Legislative Council,

Wednesday, 20th November, 1929.

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

BILL — PUBLIC SERVICE APPEAL BOARD ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL — MAIN ROADS ACT AMENDMENT.

Report of Committee adopted.

BILL—LAND TAX AND INCOME TAX.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.38] in moving the second reading said: This Bill is exactly on the same lines as the measure of last year. No increase in taxation is proposed. Whilst it is not desirable that the income tax shall be high, we regret it is not possible to make further reductions this year. At present the financial position is not such as to justify such a course. Last year's income tax of £329,603 was only slightly above that of the previous year, namely £323,597. It was not the increase that might have been expected from the growth of the State. The dividend duty, on the other hand was less, amounting to £315,233 as compared with £324,940 in 1927-28, Land tax aggregating £196,301 showed a fairly substantial increase over that of the previous year, which was £162,906. This was largely due to increases in values of land, and also to new areas being brought under the Act. On the whole the total increase under these three heads was only slight. Our expenditure on undertakings from which little or no revenue is derived keeps on increasing. For instance, the following table is illuminating:—

	Estimate 1923-24.	1929-30.	Increase.
	£	£	£
Education ..	580,547	691,019	110,472
Medical and Health	181,019	218,726	37,707
Lunacy	88,813	114,993	26,180
Police	180,079	251,119	71,040
Gaols	23,198	31,354	8,156
Charities ..	93,522	116,931	23,409
Total ..	1,147,178	1,424,142	276,964

I move—

That the Bill be now read a second time.

On motion by Hon. J. Stewart, debate adjourned.

BILL—SANDALWOOD.

Second Reading.

Debate resumed from the previous day.

HON. E. H. HARRIS (North-East) [4.44]: If ever there was a subject that showed off to advantage the dirty side of politics, I think it is sandalwood. May I recall that in 1923, when Mr. Seaddan was a Minister, he introduced legislation to ensure to the puller a better return for his work, and an increased royalty to the Crown by permitting a limited number of merchants to handle the wood taken from Crown land. The Labour Party were then in Opposition and denounced the Bill as a sandalwood scandal. This was used very effectively during the elections that followed shortly after.

Hon. J. Ewing: They were very bitter.

Hon. E. H. HARRIS: With barbed wire tongues they travelled over the goldfields where the wood was cut, and said they were the only party that could be trusted justly to deal with the question. They gave the workers engaged in the industry a definite promise or pledge that if they were returned to power they would immediately cancel the contract that had been made with the licensees in the sandalwood trade. The pullers and the public generally believed that statement, and supported the party in the attitude that had been adopted. The pullers with childlike simplicity believed

