altogether and is now walking the streets, but Mr. Grogan—

The Minister for Railways: What has that to do with the Bill?

Mr. SPEAKER: The retirement of Mr. Hewby is outside the scope of the Bill, and I must ask the hon. member to refrain from discussing it.

Hon. W. D. JOHNSON: I am just pointing out what the loss of Mr. Hewby to this administration will mean. Exactly the same thing is taking place respecting Mr. Grogan. Outside of Mr. McLarty himself, the two bright spots in the activities of the Agricultural Bank were in my opinion: centred in Mr. Grogan and Mr. Hewby. It is of no use appointing finance and development boards if we are going to deplete the administrative capacity and experience of those associated with the Agricultural Bank. I know we have to end the session, and that time has to be saved as much as possible, but I still say that the discussion of Bills must be thorough and complete. I am seriously concerned in the knowledge that we are going to create a board that will serve to remove a great deal of the control of this House over agricultural development. As soon as the Bill passes, the work and activities of the Agricultural Bank will cease to be scrutinised as they are to-day through the Annual Estimates of expenditure. Therefore we should see to it that the administrative capacity of the bank is being maintained at a standard that will give the country and others security in the knowledge that the administration is in capable hands. The staff of the bank has been unduly depleted, and I appeal to the Premier and to the Minister for Lands to strengthen it at the earliest possible moment.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. W. D. JOHNSON: There is need for great care in dealing with the development side of the proposition covered by the Bill. The need for increased capital and the

advisability of getting it as cheaply as possible will have encouragement from me, but I view with great concern the weak-kneed attitude adopted by different Governments of late in taking from the administration of the Agricultural Bank, which will be responsible under the Bill, highly efficient officers who are experienced and are required to carry out the functions of the bank. Millions have been expended by that institution and a great deal of development has taken place. The bank has taken on the responsibility of developing the agricultural industry. We often hear members speak of the large amount of money advanced by private banks to primary industries. Particularly has there been reference to the advances made by them to the agricultural industry. That is largely brought about by the pioneering responsibilities and risks that have been taken by the Agricultural Bank, as the result of which that institution has created a stable security that is ready and available for use by the private banks. The latter get the producing asset as distinct from the aspect of development associated with the Agricultural Bank. The Government institution is performing a very responsible duty in attending to the development of the country in an agricultural sense. That side of the business must be handled very carefully. We have not made a success of it in the past. The Agricultural Bank administration has been influenced by expressions of opinion in this House, and Governments have also been influenced by them. The bank has done things which in my opinion would not have been done had its officers been free to use their own judgment as to what was best from the developmental point of view.

The Minister for Agriculture: You say the bank has not been a success?

Hon. W. D. JOHNSON: It has been a success, but the failures are largely due to political policy. The only objection I have to the position is that I think we have tried to carry out too much developmental work at once. Many years ago I was in the Chamber when we were very active in that respect. We opened up too many areas at once, and we went too fast with our group settlement. Now we are going too fast in settling people on areas remote from railways. The time is opportune to use a Bill of this kind to emphasise the fact that whilst a board is appointed to look after the finan-

cial obligations and needs of the bank, we must remember that the bank's administration must be strengthened, and it must be encouraged to be extremely cautious on the developmental side. The Premier will have difficulty in getting any results from the Bill from the financial point of view because of the Financial Agreement, which has been so ably dealt with by the Leader of the Opposition. I am not opposing the second reading, but I have contributed what I desire to get into "Hansard" so that I may have recorded my views on development. I certainly want to encourage the granting of financial assistance to the bank, but I want to see its administration strengthened at the earliest possible moment, and I want to see great caution exercised with respect to development for the next few years. Particularly do I want the Government to go into the question whether or not we can continue the settlement of people in the remote parts to which I have referred.

MR GRIFFITHS (Avon) [7.40]: I am just as much interested in agricultural development as the member for Guildford-Midland. I strongly opposed the Financial Agreement. I am more opposed to it than ever now I see the disabilities which it has placed upon this State. This Bill provides for the making of financial arrangements for the Agricultural Bank. Both the Premier and the Leader of the Opposition have in times past particularly stressed the disabilities of this State in the way of carrying on public utilities, which should have been placed under the control of trusts. I take it that whatever is done with regard to the Financial Agreement, this State will always honour its obligations to the Loan Council. It appears to me that body has not been altogether a success. The Premier of New South Wales, Mr. Lang, is holding out threats as to what he will do, but whether he will carry them out or not remains to be seen. This Bill refers more particularly to agriculture, our main developmental activity. I am particularly interested in anything that will enable the industry to be developed along right and proper lines. The member for Guildford-Midland dealt with various phases of land development and referred to our light lands. I have said before that these light lands are of endless variety. There are light lands and light lands. The member for

Greenough informs me that one of the best crops he has seen is growing at Marchagee on the Midland railway, on light land. I know the country well and I am prepared to accept his statement. Here is a case where light land is proving to be just as good as the other land in certain seasons. Along the eastern stretch of the wheat belt there is morrel and yorrel timbered land. These timbers grow along the beds of ancient river courses. When I interjected regarding morrel country, I was referring to land south of the farm of the member for Guildford-Midland. I remember a select committee going round that district. One of the disgruntled settlers threw down a bag of his morrel soil before the members of the committee and invited them to visit his property which was largely morrel and upon which he could not grow any crops. In some years that land has been proved to be practically of no use, but with a little extra rainfall and after it has become consolidated and firmed by stock, it is much more adaptable for wheat growing than it is in its early stages. The Minister for Lands made enthusiastic references to the Elanding Northwards land. To the north of the Dowerin line there is a stretch of light country and wonderful crops have been grown upon it. This light land must have a good clay subsoil. Many of the other lighter lands we know of, which have not proved productive or suitable for wheat growing, do not possess that particular subsoil. Again, there is the wodgil country. One could continue endlessly with varieties of these light lands. There is nothing wrong in the enthusiasm of various members for light lands which they know to be good. The member for Greenough (Mr. Patrick) is able to speak with authority on the light lands in his district. Outside the eastern areas, however, light lands are an unknown quantity. I shall not dwell on the Bill, but I wish to say that I consider the agricultural industry as a whole requires a development board such as here proposed. We have to recognise the fact that agriculture needs to be properly investigated as to cost of production and other aspects. The industry must be placed on a proper basis before we open up any more country. Our great aim should be to consolidate the areas which have already been opened up and upon which a good deal of money has been spent. We cannot get money through the Loan Coun-

cil, and if any relief can be obtained through the medium of this Bill I shall be only too glad to see that brought about.

MR. SLEEMAN (Fremantle) [7.47]: Ever since the Premier introduced the Bill, I have been puzzling as to how I can amend it. Up to the present I have not discovered means of doing so. If the proposed board can borrow with wheat at 2s. per bushel, if money is available for agricultural development with wheat at that price, I am sure money will be available for other industries as well. There will be no trouble if loans can be raised so easily as the Premier would have us believe. All that is necessary is to bring in a Bill to empower the Fremantle Harbour Trust to borrow, and the difficulty as to putting the wharves in good order will be at an end. Again, the Minister for Railways will have no trouble in obtaining funds for a new power station. Simply create boards and let them borrow. I am not opposing the Bill; on the contrary, I wish the Premier luck with it. However, if money is so easily obtainable this scheme should not be confined to agricultural development, but should be used for the pushing on of various works, so that men now employed may not lose their employment, and so that possibly work may be found for other men as well.

MR. BROWN (Pingelly) [7.49]: I support the Bill, and am indeed pleased that the Premier has in mind the securing of further capital for the development of our lands. I am somewhat dubious, though, as to how the money will be raised. According to the Bill, it is to be done by means of debentures. Are those debentures to be issued in Western Australia? If so, many small speculators would be only too pleased to take some of them up. My greatest doubt is as to the rate of interest. The Bill does not fix a rate. We know that the Commonwealth is on the market, and that small investors can get six per cent. free of State income tax. If the debentures are issued in Western Australia, the holders will be liable to State taxation as well as Federal taxation; and therefore it is quite possible that the Premier will not be able to float the debentures here at anything like 6 per cent. He might have to pay 7 per cent. locally. If Western Australia has power to borrow on the London market, these debentures might prove very attractive to

small English lenders who would be glad to get 6 per cent. for their money. The Agricultural Bank, especially in a year like this, will require much additional capital, as many clients are finding it impossible to meet their obligations. The prices of our primary products are low, and the interest owing by clients is high. I am glad that the Bill applies also to soldier settlement. Many soldiers are on over-capitalised lands, and will require considerable assistance to remain on their blocks. If money is available by means of this Bill, it may be the means of keeping many soldier settlers on the land. Western Australia still has much virgin country which could be developed. If proved wheat lands are vacant, they should not be left in a virgin state for want of capital. Therefore it will be an excellent thing for Western Australia if the Premier can go on the London market independently of the Commonwealth. Doubtless the hon. gentleman has looked into the matter and found that he possesses the necessary power. Again, it is possible that this State may be able to raise capital for the development of other industries. I sincerely hope so. If the money were raised on debentures locally, the holders of those debentures would have a special interest in the development of this country. The Commonwealth loan of £28,000,000 will drain a considerable amount of money from Australia, and therefore I fear the Premier will have trouble in placing debentures here. Probably he will have to place them in London. The Press informs us that in England money is cheap and plentiful. South African and Indian loans having been floated there at about 4½ per cent. If we obtained money at a reasonable rate of interest and lent it out at 7 per cent., which is the present rate of the Agricultural Bank, a great deal of good would result to Western Australia. I wish the Premier good luck in raising the money, as it will be the means of keeping on the land many a man who is in difficulties regarding further development.

