poses. I should like to refer briefly to the growth of the small industries which have been developed on the banks of the Gascoyne. All those members who visited the Royal Show were able to see a splendid exhibit put up by the people interested in those industries. Only three years ago the total quantity of fruit from the Carnarvon district consumed in Perth was less than 3,000 cases, and in 1931-32 it was nil, there being then no production on a commercial scale. Yet this year the consumption in Perth will exceed 20,000 cases. So it will be seen that these industries are assuming some proportional value. There are 50 families engaged in the industry, and on the river, where three years ago a few sheep were grazed, there are now 50 people firmly established. I think when their initial difficulties are overcome it will prove a very valuable industry to the State. The same thing can be said of the pineapple industry. It was only in 1933-34 that any quantity of plants were got over from the Eastern States, and this year they anticipate planting considerable numbers from their own plants. I feel that members opposite desire to discuss the operations of this department, so I have pleasure in submitting the estimates.

On motion by Hon. P. D. Ferguson, progress reported.

House adjourned at 10.26 p.m.

Legislative Council,

Wednesday, 28th October, 1936.

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

PERSONAL EXPLANATION.

Hon. C. F. Baxter and State Government Insurance Office Bill.

HON. C. F. BAXTER (East) [4.35]: When dealing with the State Government Insurance Office Bill, the Honorary Minister used some figures which later I combated. The hon. gentleman appeared, when replying, to have in his mind that I was reflecting on his integrity. I can assure him that nothing was further from my intention. I know him to be too honourable a man to think of doing anything in the direction indicated. I was, however, under the impression that he had been supplied with wrong figures. I would like to let hon. members know just what did occur. When analysing the figures put up by the Honorary Minister I naturally looked up the returns of the Government Actuary, as contained in the current Year Book. The figures which I used are to be found on page 83, under the heading "Western Australian business of general insurance companies." That is very plain—general insurance companies' business. The State Government Insurance Office does not come under that category at all. Therefore I took for granted that the figures in question referred to general insurance companies only. I have since learnt that they also include the premium income and administration costs of the State Government Insurance Office. It seems to me that the Government Actuary was wrong in giving figures which included in general in-

surance companies a State insurance fund. I wish especially to let the Honorary Minister know that I did not reflect in any way upon him, and to let hon. members know that the fault does not rest with me. I believe hon. members are aware that I am always most careful to give correct information to the House in connection with any subject discussed.

PAPERS—TAXATION.

Departmental Rulings.

HON. H. SEDDON (North-East) [4.38]: I move—

That a copy of the rulings under which the Taxation Department operate the Stamp Act be laid on the Table of the House.

In the Stamp Act, under Section 120, provision is made for certain regulations. The rulings I desire to have laid on the Table of the House are certain rulings made use of by inspectors when inspecting the various wages sheets and other returns of business men from time to time. Business men naturally carry out the provisions of the Stamp Act in accordance with the conditions laid down in the Second Schedule to the Act. When the inspector comes around, however, they find that he accuses them of having understamped certain documents; and, naturally, trouble ensues. Frequently the inspector supports his decision by referring to a collection of rulings which he carries with him. The taxpayer may have been interpreting the Stamp Act in all good faith, but finds, in discussing the matter, that the inspector trots out a ruling of which the taxpayer has not heard, with the result that the taxpayer finds himself in trouble. May I give an illustration? In the list of exemptions contained in the Second Schedule to the Stamp Act relating to receipts, reference is made to a receipt given for wages or salary or pension at a rate not exceeding £5 a week, or to a payment made by an employer to his employee for piecework of a sum not exceeding £5 per week. A case occurred where a man employed a casual worker for a day and paid him £1 for the day. When investigation was made by the departmental inspector, that official said, "This receipt does not carry the stamp of 1d." The penny stamp is, of course, due on salaries or wages at the rate of £5 per week. The employer pointed out that so far as he was concerned the employee was merely receiving £1 for a day's work. The inspector's interpretation was that the man was being paid at the rate of £5 per week although he had worked only one day, and that therefore the receipt should carry a penny stamp. Now, assuming that the man worked for five days in a week for one employer at £1 per day, the receipt for £5 would have to carry only the 1d. stamp by way of duty; whereas, under the ruling, if he worked for five different employers for five days in one week, each receipt for wages would have to bear a 1d. stamp. That is an example which occurred. I suppose ninety-nine persons out of a hundred would be under the impression that there was no need for them to put the penny stamp on the receipt if the man had worked for them for only one day. My contention is that in the interests of both the department and the taxpayer, these regulations which from time to time have been made should be available to the taxpayer, so that he may know what he is doing and so that there may be no excuse for evasion of tax. Further, the public should be enabled to know what they are being charged. The case I have quoted, in my opinion, amounts to an imposition. I ask for the information to be laid on the Table of the House, where it can be referred to by anyone who wishes to do so. The compiling of income tax returns is becoming more and more a job for an accountant. In fact, a profession has arisen devoted to the compiling of taxation returns.

The Honorary Minister: A very well paying profession, too.

Hon. H. SEDDON: Yes. That is entirely against the spirit of administration, at any rate, in a country such as this. Surely the Act and the regulations should be plain enough for the ordinary individual compiling his returns to understand, and to enable him to submit returns without finding himself up against a dozen regulations of which in all probability he knows nothing until they are actually brought under his notice. Therefore I move the motion, trusting that my remarks may cause some action on the part of the Taxation Department to place the taxpayer in a position to know exactly what he is doing.

HON. J. CORNELL (South) [4.43]: I second the motion, and commend Mr. Seddon for bringing the matter before the House.

In various parts of the State which I have visited local businessmen have complained regarding this matter. They say they consider that they have complied with the law and have always done their best to comply with it so far as the stamping of documents is concerned, but that a taxation officer blows along and tells them they have not complied. Rather than argue the point they pay up. It is all one way for the department. I desire to give hon. members a concrete instance of one happening in connection with the Taxation Department. The department sent a taxpayer his assessment. He was a qualified accountant, not long qualified, and amongst other things he had topped Western Australia in the taxation section of the final examination. I think the amount involved was 37s. In assessing the 20 per cent. of the 37s., the department was 3s. 7d. out. They gave him credit for 3s. 7d. more than the 20 per cent. of 37s. actually amounted to. He sent the assessment to me. He said, "We are supposed to draw the attention of the department to errors and omissions." He asked me to see the Taxation Department about the matter. The man I saw at first denied it. I replied that I was not an accountant, but that my calculation was that the 20 per cent. was 3s. 7d. more than had been assessed. "All right," he said, "we will see into it, but he has to pay this assessment just the same, or he will be fined." Being a digger and having an extensive vocabulary, I used it on him. I told him that was what the taxpayers got for obeying the direction to draw the attention of the department to errors and omissions. The man did not pay the amount; he waited for the new assessment, and they fined him for not paying. I think the public have a right to know on what rulings the Taxation Department base their assessments.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.47]: In the first place the question raised by Mr. Seddon does not come under the Taxation Department, but under the Treasurer. The matter has been referred to the department. They advised me, as they had advised me previously, that the Stamp Act is modelled on the English Act, and is interpreted by the Chief Stamp Assessor in accordance with Alpe's "Law of Stamp Duties." It has been ascertained that there are only two copies of this volume in the possession of the Government departments. One is used by the Chief Stamp Assessor, and the other by the Crown Law Department. Naturally, if either of these volumes should be laid upon the Table of the House, it would create great inconvenience because the books are constantly being referred to. The volume, a copy of which I have seen, is rather bulky, containing many hundreds of decisions, to which reference is constantly being made, and to lay a copy on the Table of the House would lead to considerable inconvenience.

Hon. J. Cornell: Surely the State is not so bankrupt that it cannot get more.

The CHIEF SECRETARY: The Government may be able to buy more, but the question is whether there is any necessity to do so. I do not think there is. I am advised that if at any time Mr. Seddon, or any other member, desired to refer to the volume in the possession of the Chief Stamp Assessor, no objection would be raised. But after hearing the case put forward by Mr. Seddon, I think some other action might be desirable. I have not discussed with the department the viewpoint I am going to express, but it seems to me that there are certain specific rulings which Mr. Seddon contends should be known to all taxpayers in the State if they desire to know what the rulings are. If it were desired that copies of those particular rulings should be laid on the Table of the House, I do not think there would be the slightest objection, but to ask for the tabling of the whole volume, which is used for all purposes, and which contains rulings on many thousands of points raised from time to time in connection with the Stamp Act, seems to me to be going a little further than the hon. member really desires. I suggest that if the hon. member is satisfied with my explanation, and if there are any specific rulings dealing with any specific type of tax which he desires to have tabled, I will make inquiries with a view to those particular rulings being laid on the Table. His suggestion with regard to the printing of the rulings, so that anyone may have a copy who so wishes, seems to me somewhat impracticable.