in the sincerity of the proposal, and supported the party, not only verbally, but by their votes at the ballot box. When, however, a Labour Government was put into office this pernicious clause was allowed to stand. No attempt was made to do anything with it, and it still exists. Not only did they approve of the scheme, but actually signed a renewal of the agreement six months before it was necessary. They were not content with that, but as the friends of the pullers, they tightened up the regulations to compel the cleaning of roots and butts without extra payment, while the puller himself was paid £4 a ton less. They also prevented the pulling of sandalwood within 15 miles of a railway or townsite. The distance was not measured in accordance with bush traditions, but according to exact lines. Many men had been getting their wood about 18 miles from a railway or townsite. It was then discovered they were within the radius and their wood was confiscated. They docked the pullers so much per ton for wood which was f.a.q., the deductions ranging up to as high as 40s. a ton. Apparently the puller is the only man who is supposed to be able to judge weight correctly. If he does not judge the weight correctly, he is penalised. He may have contracted to supply ten tons of wood, and, being without scales, he has to estimate the weight. Because he does not guess aright, he is penalised. As a result of the increase in the royalty, the revenue derived from sandalwood increased to £50,000 or £60,000 a year. The Treasurer set out by legislation to secure that money for revenue purposes. The conditions of the industry remained as they had been. Control is undoubtedly necessary in order to retain the market for the wood in China. Any indiscriminate selling would probably have a detrimental effect upon the price. The puller is the joke of the industry. He is the man who does the work. He goes out long distances into the bush. He leads a rough life and frequently lives on tinned dog and damper. Sometimes because he has not weighed his wood or has overstepped the mark he is penalised. Pullers are prohibited from getting wood within 15 miles of a railway. The price of commodities has risen considerably since the regulations were promulgated. These men made a request to the Government in 1926 for an increase in the price. I remember receiving communications from the sandalwood organisations urging the Government to increase the price £5 a ton to compensate the pullers for the longer distances they have to go for the wood. It is not uncommon for men to go 100 miles out to fulfil an order, but the price remains as it was in 1923. The Government have made no attempt to compensate them. I take this opportunity of drawing the attention of the Chief Secretary to the matter in the hope that he will influence the Government to assist these men. To meet the position the exporting firms are forced to obtain big overdrafts upon their stocks of wood at Fremantle. This emphasises the business risk, which does not apply to the private trader who is dealing with oversea buyers. In 1926 the regulations were tightened up with regard to sandalwood taken from private property. I think there is some truth in the remark of the Chief Secretary that whilst the licensees are holding up the market, the owners of wood on private land are receiving a benefit. It is suggested that for two years from now the output of privately owned sandalwood should be restricted to 10 per cent. of the total. Pullers from private property have received the benefit from the operations of licensed buyers. A farmer may be clearing his land for the first time, and should have the right to pull the sandalwood he finds there. As it is, he is prohibited from pulling it or selling it. Some amendment may be made whereby he can cut, stack and subsequently sell this wood. Naturally the department would have to be protected, and the wood would have to be disposed of to a licensed cutter from another district. Several men have entered into contracts to cut wood from freehold land. These contracts may have a short or long period to run. The property owned by the Hampton Plains Company is an instance of what I mean. This company have secured 216,000 acres of freehold on the goldfields, having purchased it as far back as the eighties. The Forrest Government were then short of cash, and were pleased to accept this money. The company secured the rights to sandalwood as well as to any minerals found on the property. From time to time they have let contracts and the money derived from the royalties has been spent in the search for gold. That is going on to-day. Sandalwood contracts are now being worked, and do not expire for

about 18 months. The company have been looking to these contracts for a certain revenue in order to carry on operations. As the Bill is drafted, these contractors may be deprived of their means of livelihood. There are about 30 men working on these contracts and they in turn have entered into agreements with the local storekeeper. When a man goes out to get sandalwood, he secures his supplies and pays for them when he receives his cheque. These men are entitled to consideration and to at least six months' notice. The wood they are getting would not materially affect the total export. It would be an act of grace on the part of the Government if they gave these men the opportunity to fulfil their contracts, wind up their affairs and dispose of their plant. They are not part of what is known as the sandalwood combine. They established their own market overseas in Hong Kong through their own representatives, at a time when others failed. I believe it is on record that the Kurrawang Wood Company made an effort to sell a quantity of wood. The local price did not suit them and they chartered a ship and sent the wood to China. They could not sell it there, brought it back to Fremantle, and sold it to the combine. That occurred many years ago. The cutters have established their own market. I admit they may have benefited by the market price being kept up by the licensees, but they are entitled to some consideration at the hands of Parliament. If the quota is limited to 4,000 tons from the whole State, the pullers on private property would be entitled to about 400 tons, which is not very much. The Chief Secretary might be prepared to accept an amendment increasing the quota from private holdings to 15 or 20 per cent. When the Chief Secretary replies to the debate, I should like him to indicate how the tonnage will be allocated on the new basis as proposed by the Bill, what proportion will be given to the prospectors to pull. Formerly between 1,300 and 2,000 tons of the sandalwood cut in the State was allotted to men known as propeetors, and I presume that, with the limitation of the quantity to be cut, there will likewise be a diminution in the amount to be allotted to prospectors. I should like to have this information from the Chief Secretary when he replies. I shall support the second reading and I hope that any amendments that may be submitted when the Bill is in Committee will be acceptable to the Government.

HON. J. NICHOLSON (Metropolitan) [5.2]: It will not be necessary to say very much in regard to this Bill.

Hon. J. R. Brown: No.

Hon. J. NICHOLSON: The hon. member says "No"; probably he is right, in view of the manner in which the subject has been ventilated by other speakers. I have had placed in my hands to-day a letter—I do not know whether it is a copy of the letter read by Mr. Brown yesterday. It purports to come from Mr. H. M. Ross and Mr. William Skuthorp. I also had a longer letter from them, which I read, and did not place in the receptacle referred to by Mr. Brown.

Hon. J. R. Brown: How do you know what other members did with theirs?