MR. ANGELO (Gascoyne) [7.55]: I support the Bill and, like previous speakers, hope the Treasurer will be able to raise the money required for the development of agriculture. However, I should like to make one suggestion. In the Bill the only method of raising money is by debentures. Now, to a good many people the word "debenture"

does not appeal. Men with small amounts of capital, trustees and others, do not like the term "debenture." I say this advisedly, after many years' experience in financial matters. But the people I refer to would place money with the Government on fixed deposit. In all earnestness I suggest to the Treasurer that in addition to calling for debentures the board or the Agricultural Bank—it matters not which—should invite fixed deposits for one year, two years, five years or 10 years. The Premier may say that that would mean the establishment of a branch bank in London, but I do not think that that is at all necessary. Our Agent General could be appointed London agent for the Agricultural Bank or for the board, and he could invite fixed deposits with the Agricultural Bank or with the board, such fixed deposits not only to be secured by the assets of the bank or board, but also to be guaranteed by the Government of Western Australia. I am sure that such an arrangement would attract many people who will not be attracted by the word "debenture." I suppose there would be a loan flotation—no doubt the Treasurer expects to have one—but in addition we could have a nice little stream of money coming in from trustees and small capitalists, and even from companies desirous of placing a little money from time to time on fixed deposit, knowing that they will be able to draw it again in one year's time, or two years', or five years'. Probably the Premier knows that the Melbourne Water Board has been inviting fixed deposits on terms of 10 years. I saw the advertisement when I was in Melbourne a few months ago. The rate of interest offered was 6½ per cent. That rate would be ridiculous for us to pay, but if an agency of the bank or this board were established in London and invited fixed deposits, we could probably get money there at 5 per cent. Many people do not like to put money in loans or debentures and thus have it tied for a long term, whereas a fixed deposit maturing at a stated period of a year or two is attractive. This is only suggestion; it is not criticism of the Bill. If the Premier discusses the matter with the Under-Treasurer and Mr. McLarty, he will probably find that there is something in it. I hope the suggestion may prove helpful.

THE PREMIER (Hon. Sir James Mitchell—Northam—in reply) [8.0]: It will be possible, even if the Bill be passed, for

money required for the Agricultural Bank to be borrowed through the Federal Treasurer in the ordinary way. If the Federal Government can borrow money as cheaply and as readily as we can, then we shall use that means of raising funds, for the obvious reason that the Federal Government contribute towards the sinking fund charges. So far, they have not been able to borrow money. As a matter of fact, the Federal Government have not been able to raise the money authorised by the Loan Council for years past, with the result that as at the 30th June last there was £3,500,000 authorised to be borrowed and spent, but not raised by way of loan. It is no good saying that the conditions are as favourable as they have been in the past, because in former years we were able to use our overdraft in London and other funds to enable us to carry on until the necessary loans were raised and the overdraft reduced and other funds recouped. Every hon. member knows that that has been done for years past by various Treasurers. That system has effected a saving of about £30,000 a year in interest, because the overdraft rate is so much lower than the market rate for bonds. Now we find ourselves with our funds depleted, because the Federal Government have not been able to raise the necessary money. That has affected the Government in many ways. The position is all right regarding public works, because we can stop operations on them. When it comes to the finances of the Agricultural Bank, the position is quite different. Work that is done in connection with the agricultural industry cannot be transacted in 24 hours. Provision must be made for work through the year. The bank has lately written-down about £660,000 by cancelling long-standing authorisations. It is impossible to say just where additional money will come from. There are authorisations outstanding to-day amounting to £330,000 and that is added to, week by week. It should be apparent that there must be some certainty of raising funds to enable the bank to carry on its work. In the metropolitan area it is necessary to provide for water supply requirements, and we must look ahead and build the necessary reservoirs, and so forth. There are other responsibilities to the City of Perth, for which the city pays. Having accepted various responsibilities, what are we to do if money cannot be raised, as it cannot be at the mo-

ment? When we discussed the Financial Agreement, I said there were two sections of the community who would suffer most. One section was represented by the farmers who would feel it most, I pointed out at the time, if they experienced a bad season, as in 1914. They are having that experience now and the Government are powerless because we cannot raise a penny. I pointed out at the time, too, that the workers would probably be the first to suffer because the wages fund in this State has been considerably augmented as the result of borrowings. A producing country, and particularly a single-crop country, must borrow money to continue operations; that cannot be helped. To-day our farmers are in difficulties principally because of the low price of wheat and the pressing by creditors for payment. There will be further trouble in March next when seeding will begin. If we could help with seeding operations and allow farmers to settle some of their accounts from the 2s. 1d. or 2s. 2d. they will receive for their wheat, it would make the position easier, but we cannot say with certainty that there will be money available to assist the farmers to put in their crops. We should have a 4,000,000-acre crop next year, but that would cost £4,000,000 to put in. We cannot raise that money. The Government are powerless to help to overcome the unemployment difficulty by rendering that assistance to the farmers. Much of our money has been used in construction work in anticipation of the outgoings being recouped to us when we were able to borrow again, but that has not been possible. The member for Guildford-Midland (Hon. W. D. Johnson) opposed the Financial Agreement and he was right. He rather spoilt his position by his remark that the bright feature of the agreement related to borrowings, and now he is wrong.

Hon. W. D. Johnson: I have always said that the borrowing provisions represented the virtue in the agreement.

The PREMIER: Now the hon. member is entirely wrong. We gained advantages under the agreement by securing recognition of the per capita payment for 58 years, a contribution of one-quarter per cent. by the Commonwealth to the sinking fund, and in one or two other directions, but we have paid dearly for those advantages because we

are tied up in connection with our borrowing powers.

Hon. M. F. Troy: You say you pay dearly because you cannot borrow more money!

The PREMIER: The hon. member knows that it has been pointed out that the small borrowers have been most popular in the London market. The City of Perth bonds at 5 per cent., maturing in 1950, have been quoted at £94. Practically every city in Australia has been able to borrow money abroad. Tasmanian bonds are quoted at £95 whereas Western Australian bonds have been quoted at £86. South African securities, such as the Durban and Capetown city bonds, have been quoted at £98 and £99. There is ample evidence that London does like small borrowers. Tasmanian securities, which are really Federal, have been quoted at £91 as against Australian securities at £85. That is ridiculous. There can be no better security than Australian bonds. We shall honour our obligations, of course, yet somebody said that Australian bonds must represent a more attractive form of security than State bonds. Despite that, the City of Perth bonds on the London market are more attractive than Australian securities.

Hon. M. F. Troy: Only because of better management.

The PREMIER: We know that that is wrong, because if we had the choice between the two forms of securities we know which we would take without any hesitation. The other day New Zealand discounted some Treasury Bills, apparently short-dated, at 2 3/10ths per cent. We are paying 5 per cent. I do not know why that should be; it is wrong. The other day the Central Electricity Board wanted £6,000,000 in London. That money was subscribed ten-fold in a few minutes at a discount of £4 15s. per cent. It will be seen that there is plenty of money available, yet for some time past Australia has not been able to raise any loans. It is true that last year we raised £36,000,000 by way of overdraft and on short-dated Treasury Bills, but we could not raise a straight-out loan. The member for Gascoyne (Mr. Angelo) suggested that we should accept money on fixed deposit. The Agricultural Bank loans are long-dated securities and we have no banking facilities.

Mr. Angelo: You would not require those facilities for fixed deposits.

The PREMIER: I do not know that it would be of advantage to take a fixed deposit for two or three years, if we could not get money except under long term conditions.

Mr. Angelo: The Metropolitan Board of Works in Melbourne takes fixed deposits for ten years.

The PREMIER: I cannot understand why fixed deposits for ten years could be regarded as better than debentures for a similar period, because the debentures represent a handier form of security seeing that they are transferable. It would be a doubtful advantage to take money on fixed deposit on such long terms. If farmers are to be provided with money, it must be cheap and on long terms. We cannot borrow that money at 6 per cent. because it would have to be loaned out at 7 per cent., which would be too high. There is no money available at present and loans cannot be floated. To-day the people are more inclined to put their money into loans than into business enterprises, and that is not good for Australia. It would be satisfactory to us if the Federal Treasurer could raise money for us, but since 1927 we have not been able to raise the money authorised, although we have had to spend the funds in hand. I assure the members of the Opposition that, should the Bill become law, we shall not do anything that will inconvenience the Federal Treasurer. It would not be right to do so. It would not be right either to offer a higher rate of interest than we are paying now. We should not attempt to go on the London market without the approval of the Federal Treasurer. When I was at Canberra some time ago I consulted Mr. Theodore, who was then Federal Treasurer, and he did not offer any objection to the raising of money by the means I suggested, but naturally no State Government would do anything to jeopardise the Federal Government in raising money on the London market.

Mr. Sleeman: Harbour boards and other local authorities in the Eastern States can borrow money.

The PREMIER: Of course they can. In view of the fact that so many semi-governmental bodies there can do so, there is no reason why we should not be in the same position.

Mr. Sleeman: Why not give our semi-governmental bodies the same power?

The PREMIER: That phase is not included in the Bill, and though I would be willing to answer the hon. member, the Speaker would not permit me to do so.

Mr. Sleeman: You do not seem to be too willing to answer.

The PREMIER: I think we shall be able to carry on the public works with the money obtained under the agreement, but I do not think we shall be able to do any more than that. I am very pleased at the reception given to the Bill, and I hope it will be passed into law. With the way made clear, we shall have an opportunity to test the London market, and then we shall know where we stand. It is a fact that we were paying an average of less than 4½ per cent. for money up to 1927. The average at present is not very high, but if we had to renew all our loans and pay 6 per cent. for the money, it would cost us £1,000,000 more per year by way of interest than we are paying to-day.

Question put and passed.

Bill read a second time.

Message.

Message from the Governor received and read, recommending appropriation for the purposes of the Bill.

In Committee.

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

Clause 1—agreed to.

Clause 2—Definitions:

Mr. SLEEMAN: To give the Premier an opportunity of stating his views I shall move to include the Fremantle Harbour Trust, which would be one of the "other incidental purposes" for which the Bill is intended to provide.