Hon. J. Cornell: The Commonwealth do it, I understand?

Hon. J. Nicholson: They do something in connection with taxation.

The CHIEF SECRETARY: Yes, but this is a different matter altogether. In the course of a year thousands of rulings have to be given. Sometimes information

is required upon a knotty point which may not be raised again for another 12 months. Other points crop up every week and rulings have to be given. If there can be some indication of the type of ruling upon which information is sought, there may not be any great difficulty in granting the desire of the hon. member. Mr. Seddon suggested to me that if he could ensure that a copy of the instructions or rulings which are given to the stamp inspectors were laid upon the Table of the House, he would be perfectly satisfied. I have no objection to making inquiry in that direction. I have no knowledge of the little book to which he referred as being issued to stamp inspectors, but I will make inquiries. We have no desire to hide anything. Any ruling made by the stamp assessor should apply to all cases of a similar character, and if we can supply that information so that the general taxpayer may be aware of it, it will be all the better; but to ask for the whole volume to be laid on the Table of the House seems to be going a long way further than is necessary in view of the hon. member's explanation.

HON. H. S. W. PARKER (Metropolitan-Suburban) [4.54]: The giving of rulings in connection with the Stamp Act is a daily occurrence. If one goes to the Stamp Department any day he will see a number of people outside the office awaiting such rulings, which are made every few minutes, and are given verbally, principally as a result of discussions between law clerks and the stamp assessor. The stamp laws are definitely laid down in the statute but they have to be construed and Alpe's "Law of Stamp Duties" is a well recognised book; every lawyer has it. It is not a question of what is in the Stamp Act but how the various sections of the Act are construed. It would be a good thing if the matter of the simplification of the Stamp Act could be gone into, for undoubtedly the various sections are extremely complicated.

HON. J. NICHOLSON (Metropolitan) [4.55]: The Chief Secretary was correct in pointing out that this matter comes within the jurisdiction of the Treasury and not the Taxation Department, but the confusing of the relationship which exists between the Taxation Department and the Treasurer is a slip which any member might easily make.

Hon. J. Cornell: The case I cited was only to demonstrate that the officers of the department are not infallible.

Hon. J. NICHOLSON: I remind the hon. member that the case cited by him was a case applicable to the Taxation Department and not to the stamp authorities at all. In my association with the officers of the stamp department I have found them—and I think Mr. Parker will agree with me in this—always ready to discuss the difficult problems that arise in connection with stamping of deeds of a certain character. The book referred to, which is a recognised authority on the stamp laws of Great Britain, is a book which is invariably used to find out the exact extent of liability for stamp duty on certain documents. Sometimes a deed has involved in it not merely a transfer or lease of property, but other dispositions or rights. It might be what could be called a double-barrelled or treble-barrelled deed involving payment of stamp duties apart from those directly concerned with, say, the lease. These things all have to be assessed, and it would be impossible to give a list of the rulings on every question that might arise. Again, there are what one might term popular matters, which arise from day to day. Mr. Seddon has given one instance: that is the liability for stamp duty in regard to receipts, reckoned on the basis of wages paid weekly. If the amount paid is at the rate of less than £5 per week, there is no liability for stamp duty. No doubt this particular official to whom Mr. Seddon referred may have given the Act and the Schedule a somewhat strict ruling in order to arrive at his decision. It would be possible for the Treasury to follow somewhat the lines adopted by the Taxation Department and give specific rulings on some of those heads which might be termed popular matters in order to facilitate people in determining the amount of stamp duty payable. I was pleased to hear the Chief Secretary say that he was prepared to make investigation in that direction. I think Mr. Seddon has acted wisely in bringing the matter before us, because it will probably assist the Stamp Office to appreciate the difficulties that people far removed from Stamp Office officials sometimes experience when an amount of duty payable has to be decided. Probably the difficulty would be overcome by the publication of some of the rulings, but

to produce the book would not be of any advantage to the House or to Mr. Seddon. He would find it necessary to follow up the decisions by making a close examination of the full reports of the cases referred to in that particular book.

HON. H. SEDDON (North-East—in reply) [5.2]: I thank the Chief Secretary for his reply. I can only conclude either that the Treasury officials have misunderstood my request or that they are evading the point. The request I made was for a copy of certain rulings which are used by the travelling inspectors. Those rulings are supplied to the travelling inspectors in typed form, and are referred to by them when a dispute arises in instances such as the one I quoted.

The Chief Secretary: We were guided by the notice on the paper.

Hon. H. SEDDON: The notice plainly requests a copy of the rulings under which the Stamp Act is operated.

The Chief Secretary: That covers a whole multitude of rulings.

Hon. H. SEDDON: I want a copy of the little book of rulings carried by travelling inspectors. Those rulings relate to matters of everyday business, such as Mr. Nicholson referred to. I am aware that, for people in the city, there is a recognised procedure, and there is an officer whom they can approach, while a lot of the headings are set out in the Second Schedule of the Stamp Act, but I want a copy of the rulings requiring a fine interpretation. It might happen, as pointed out by some members, that rulings are given as fresh problems arise. Government departments issue regulations from time to time to facilitate their work, and those regulations are published in the "Government Gazette" where everyone may see them. It should not be a matter of difficulty for the Treasury to adopt the same procedure when a problem is submitted to the officials and a ruling is given. If that were done the public would have an opportunity to understand the points being dealt with from time to time, and keep themselves up to date with the interpretations laid down.

Question put and passed.

BILL—TRADE DESCRIPTIONS AND FALSE ADVERTISEMENTS.

Received from the Assembly and read a first time.

BILL—PEARLING CREWS ACCIDENT ASSURANCE FUND.

Read a third time and returned to the Assembly with amendments.

BILL—LAND TAX AND INCOME TAX.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.9] in moving the second reading said: This is the usual measure brought down each year to impose land tax and income tax. The Government do not propose to alter the rates of those taxes, which will be the same as those ruling last year. Collections during that period were as follows:—

	£
Land Tax	117,682
Income Tax	272,984

No substantial variation is anticipated in receipts during the current twelve months, which are estimated as follows:—

	£
Land Tax	116,000
Income Tax	270,000

Embodied in the Bill are two minor amendments relating to exemptions from land tax. We propose to extend to land used in connection with bee, pig, and poultry farming, the exemption from land tax which at present applies to land used for agricultural, horticultural and pastoral purposes.

Hon. H. Seddon: Are not you referring to the assessment Act?

The CHIEF SECRETARY: No. It is provided, however, that exemption shall be granted only in respect of those classes of land when used for the purpose of business. There can be little doubt that, originally, Parliament intended to grant exemption only to those people who derived their livelihood from land used for the purposes mentioned. Actually, however, the wording of the exemption proviso has enabled claims to be made by persons in respect of land used merely to provide for their own consumption, or as a sideline or hobby. A person using a block of

land, say, to graze a cow or a goat, could successfully claim exemption. The proposed amendment will make clear, in future, that the exemption shall apply only to land used for the purposes of a business, as specified in the Bill. I move—

That the Bill be now read a second time.

On motion by Hon. H. Seddon, debate adjourned.