Hon. J. NICHOLSON: I would like Mr. Brown to understand that if he is in the habit of relegating letters that reach him to the repository to which he referred, he should not attribute that habit to other hon. members in this House. My belief is that hon. members of this House diligently and earnestly seek to satisfy themselves in regard to every question that comes before the House. The letter I have may not be a copy of the letter read by Mr. Brown yesterday, and with the permission of the House I will read it. It is not very long.

Hon. J. R. Brown: Why read it again?

Hon. J. NICHOLSON: I do not know whether it is the same letter that we heard read yesterday. I had a longer letter, but if the hon. member will tell me that the letter he read was dated 19th November——

Hon. J. R. Brown: Yes, that was it.

Hon. J. NICHOLSON: Then I will not read it. All the same, it was handed to me only to-day. In the letter the suggestion is made that if the Bill is passed it will be disastrous to the parties concerned, and they ask that at least three months' grace be given to enable them to clean up their contracts. Apparently they have entered into contracts and this Bill has brought into prominence the diversity of interests in connection with the sandalwood trade, which certainly would appear only on the surface on an occasion such as this. The explanation made by the Leader of the House when introducing the Bill, and the explanations by other hon. members, have thrown a very

full light on the subject of the sandalwood trade. It is shown that the trade has reached a stage now that the only way to save what is a very important industry to the State is to give authority to the Government, through the Conservator of Forests, to regulate the industry. And if the authority be not given it will mean disaster to the industry. We have to regard the matter from every possible standpoint. Naturally, one wants to safeguard the interests of those who have been engaged in the industry, pulling either from Crown or from freehold lands. When such a stage is reached, as it has been reached in this industry, it is necessary, and it is the duty of the Government to intervene and see what can be done to prevent disaster. The Bill in the form in which it is presented will enable something fair and proper to be done, so that the interests of the respective parties may be duly considered. I should like to draw attention to Clause 2 of the Bill, which provides that the Governor may, from time to time, by Order-in-Council, limit and restrict the quantity of sandalwood that may be removed or pulled from Crown or alienated land during the period therein stated. Then there are other provisions to prohibit persons pulling or removing sandalwood either from Crown or alienated land otherwise than by license granted by the Conservator. Under the provisions of those Orders-in-Council I have no doubt that some consideration will be given to parties holding contracts that have been properly entered into. Those parties should be enabled to carry out the contracts, but if, by reason of any of the Orders-in-Council, they are prohibited from fulfilling their obligations, I have no doubt consideration will be given to the matter. Clearly, we have reached a stage where something must be done for the benefit of everyone concerned in the industry, and also for the benefit of the finances of the State. The trade has become so paralysed in China, where the wood is so much used, that in place of being able to maintain the benefit created by past legislation, in favour not only of the Treasury here but also of the men engaged in pulling the wood, everyone concerned would be likely to suffer.

Hon. J. R. Brown: They are suffering now, do not worry.

Hon. J. NICHOLSON: Having regard to the wise discretion which I know has been exercised by the Conservator in dealing with all matters relating to the forests and the timber supplies of the State, I know that he will continue to exercise it in respect of the administration of this particular Bill when it is passed into an Act. I feel sure that due consideration will be given to the various conflicting interests. I shall support the second reading.

On motion by Hon. J. Ewing, debate adjourned.

BILL—RESERVES (No. 1).

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to the amendments made by the Council.

BILL—REDISTRIBUTION OF SEATS ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [5.10] in moving the second reading said: In the redistribution of seats for the Legislative Assembly some errors crept into the descriptions in the Schedule of the Bill. Those errors were discovered when the Chief Electoral Officer commenced to make up his roll, and he pointed them out to the Electoral Commissioners responsible for the work of redistribution. The Commissioners admitted that the boundaries of some of the electoral districts were not exactly as they had intended them to be. I think I shall be able to give a clearer explanation of the object of the Bill if I read the correspondence. The Surveyor-General's note to the Chairman of the Commission is as follows:—

1. It appears that certain errors have occurred in the technical descriptions of the boundaries of the electoral districts as shown in our report which affect the actual working of the Act, and do not convey the real intentions of the Commissioners.

2. These errors are as shown in attached Minute from the Chief Draftsman, Lands Department, dated 30-10-29.

3. It is also found that the boundary between the Leederville and Mt. Hawthorn electorates, although correctly described, passes through the centre of the Home of the Good Shepherd. It is suggested that, for obvious reasons, the boundary should be amended.