The Premier: The harbour is incidental to wheat growing.

Mr. SLEEMAN: Will the Premier extend the powers so that the interests of people out of work as well as those of the agriculturists may be protected? I move—

That the following words be added to the definition of "harbour," "and the Fremantle Harbour Trust."

The PREMIER: I doubt whether the hon. member can move the amendment.

Mr. Sleeman: The Chairman will decide that.

The PREMIER: Is the amendment in order, Mr. Chairman?

The CHAIRMAN: I must rule the amendment out of order.

Mr. SLEEMAN: Is the Premier prepared to do for other sections of the community what he is prepared to do for the agriculturists?

The PREMIER: I am introducing this Bill in order that the Fremantle Harbour may be kept going.

Mr. Sleeman: It will go into the ditch if you cannot do anything for it.

The PREMIER: I cannot give an assurance that many such Bills will be introduced but I will think over the hon. member's suggestion.

Mr. SLEEMAN: I doubt whether the amendment is out of order.

The CHAIRMAN: I have given my ruling.

Mr. SLEEMAN: I should like to know the reason for it.

The CHAIRMAN: If the hon. member disagrees with my ruling, he must adopt the proper course.

Mr. SLEEMAN: I ought to do so.

Clause put and passed.

Clauses 3, 4—agreed to.

Clause 5—Tenure of Office:

Hon. M. F. TROY: The Managing Trustee and the Under Treasurer are to be members of the board by virtue of their respective offices, and shall cease to be members on vacating office. The third member is to be appointed for seven years. The Under Treasurer may not always be the most suitable man.

The Premier: Then he ought not to be Under Treasurer.

Hon. M. F. TROY: He might have little knowledge of the agricultural resources of the State. He may be a good Under Treasurer, but a bad agricultural adviser. An Under Treasurer might reach office merely by reason of seniority. I suggest that the term be made seven years, which would be too long for a man who was not qualified.

Mr. SLEEMAN: The Under Treasurer is Chairman of the Metropolitan Market Trust, a member of the Fremantle Harbour Trust, and has to run backwards and forwards to the Eastern States on Treasury business, and now he is going to be one of the king

pins on this board. There should be other men equally able to undertake the duties.

The PREMIER: The work involved in this board will not occupy much time. If it was desired to vary the personnel of the board at any time, an amending measure could be introduced. At the moment they are the right men to be members of the board.

Hon. M. F. TROY: The Under Treasuryship at the present time should be a big enough task for the biggest man in Australia, without his having to give time to other boards. The Managing Trustee is a man of wide experience and high character, and I have no doubt that if he were succeeded by Mr. Grogan, that gentleman would bring the same qualifications to bear. In 99 cases out of a hundred the Under Treasurer might not be the right man for the job.

Mr. Angelo: Can you suggest anyone else?

Hon. P. Collier: He is a very desirable officer.

Hon. M. F. TROY: He may not have the necessary knowledge.

Hon. P. Collier: I would not agree to the Bill if the Under Treasurer were not on the board.

Mr. SLEEMAN: I find that the Under Treasurer is to draw fees to the extent of five guineas a sitting.

The Premier: No. You had better read the Bill.

Mr. SLEEMAN: I have read the Bill. I object to the Under Treasurer being on so many boards from which he is receiving fees.

The Premier: He does not draw fees; he gets an allowance.

Mr. SLEEMAN: What is the difference between fees and allowances?

The Premier: Fees would be higher than an allowance.

Mr. SLEEMAN: The Under Treasurer is a member of the Fremantle Harbour Trust and draws fees there and he is also chairman of the Markets Trust.

The Premier: No.

Mr. SLEEMAN: How much is he drawing?

The Premier: He draws £125 altogether.

Mr. SLEEMAN: Anyway, I object to his drawing fees or allowances from all these little jobs that he is carrying out. His time can well be fully occupied at the Treasury

especially at the present period of depression, and we also know that he is going backwards and forwards to the Eastern States. That of course may be necessary, but he cannot do justice to his work at the Treasury if he is given so much other outside work to do. In all fairness he should not be given a seat on this board.

Clause put and passed.

Clauses 7 to 11—agreed to.

Clause 12—Meeting may pass resolution for the adjustment of the farmer's affairs under this Act:

Mr. PIESSE: I should like to know from the Premier the views of the Government in regard to the future personnel of the Discharged Soldiers' Settlement Board. I do not wish to cast any reflection on the board, the members of which have certainly done good work. The board proposed to be created under the Bill will function with the returned soldiers' board, their duties being to make funds available under the Soldier Settlement Act. There is discontent amongst returned soldiers, and if the Premier will but inquire he will find there is just cause for those complaints.

The Premier: That has nothing to do with this Bill.

Mr. PIESSE: In any case, I hope the Premier will look into the question.

The PREMIER: The board proposed to be created will have nothing to do with what the hon. member has spoken about. It is not proposed to interfere with the Agricultural Bank Act. This will be merely a finance board to find money. If any complaints are to be made they cannot be lodged against the board proposed to be established.

Clause put and passed.

Clause 14—Farmer not to encumber or part with his property:

Mr. ANGELO: The Premier apparently took my suggestion to borrow by fixed deposit instead of by debentures as an alternative scheme to the one proposed by the Bill. It was really an additional scheme. I again emphasise what I have already said about borrowing by fixed deposit. The word "debenture" does not appeal to everyone because so much capital is raised by certain companies by means of debentures and sometimes those companies get into difficulties and the debenture holders lose

their money. In 80 per cent. of the cases trustees put money out at fixed deposit and renew it year after year. I am certain that quite a tidy sum of money could be raised on the fixed deposit scheme and that it would go on increasing year by year. I am convinced it would bring in a lot of people who would not lend money under any other system. In London most of the banks pay $3\frac{1}{2}$ and up to 4 per cent. on fixed deposit, and it should be possible to get some of that money. The advantage there would be that the money paid to us would be in London and therefore would be worth to us 7 or 8 per cent. Any way, it is only a suggestion and I ask the Premier to think it over.

Clause put and passed.

Clauses 15 to 17—agreed to.

Clause 18—Secured creditors:

Hon. W. D. JOHNSON: How will this operate in connection with loans and sinking funds now existing? Under the previous clause all funds now in the hands of the Agricultural Bank will be transferred to the board. Money to-day raised by the Loan Council carries a certain sinking fund. Those loans will be transferred to the board and when the board take control, will not that control automatically cancel the arrangement?

The Premier: No.

Clause put and passed.

Clause 19—agreed to.

Clause 20—Interest and sinking fund on cancelled debentures:

Hon. W. D. JOHNSON: Under the previous clause the sinking fund can be used for the purpose of purchasing debentures, but the debentures so purchased are automatically cancelled. Now it is provided that on a debenture thus cancelled the board shall pay half-yearly interest. What is the object of that? If a debenture is cancelled, it is finished with; why continue to pay the interest?

The PREMIER: Because the sinking fund must be invested at compound interest to liquidate the total loan. Therefore if any debenture is purchased and cancelled interest must be paid on it during the period for which it would have been current had it not been purchased.

Clause put and passed.

Clauses 21 to 31—agreed to.

Clause 32—Provision of money by the board for the bank:

Mr. DONEY: The Premier on the second reading said the trustees would continue undisturbed as in the past. However, it seems to me that Subclause 1 indicates that the new board will usurp the functions of the bank in a marked manner.

The Premier: Oh no.

Mr. DONEY: I can conceive of the board declining to advance the amount the trustees consider necessary. That would place the Agricultural Bank in a subservient position.

The Premier: The board has to raise the money, of course.

Mr. DONEY: It is pretty plain that it will be the board, not the trustees, who will determine what money is required. Mr. McLarty may have pretty good control of board matters generally speaking; but he might be out-voted.

The PREMIER: There is nothing in the clause to be afraid of; the money will be advanced under the Agricultural Bank Act.

Clause put and passed.

Clause 33—agreed to.

Clause 34—Purchases under the Agricultural Land Purchase Act to be approved by the board:

Hon. P. COLLIER: This is a most unusual, not to say an extraordinary, clause. It provides that no land shall be purchased under the Lands Purchase Act by the Government except with the approval of the board. Surely the Premier does not intend that. I could understand that before any purchase is made the board should be asked to report on it; but to say the Government cannot make any purchases except with the approval of the board, is really to abrogate the functions of Government.

The Premier: Under the Agricultural Bank Act land can be purchased by the Agricultural Bank.

Hon. P. COLLIER: But this refers to lands that should be purchased by the decision of the Government. Yet it is proposed that the board shall decide whether or not the land shall be purchased. I am not willing to agree to that. Surely such decision must rest with the Government. For

the Government to stand aside and leave it for the board to say whether the land is to be purchased, is taking away power that should rest with the Government alone.

The Premier: That was not the idea.

Hon. P. COLLIER: I think I can understand what was behind it: When an estate is repurchased by the Government, the responsibility of financing the settlers on that estate will rest with the board.

The Premier: Yes, that was the intention.

Hon. P. COLLIER: I can understand that. But when we throw open Crown lands the same responsibility will rest with the board, and so we might just as well say that no Crown lands shall be made available for selection unless approved by the board. It might be the policy of the Government to purchase and subdivide for closer settlement several large estates. Under this clause the board could flout the policy of the Government by declining to purchase those estates.

The PREMIER: The clause is not material to the Bill. All that is intended by the clause is that the board shall be consulted as to any further advances to be made for the improvement of the block. However, I have no objection to the striking out of the clause, for it is immaterial to the Bill; and if it goes out I will have a clause drafted which will meet the objections raised.

Hon. M. F. TROY: I am glad the Premier agrees to the deletion of the clause. The Agricultural Lands Purchase Act provides every precaution in the purchase of land, so it is quite unnecessary to give the proposed board any say in the matter. Moreover, the functions of this board are entirely different from the functions of the Lands Purchase Board, the one being finance and the other the purchasing of land. This clause would paralyse Government activities. I cannot understand how it ever came to be included.