BILL—ELECTORAL ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. J. CORNELL (South) [5.12]: The Bill contains practically nothing on the subject of compulsory voting that was not included in the amending measure of last session. Some members seem to be under the impression that the Royal Commission, to whom the Bill of last session was referred, devoted extraordinary consideration to the question of compulsory voting. They did nothing of the sort. On the last morning of their sittings, as a sort of afterthought, the Commission merely recommended the inclusion of compulsory voting, but did nothing to frame provisions to give effect to the proposal. The provisions were drawn up by the Chief Electoral Officer with the assistance of the Parliamentary Draftsman. I have never been of two opinions regarding compulsory enrolment or compulsory voting. Either or both would produce no different result in the political arena as compared with the time when both enrolment and voting were optional. For many years Mr. Seddon and I have been closely associated with elections, particularly State elections. Had both of us not kept our noses continually to the grindstone, so to speak, probably we would not be here to-day. A perusal of the rolls after a State election almost invariably points to the one conclusion that the electors who do not exercise the franchise are those who are indifferent, and I am afraid that a measure of compulsion would not change that position. Compulsory enrolment which is in force in this State, is more or less a farce. Take the Boulder electorate as an illustration. In size it is about a mile square, or perhaps a little less, and at one time the Electoral Department sent a special officer there to bring the rolls up to date. Despite his efforts, however, when the rolls were closed there were still hundreds of names off the rolls, and they were the names of people who had been domiciled there for years. The whole position arises from the fact that compulsory enrolment in the State has not been enforced in the manner that it has been enforced by the Commonwealth. There has never been a prosecution under the State Act, and in that respect all the Governments have been culpable. I remember meeting the ex-Premier in Boulder one day. He seemed perturbed about the number of names that were not on the roll, and we agreed that if the department put a hundred of those names into a hat, drew ten of them out and launched prosecutions against the ten, it would have a salutary effect. But the department never thought of taking action. The Bill provides for compulsory voing for the Assembly only. If the Assembly wants it that way, they can have it. The only logical argument in favour of compulsory voting is that it will have the effect of doing away with the hiring of motor cars for the purpose of taking people to the poll. In that way the candidate's expenses will be reduced. The probability is, however, that when election day arrives the elector will treat compulsory voting in the manner that he has in the past treated compulsory enrolment —he will ignore the law. The Bill before us was introduced in another place by a private member, and it applies to the Legislative Assembly only. I doubt, however, whether we can apply it to the Legislative Council even if we wish to do so, seeing that enrolment for the Council is optional. Are we going to say to the elector who does go to the poll, the elector who took the trouble to get on the Council roll, that if he does not vote he will be fined? It would be wrong to fine an elector who did take the trouble to get on the roll, but who did not vote. Under the Victorian legislation voting for the Legislative Council is compulsory, and I think that is the only State where it is so. I have written to the Premier of Victoria for a couple of copies of their Act and I hope to have them on Friday. Mr. Baxter has told us that under the Victorian law it is more or less a domiciled franchise. That is to say, any person domiciled in a province in which he has the franchise, must appear at a polling booth, but he can please himself about the manner in which he marks the ballot paper. Some have been known to

mark it very rudely. In my own case, I am domiciled in the Metropolitan-Suburban Province and as a householder or a freeholder it would be obligatory for me, under a law like that of Victoria, to vote in one province, even though I had the qualification to vote in the East Province also. Of course I speak subject to correction. We in this State go a good deal further than Victoria. There is a considerable difference between the franchise for the Upper House of this State and that of Victoria. In addition, enrolment in Victoria is much simpler than it is in this State. The Electoral Department in Victoria will take the ratepayers' roll and transfer the names from that to the electoral roll. In Western Australia, irrespective of the qualification, the onus is put on the individual to secure enrolment. To make voting compulsory for the Legislative Council in this State, every elector domiciled within that province would have to be compelled first of all to enrol in that province, and later of course would have to be compelled to attend the polling booth on election day. I urge the hon. member in charge of the Bill not to take it into Committee until, say, next Tuesday, when members will have an opportunity of suggesting amendments. By that time, too, I shall be in possession of the Victorian law on the question. We can approach the question on firmer ground and arrive at a decision as to whether or not it is considered advisable that compulsory voting should be applied in a restricted degree to the Legislative Council. A difficulty will arise as to whether we can compel an individual who has a vote in each of the ten provinces to exercise a vote in all the provinces. At the present time, of course, he is able to do so. If it is the wish of members to test the feeling of the Council on the question of applying compulsory voting to this House as well as to the Assembly, I shall lend my support. I support the second reading.

Question put and passed.

Bill read a second time.

BILL—RECIPROCAL ENFORCEMENT OF MAINTENANCE ORDERS ACT AMENDMENT.

Personal Explanation.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [5.30] in moving the second reading said: Before proceeding with the Bill, and on a point of personal explanation, I desire to thank Mr. Baxter for his remarks to-day regarding the State Government Insurance Office Bill. It is rarely that an incident of such a description happens in this Chamber, and it was as well to push the matter to a conclusion. On an examination of the book from which Mr. Baxter quoted it would certainly appear that it could be misleading. It is a possible explanation that the Government Actuary fell into the same error as some members did last evening when we expected that the State Government Insurance Office Bill would pass its second reading.

Hon. J. Cornell: What has this to do with the Bill now before members?

The PRESIDENT: I understand the Honorary Minister is making a personal explanation.

Second Reading.

The HONORARY MINISTER: The Bill, the second reading of which I now move, seeks to amend the provisions of the Reciprocal Enforcement of Maintenance Orders Act relating to the variation of different types of maintenance orders. These orders are four in kind, and comprise two types, namely:—(a) complete orders; (b) provisional orders. The former are those maintenance orders that are made at a time when both parties are resident in the same jurisdiction. The question of reciprocal enforcement only arises, of course, when the affected party moves to another jurisdiction subsequent to the making of the "complete order." Insofar as we are concerned, there are two kinds of "complete order." First there is the order made in Western Australia and subsequently registered in another jurisdiction on account of the affected party taking up residence there. Then, secondly, there is the order made in another jurisdiction and subsequently registered in this State on account of the affected party taking up residence here. With regard to the complete order made in Western Australia, the Bill seeks to empower the court to vary the order where the affected party has moved to another jurisdiction. Any such variation would, of course, be subject to confirmation in the reciprocating jurisdiction. Again, there is the other kind of "complete order" coming from another jurisdiction and registered in this State. As already mentioned, such an order would be

made against a defendant, say, in England or the Eastern States, who has subsequently taken up residence in this State. Often, however, an affected party will move from a jurisdiction because of reduced financial circumstances. He may leave England, say, to start life afresh in Western Australia. Under existing legislation, although the affected party may be in no position to meet his maintenance order commitments, the Western Australian Court is not empowered to vary the original order. Nevertheless, although such a person has no opportunity to effect a variation of the complete order, he may be liable to imprisonment. The Bill proposes to rectify such anomalies by empowering the court to vary complete orders of this kind. "Provisional orders" are those maintenance orders that are made in one jurisdiction at a time when the affected party is residing in another jurisdiction. These orders are subject to confirmation by the jurisdiction in which defendant resides. Thus, when a "provisional order" is made in, say, England, against a person residing in Western Australia, the order is forwarded on to the court in this State. The court then investigates the case and, after hearing evidence, may either confirm the order, or return it to the originating jurisdiction for further evidence, according to its discretion. A somewhat ineffectual provision is made in the existing legislation for the court to vary orders of this kind after they have been confirmed in this State. The Bill before the House embodies a proposal to strengthen this existing provision. However, in respect of both complete and provisional orders from reciprocating jurisdictions, it is provided that no variation shall be made in this State, unless it can be shown that an application for a similar variation could have been entertained in the original court of jurisdiction. With regard to the other kind of provisional order—that is, the order made in this State and sent for confirmation to another jurisdiction—we already have power under the present Act to vary such an order. It is proposed to bring all the provisions relating to the variation of orders under one general heading. In existing legislation these provisions are rather scattered. This measure also seeks to improve the machinery for the taking of evidence in connection with applications for maintenance orders. At present, hardship is often caused through the inability of the court, when confirming a provisional order, to direct the payment of any arrears accrued between the dates when the order was made and later confirmed. Under the provisions of this Bill, it shall be at the discretion of the court to order payment of any such arrears. Considerable delay is sometimes occasioned in the hearing of applications for maintenance orders against such persons residing in this State, when the application is made in another jurisdiction. It may so happen that by the time the necessary papers reach the court here, the defendant has departed to another State. At present, in such a case, the papers have to be returned to the original jurisdiction, and from there are reforwarded to the jurisdiction wherein the defendant has taken up his residence. To obviate such unnecessary delays, a proposal embodied in this Bill provides that applications in respect of outside orders may be sent on direct to any other reciprocating jurisdiction. Amongst the minor amendments set forth in the Bill is a proposal to bring the British mandated territories within the scope of the Act. Since the enactment of the original measure, various territories, formerly foreign possessions, have been placed under British mandates. It is now desirable that we should have reciprocity for the enforcement of orders affecting these territories. The Bill also seeks to amend certain definitions. The definition of the term "United Kingdom" has been altered in consequence of that term now including Great Britain and Northern Ireland, and omitting the Irish Free State. Further, the term "reciprocating jurisdiction" will definitely refer to all jurisdictions reciprocating with this State. The existing reciprocity will not be disturbed in any way by the proposals set forth in the Bill, which provides, however, that the Governor, by Order-in-Council, shall be empowered to extend, from time to time, the provisions of the measure to any other jurisdiction that alters its legislation substantially to accord with the provisions of this legislation. At present, there exists a certain amount of reciprocity between Western Australia, the other States of the Commonwealth, the Dominions, and the United Kingdom. Although the present legislation governing reciprocity in these jurisdictions is fairly uniform in the main, there are certain