4. The boundary between Subiaco and Mt. Hawthorn electorates also passes through the St. John of God's Hospital, and the boundary requires amending. This is a draftsman's

error, due to the use of an old litho., when description was being prepared.

5. Also it is found that the boundary between Middle Swan and Canning passes through a number of small private subdivisions, making it very difficult for the Electoral Department to decide enrolments. It is suggested that the Welshpool road be made the boundary.

6. An amendment to the Act will be necessary to remedy these errors, which I understand the Government are prepared to introduce, and a recommendation from the Commission is desired.

The following letter, dated 11th November, 1929, was written to the Minister for Justice by the members of the Royal Commission:—

It appears that certain errors in the technical descriptions of some of the boundaries of the Electoral Districts recommended by this Commission have been discovered which nullify the intentions of the Commissioners and affect the working of the Act.

These errors are set out in the Minute from the Chief Draftsman, Lands Department, dated 30-10-29.

It is also found that the boundary between Mt. Hawthorn and Leederville electorates passes through the centre of the Home of the Good Shepherd that the boundary between Mt. Hawthorn and Subiaco electorates passes through the St. John of God's Hospital buildings, due to a draftsman's error, and that the boundary between Middle Swan and Canning electorates passes through a number of small private subdivisions, imposing difficulties in enrolment in the Electoral Department.

It is desirable to put these matters in order, and the Commissioners would recommend that the necessary Bill be introduced to amend the Act, embodying the amendments to boundaries, as suggested by the Chief Draftsman, Lands Department.

It is suggested that the boundary between Leederville and Mt. Hawthorn be amended, as shown in blue on litho., throwing the 56 electors affected into the Leederville electorate.

It is also suggested that the boundary between Subiaco and Mt. Hawthorn be amended, as in blue on litho., to conform with the present Salvado-road, the Commissioners' original intention thus placing the 90 electors affected in Mt. Hawthorn.

In view of the difficulties experienced by the Electoral Department, it is also recommended that the boundary between Canning and Middle Swan be amended, as shown in blue on litho., to follow the Welshpool-road. The electors affected thereby would number 50 as against 82, resulting in an addition of 32 to the Canning, and a consequent reduction in the Middle Swan electorate. (Sgd.) J. A. NORTHMORE, Judge of the Supreme Court, Chairman. JOHN P. CAMM, Surveyor General. H. R. WAY, Commonwealth Electoral Officer.

On reference to the Bill itself, members will find that some other districts are affected. For Canning, instead of a line or two of the schedule being amended, a new schedule, with the alterations suggested, is substituted. That makes the schedule more intelligible. In some instances, where the misdescription is merely an error in the number of a location, one set of figures is substituted for another instead of the whole schedule being struck out and a new one inserted. Collie electorate is affected merely to the extent that the word "west" should be "east." It makes no difference to the boundaries, or to the number of electors. Regarding the Greenough electorate, it is proposed to omit the words "and that of the Sandford River." The alteration, I understand, affects the boundaries between Greenough and Gascoyne. Although a considerable area of country is involved in the alteration, the number of electors affected is small—40 or under. The mistake arose through giving a river or watercourse the wrong name. The schedule as it passed this Chamber did not leave Gascoyne as it was previously, although the recommendation of the Commissioners was that the four North-West seats should remain as they were. When the boundaries were defined, it was found that the description of Greenough in the schedule would not leave Gascoyne exactly as it was before. The amendment leaves Gascoyne as the Commissioners intended it should be. Leederville electorate is affected because of the boundary running through the Home of the Good Shepherd. Mt. Hawthorn and Subiaco are also involved. In Middle Swan and Canning a boundary runs through private sub-divisions instead of a highway or a road, and thus it is most difficult for the Electoral Department to decide whether certain electors live in one electorate or in the other. In Wagin the alteration is a mere transposition of some figures—4,150 should be 4,105. A similar correction is required in Williams-Narrogin. The matter originated with the Chief Electoral Officer, and was then gone into by the chief draftsman of the Lands Department. He submitted a report which is supported by the Surveyor-General and endorsed by the Commission. Only three of the proposed alterations are of any consequence, and even those affect only a comparatively few electors. I have laid the file on the Table of the House and

will give members an opportunity to study it. I move—

That the Bill be now read a second time.

On motion by Hon. E. H. Harris, debate adjourned.

BILL—APPROPRIATION.

Second Reading.