The Premier: It is badly worded, that is all.

Clause put and negatived.

Clause 35, Title—agreed to.

Bill reported with amendments and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—SANDALWOOD ACT AMENDMENT.

Second Reading.

THE MINISTER FOR FORESTS (Hon. J. Scaddan—Maylands) [9.0] in moving the second reading said : Most members will recollect that last year the then Government introduced and had passed a measure to provide for the control of sandalwood taken from Crown and private property. One of its provisions was that it should remain in operation until 31st December, 1932, and no longer. Since then the sandalwood industry has suffered rather severely, due perhaps more than anything else to the discovery of sandalwood in considerable quantities in South Australia. Before the regulations were passed in 1923, sandalwood was only procurable from Crown lands in Western Australia, because then the price of sandalwood in China was at such a low figure that it was not worth while recovering it from private property and sending it in small quantities to China. Upon the introduction of the new regulations in 1923 and the imposition of a royalty of £9 per ton in lieu of £2, and with the restrictions as to output and export of the commodity, the price rose rapidly until it was 100 per cent. higher than it was before the regulations were put into force. This brought into prominence the fact that there was a good market for the commodity, and every effort was made to obtain supplies from any source, particularly from private property when such royalty had not to be paid. Very soon it was discovered that this was having a serious effect on the market value of the commodity in China. The then Government very wisely brought in a Bill to control the output from all sources. Unless it was controlled effectively from private property it was likely to damage the interests of the Crown, whose lands held the greatest quantity of sandalwood produced within the State. That was fairly successful until the discovery of sandalwood in South Australia. It was not expected at the time that a great quantity would be sent to China from that State, nor was it expected that a great quantity would be drawn from private property there.

Hon. P. Collier: It was said it was not true sandalwood.

The MINISTER FOR FORESTS: There is no doubt now it is true sandalwood.

Hon. P. Collier: It was true enough to put on the market in China.

The MINISTER FOR FORESTS: It did command a market there. It may be stated also that on investigation we discovered that it only obtained a market in China because of the better quality wood that was being put on the market there from Western Australia. The two together made a commodity that was satisfactory to the Chinaman, particularly in the interior. The result was that we were able to supply fairly large quantities, but this trade was having a serious effect upon the general marketing of the commodity in China. The South Australian authorities were demanding only a royalty of 5s. per ton on wood taken from Crown lands. After representations had been made by the previous Government, the authorities there charged a royalty of £9 10s. as against ours of £9, and yet supplied only inferior wood. That would have been all right had it not been for the change that occurred when a great quantity of sandalwood was discovered allegedly on private property, and was marketed without the payment of any royalty. In Western Australia we have a well organised Forests Department, and employ inspectors to see that there is proper control of sandalwood in marketing and in general ways. In South Australia there is no Forests Department.

Hon. P. Collier: You mean in regard to the removal of sandalwood from private property as against its removal from Crown lands?

The MINISTER FOR FORESTS: Yes. In South Australia the department is a branch of the Lands Department, and there are no forests inspectors in the sense that we know them here. In the far North where the sandalwood is found no control of any kind existed. In fact, we helped the authorities to some extent to police their sandalwood when the position became serious by lending them an officer to do inspecting work on their behalf. To their astonishment they discovered that a great quantity of wood was allegedly coming from private property, and that this was having a marked effect upon the market in China. I will not now go into all the ramifications of the business, but will say that when we approached the South Australian Government they agreed something ought to be done to stabilise the market to enable them to get a decent price in China. They agreed to introduce a measure on lines similar to that which was passed by this Parliament last year. It has now

become law in South Australia, where the wood taken from private property has been placed under control. The difficulty arises that we have 8,500 tons of sandalwood stacked in this State, and they have about 2,200 tons stacked there. The merchants also have 2,000 tons on hand in China, and had to dispose of some of it at between £7 and £8 a ton less than it cost to land c.i.f. in Hong Kong or Shanghai. We have considered the question of how to dispose of our stocks. We were involved in a matter of £100,000 in a guarantee to the Commonwealth Bank and we were not able to dispose of the wood.

Hon. M. F. Troy: We were severely criticised for our action at the time.

Hon. P. Collier: But you will agree we carried out a sound proposition.

The MINISTER FOR FORESTS: It is the duty of someone to criticise in order to make the Government which does that thing establish their right to do it, as well as prove they were right when they did it.

Hon. M. F. Troy: You said we were holding up a lot of money which could have gone to the unemployed.

The MINISTER FOR FORESTS: I may have been quite right at the time in saying so. The responsibility in the matter of the guarantee to the Commonwealth Bank now devolves upon this Government and not upon those responsible for it. I want to avoid the necessity for calling upon the Treasurer to meet that guarantee. We have been successful in getting the South Australian Government to enter into an agreement that they will market their wood on this basis, that for every ton that is exported from South Australia for the next four years, two tons shall be exported from our stock. We have agreed to help each other, as well as the trade and the puller. Furthermore, for every two tons that we export we will pull one ton of fresh wood. By that means, at the end of four years the stocks held both in South Australia and Western Australia should have disappeared, and we shall have pulled about half the quantity now in stock. The South Australian Government had to provide for the control of wood taken from private property for the ensuing four years until existing stocks were cleared up. Our Act provides only for such control until 31st December, 1932.

Hon. P. Collier: In this State?

The MINISTER FOR FORESTS: Yes. South Australia has control of the situation until 1934. The Government there have made it a condition of the agreement that we approach Parliament either for an extension of the term until 1934 to coincide with their term, or that we should delete the section concerned. Instead of asking for the extension for another two years, I am asking that the section should be repealed. There were no complaints against the control exercised; in fact, there could be none. There was no value in sandalwood from private property until the two Governments, who possessed the greater quantities of sandalwood, had introduced regulations so to control the market as to make the trade worth while. As we have practically guaranteed to those who have sandalwood on their properties that they may take 10 per cent. of the amount which would be marketed from each State, I consider they have been fairly generously treated, seeing what we have done in the way of improving the market price of the commodity. Not only should this legislation remain in force until 1934, but it may be wise to establish it on a permanent basis. That is why I suggest the deletion of the section so that the control may continue until Parliament decides, though I do not think that is likely, to revert to the old conditions. I see no use in extending the provisions until 1934 when we can just as easily bring down a Bill to repeal the whole measure. If it is necessary to continue the control, we can take the step when the time arrives. In the main, except in the case of some measures where it is essential they should operate only for a limited period, to insert such a time limit section in an Act is only evidence of mistrust against the Government. If a Government ever desires to further extend the measure, that can always be done by bringing down a Bill to that effect. After all, it is only mistrusting the Government to put such a section in an Act. In a matter of this kind, Governments must be trusted. This is a trade operation. We have to negotiate with private firms and companies, and for very good reasons. When we are exporting a commodity, particularly one that is of practically no value for home consumption, we ought to take any action that is necessary to obtain the highest possible price to the last penny. Governments must be trusted to handle these matters on that basis.

The action taken by the previous Government in controlling the wood from private property was the correct one to adopt. I believe the proper thing to do is to join with South Australia in maintaining that control which is of such advantage to traders, to the State as a whole because of the increased value given to the commodity, and to the men who are directly concerned in the industry, namely, the pullers. I move—

That the Bill be now read a second time.

HON. P. COLLIER (Boulder) [9.15]: I have no objection to offer to the Bill, which is really intended to continue indefinitely the principle embodied in the Act of 1929. As one who had a good deal to do with the control of sandalwood during the years I was at the Forests Department, I can certify that the sandalwood position was stabilised thanks to the arrangement we were able to come to with South Australia. Had it not been for that understanding between the two Governments, both South Australia and Western Australia would have suffered considerably. They would have come into competition with regard to the sale of sandalwood oversea. Last year's Act was absolutely essential if the industry was to be preserved. Now that it appears necessary to continue that measure for a longer period than specified, the Minister is quite right in refraining from fixing any date of termination. I support the second reading.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Standing Orders suspension.

On motion by the Minister for Forests, Standing Orders suspended to enable the Bill to pass through its remaining stages.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—UNIVERSITY BUILDINGS.

Returned from the Council with amendments.

BILL—LICENSING ACT AMENDMENT.

Second Reading.

Debate resumed from the 3rd December.

MR. WILLCOCK (Geraldton) [9.25]: I have no objection to the Bill, which seeks to extend the existence of the Licenses Reduction Board. The 1923 measure limited the board to five years, and this was subsequently extended by two years. The present Bill seeks a further extension. It is satisfactory to have the power to delicense hotels, because it gives the board considerably more hold over the licensees. The Attorney General said that practically the whole of the fees for the Licenses Reduction Board were drawn from the compensation fund. The existing Act provides that two-thirds of the expenses of the Licensing Court may be paid from that fund. If the Government are paying all the expenses of the Licenses Reduction Board from the fund, it would be well to validate that by an amendment at this stage. I do not think the position will ever be reached of disbursing the money in the compensation fund to contributors pro rata with their contributions. Probably it would cost as much as the amount in the fund to ascertain how much each contributor was entitled to. If eventually Parliament does not pass a Bill continuing the Licenses Reduction Board and there is some money remaining in the fund, a nice legal mess will result in the event of contributors claiming pro rata with their contributions to the fund. I dare say that during the next couple of years it will be necessary to delicense two or three hotels. For that purpose, I understand, there is an amount of £5,000 or £6,000 now in the fund. Delicensing is a good whip to hold over licensees, who could not be satisfactorily dealt with in the absence of the delicensing provision. I do not know who is in charge of this Bill in the Attorney General's absence, but perhaps the Chief Secretary will state whether the money being paid to the Licensing Board comes wholly out of the compensation fund. If so, a validating amendment should be moved. No one who has contributed to the fund would have any objection, but it would be well to have the matter in proper legal form.