cases where substantial differences do exist. In 1933, the Imperial Government communicated with both New Zealand and the Commonwealth States, with a view to obtaining uniformity in this type of legislation. The Bill now before the House represents our contribution towards the reforms then suggested. Experience has shown that the amendments proposed are both necessary and desirable, and I trust that they will commend themselves to the favourable consideration of members.

Hon. J. Nicholson: Has legislation been adopted in any of the mandated territories?

The HONORARY MINISTER: No.

Hon. J. Nicholson: That action could be taken.

The HONORARY MINISTER: That is so. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—STATE TRANSPORT CO-ORDINATION ACT AMENDMENT (No. 3).

In Committee.

Resumed from the previous day; Hon. J. Cornell in the Chair; Hon. A. Thomson in charge of the Bill.

The CHAIRMAN: Clause 3, consideration of which was postponed last evening, is before the Committee.

Hon. A. THOMSON: Acting on your advice, last night, Mr. Chairman, I interviewed the Crown Law authorities, who have provided me with an amendment that complies with our desires. I move an amendment—

That Subclause 3 be struck out.

Amendment put and passed.

The CHIEF SECRETARY: I propose to vote against the clause as further amended. There is no need for me to reiterate the reasons why I shall do so. Members are well aware that when the State Transport Board Co-ordination Act became operative, it contained a section that gave the right of appeal to persons who at that time possessed licenses. They were given that right for a period of three years, if during that period they should be refused, or the conditions of the license varied. The object of the amendment is to throw open the position to any person to appeal against any decision of the Transport Board. We can visualise what is likely to happen: in 99 out of a hundred cases where a man might see the possibility of making a few pounds by road transport he will apply to the board for a license and, if refused, he will appeal against the decision of the board. I hope the Committee will agree with my viewpoint.

Hon. A. THOMSON: Surely if a man is desirous of earning a few pounds with his motor truck, he should be given an opportunity to do so. I feel sure the Committee will support my view.

Clause, as amended, put, and a division taken with the following result:—

Ayes	12
Noes	7
Majority for	5

Ayes.	
Hon. L. B. Bolton	Hon. H. S. W. Parker
Hon. C. G. Elliott	Hon. H. V. Piesse
Hon. J. T. Franklin	Hon. A. Thomson
Hon. E. H. H. Hall	Hon. C. B. Williams
Hon. V. Hamersley	Hon. G. B. Wood
Hon. J. Nicholson	Hon. C. F. Baxter (*Teller.*)

Noes.	
Hon. A. M. Clydesdale	Hon. J. M. Macfarlane
Hon. J. M. Drew	Hon. T. Moore
Hon. E. H. Gray	Hon. G. W. Miles (*Teller.*)
Hon. W. H. Kitson	

Question thus passed; the clause, as amended, agreed to.

New clause:

Hon. A. THOMSON: I move—

That the following new clause be inserted after Clause 3 to stand as Clause 4:—(4) subparagraph (i) of Subsection 2 (a) of Section 24 of the principal Act is hereby deleted.

That will comply with the request that you, Sir, made last night. In view of the insertion of the right of appeal, this clause will be required.

New clause put and passed.

Title—agreed to.

Bill reported with amendments.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

HON. G. B. WOOD (East) [5.53] in moving the second reading said: I am moving this motion with a certain amount of confi-

dence that the Bill will be passed without much opposition in this Chamber. Having that in my mind, I do not intend to take up much time in the making of a long speech extolling the virtues and general justification of this amending Bill. Twelve months ago the Bill was rejected, but in another place this session, after being amended, it was carried without further opposition. So I do not think there is anything very undesirable left in the measure. In 1931 a Bill passed Parliament exempting certain primary industries from land tax, and under that measure consideration was to be given to certain people engaged in agricultural pursuits. However, the Commissioner of Taxation, in his wisdom, or, shall I say, in his over-diligence in trying to extract money from the people, would not recognise certain primary producers such as pig-raisers, apiculturists and poultry farmers, as agriculturists. I do not wish to weary members with a lot of authorities as to the meaning of the word "agriculture," but I have taken one authority, namely the "Encyclopaedia Britannica," which defines agriculture as the science, art or industry of utilising the soil so as to produce the means of human subsistence, embracing in its widest sense the rearing of livestock as well as the raising of crops. Apart from that definition, we as Australians have a pretty good idea of what is meant by agriculture in its widest sense. Provision is made in the Bill to safeguard the State in respect of the person running a few fowls or a pig or a few bees as a hobby or side line, for the Bill applies only to people engaged in such industry as a definite means of earning a living. This Bill is complementary to another Bill which has been brought down this afternoon by the Chief Secretary and, if passed, it will come into operation from the 1st July, 1936. I do not intend to read certain letters I have regarding the stand taken by the Commissioner of Taxation in demanding tax from these small producers. It is largely because of that attitude that the Bill has been brought down. Confident as I am that the Bill will receive favourable consideration, I will not delay the House any longer. I move—

That the Bill be now read a second time.

HON. J. CORNELL (South) [5.58]: This Bill must be read as one with the Land Tax and Income Tax Bill, because it is brought into line with that Bill as an exemption. It is clear that the exemption has been secured in the assessment Bill by the sponsor of this Bill in another place, and it will be given effect to by the Treasury. Only a Minister could bring it into line with the Land and Income Tax Bill. So I have no objection to the Bill in its proposal to exempt land utilised for poultry and pig raising and apiculture. A man so using his land is just as much entitled to exemption as is another man using his land for the raising of sheep or the growing of wheat.

Hon. A. Thomson: If he is deriving a living from it.

Hon. J. CORNELL: Yes, of course. The Bill clears up yet another hard and fast ruling laid down by the Taxation Department, a ruling they will no longer be able to maintain against pig and poultry farmers. I will support the second reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [6.0]: The principle of the Bill is as stated by Mr. Cornell, supplementary to one of the alterations embodied in the measure I introduced a little while ago. I have no objection to the Bill, and there is no need to spend a great deal of time over it.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—PETROLEUM.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1 to 7, agreed to

Clause 8, Petroleum declared to be property of the Crown:

Hon. J. NICHOLSON: I consider it my duty to call attention to the meaning of this clause. When Crown grants were issued prior to 1920 any oil and other minerals or metals found thereon (other than gold and silver) were the property of the owner of the land. The effect of this clause, if passed, will be to give the right in any oil that is found on the ground to the Crown. Such a right as this should not hastily be

taken away from the individual, as it would be by this clause, without compensation. If land is resumed for railway purposes compensation must be paid to the owner of it.

Hon. T. Moore: One is not compensated for that in the country.

Hon. J. NICHOLSON: In the case of C.P. leases and Crown grants the Government may resume up to 5 per cent. of the area without compensation. If there are buildings or improvements on the resumed ground the Government are bound to compensate the owner for both.

Hon. V. Hamersley: That is in the contract.

Hon. J. NICHOLSON: That is so. In America the owner of the land used to get the benefit of the sale of his property merely because it bore the characteristics of oil-producing country, or was near some oil discovery. Those who were within the region of the oil basin were enriched, because they owned the property and the minerals underneath.

The Chief Secretary: You do not advocate the application of the conditions in America to Western Australia?