Order of the Day read for the resumption of the debate from the 14th November.

On motion by Hon. H. J. Yelland, debate adjourned.

BILL—LOAN £2,250,000.

Second Reading.

Debate resumed from the 14th November.

HON. V. HAMERSLEY (East) [5.21]: This is the usual measure presented to Parliament annually to authorise the raising of loan money. For many years little difficulty has been experienced in getting loan Bills passed by this Chamber. Enormous strides have been made by the country, and its financial requirements as a result of the development of its resources, harbours, rivers, and railways necessitate the raising of considerable sums by way of loan. This year we find ourselves caught by the serious scarcity of money, and it is necessary for one and all to cut the coat according to the cloth. It is unfortunate for the State that the Government should have experienced the gravest difficulty in raising loan requirements last year. I gather that loan authorisations to the tune of something like £4,800,000 are outstanding, because the Government could not get the London money market to respond to their appeal.

Hon. E. H. Harris: You do not suggest that the Government have not spent any of that money?

Hon. V. HAMERSLEY: No; they have done as many private individuals have been compelled to do, namely, secure accommodation in order to carry on, and I dare say an enormous amount of our revenue has been eaten up by the high rates that the Government have been compelled to pay for temporary accommodation. I am glad that the Bill before us asks authority to raise a reduced amount. That necessarily will mean a curtailment of many works we had desired to see carried out. I have been greatly interested in certain railways. Mr. Miles has frequently spurred me on regarding the promised line from Brookton to Armadale. Presumably that proposal will have to go by the board.

Hon. H. J. Yelland: It is a necessity.

Hon. V. HAMERSLEY: Yes; but we have to forego many necessary things when the money is not available. A railway extension that I consider should be carried out is from the present terminus at Miling to the Waddi forest country, where a large number of settlers have brought a big area of territory under cultivation, and whose claim is as strong as that of people in any part of the State. That proposition, too, will be hung up owing to the shortage of funds. Another long-promised work is the Yarramony-Eastwards line, and we want to see the Kulja-Northward railway carried still further north and east. If those works were carried out, they would prove reproductive, and I am satisfied they are the works that should receive particular attention when the Government are allotting loan funds rather than some of the schemes for which funds are provided. Water supplies in the inland areas are of the utmost importance. For years the metropolitan water supply has been provided with large sums from loan money, and after the enormous amount spent on it I marvel at the very poor quality of water made available to the people, which is certainly no credit to the officials responsible for it. Why people should have to tolerate the absolute ruination of their clothes by muddy, iron-stained water, or some disgraceful liquid that should not be offered to human beings, I cannot understand. A great many people are charged very high rates for their water supplies, and they have been handicapped by the poorness of pressure owing to the inadequacy of the pipe lines laid down to serve them. I presume it was due to some idea of economy that small-sized pipes were adopted, and such poor supplies are being made available. I look for better results when country supplies are made available. We know there is great difficulty in going upon the London market for money; but whatever the obstacles may be, I hope our

Government will not be induced to apply to any other market. Let us not follow the example once set by Queensland of applying to the United States for a loan. I sincerely trust that Western Australia will go ahead steadily, if slowly, and stick to the Mother Country for all its financial needs. By adhering to that policy we shall ensure to ourselves a greater volume of trade with the Homeland in many avenues which countries outside the British Empire would be only too glad to exploit in relation to the Australian States. While trading with those countries, however, we might injure our own best interests by turning aside from Britain. It is most unfortunate that we should have fallen upon a period when our chief commodities and some of our most important sources of revenue, such as wool, wheat and timber, are much lower in price than has been the case of recent years. It cannot be expected that the State's revenue will remain as buoyant as heretofore, but it is to be hoped that our people will stand by the Government in a policy of watching expenditure closely while supplying the most urgent needs of the country. Henceforth borrowed money cannot continue to be distributed as freely as hitherto. I have no doubt that when our people realise the position they will put their shoulders to the wheel and supply whatever is needed to keep Western Australia financial. We have been unfortunate, too, in not realising the wonderful harvest that was anticipated at the opening of the season. Nevertheless, it is pleasing to know that nothing in the nature of a failure has been experienced, and that the crops will pan out much better than seemed likely a month or six weeks ago. Still, they will not prove as good as was forecasted in the early portion of the year. Largely the disappointment is due to the fact of many settlers not having been able to get their crops in as early as they had hoped. That, in turn, was possibly due to the Railway Department not delivering phosphates in time to settlers who had ordered them early. Probably some of those settlers will be blamed for not having had their crops in earlier. There can be no question that the crops would have turned out much better had they been in a month or six weeks sooner. As the result of close inquiries made by people on the spot, it appears that in many instances crop failures are due to the seed not having been sown in time. The reasons for that are multifarious. I refer to the matter because the earliest possible assurance is desired from the Government as to the facilities that will be made available in the coming season. Any support the Government can give to settlers whose crops have failed will be highly appreciated. I hope a decision will be made speedily, because last year many settlers were in uncertainty until late in the season as to the help to be given. The great need is early decision, so that those who desire to create wealth may be afforded every opportunity to get into their stride and be at their job before it is too late. Presumably the Loan Bill has to be passed. I trust the Government will find an early opportunity of relieving what Ministers know to be a serious position, by going on the London market and borrowing the funds needed to clean up the large overdraft with the London and Westminster Bank. It is to be hoped that matters in the outside world will not become worse, but that a change for the better will occur, so that we may continue the borrowings which are essential to the development of Western Australia. I hope, too, that the Government will be able to persuade Mr. Scullin to alter his views regarding migration.