MR. RICHARDSON (Subiaco) [9.27]: I do not desire to say much on this small Bill, but for many years I have been watching the operation of the Licensing Act and consequently am interested in matters connected therewith which have been reported to me from time to time. In the year 1922 the member for Perth (Mr. H. W. Mann), the member for South Fremantle (Mr. McCallum), and two gentlemen who to-day are not members of Parliament were, with myself, appointed a Royal Commission to investigate the licensing laws of Western Australia. We made a long and strict investigation, as the result of which we recommended numerous amendments. Those amendments, generally speaking, have pleased everybody; and I think we may be proud of that fact. One of our recommendations was that a Licenses Reduction Board, as well as a Licensing Court, should be established; and it was proposed that the three gentlemen who constituted the one should also constitute the other. It is plain to anyone who considers the matter for a moment that the duties of the Licenses Reduction Board must be entirely different from those of the Licensing Court. To-day we are able to declare that the Licenses Reduction Board have done wonderful work. In fact, the gentlemen comprising the board have done everything that could be expected of them. But, in my opinion unfortunately, they have not seen the line of division between the functions of the Licensing Court and the Licenses Reduction Board. They framed a set of questions which I acknowledge are quite proper so far as the Licenses Reduction Board are concerned. It is easy to believe that in investigating whether a reduction should take place in a particular town the board would require minute and private details in connection with the business of licensees. That is perfectly right so far as the Licenses Reduction Board are concerned; but I consider that as regards renewals by the Licensing Court it is a different matter altogether. Because I desire to see the Act administered properly, I wish to draw attention to various matters this evening. When a hotel-keeper has been conducting his business for 12 months and makes application for the renewal of his license, there should be no necessity for the Licensing Court to investigate his private affairs in detail. It should be sufficient for them to know that the man

has been a fit and proper person during the previous 12 months to run his hotel in a proper manner. I have a list of questions bearing on this phase and the document is headed, "Confidential report on licensed premises for the information of the State Licensing Court and Reduction Board." Everywhere I have travelled in the country areas and wherever I have been in the metropolitan area, I have been approached by hotelkeepers who knew that I was a member of the Licensing Commission and they have emphasised the harassing nature of this questionnaire. I was astonished the other evening when the Attorney General, in reply to a question put to him, said there was no necessity for the hotelkeepers to answer the questions set out in this document. That proved conclusively to my mind that the questions set out here are of no use to the Licensing Court at all. The objectionable part of the practise is that hotelkeepers are placed in a very invidious position. One licensee may be prepared to give the Licensing Court full details, whereas another may not be inclined to do so. I have heard that members of the Licensing Court have gone as far as to suggest to certain hotelkeepers that they should keep certain brands of spirits, wines and beer on their shelves. The hotelkeeper is in just the same position as any business man. He naturally desires to stock what the public require. In those circumstances the members of the Licensing Bench have gone quite outside their province, and have delegated to themselves powers it was never intended they should wield.

Hon. P. Collier: I hope you will give us the particulars of the questions before you conclude your remarks.

MR. RICHARDSON: That is what I intend to do. I could understand the desire of members of the Licensing Court to have many of these details. First of all, the licensees are asked to supply the following particulars:—

Licensing district: name and situation of premises; class of license; whether owner or tenant of premises.

Those are quite legitimate particulars and the information could well be supplied to the court. Then there are the following questions:—

If owner, what was the original cost of the land?

What does that matter when it is merely a question of a renewal of the license? To ascertain the original cost of the land might necessitate investigations going back over 50 years or more. It may be quite difficult to ascertain that information.

Date of erection of premises;

The premises may have been erected 30 or 40 years before and obviously the date would be difficult to ascertain.

Cost of erection of premises; if the premises were purchased; from whom purchased (name and address)?

Here again the court require licensees to go back into ancient history. All this information may be quite legitimate when it is a question of a reduction of licenses, but when it is merely a matter of renewal of an existing license, I think the Licensing Court have gone far beyond their proper scope. Then the questionnaire includes the following questions:—

If lessee or tenant, are you a weekly, monthly or yearly tenant? Date of ingoing; name and address of owner; if held on lease, term of lease.....from.....to.....; amount of rent payable; to whom rent is paid (name and address); what rates and taxes are paid by the tenant; amount of ingoing or other consideration paid or payable in addition to the rent; name and address of person to whom such has been paid or is payable; portion of building (if any) sublet and rental received for same.

Then there is provision for the signature of the person furnishing the information and the signature of the inspector. There is a further obligation placed upon the licensee, who is required to secure information from the local authority in his district and to provide the following details—

Name of local authority; capital value of the premises; annual value of the premises; total amount of taxes paid annually (detailed); whether rates are calculated on improved or unimproved value; municipal or road board rate . . .; health rate; water rate.

Hon. P. Collier: What body asked for that information; the Licensing Court or the Licenses Reduction Board?

Mr. RICHARDSON: Both.

Hon. P. Collier: But they exercise two separate functions.

Mr. RICHARDSON: The questions sent out are exactly the same whether from the Licensing Court or the Licenses Reduction

Board. When a hotelkeeper applies for the renewal of his license, he has again to furnish information along the lines I have indicated and that is what I object to.

Mr. Lamond: That does not apply in the metropolitan area only.

Mr. RICHARDSON: It applies in the country districts as well.

Hon. P. Collier: Under what section of the Act is the court empowered to do that?

Mr. RICHARDSON: No section of the Act provides that power.

The Chief Secretary: This question does not arise under the Bill. It is merely a question of renewing the legislation.

Hon. P. Collier: I do not think it does arise.

The Chief Secretary: It is quite out of order. We are merely discussing the extension of time.

Hon. P. Collier: That is so, but I do not think it is right that such a questionnaire should be issued.

The Chief Secretary: That is another matter.

Mr. RICHARDSON: The fact remains that the Act does not provide any such authority for the Licensing Court. When the renewal of a license is applied for we should expect the court to take into consideration only the character of the landlord and the way in which he has run the licensed premises during the preceding 12 months. I do not think the members of the court are entitled to go beyond that, and inquire regarding private affairs such as those disclosed in the questionnaire. For that reason I have ventilated the matter this evening. I have been asked whether it is compulsory for hotelkeepers to answer these questions, and I raise a protest against such a document being issued by the court. I intend to support the Bill because I believe the Licenses Reduction Board have done a lot of good work. They have cleaned up many premises in Western Australia that require attention. I am afraid that in the future there may be further work for the board to do.

MR. J. H. SMITH (Nelson) [9.40] I intend to oppose the Bill, and I am disappointed that it should have been introduced. The Licenses Reduction Board should be eliminated. After the first clean-up, the members of that body became a menace to

the hotelkeepers throughout the State. Right through the wheat belt, we find great mansions of hotels erected to comply with the requirements of the board. The premises are over-capitalised to the extent of upwards of £17,000 or more, and to-day those interested in the propositions are staggering under a heavy load of debt. I understand that the board's term expires this year.

Mr. Willcock: That is the Licenses Reduction Board.

Mr. J. H. SMITH: Yes, but they have been appointed for a further period.

Hon. P. Collier: You know that there are two parts in the Act and the members of the board act as a Licensing Court and as a Licenses Reduction Board.

Mr. J. H. SMITH: That is so.

Hon. P. Collier: The Licenses Reduction Board is not under discussion.

Mr. J. H. SMITH: Why is there any necessity for such an expensive board to run around the country at a cost of £5,000 a year at least.

Hon. P. Collier: Not for licenses reduction purposes.

Mr. J. H. SMITH: No, but as a Licensing Court. In these days when we hear so much about financial difficulties, the work done by the court could be done by police magistrates, as in the past.

Hon. P. Collier: But that is not at the cost of the State; it is paid out of the compensation fund.

Mr. J. H. SMITH: That is the rotten feature of it. The Government handle £8,000 of money that should have been paid to hotelkeepers who were delicensed.

Mr. McCallum: The position of the trade has been much better than in the past.

Mr. J. H. SMITH: The hon. member should know because he was on the licensing bench.

Mr. McCallum: I speak from experience.

Mr. J. H. SMITH: I know that the magistrates have given satisfaction wherever I have been interested. I do not think it is right that the members of the Licensing Court should operate on the fund.

Hon. P. Collier: Why not?

Mr. J. H. SMITH: To whom does the money belong? It is a compensation fund contributed by the hotelkeepers to provide revenue for those whose premises are closed up. They are the people who should receive that money.

Hon. P. Collier: Other premises may be delicensed.

Mr. J. H. SMITH: But the compensation fund is finished.

Hon. P. Collier: No, there is £7,000 in the fund.

Mr. J. H. SMITH: But the collection of the fund has been stopped. The £7,000 in the fund belongs to those who have been delicensed.

Hon. P. Collier: No, it belongs to the fund.

Mr. J. H. SMITH: I can point to instances of hotelkeepers who have been delicensed and those concerned have been ruined. I discussed this matter on the Police Estimates and the Minister for Police said he was astonished and remarked that my statements were not true. I received the following letter from the Commissioner of Police, which I will read to the House:—

With reference to the question raised by you in the Legislative Assembly, when the Police Estimates were under discussion, regarding members of the force seeking information from licensees of public houses respecting ingoing, rates, taxes, etc., for the information of the Licensing Board, as promised by the Minister for Police at the time inquiries were made into the matter, and I am desirous to inform you that the chairman of the Licensing Board requested members of the force, when making their annual inspection of licensed houses, to hand to the licensee the form mentioned by you with a request for the particulars required to be filled in and returned through the police to the chairman of the Licensing Board.

Then the Commissioner concludes with the following paragraph:—

I would mention that there is no legal obligation upon any licensee to furnish the information asked for, and he can please himself whether he does so or not.

Hon. P. Collier: In that case, the questions should not be asked at all!