Hon. J. NICHOLSON: No. I am merely instancing what happened there. In this State the owner would be deprived of his right to the oil.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. NICHOLSON: I feel it my duty to place the position before hon. members, so that they may decide for themselves whether to support such a clause as this or strike it out. Under the Mining Act, prior to the passing of the amending measure of 1920, all oil was included in the grant; but since 1920, where Crown grants have been issued, oil becomes an excepted or reserved mineral to the Crown, in the same way as gold is reserved to the Crown and is the property of the Crown to do with as it pleases. A fairly old Act, going back to the early nineties, was passed to encourage mining in Western Australia: and under it the Government gave to those concerned, if granted the right to the land, also the right to all minerals in it. At Northampton people purchased land with the right to minerals, and paid a much higher price for that land because of the additional right which was granted. The effect of passing such a clause as this would be that although these people paid for the minerals in the land as well as for the surface of the land itself, they would be deprived of their right to a portion of what is their property, and the Government would take that portion back to themselves by a simple stroke of the pen, so to speak, without any compensation.

Hon. C. B. Williams: What area of land would be in dispute?

Hon. J. NICHOLSON: That would depend upon what was included in the lease.

Hon. J. J. Holmes: The Midland Railway Company have the mineral rights.

Hon. J. NICHOLSON: Then the clause would affect a company which had been granted the right to all minerals.

Hon. V. Hamersley: What about the Hampton Plains Company?

Hon. J. NICHOLSON: There the position would be the same. The minerals were granted and paid for, and now no compensation is to be paid. Is that the right way to legislate? I think the clause would redound to our discredit rather than to our credit. The argument will be advanced that because the minerals were put there by some power higher than man, no one is better entitled to them than the Crown. The answer to that contention is, should we make a grant one day and withdraw it the next? I suggest to the Chief Secretary that the clause be postponed because of the seriousness of it, to allow it to be thought over a little.

Hon. H. S. W. PARKER: As regards the taking of petroleum that may be under any land, the Mining Act already deals with similar positions. It appears that subject to the provisions of the Act and regulations, gold, silver and other precious metals on or below the surface of all land in Western Australia, whether alienated or not alienated from the Crown, and if alienated whensoever alienated, are the property of the Crown. The Mining Act took away all the gold, just as this Bill intends to take away all the oil. There is an exception in the Second Schedule as regards the East Location, which presumably is Hampton Plains. Another section provides that if gold, etc., is found on private property, the Government may resume the land on the same basis as they resume land under the Public Works Act, but without taking into consideration anything as regards minerals found under the land. The sections in question, 159 and 163, if em-

bodied in the Bill would cover all that Mr. Nicholson desires.

The Chief Secretary: Have you read Clauses 9 and 10 of the Bill?

Hon. H. S. W. PARKER: Yes; but the Government want the power in respect of land that is already alienated.

The Chief Secretary: That is in accordance with the Mining Act.

Hon. H. S. W. PARKER: In principle, of course, it is a breach of contract to take away; but actually at present the Crown proposes to take away something that an owner does not know, and does not even suspect, he has got. Therefore it is not really taking away anything. It is a different thing to take away something which a man probably knows himself to be in possession of. There ought to be some compensation if the surface of the land is disturbed by mining operations.

The CHIEF SECRETARY: Mr. Nicholson is quite right in drawing attention to what the clause really means, and I have no objection to postponing its further discussion in order that he may give the matter closer consideration. We must realise that petroleum is not likely to be found in this State without the expenditure of a considerable amount of money, the employment of experts and the most efficient organisation. The persons referred to by Mr. Nicholson who are possessors of land which includes mineral rights have made no effort to date to see whether there is any possibility of there being oil on the land. These people, if Mr. Nicholson's ideas were agreed to, would be entitled to say to those who have spent thousands of pounds and many years of their time in discovering oil that they were not entitled to it. The possessors of the land from which oil was being obtained would be entitled to the benefit derived from the discovery of oil to the exclusion of those who had expended time and money in discovering it. Consider a man who owns land which might become known as a definite oil basin. A well might be sunk some little distance from his land, and the geologist might say that the particular petroleum dome existed under the land owned by him. How is he going to determine just what quantity of the oil which is obtained from that well has come from the particular piece of land he owns? The oil may be 2,000 or 3,000 feet down and, as pointed out by Mr. Parker, the man may never have had any idea that there was anything of value there, and possibly never for one moment gave consideration to the possibility of petroleum being discovered. There is, however, no objection to considering a clause which would give compensation for any disturbance of the land. I understand Mr. Nicholson has had an interview with the Crown Solicitor, and they have tentatively agreed to consider inserting a provision dealing with that point. I think that is as far as we should go in a matter of this kind. So far as I know, the only places in Western Australia where it is considered posible that oil may be found are those rather remote areas where the probabilities are that very few men really own the land. They might be leaseholders, who would not be affected in the way suggested by Mr. Nicholson. Knowing the circumstances which have prevailed in the United States of America regarding oil, I hope we shall never have the same experiences in Western Australia. There are various clauses in the Bill designed to protect us from similar happenings. However, Mr. Nicholson seems to look on this discovery of his in a rather serious light, and I have no objection to the clause being postponed in order to give him time to further consider the question. I move—

That further consideration of the clause be postponed.

Motion (postponement) put and passed.

Clause 9—Reservation in Crown grants:

Hon. H. SEDDON: The section of the Mining Act which deals with mining for minerals, oils and tribute agreements contains certain provisions which are duplicated in this Act. In the drafting of this Bill it might have been as well to repeal certain sections in Part V. (a) of the Mining Act which apparently deals with the same question. Word for word, Clause 9 of the Bill follows the wording of Section 117 of the Mining Act; with this difference, that Clause 9 ends with the words "for the operations of obtaining petroleum in any part of the land," while Section 117 of the Mining Act follows on with a proviso, "Provided that this section shall not prejudice existing contracts." Thus there are two sections with similar purport, one with a proviso and one without.

The CHIEF SECRETARY: A point has been raised which I would rather not reply to at the moment. I will give it further consideration before the next sitting of the

House, and will recommit the Bill, if necessary.

Clause put and passed.

Clause 10—Power to obtain petroleum:

Hon. H. SEDDON: The clause says that the Minister may by his officers, agents or workmen search for petroleum and conduct all operations deemed necessary for obtaining, refining and disposing of petroleum, etc. That would give power to the Minister to deal with all petroleum whether produced in or outside Western Australia. Is it the intention of the Minister that the Government shall have the right to undertake the refining of petroleum imported from overseas, or that produced in Western Australia only? By way of testing the position, I move an amendment—

That in line 3 of Subclause (1) after the word "petroleum" the words "produced in Western Australia" be inserted.

The Chief Secretary: I have no objection to the amendment.

Amendment put and passed.

Hon. H. S. W. PARKER: I do not know whether it is the intention to start another State trading concern if oil is found. I feel sure the present Administration will not undertake such a hazardous job, but some Administration might. I therefore propose to move an amendment that the words "conduct all operations necessary for obtaining, refining and disposing of petroleum——"

The CHAIRMAN: We have amended a later portion of the subclause, and the hon. member is too late to move his amendment. The amendment may be moved on recommittal.

Hon. J. J. HOLMES: I am concerned about the question of compensation. If oil is found, it will not be in suburban blocks but in pastoral areas in the North or Northeast. I know a place where a shearing shed was erected at a cost of £9,000. If a well were found within a few yards of that shed, it might be undermined or accidentally burnt down. Ample provision should be made for compensation in a case of that kind. I consider that the clause does not go far enough.

The CHIEF SECRETARY: Surely we could not go further than the provision in paragraph (b). If an accident happened, as suggested by Mr. Holmes, the owner would have a right of action against the people responsible. If in the course of operations the owner was disturbed or possession was taken of the land——

Hon. J. Nicholson: Deprivation is the only ground of compensation.

The CHIEF SECRETARY: In the circumstances mentioned by Mr. Holmes, I imagine the owner could take action at common law.

Hon. J. J. Holmes: I am afraid that this provision would take away the owner's rights at common law.

The CHIEF SECRETARY: I should like to hear Mr. Nicholson's views. It is a fine point which might or might not arise. There is no intention to finalise the Committee stage to-night, and time will be available to make further inquiries.