Hon. E. H. Harris: You are an optimist all right!

Hon. V. HAMERSLEY: I am an optimist to this extent, that I believe the Migration Agreement assures to us the ready help of Great Britain in the shape of funds at an extremely low rate of interest over a number of years. Those funds are of the utmost importance to the State, inasmuch as they bring new settlers to develop Western Australia's resources. The agreement being so helpful to this particular community, as well as assisting England in the matter of its surplus population, I regard it as an improper interference on the part of the Commonwealth to suggest a system which will hamper the States in connection with migration. I have much pleasure in supporting the second reading of the Bill.

HON. H. STEWART (South-East) [5.40]: In considering the programme of works attached to this Loan Bill, I desire to express gratification at the provision of even £50,000 for the Lake Grace-Karlgarin Railway, which is many years overdue, which has been long promised, and long authorised. A query having been raised regarding the route, a special committee was appointed

to inquire into the matter. Eventually the Railways Advisory Board confirmed their original recommendation. The settlers affected had every justification several years ago for anticipating the lifting of their harvests by a railway; yet they are still in the same position. The Government have not the money to start the work even now. I am extremely disappointed that for another railway which is just as much in demand, and for which there are on record promises going back more than 12 years—the Boyup Brook-Cranbrook line—not a penny is provided. That railway is long overdue, and badly needed. Again, there is no provision for yet another line that is urgently required, and that has been promised over an equally lengthy period—the Brookton-Dale River extension. One item in the First Schedule with which I do not agree is the provision of £10,000 for pine planting. Later, when dealing with forestry matters, I shall show that the Conservator of Forests, although possessing more royalties from sandalwood than can be economically expended in sandalwood re-growth, makes it perfectly clear in his annual report that the accumulated royalties available and earmarked for reforestation purposes are insufficient to carry out the desirable programme. I emphasise now, and shall re-emphasise, the fact that the Government have indulged in astute camouflage in appealing to Parliament for revenue from sandalwood. Their manner of appealing has not been open and clear. From the Conservator of Forests they have had reports to the effect that the sandalwood royalties could not be efficiently utilised in replanting sandalwood. The principal Forests Act, I repeat—and I hope I shall not be misquoted by any Minister or any Honorary Minister in replying—and not the amendment Act of 1924 introduced by this Government, makes no differentiation as to how royalty revenue shall be utilised by the Forests Department. There is nothing in the principal Act to say that sandalwood royalties shall be used for the replanting of sandalwood, or that jarrah royalties shall be employed in re-establishing jarrah forests, or that royalties from karri shall be utilised for karri reforestation. For the Government to say, in another place, that sandalwood royalties cannot be utilised efficiently for sandalwood reforestation——

Hon. G. W. Miles: The Government are taking the royalties into revenue, and are raising loan funds for the pine planting.

Hon. H. STEWART: Exactly. The Government are taking into revenue money which Parliament has said shall be utilised for reforestation. This year's report of the Conservator of Forests points out that in spite of the reserves he has as the result of accumulated royalties, he is not in possession of sufficient funds for the programme of general reforestation which ought to be carried out. The present Government, since 1924, have annually been taking into revenue approximately £50,000 coming from royalties under the administration of the Forests Act. Now the Government propose in the Loan Bill to earmark £10,000 of loan moneys for reforestation. That is wrong.