Mr. J. H. SMITH: Of course not. Hotelkeepers throughout the State are in fear and trembling regarding the board. Any country or city hotelkeeper who does not reply to the questions put to him is marked, and is deliberately set upon by the court. The member for Pilbara (Mr. Lamond) said that this matter did not apply only in the towns. Six weeks ago the circular was brought under my notice. Any hotelkeeper who refused to sign it was marked, and the chairman of the Licensing Court would come around with his bluff

manner and ask why Western Australian wines were not on the shelves.

Members: Hear, hear!

Mr. J. H. SMITH: It may be a case of "hear, hear," but surely the public are entitled to please themselves as to what they shall drink. It is a free country. Hotel-keepers generally stock what they know their customers require. The chairman and members of the board give orders to instal septic tanks or enlarge a kitchen, or make other improvements.

Hon. P. Collier: Order septic tanks where there is no water supply.

Mr. J. H. SMITH: Yes, and instal additional bathrooms where there is no water supply. They seem to go around just to harass the hotelkeepers, who live in fear and trembling of those almighty people who are paid by a hard-up Government £5,000 a year in salaries and travelling expenses. Now it is proposed to give them another three years of life. I shall not give them another three years. I do not think the extension is justified. They have done a good deal of cleaning up, but their time has expired and I shall oppose any extension. I believe they possess too much power. It is not right that they should be paid out of the compensation fund.

MR. H. W. MANN (Perth) [9.46]: I was a member of the Royal Commission that investigated the licensing laws. There is no doubt that members of the board did excellent work in cleaning up the trade and they have carried to a successful issue the provisions of the Act relating to the reduction of licenses. But I doubt whether the administration of the Act from the point of view of the Licensing Court requires the services of three gentlemen. Those gentlemen, at considerable expense to the country, inspect hotels and then they go back to hear applications for licenses.

Mr. Willcock: They might hear an application for Dalwallinu at Dongarra, for instance.

Mr. H. W. MANN: Whether they hear it at Dongarra or Geraldton, there is a duplication of effort. I think I am right in saying that in Victoria the inspection of hotels is made by responsible police officers. I consider it is the duty of the police to do that work and report to the Licensing Court.

The Chief Secretary: That is the position.

Mr. H. W. MANN: It is not. The court tour the metropolitan area and make inspections to see that lavatories are washed out.

Hon. P. Collier: What is wrong with that? It is good to make themselves acquainted with the conditions.

Mr. H. W. MANN: It is not the duty of the court.

Hon. P. Collier: Is it not? They do not want statements made to them by policemen who may be influenced by other considerations.

Mr. H. W. MANN: But there is a responsible police officer with a special staff to do the work.

Hon. P. Collier: We know all about that.

Mr. H. W. MANN: There is no occasion to keep an inspector of police to do the work if the court are going to do it.

Mr. Willcock: That is only part of his duty. He is Chief Inspector of Police and inspector under the Licensing Act.

Mr. H. W. MANN: Recently the court, when visiting a suburban hotel, found a manager in charge a day before the transfer had gone through. The chairman took a statement from him and forwarded it to the police with instructions that action be taken. The man was prosecuted, the court heard the case and imposed a substantial fine. Is it intended that the Licensing Court should fill the roles of police, prosecutors and adjudicators? Surely that was never intended!

Hon. P. Collier: It is a good thing that they do not shut themselves up in their office and accept statements and reports without making personal investigations.

Mr. H. W. MANN: Then why not send the police magistrates out to investigate robberies, burglaries and other offences?

Mr. Willcock: Licenses are not issued to commit burglary.

Mr. H. W. MANN: The one would be as logical as the other.

Mr. Willcock: You were never strong on logic.

Hon. P. Collier: We know what happened in the past when the court had no personal knowledge but relied on police reports. We know the kind of hotels we had then.

Mr. H. W. MANN: I wish to give credit to the trade. I also give some credit to the Act and to the police who administer it, fearlessly too. Inspector O'Halloran, who is in charge of the special branch, is a fearless and capable officer and he has administered the Act with wonderful success. Credit

is due to him and his officers that the licensing laws are so rigidly enforced.

Mr. Willcock: The board are entitled to some credit, too.

Hon. P. Collier: The decision rests with the board.

Mr. H. W. MANN: The board must deal with the cases on the evidence put before them. The Leader of the Opposition will agree that it is their duty not to approach a case with biased minds.

Hon. P. Collier: No, but with the evidence put before them, supplemented by their own observations and knowledge.

Mr. H. W. MANN: I do not think it is correct that they should investigate a case and then adjudicate on it.

Hon. P. Collier: They investigate the general standard of hotels, buildings and accommodation, not individual cases.

Mr. H. W. MANN: I am pointing out that they have been investigating breaches of the Act.

Hon. P. Collier: They do not go for that purpose. Such matters merely crop up. They go to inspect buildings and the surroundings and the general standard of hotels.

Mr. H. W. MANN: They interrogated the party I mentioned.

Hon. P. Collier: Before we had the board there were shanties in the country. Now you can get decent accommodation in the country.

Mr. H. W. MANN: They interrogated a party, took a statement from him, ordered a prosecution, and then adjudicated on the case. I am sure that the Chief Secretary, with his legal mind, would not agree with that.

Hon. P. Collier: The hon. member's training leads him to believe that there should not be any overlapping or interference at all.

Mr. Willcock: We shall have to appoint a demarcation board.

Mr. H. W. MANN: As a reduction board those gentlemen did good work, but having completed that work, they have served their purpose. I think one licensing magistrate could very well do the work in co-operation with the police magistrates in the various districts.

Hon. P. Collier: Oh, no.

Mr. H. W. MANN: I am entitled to express my opinion. The present expenditure for three members to tour the country and inspect hotels and hear applications is ex-

cessive, when the work could very well be done by one man.

Hon. P. Collier: Look at the importance of it. It is amongst the most important duties in the State. It is not a sinecure to be relegated to one man.

Mr. H. W. MANN: I am not suggesting that it be relegated to one man. I suggest one licensing magistrate working in conjunction with the police magistrates in the various districts. He could very well do the work that the three members of the court are now doing. The member for South Fremantle (Mr. McCallum) having in mind the successful working of the Arbitration Court, suggested that there should be no appeal from the decisions of the Licensing Court. No appeal is provided for, and they work in a very high-handed way. Although the Commissioner of Police, after his attention was directed to the circular, said it was not obligatory upon licensees to sign it, they did not know that. They signed it and they carried out other instructions with which they were not legally bound to comply. Because the court directed them to do it, they did it. A hotel manager desired to have a window so that he could see from his office into the bar, but he was compelled to block it up.

Member: Perhaps because it was thought liquor might be passed through.

Mr. H. W. MANN: Whether there was power to compel him to block it up or not, he did it. It has been said that the bench insisted on a hot water service being provided in bathrooms when the greatest difficulty was experienced to get cold water. At Wyndham they wanted automatic bottle washers installed. I think those gentlemen have a high-handed way of administering the Act. They are responsible to nobody: they are a law unto themselves. I am wondering from what source the salaries will be paid when the £7,000 in the fund is exhausted.

MR. MCCALLUM (South Fremantle) [9.57]: The discussion has drifted very far from the Bill, but as one who has taken some interest in the law, I support the measure to continue the operation of the Licenses Reduction Board. I do not subscribe to the statement that the Licensing Act should be administered by one individual. I do not believe that the cost of the three members is too great for such an im-

portant function in our social life as providing for the travelling public. To hand the liquor trade over to the control of one individual would be to court very serious trouble. It has been suggested that one licensing magistrate should act in conjunction with the local police magistrates. The very worst influence that can be brought to bear on licensing matters is the local influence. What we require is the wide and independent view, not a view likely to be influenced by local considerations. The further we can remove decisions on our licensing laws from local influence, the better it will be. Our country hotels are easily the finest in the Commonwealth, and from my experience I can say that we have the cheapest hotels to be found in any part of the world. There is no part where one can get such cheap and good accommodation as in the hotels of Western Australia.

Hon. H. W. Mann: You do not attribute that to the board, do you?

Hon. P. Collier: In respect to the accommodation, yes.

Mr. McCALLUM: They have interpreted the views of Parliament, as embodied in the law, very well indeed. I do not say that I subscribe to all their decisions. I do not know of any court whose decisions would meet with unanimous approval. We do not approve of all the decisions of the High Court. Regarding country hotels the great majority of them are ahead of anything in Australia and their charges are most reasonable. To Inspector O'Halloran, as well as to the Licenses Reduction Board, a great deal of credit is due. In Inspector O'Halloran we have an officer who is fearless and who does his duty well. He puts the information before the court that allows the court to come to a sound judgment. I disagree with the view that the members of the court should not make themselves personally acquainted with what is going on. It is essential that they should do that if they are to administer the Act properly. All kinds of things operate, local influence, for instance. It is most difficult for a man subject to local influence to be able to stand up against big issues that an independent person not tied to a district can better deal with. Such a person can administer a law of this description much more satisfactorily than one who is always on the spot. I hope that the board will be continued. It is important that it should carry on its duties.

In the hands of one individual the position would become too dangerous. The cost of having three men is fully justified, and the success that has been attained has been due to the policy followed.

MR. ANGELO (Gascoyne) [10.3]: The remark has been made that some hotelkeepers go about in fear and trembling when the licensing board are about. I am glad to hear that. The position of the hotels to-day is something that the board can be proud of. When the Government give a licensee practically a monopoly to deal in liquor in a particular locality they expect him to do something in return, and that is to provide decent accommodation for the travelling public. I feel certain that any hotelkeeper doing his job well will have nothing to fear from the licensing bench. Those that are running their hotels more as drinking shops probably do go about in fear and trembling. I have travelled a good deal throughout Western Australia and I travelled also before the present board came into existence. I do not think it could be said that we were proud of the majority of our hotels before the board was appointed. What is the position to-day? As the member for South Fremantle said, our country hotels are better conducted than any in the country towns of other parts of Australia. I can say that from personal experience, and I put it down to the fact that the licensing bench have always faithfully attended to their duties. The fact that we give a man the sole right to deal in the liquor traffic and make a big profit out of it should be sufficient to induce that person to give the public a good deal. On several occasions when I have been travelling through the country I have noticed little things and have brought them under the notice of the licensing board, and they have always been righted straight away. The members of the board are always ready to listen to suggestions. When I say that we should be proud of our country hotels, I am not expressing only my own opinion. I have accompanied visitors to the State to various places and all have been amazed to find the excellent style of accommodation that is provided by our country hotels.