Hon. J. NICHOLSON: Section 118 of the Mining Act contains a similar provision. In paragraph (c) of the section, however, there is a difference as great as that pointed out by Mr. Seddon a few minutes ago. Subsection (2) begins "Subject to Section (4) of the Western Australia Constitution Act, 1890 (Imperial)," which carefully preserves the right to compensation, but that provision has not been incorporated in this Bill. Mr. Holmes has raised a question which would be settled by common law liability and much technical evidence would be required.

Hon. J. J. Holmes: Would this Bill take away the common law rights?

Hon. J. NICHOLSON: I think not, but the matter would require close examination before one could say definitely.

The CHAIRMAN: I suggest that the clause be passed, conditionally upon a search being made for Mr. Holmes's nigger and an amendment moved to-morrow, if necessary.

Clause put and passed.

Clause 11—agreed to.

Clause 12—Governor to have right of preemption of petroleum:

Hon. H. S. W. PARKER: I hope the Minister will postpone consideration of this clause. I desire to have the words inserted "in case of national emergency." That, however, might be held to be an Empire emergency, whereas an emergency might arise within the State necessitating the Governor buying the petroleum.

The CHIEF SECRETARY: I move—

That further consideration of the clause be postponed.

Motion (postponement) put and passed.

Clauses 13, 14—agreed to.

Clause 15—Certain provisions to apply when an oil field is constituted:

Hon. H. SEDDON: Reference has been made to this question. Apparently, all work done under a license would be cancelled, no matter what expense might have been incurred. The clause is drastic in that the whole of the land could be resumed and every license to prospect could be cancelled. Suppose two licenses to prospect had been issued and oil was discovered on one area close to the second area, the Minister might find that the oil field extended beneath both areas, and immediately he could resume the oil field and the licenses could be cancelled. The man who had not found oil might have incurred considerable expense on test wells partly sunk, and is it intended that the whole of his work should go without compensation because the other man had discovered oil? What would be the position of that man? Then under the next clause a man who discovers oil may take not only a portion of his own ground, but also a portion of the other man's ground on which work has been done, and the second man will get no compensation.

The CHIEF SECRETARY: I see the hon. member's point, and I should say, on the spur of the moment, that those who are prospecting for oil should realise what the position really is. If a competitor has the good fortune to strike oil and the locality is declared an oil field, then the man who is working adjoining ground must be prepared to accept the risk. The second prospector, however, will have the right to apply for an oil lease, and I have no doubt that the application will receive every consideration. But the more we discuss the Bill the more we can bring forward the number of fine points regarding what is likely to happen. Therefore it is just as well that the hon. member has drawn attention to what may possibly happen, even though the possibility may be remote. On reading the clause it is comparatively easy to visualise why it has been drafted in the way in which we find it. If a person has an exclusive right to an area he is working, the position the hon. member fears will be hardly likely to occur. Anyway, I have no wish to express a definite opinion on the question, and therefore I shall not object to further consideration of the clause being postponed. I move—

That further consideration of the clause be postponed.

Motion (postponement) put and passed.

Clause 16—On discovery of payable petroleum licensees may claim reward leases:

Hon. H. SEDDON: I move an amendment—

That in line 5 the words "of four miles square"' be struck out for the purpose of inserting "comprising the whole of the individual oil-bearing structure so far as geological investigation by the Minister's advisers can define it."

As it stands, the Bill provides that in the case of the first discoverer of payable petroleum he shall have the right to take up four miles square or 16 square miles, and there is also a proviso that the area of the reward lease may include the whole of the individual oil bearing structure. My amendment will provide that the whole of the oil bearing structure shall be granted to the first discoverer of oil in any province. My idea is that there may be oil at the Kimberleys, and we know that there are promising indications in other parts of the State where investigations have already taken place. Work is being done there by an interstate company and indications are promising. In their case they will receive only four miles square. I suggest the amendment in order that the second discoverer in another part of the State may have the same privilege as the first discoverer, the right to control the structure in that other part of Western Australia.

The CHIEF SECRETARY: I cannot accept the amendment. The question of area has been given a great deal of consideration, and we have already provided that the man or company first discovering oil shall be entitled to the whole area up to 225 square miles. If the hon. member's amendment were agreed to, and oil were discovered in any one of the five provinces it would be quite possible for five companies to have the same areas granted to them in each of those five provinces. The large areas are granted to encourage the search for oil, and once oil has been definitely found there will not then be the same necessity to give similar concessions to those who may come after. The question of the size of the area to be granted was discussed at considerable length with the experts, and the conclusion was arrived at that the areas to be granted should be those set out in the Bill.

Hon. H. SEDDON: I have in mind not so much the granting of the reward area as the granting of control of the struc-

ture. If we do not give one party control of the structure we may have the experiences of other parts of the world where there has been divided control. Unless we take precautions, any oil field that is discovered in Western Australia will be worked out regardless of structure or the maintenance of pressure. We will court disaster as they have in other parts of the world.

Hon. J. J. HOLMES: I am inclined to support the clause as it stands. If we provide large areas for those who discover oil in the first place, the company formed to work the deposit will be entitled to that consideration and we will start a boom in the search for oil. I do not think that subsequent companies will be entitled to the same areas as the original company. If we provide the same area in each province, it might result in the creation of a monopoly that Mr. Seddon wishes us to avoid.

The CHIEF SECRETARY: The Bill has been designed to prevent the occurrence of conditions in Western Australia that have operated in America for a long period. I can hardly imagine that the Mines Department after consultation with the experts charged with the responsibility of advising the Government on such matters, would agree to a proposal that would leave the way open for happenings such as have been referred to in other parts of the world. I am informed that Commonwealth experts agreed on this matter and we should accept their decision. I agree with Mr. Holmes that the first discoverer of oil should be given greater consideration than those who embark upon the venture subsequently.

Hon. H. S. W. PARKER: Is there any objection to making an area 16 square miles instead of four miles square?

The Chief Secretary: I have no objection to that.

Hon. H. S. W. PARKER: Then I shall move that amendment later on.

The CHIEF SECRETARY: I shall have no objection to such an amendment so long as we do not increase the actual area. Should there be any point in retaining the provision now in the clause, of four miles square, I shall notify members and ask them to rectify it at a later stage.

Amendment (to strike out the words "of four miles square") put and passed.

Hon. H. SEDDON: I move an amendment—

That in lieu of the words struck out the following words be inserted:—"comprising the whole of the individual oil-bearing structure so far as geological investigation by the Minister's advisers can define it."

Amendment put and negatived.

Hon. H. S. W. PARKER: I move an amendment—

That in lieu of the words struck out the following be inserted:—"of 16 square miles."

Hon. H. SEDDON: I support the amendment. If the oil-bearing country were in a structure that ran along a ridge, the amendment would enable the discoverer to take up an area eight miles long by two miles wide, whereas if the original words had been retained in the clause, the taking up of a square four miles by four miles might result in the exclusion of a considerable portion of the oil-bearing structure.

The CHIEF SECRETARY: Mr. Seddon's remarks may have indicated the explanation for the provision of an area four miles square. While I am prepared to accept the amendment, I hope members will appreciate the position if, after inquiries, I have to ask them to restore the clause to its present state.

Amendment put and passed.

Hon. H. SEDDON: I move an amendment—

That in line 6 of Subclause 2 "four" be struck out and the word "eight" inserted in lieu.

I desire to bring this provision regarding the area that may be granted to the second discoverer of payable petroleum into line with the Commonwealth law which enables an area of eight square miles to be taken up instead of four square miles as provided in the sub-clause. The country in which people affected by the Commonwealth legislation are boring for oil is said to be more promising than the indications of the country in Western Australia and if it was good enough for the Commonwealth Government to decide upon eight square miles, it should be good enough for this State, in addition to which the amendment will make for uniformity.

The CHIEF SECRETARY: It is considered that the areas set out in the Bill are quite sufficient for the purpose and if the amendment be agreed to we shall increase

this particular provision by 100 per cent. There are very good reasons indeed for limiting the area to four square miles.

Amendment put and negatived.

Hon. H. SEDDON: I move an amendment—

That a new subclause be inserted as follows:—

"(3) The licensee mentioned in Subsection (1) and in Subsection (2) of this section shall have the preferential right to apply for and obtain four ordinary petroleum leases under Division 3 of this Part of this Act."

I do not see why the rights provided in the earlier legislation should not be retained by the licensee referred to and he should be able to exercise that right before others come along to participate. Unless we are going to give the oil companies areas of a size satisfactory to them, we are not going to get any assistance from the powerful companies boring for oil in other parts of the Commonwealth.