Hon. H. Seddon: That is frenzied finance.

Hon. H. STEWART: Perhaps it is.

Hon. G. W. Miles: This House had an opportunity to deal with that last year, and will have another this session.

Hon. H. STEWART: In the second schedule there is an item relating to votes contained in the Loan Acts of 1926, 1927 and 1928 for the purchase of wire netting for settlers. The total amount, £306,654, is to be re-appropriated and added to the working capital of the Agricultural Bank. I presume that money was raised for the purpose of purchasing wire netting for settlers, but now it is to be re-appropriated for the purposes of the Agricultural Bank. I do not quibble about that, but I would like the Minister to tell us why that step has been necessary and why none of the money has been utilised for the purposes originally intended. I can quite appreciate the necessity for additional money being provided for the Agricultural Bank, but I would like an explanation from the Chief Secretary on this point. It may be that the money has been transferred to the Agricultural Bank for the purpose of assisting farmers to procure supplies of wire netting.

Hon. H. Seddon: Do you think that item No. 1 of the first schedule—Administration, Departmental, £185,000—represents a fair charge against loan?

Hon. H. STEWART: I take it that refers to the departmental administration of loan moneys. I will not blame the Government for what other Governments have done as well, for I think there is enough to

comment upon without any reference under that heading.

Hon. E. H. Harris: That point can be held in reserve.

Hon. C. B. Williams: The hon. member thinks there may be a change of Government, and they may desire to follow that course again.

Hon. E. H. Harris: There may be some truth in that, too.

Hon. H. STEWART: The thought suggested has not entered my head, but it seems to pervade the minds of those supporting the present Government. In the third schedule, provision is made for re-appropriations in connection with the Leighton-Robb's Jetty railway and the Fremantle road and railway bridge. I do not know if that is justified at this stage, when matters relating to the work to be undertaken in connection with the Fremantle harbour has not been finalised. It would furnish useful information if the Chief Secretary were to tell us how the money is to be expended and how much will be for preliminary work. The amount set out, £165,666, is small compared with that involved in the proposed scheme. It might cover the railway extension, but certainly will not be appreciable when we consider the amount that will be required for the road and railway bridge. The schedule also discloses that the Government have taken care to provide more loan funds in order, I suppose, to extend the operations of the State Brick-yards, the Metropolitan Markets Trust, the Pardelup Prison Farm, the State Saw Mills and the State Quarries. I will not comment on them all, but will refer to the prison farm. Hon. members will see that £1,000 has been re-appropriated for the farm. The amount is small, but the point that concerns me is whether it is a fair thing to include such an item in the loan, to raise which the Government intend going on the London market. The Government ought to be able to finance the farm without requiring such an item in any loan schedule. It was a working proposition when the Government took it over, and had been owned by an old-established settler who farmed under satisfactory conditions. He had reared a family and had put them out on other properties. With such a scheme as the Government have in operation, the farm should be self-supporting. I have nothing further to add in connection with the Bill and will support the second reading.

HON. G. W. MILES (North) [5.51]: There is only one point I wish to refer to regarding the Loan Bill. I cannot see any provision made for the construction of the jetty to replace the one that was destroyed at Point Samson. Is any provision being made to carry out that work immediately?

HON. E. H. H. HALL (Central) [5.52]: I must express my surprise and disappointment at the small amount of money proposed to be expended on the Geraldton harbour works. For many years those operations have been in hand, but progress has been very slow. The Government came into power three years ago—

Hon. E. H. Harris: Six years ago.

Hon. E. H. H. HALL: They were returned to power three years ago.

Hon. V. Hamersley: Have not the Geraldton harbour works been a perfect sink for a long time?

Hon. E. H. H. HALL: One of the election cries of the Government was that they were in favour of decentralisation. When I look at the large amount of money it is proposed to spend in or about Fremantle in connection with the harbour works, I claim that the provision in the Loan Bill is out of all proportion to the necessities of the State. It is to the credit of the Government that they initiated the work on the long talked of scheme of harbour improvements at Geraldton and I am given to understand on good authority that the amount proposed to be spent on that important work has been necessarily cut down by about one-half. If the amount that it was originally intended should be spent on the Fremantle harbour works has been cut down by one-half as well, a very large sum indeed must be contemplated for that work. While I recognise the necessity for economy and acknowledge the financial stringency in these days, I cannot appreciate, seeing that the Geraldton harbour must be completed some day, how anything can be gained by further delaying operations. I am sure that the Chief Secretary and the Minister for Railways, who is the member for Geraldton in the Lower House, have individually stressed the urgent necessity for the early completion of the harbour scheme at Geraldton, but evidently the numbers were against them.