THE CHIEF SECRETARY (Hon. N. Keenan—Nedlands) [10.6]: This is a very simple Bill. It enables the statute passed for the purpose of continuing Part

V. of the principal Act to be continued still further. Though it is a simple Bill, merely for the purpose I have stated, it has been made the occasion for a general discussion on the merits of the licensing bench and the police. The whole of that discussion was out of order, and therefore I do not propose to commit a breach of order by following along the same lines. As I have just stated, the Bill proposes merely to continue the existence of the term of the Licenses Reduction Board dealt with in Part V. of the Act. Under that Part of the Act, the compensation fund is brought into existence, and out of that fund the members of the board are paid. While the board are paid by the Treasury, the fund reimburses the Treasury.

Mr. Willecock: The Act provides that two-thirds shall be taken.

The CHIEF SECRETARY: That becomes a matter to be decided when Part VI. comes into operation. Part VI. deals with prohibition and until that is enacted the question of the division of the money remaining to the credit of the compensation fund does not arise. I do not think prohibition is exactly in sight, and therefore this Parliament will not be very much concerned about it. I hope the House will pass the simple measure which is necessary because it will enable the Treasury to receive considerable assistance in defraying the expenses of the licensing bench. Although it is out of order to refer to the work that is being carried on by the board, I am glad to have been able to listen to the very proper praise given to the work performed by the board and the police who assist. The two work hand in hand. But for the licensing court the work of the police would be futile, and if the police force did not exist the court would not have sufficient information to enable them to carry out the successful work that they have performed.

Question put and passed.

Bill read a second time.

In Committee.

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

Standing Orders Suspension.

On motion by the Chief Secretary, Standing Orders suspended to enable the Bill to be passed through its remaining stage at this sitting.

Third Reading.

Bill read a third time and transmitted to the Council.

BILL—METROPOLITAN TOWN PLANNING COMMISSION ACT CONTINUANCE.

Returned from the Council without amendment.

BILL—CITY OF PERTH ENDOWMENT LANDS ACT AMENDMENT.

Second Reading.

Debate resumed from the 3rd December.

MR. McCALLUM (South Fremantle) [10.15]: The Bill simply provides that the endowment lands of the City of Perth, which are now rated on the unimproved value—because of which owners of that land have no votes for the City Council, since the qualification for the vote is on the annual value—shall be valued on the annual value as well as on the unimproved value. It is merely to bring the owners of that land within the qualification for voting for the City Council, or for the Lord Mayor. So I do not think any exception can be taken to the Bill. On the second reading the hon. member in charge of the Bill said it was intended to delete the other portion of the Bill. Consequently the one point I have touched upon is the only point we have to consider, and I see no objection to it.

MR. ANGELO (Gascoyne) [10.16]: One clause in the Bill seeks to amend the Municipal Corporations Act.

Mr. McCallum: That is to be struck out.

Mr. ANGELO: If it is to be struck out there is no need for me to proceed. Otherwise I would point out to the hon. member in charge of the Bill that he cannot amend the Municipal Corporations Act under this measure.

MR. H. W. MANN (Perth—in reply) [10.17]: The Bill was drafted by the City Council's solicitor, now the Attorney General, and has been on the shelves of the City Council for the last two or three years. After consultation with the City Solicitor I agreed to bring the Bill before Parliament in order to amend the City of Perth Endow-

ment Lands Act to give the owners of the endowment property the privileges they are entitled to. But it also becomes necessary to amend Section 84 of the Municipal Corporations Act, which provides how the valuation shall be done. The one point in the Bill is to amend the City of Perth Endowment Lands Act by altering "may" to "shall," and the other is to add the words "annual value of" in the Municipal Corporations Act. If it is necessary to amend the Title of the Bill, I am prepared to do that.

Mr. SPEAKER: The hon. member has suggested altering the Title of the Bill. That cannot be done at this stage. It will mean the withdrawal of the Bill.

On motion by Mr. Willcock, debate adjourned.

BILL—EVIDENCE ACT AMENDMENT.

Second Reading.

MR. PARKER (North-East Fremantle) [10.20] in moving the second reading said: This is a measure to assist in eliminating unnecessary costs in litigation and also to rectify what might be thought to be an error in regard to the administering of an oath. As the law is at present, if a writ is served 12 miles away from where a commissioner resides, it is necessary for the person serving the writ to go that 12 miles to swear the affidavit. For that he is entitled to a shilling a mile. That has only recently been brought about by an alteration in the rules of the Supreme Court. Before that alteration, the serving of a writ might have cost £10, which the unfortunate litigant ultimately had to pay. It is provided in the Bill that where a commissioner for oaths is not resident within three miles, a justice of the peace may take the oath. I imagine there cannot be any objection to that. The other clause in the Bill simply permits what is commonly known as a Scotch oath being administered to a person swearing an affidavit. That is to say, an affidavit can be sworn without the Bible being kissed, exactly in the same way as an oath can be taken in the Supreme Court. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Angelo in the Chair; Mr. Parker in charge of the Bill.

Clause 1—agreed to.

Clause 2—Method of administering oath to persons making an affidavit:

Hon. W. D. JOHNSON: The Bill should have the endorsement of the Attorney General. It was introduced in another place by a lawyer and it has been sponsored here by another lawyer. I have always been taught that where two lawyers agree it is necessary to watch them. I do not understand the Bill. If it is to reduce costs, I am not opposed to it, but I still think that either the Attorney General or the Chief Secretary should be present while the Bill is going through.

Mr. WILLCOCK: The hon. member will find that the clause is quite safe. To-day a person wishing to make an affidavit has to travel to a commissioner to do it, whereas the clause provides that if a commissioner is not resident within three miles the oath can be taken by a justice of the peace. The clause simplifies the procedure and undoubtedly will serve to reduce costs.

Mr. PARKER: To allay the suspicion of the member for Guildford-Midland I may explain that the two lawyers concerned are not entirely in accord. I agree that there is no reason why justices of the peace should not take all oaths. Still, as the Bill has come from another place with a three-mile limit, it would only delay matters if we were to attempt to amend it.

Mr. Coverley: Will this give a justice of the peace the right to swear in a newly-appointed justice?

Mr. PARKER: No, it does not affect that; it affects only affidavits for use in the Supreme Court, which at present must be sworn before a commissioner.

Clause put and passed.

Clause 3, Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—VERMIN ACT AMENDMENT.

In Committee.

Mr. Angelo in the Chair: the Minister for Agriculture in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 4:

Mr. MILLINGTON: Will the Minister please explain the reason for including this definition in the Bill? Why should a lease or tenement held under the Mining Act be assessable?

The MINISTER FOR AGRICULTURE: The alteration is necessary because owing to a previous amendment of the Act the definition of the word "holding" included a holding under the Mining Act. Many holdings are held under the Mining Act that are used purely for farming purposes. These should no longer be exempt from the rate.

Clause put and passed.

Clause 3—agreed to.

Clause 4—Amendment of Section 59:

Mr. GRIFFITHS: I move an amendment—

That at the end of the proviso the words "for two years from the commencement of the lease" be struck out and the words "until such time as the land becomes rateable under the Road Districts Act or any amendment thereof" be inserted in lieu.

The MINISTER FOR AGRICULTURE: The very object of the proviso is to carry out what is desired by the hon. member, namely, to bring it into conformity with the Road Districts Act. His amendment will defeat the end he has in view.

Mr. GRIFFITHS: I have here a communication from a road board which says that although the Road Districts Act, Section 212, Subsection 7, uses the same words, the process has hitherto been that the Lands Department send out word when approval is given of the lease, and the boards take the two years exemption from the date of approval, which is the intention of the Act. The Public Works Department have recently discovered that a lease may not be prepared until long after the approval, and in some cases may be prepared before the approval. It may therefore be found necessary to amend the Road Districts Act in accordance with the intention of the framers.

Amendment put and negatived.

Clause put and passed.

Clauses 5 and 6—agreed to.

Clause 7—Amendment of Section 100A:

Mr. LAMOND: Certain powers were conferred on local vermin boards, enabling them to destroy skins on which they paid bonuses, but the Chief Inspector now tells them it is compulsory to remit all skins, claws, etc., to Perth. This is very inconvenient and costly. Trappers may not go to their traps for several days and, if a dingo has been caught in the meantime, his body or scalp is a very difficult subject to handle owing to the climate. Most of the North-West boats also object to carrying skins or scalps that are not in nice condition. The Port Hedland Road Board have given some reasons why they should be enabled to destroy the scalps locally. It is provided that the skins and scalps must be in a good state of preservation on arrival in Perth, but that could only happen if they were sent in sealed tins. This would be a very expensive process. The whole system is most inconvenient to the North-West authorities. The letter further states that fox traps cannot be visited by the trappers more frequently than every four days, which means that many of these scalps would not be in a fit condition to be sent to the central board, whereas they would be quite fit for the local board to examine. Will the Minister permit a continuance of the practice of past years as to local destruction?

The MINISTER FOR AGRICULTURE: Some doubt has been expressed as to the legality of the cost of transport of scalps being met from the fund, and there is ample evidence that in other States the Agricultural Departments have been defrauded by the destruction of scalps in the back country. We wish to avoid any such frauds here. The only object of the clause is to protect the fund contributed by pastoralists and agriculturists. I am of opinion that no permission to destroy scalps locally should be given in future, and that all scalps should be forwarded to Perth for destruction. It is not the whole carcase that has to be forwarded to Perth, but merely the scalp; or in the case of an eagle, the beak. No hardship will be inflicted on the North by this clause.