The CHIEF SECRETARY: Under Clause 57 it is possible to hold five leases in any one division. I should imagine that the fact that four of these leases are much larger than those provided for in the old Mining Act will be satisfactory to the lessee. The hon. member says that unless we are prepared to make the concessions much larger still, we are not going to have a penny piece spent in this State on boring for oil. I should be sorry if that were the case, in view of the very great amount of time that has been given to the subject by those desirous of inducing a search for oil in Western Australia, notably the Minister for Mines, who has done very much in this regard and who holds that the provisions in the Bill go as far as they ought to go. I realise that Mr. Seddon is acting from excellent motives in his desire to enlarge the concessions, but I cannot accept the amendment.

Hon. H. SEDDON: I am advised that the areas provided in the Bill are regarded by those who know best as being altogether too small. The cost of boring a well is estimated as being in the vicinity of £20,000, and it is admitted that until the company has sunk several wells it cannot actually determine the best place for a bore. A man who discovers oil should have the right to take up five leases, one as the reward lease of four square miles.

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

Clauses 17 and 18—agreed to.

Clause 19—Land comprised in a license to prospect or a lease may be entered for certain purposes:

Hon. J. NICHOLSON: I ask that this clause be postponed in order that it may be considered in conjunction with the other clause already postponed.

The CHIEF SECRETARY: Very well.

Clause postponed.

Clauses 20 to 22—agreed to.

Clause 23—Minister may issue permits to explore:

Hon. H SEDDON: I move an amendment—

That the following paragraph be added to Subclause (1)—"(e) Confer by such permit the exclusive right to explore the land defined in the permit."

While a man is doing his work on the area granted to him, a permit may be issued and another man may come in alongside the first. In certain parts of the country, where superficial deposits are encountered, unless a careful investigation is made it is impossible to determine what is under the ground. At present there is nothing to prevent any person from getting a permit and going in and working alongside the holder of the original permit, who should be given at any rate the benefit of whatever work he does during the 12 months, which would then enable him to take out a license to prospect.

The CHIEF SECRETARY: It is not desired to confer exclusive rights on the holder of a permit to explore. It is only when a license to prospect is taken out that exclusive rights over an area are given. The permit to explore covers only preliminary work. For instance, under it no boring can be done, except with the permision of the Minister. It is intended to give them an opportunity to consider the geological side.

Hon. H. Seddon: How can they discover the geological side if the whole thing is covered with sand drift?

The CHIEF SECRETARY: Those interested in this business are quite satisfied with the permit to explore as provided in the Bill. I understand that a certain amount of prospecting can be done from the air.

Hon. H. Seddon: You cannot see the nature of the ground from the air.

The CHIEF SECRETARY: Yet the experts have given us a lot of information as a result of their surveys from the air. Seeing that this permit is only a permit to explore, surely it should not be said that one person

should have the right to explore 20,000 square miles. That is only preliminary work. The permit holder has to report to the Minister concerning his operations, and the Minister is then empowered to call upon him to do certain things. Once the conditions of the permit have been complied with, and the holder has received a permit to prospect, it is only fair that the Minister should give him the exclusive right over the particular area he has applied for. The Bill is designed to encourage as many people as possible to engage in the search for oil.

Hon. H. SEDDON: One company was given an area of 90,000 square miles, but discarded 30,000 square miles as useless. One portion of the area has been determined as oil-bearing, and the company will have the right under the Bill to take up that area. Another portion of the area has not yet been explored. A survey from the air gives a bird's-eye view of the structure below, but if the ground is covered with sand, nothing of it can be seen from the air. The only way to explore such ground is by means of a series of small bores. The person who undertakes that work should be able to say he will take up to 20,000 square miles of that area. Under the Bill, however, there is nothing to prevent some other person taking advantage of the work the first man has done, and from boring alongside the bore the first man may be putting down.

The CHIEF SECRETARY: Clause 29 safeguards the position. No one is likely to obtain permission from the Minister to do scout boring where a former permit-holder is already engaged, particularly if he was aware of all the circumstances, as he would be if the conditions were carried out.

Hon. L. Craig: Exploring for oil does not include drilling for oil.

The CHIEF SECRETARY: No. The term "scout boring" is specifically referred to in Clause 29. It is not likely the Minister would allow a second person to put down a bore in the same area as the first person was doing.

Hon. H. SEDDON: There is nothing to prevent the Minister from doing that, though I doubt if he would do so. A geophysical survey involves the testing of a given area of ground. By a series of tests it is possible to define the structure beneath. The reactions of electrical machines, by means of sound currents passing through the ground, enable a geologist to plot out a series of contours showing the area of the dome beneath the surface. Two men may be given the right to explore in the same area, one having obtained that right some time before the other. There is nothing to prevent the second man from obtaining the advantage of the work done by the first man, and getting in ahead of him.

Amendment put, and a division called for.

The CHAIRMAN: I give my vote with the Ayes.

Result of division:—

Ayes	11
Noes	11
A tie	0

AYES.

Hon. E. H. Angelo	Hon. H. S. W. Parker
Hon. C. F. Baxter	Hon. H. V. Piesse
Hon. J. Cornell	Hon. H. Seddon
Hon. J. J. Holmes	Hon. A. Thomson
Hon. J. M. Macfarlane	Hon. W. J. Mann
Hon. J. Nicholson	*(Teller.)*

NOES.

Hon. A. M. Clydesdale	Hon. T. Moore
Hon. L. Craig	Hon. H. Tuckey
Hon. J. M. Drew	Hon. C. B. Williams
Hon. C. G. Elliott	Hon. G. B. Wood
Hon. E. H. Gray	Hon. E. H. H. Hall
Hon. W. H. Kitson	*(Teller.)*

The CHAIRMAN: The voting being equal, the question passes in the negative.

Amendment thus negatived.

Clause put and passed.

Clauses 24, 45—agreed to.

Clause 46—Governor may grant petroleum leases:

Hon. H. SEDDON: I move an amendment—

That in Subclause 2 the words "one hundred and sixty acres" be struck out, and "eight square miles" inserted in lieu.

I will not again cover ground which I have already traversed. Suppose a dome such as is believed to exist in the Kimberleys, covering an area of 75 square miles, is divided into 160-acre lots, how many people will be found operating on that dome, even if each licensee is given five lots? Let it not be forgotten that the oil will belong to the man who first gets it through the well. Every operator on the dome must, in self-defence, get his well down because the first man gets the oil. Under existing conditions, with divided control of domes, each of the operators will have to provide a pipeline to run the oil to the

coast. As soon as the oil is discovered, each of them will have to get his well down and there will be a flood of oil put on the market by the competitive drillers. On the other hand, one or two strong companies would probably conserve the oil. According to a letter published last week in the "West Australian," the Anglo-Persion Company in Persia have stored several thousand million gallons of oil. They drew it up to the surface, and pumped it down again to store it underground. They could do that because they had obtained control of the Persian oil areas. Here, in similar circumstances, all the oil would be flopped on the market. Once the oil pressure is destroyed, there may be left behind in the structure from 50 to 75 per cent. of the oil it contains.

The CHIEF SECRETARY: From Mr. Seddon's remarks one would imagine that those responsible for the drafting and compilation of the Bill did not know much about the subject. The point the hon. member raises is another of the points which were dealt with by the committee of experts, and on which they came to an agreement. The question for me is whether I am to believe the experts or to believe Mr. Seddon.

Hon. H. Seddon: Be fair. I have only quoted what was agreed to at the conference which was attended by one of the experts.

Hon. E. H. Angelo: What has been done in New Guinea and in the Eastern States?

The CHIEF SECRETARY: Various conditions have been laid down in various places. Under the clause dealing with regulations it is possible for the Minister to settle all the points which have been raised by Mr. Seddon.

Hon. L. Craig: The Minister can, but need not necessarily, grant the increased area.

The CHIEF SECRETARY: The Minister can do certain things, but regulations are prescribed which will prevent the happening of those things which Mr. Seddon fears will happen. I do not wish to read the whole of the conditions laid down in the clause; hon. members can read them for themselves. I am assured that the basis of the Bill is, firstly, the desire to encourage many people to find money to search for oil in Western Australia, and, secondly, to give the first discoverers of oil valuable concessions. Then, the people following the first discoverers shall be entitled, in the form of leases, to sufficient areas to enable them to carry out the conditions of the Bill and make a success of their undertaking. I do not know that anything more can be done to safeguard the interests of the State and at the same time to ensure that if oil is discovered here, those who are prepared to find money to operate after the first discoverers, shall receive fair conditions for operating, having due regard to what is necessary to prevent unfair drilling and so forth. I appeal to hon. members to accept the Bill as it stands. I am sure that if there had been any point in making the area any larger than 160 acres, the Government would have been advised accordingly.

Hon. E. H. ANGELO: When the Bill was introduced I took a copy of it to a gentleman who is known to me and who has been associated with boring for oil in various parts of the world. I may add that he is the representative of a big company which might be induced by a liberal Bill to come here and prospect for oil. I asked him to read this Bill and briefly indicate to me what he thought of it. His considered opinion is that it is not an attractive measure for the prospector. He said that the royalties were a bit too heavy, and the areas to be granted for reward too small, in no wise comparable to the advantages offered in other countries, including New Guinea. He said to me, "If it is left to me to recommend any further operations in the way of prospecting, this Bill will have to be considerably improved and the conditions for the prospector made better than they are." It is for that reason I am voting with Mr. Seddon. This man went on to point out the number of wells that will have to be sunk before any oil is discovered, telling me that in some fields in which he has been, at least a dozen wells have had to be sunk before oil has been found.

The CHIEF SECRETARY: Even under this Bill one person can hold five leases on one property. If the amendment proposed by Mr. Seddon is agreed to, it will mean that one person may hold 40 square miles in an approved oil-bearing district. I am sure that all the points raised by Mr. Seddon and Mr. Angelo have had consideration because the Government have given a tremendous amount of time to the measure and have considered the Bill from the point of view of giving encouragement to persons search-

ing for oil in Western Australia. We believe on the evidence given us officially that the provisions in the Bill should be very satisfactory.

Hon. E. H. H. HALL: I believe Mr. Seddon considers his amendment in the best interests of the people we want to search for oil, but we do not know who those people are. It is recognised that the Minister for Mines is very enthusiastic. He has received considerable adverse criticism for granting large reservations in connection with gold mining.

Hon. E. H. Angelo: Has not that policy proved a success?

Hon. E. H. H. HALL: I am going to support the Clause because I think the matter has received careful consideration.

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

Ayes	9
Noes	12
Majority against	3

AYES.

Hon. E. H. Angelo	Hon. J. Nicholson
Hon. L. Craig	Hon. H. S. W. Parker
Hon. J. J. Holmes	Hon. H. Seddon
Hon. J. M. Macfarlane	Hon. A. Thomson
Hon. W. J. Mann	(*Teller.*)

NOES.

Hon. A. M. Clydesdale	Hon. T. Moore
Hon. J. M. Drew	Hon. H. V. Piesse
Hon. C. G. Elliott	Hon. H. Tuckey
Hon. E. H. Gray	Hon. C. B. Williams
Hon. E. H. H. Hall	Hon. G. B. Wood
Hon. W. H. Kitson	Hon. L. B. Bolton
	(*Teller.*)

Amendment thus negatived.

Clause put and passed.

Clauses 47 to 52—agreed to.

Clause 53—Covenants and conditions of petroleum leases:

Hon. H. S. W. PARKER: I move—

That in Subclause 1 the following words be struck out:—"In addition to any other reservations, covenants, and conditions which are prescribed by this Act or which may be prescribed by regulations."

I object to government by regulation, and for that reason I move this amendment.

The CHIEF SECRETARY: I cannot see that we will be doing any harm in leaving the words in. I believe the wording is exactly the same as in the Mining Act. That being so, I think we should require a little stronger justification for deleting the words.

Hon. H. S. W. PARKER: I object strongly to any Act of Parliament providing for regulations. If a Bill is worth while, it is worth while telling us in the Bill what is wanted. Government by regulation is causing a tremendous lot of confusion all round. It is quite a recent innovation. Before anything can be done regulations have to be brought in under an Act, and either House can throw them out. Why not have them in the Act instead of having to go round to various Government offices to find out if there are any regulations, and if so, what they are and where they may be obtained? Some regulations are out of print, and most people do not know that they exist. I saw in the Notice Paper recently something about amending the regulations under the Oyster Act of 1881. Has anyone ever heard of that before? We should stipulate requirements definitely, and not leave matters to regulation.

Hon. J. NICHOLSON: I support the amendment. Section 127 of the Mining Act specifies practically the same reservations and covenants, but makes no provision for prescribing conditions by regulation. To give this form of power would be iniquitous and dangerous.

Hon. A. Thomson: Handing too much control to departments.

Hon. J. NICHOLSON: Yes. Requirements should be specified in the measure. If experience shows that something further is needed, an amending Bill can be introduced.

Hon. H. V. PIESSE: The oil business is as yet quite "in the air," and surely the Minister should be able to make regulations in the event of oil being discovered.

Hon. H. S. W. PARKER: This clause relates only to regulations as to what should appear in a lease. Those conditions should be prescribed in the measure now, not introduced after oil has been discovered.

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

Ayes	12
Noes	9
Majority for	3

NOES.

Hon. E. H. Angelo	Hon. W. J. Mann
Hon. L. Craig	Hon. J. Nicholson
Hon. C. G. Elliott	Hon. H. S. W. Parker
Hon. E. H. H. Hall	Hon. H. Seddon
Hon. J. J. Holmes	Hon. A. Thomson
Hon. J. M. Macfarlane	Hon. H. Tuckey
	(*Teller.*)

AYES.

Hon. L. B. Bolton	Hon. T. Moore
Hon. A. M. Clydesdale	Hon. H. V. Piesse
Hon. J. M. Drew	Hon. G. B. Wood
Hon. E. H. Gray	Hon. C. B. Williams
Hon. W. H. Kitson	(*Teller.*)

Amendment thus passed.

On motion by Hon. H. S. W. Parker, clause consequentially amended by striking out paragraph (k).

Clause, as amended, put and passed.

Clauses 55 to 101—agreed to

Progress reported.

BILL—JUSTICES ACT AMENDMENT.

Second Reading.

HON. A. THOMSON (South-East) [9.58] in moving the second reading said: If members cast their minds back to last session, when we were dealing with an amendment of the Traffic Act, they will recall that I endeavoured to get an amendment inserted to obviate the extreme cost associated with the service of summonses when a citizen was charged with a slight misdemeanour. A man had driven his motor vehicle into Perth. The tail-light had been damaged on the journey and he discovered that it was proposed to forward the summons to his residence. As he lived 38 miles east of Katanning, members will appreciate that the cost of service would have been considerable, whereas the fine for the offence would have been little more than nominal, amounting to 9s. or 10s. After consultation, the member for Katanning drafted this Bill, which has passed another place, and has been sent here for our consideration. The proposal is to amend Section 56 of the Act to provide that a magistrate or clerk of petty sessions may, if the offence is not an indictable one and personal service might reasonably be dispensed with, allow service by post, to avoil undue expense. I trust the Bill will receive the favourable consideration of members, who will agree that while personal service is quite convenient in towns and in the metropolitan area, it is liable to impose a great hardship upon those who live a considerable distance in the country. Incidentally, I might mention it is time the Police Department gave some consideration to the present method of transport, as far as the country police officers are concerned. While I have no desire to eliminate the horse, the police have to travel over big distances to collect statistics, etc., and, as we know, the horse is a very slow means of locomotion. It would be much speedier and also much more economical if country police were equipped with motor cycles. I submit the Bill for the favourable consideration of members, and move—

That the Bill be now read a second time.

On motion by Chief Secretary, debate adjourned.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. W. H. kitson—West) [10.2]: I move—

That the House at its rising adjourn until Tuesday next.

Question put and passed.

House adjourned at 10.3 p.m.

Legislative Assembly.

Wednesday, 28th October, 1936.

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

QUESTION—ABANDONED FARMS, LOSSES.

1, Mr. DONEY asked the Minister for Lands: What proportion, if any, of the interest, sinking fund, and exchange deficiency of £716,768 on Agricultural Bank, Soldiers' Land Settlement, Industries Assistance Board, and Group Settlement undertakings