Mr. MILLINGTON: The member for Pilbara has a well-founded grievance if the practice of local destruction has been abolished. In exceptional circumstances I gave

permission for local destruction under proper safeguards. Bringing the scalps to Perth does not obviate all risk of fraud. The chief inspector in Perth could not certify that scalps from the North, for example, had not come from South Australia. The police and the local authorities in outback districts keep watch. They know the men who trap dingoes. It is not the bringing of the scalps to Perth that prevents fraud, but adequate local supervision. No doubt from districts having railway communication scalps could be forwarded promptly to Perth. Dog trappers are not necessarily versed in the preservation of scalps. When a dog has been poisoned, the scalp may be in a putrid condition.

The Minister for Agriculture: No; it is dried right up.

Mr. MILLINGTON: The men who gratuitously keep these scalps, worth £2 each, complain of the nuisance involved. Only about ten or a dozen places had permission to destroy locally, and I am not aware that fraud has been practised. The chief inspector wants all scalps to come to Perth; but the Minister has to exercise discretion in such matters, and if necessary must protect the public against officials. Certainly the case put up by the member for Pilbara has exceptional features. Bushmen expect consideration, and will not conform to departmental red tape. The clause will seriously inconvenience people who assist and oblige the department.

Mr. COVERLEY: While agreeing that the fund should be adequately protected, I support the member for Pilbara, partly for the reasons stated by the member for Mt. Hawthorn. Scalps are collected many hundreds of miles from a port and brought to the office of the local authority, who until recently have had authority to destroy them. Upon arrival the scalps are in a putrid condition. The local authorities now refuse to keep the scalps, and one cannot blame them. A trapper brings in as many as 80 or 100 scalps, worth £160 to £200, and the road board secretary is the usual person to receive and check the scalps, in company with the chairman of the road board, the resident magistrate, or the local police officer. The only possible centres through which scalps could be introduced from the Northern Territory or South Australia would be Hall's Creek or Wyndham,

but the fact would quickly be detected, because everyone engaged in trapping is known to the authorities. Many of the boards have refused to take scalps to hold until they can be sent South for destruction by the department here. It is unfair to expect the trappers to wait all that time for the money, and we should not do anything to hamper or discourage them in the work.

The MINISTER FOR AGRICULTURE: This is a matter of administration only, and the officers are anxious to protect the funds. The member for Mt. Hawthorn, when Minister for Agriculture, approved of the principle of all scalps being sent to Perth for destruction, but he granted exemption under certain conditions. To-day 99 per cent. of the boards are in favour of scalps being sent to Perth.

Mr. Coverley: My argument was in support of the trapper, not of the board.

The MINISTER FOR AGRICULTURE: Two boards only have any complaint to make, and I believe we shall convince them too.

Mr. LAMOND: The trappers should be able to take the scalps to the local board. The voucher could be sent south by aerial mail and the money could be secured so much more quickly.

The Minister for Agriculture: But the trapper can get the money from the local board now, and the board is recouped from the central fund.

Mr. LAMOND: I understood that the vouchers had to come south before the money could be made available for the trappers. The shipping companies refuse to take scalps or claws for transport unless they are despatched in sealed cans, and that is expensive. Will the Minister provide for the cost of transport.

The Minister for Agriculture: That is provided for. Your board is the only one that required it.

Mr. Patrick: Other boards may want similar powers, but cannot get them.

Mr. LAMOND: If my board is the only one concerned, the Minister is not asked to give way much.

Mr. J. H. SMITH: Is it a fact that the local boards pay the trapper direct?

The Minister for Agriculture: Yes, after the payment is authorised at the first meeting of the local board. Subsequently the board is recouped from the central fund.

Mr. J. H. SMITH: I do not think the trappers should be kept waiting for their money.

Mr. PIESSE: I move an amendment--

That in line 2 of paragraph (d) after "eagles" the words "kangaroos or marsupials exclusive of opossums" be inserted.

Some time ago I succeeded in having a motion passed in this House dealing with the royalty on kangaroos, and this will achieve my objective, to some extent. Kangaroos are destroying the crops of farmers and have become a serious menace to the agricultural and pastoral industries. I congratulate the Minister on his intention to employ expert trappers to go out and destroy cunning dogs. That will be a great relief to the settlers. The Minister should accept the amendment, so that he will be able to employ trappers and hunters to operate in districts where marsupials are specially destructive. The Government seem to have ignored the wishes of the House expressed on my motion some months ago. The feeling of the country is that the Government have not been sufficiently mindful of the interests of the farmers, who are suffering considerable loss from the depredations of marsupials.

The Minister for Lands: You could not get the royalty discontinued by this Bill.

Mr. PIESSE: But the Government could give effect to my motion. They could show their sincerity by helping the people who are suffering from these disabilities. Under my amendment the advisory board would be able to deal with destructive kangaroos, just as they deal with destructive dogs and foxes. I am not exaggerating the position. I receive letters on the matter daily, and so does the Speaker of the House. The number of kangaroos is increasing rapidly. I believe there are more kangaroos in the country than ever there were. The removal of the royalty would mean a loss of revenue to the Government—

The Minister for Lands: This does not deal with the royalty.

Mr. PIESSE: The reason why the Government have not given effect to my motion is that they want the royalty. If the Minister for Lands had a few more troublesome kangaroos in his district, he would be more sympathetic. A grant could be made for the destruction of kangaroos and the Government should find the money. I intend to press the amendment, because

it is imperative that the pest should be combatted.

The MINISTER FOR AGRICULTURE: I cannot accept the amendment. No one realises more than I do that the kangaroo is a considerable menace in certain districts, but there are many districts in which it is essential to protect the kangaroo, and it would be wrong to pay a bonus for its destruction. The central fund was inaugurated with the consent of two parties.

Mr. Piesse: And the farmer is paying about 75 per cent. of the tax.

The MINISTER FOR AGRICULTURE: I agree that the farmer is paying most of it; yet the member for Katanning would rob the farmer of a big proportion of the money in order to pay a bonus on kangaroos which, in the northern parts of the State, are slaughtered in thousands. Either the fund would have to be increased enormously by taxation or the bonus would have to be reduced to such an extent that it would amount to about 2s. per head on dingoes, foxes, hawks and kangaroos, and it would not be worth collecting. It would not be fair to include anything but dingoes, foxes and hawks, except with the approval of the people who in the first place consented to being taxed to pay a uniform bonus on those pests. Those pests are the big concern of the farmers all over the State, whereas the kangaroo is a menace only in certain parts. The amendment would defeat the whole value of this legislation.

Mr. LAMOND: I was hopeful that the Minister would accept the amendment. Several years ago the euro was declared vermin in my district, and the local vermin boards fixed a rate to provide a fund to pay a bonus on euro scalps. The boards have been able to carry on until recently when the fund became exhausted, and a number of men, who were making a very good living at warring on the pest, had to be put off. There is a large surplus in hand, and I believe it will be larger at the end of next year, because the Minister has reduced the bonus on dingo pups by 50 per cent. In the North at least 50 per cent. of the dingo scalps upon which the central board pays the bonus are the scalps of pups.

The PREMIER: I hope the member for Katanning will not press the amendment. I admit that the vermin tax bears unevenly on the people. Those who suffer from the

depredations of the pest are paying already so that the dingo may be destroyed in the North-West.

Mr. Lamond: Settlers in the North-West for a number of years have been paying to maintain the rabbit-proof fence to keep the rabbits out of the farming areas.

The PREMIER: The member for Kataning will realise that for every one kangaroo in the South-West there are perhaps thousands in the North. Let us agree that there shall be a special tax for the destruction of the kangaroos. If anything is done, it will have to be limited to the farming districts.

Mr. Coverley: Why not abolish the royalty?

The PREMIER: I realise that something should be done to protect farmers against kangaroos where the pest is destructive. I hope the amendment will not be carried because it will be utterly impossible to do what is proposed, and it would be impossible to pay royalty from any collections we might make no matter how heavy the tax might be.

Mr. PIESSE: I have no desire unduly to worry the Government in this matter, but I assure the Premier there is good reason for what I propose. I am surprised that the Minister for Agriculture is not more sympathetic, because the district he represents was one of the first to declare kangaroos vermin. I suggest that the Minister should make inquiries and try to evolve a scheme by which assistance could be rendered to those people who are being ruined by the pest. With the permission of the House I will withdraw the amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clause 8—

The MINISTER FOR AGRICULTURE: I move an amendment—

That "fifteen" be struck out and "twenty-four" inserted in lieu.

When the original specification for the fence was put into the schedule, it was four feet, and the depth for the standards was 15 inches. Now we are specifying for a fence 6ft. 6in. in height and the depth of 15in. is not enough. It will be necessary to increase the depth to 24 inches.

Mr. J. I. MANN: It is unnecessary to sink to such a depth with a fence 6 or 7ft. in height.

Mr. J. H. Smith: The Minister might compromise between the two depths.

Mr. J. I. MANN: Will the Minister agree to make the depth 18in.?

The Minister for Agriculture: Make it 20in.

Mr. J. I. MANN: Very well. I move an amendment on the amendment—

That "four" be struck out.

That will let the word "twenty" remain in the Minister's amendment.

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

Bill reported with an amendment.

BILLS (2)—RETURNED.

1, Licensing Act Amendment.

2, Appropriation.

Without amendment.

House adjourned at 11.51 p.m.

Legislative Council,

Thursday, 11th December, 1930.

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

QUESTION—WYNDHAM MEAT WORKS.

Hon. E. H. GRAY asked the Minister for Country Water Supplies: 1, What was the cost of running a canteen at the Wynd-