Hon. E. H. Harris: Is not the jetty adequate for the work there?

Hon. E. H. H. HALL: I realise that any words of mine must be futile and will not alter the position, but I consider it my duty to protest against further delay in carrying out the scheme at Geraldton.

HON. J. CORNELL (South) [5.55]: I desire to deal with three points in connection with the Loan Bill. The first relates to the construction of the Lake Grace-Karlgarin railway. There has been much controversy about that line. When is it likely that a start will be made on the actual work of construction? I notice that £50,000 has been provided in the schedule for that line. The necessity for the railway needs no stressing; it is well recognised. I trust that the Minister, when he replies, will be in a position to make some definite announcement as to when construction work will commence, or whether there is any likelihood of the work being not only delayed, but stopped altogether in the interests of the East-West line. The loan schedule contains appropriation for harbour and river work. I can see no reference to any work to be done on the construction of the Esperance jetty and harbour. The people in that part of the State are anxiously awaiting some intimation as to the future of the harbour. The most sanguine sponsor of the speedy construction of the Esperance harbour works would not contend for a moment that a comprehensive scheme could be embarked upon right away, but they look for some pronouncement from the Government. Another matter I would refer to concerns the water supplies necessary in the outer agricultural districts, particularly in the Yilgarn district. It is an accepted fact that in that district alone there are thousands of acres of land that have been cleared and are ready to carry sheep and grow wheat. It is also admitted, even by the trustees of the Agricultural Bank who have agreed to advance money necessary for improvements, that wheat growing alone in that locality will be a precarious proposition for some time. People in a position to know are agreed that there is no finer merino sheep country in Western Australia than in the Yilgarn district from the rabbit-proof fence down to Newdegate. Settlers many miles distant from the eastern goldfields water supply mains have been placed in an invidious position. Doubtless, at some future date, a reticulation scheme will be undertaken and the water from the eastern goldfields main will be made available throughout that district. Many of the settlers could make provision for their own water supplies either by sinking dams or by making use of catchments. They have refrained from doing so, because they appreciate the fact that should the scheme water be made available at a later stage, they would be rated just the same as if they had made no provision for their own water supplies. You, Sir, and I have watched the district grow from a very early stage. But unless adequate provision is made for a water supply in that locality, it will be almost impossible to profitably grow wheat down there, for the land cannot be properly worked without fallow, and it cannot be fallowed without sheep. On land down there which has been under cultivation for three years the weeds, particularly the mustard, have got the farmers settled. I supplied an illustration to the Premier when he was at Southern Cross recently. One farmer there who had fallowed his land, ploughed it with a big McKay plough and harrowed it with heavy harrows in an endeavour to pull up the weeds. Yet he dismally failed. There was only one proposition open to him, namely, to get a few sheep. This he did, and those sheep succeeded in cleaning up his fallow, at all events to an appreciable extent. The irony of it was revealed when the district inspector for the Agricultural Bank came and saw the condition of that fallow and of the neighbouring fallow. He said to the farmer, "What strikes me is the absence of mustard from your fallow." The farmer retorted, "You should have seen it before I got the sheep on it to clean up the mustard." Sheep are necessary in that district, in order first that not all the eggs should be in one basket, and in order also that the farmer might farm satisfactorily on fallow land.

Hon. G. W. Miles: How far could they take the goldfields water down that way?

Hon. J. CORNELL: The whole scheme is mapped out. It is to go some 18 miles beyond Bullfinch, and it will cover a radius of about 60 miles. It now includes the miners' settlement. Something has to be done down there, particularly in the miners' settlement. Unfortunately, the Agricultural Bank to-day will not advance for the purchase of tractors, and that district has been, and will continue to be, a tractor proposition. No farmer can cart water eight or

ten miles—some of them are carting it 30 miles—and in addition work his horses on the land. Consequently, the farmer there has to use a tractor or, alternatively, keep one set of horses for carting water and another for working the land. I know it is all a question of money, and that money is going to be very hard to get. But as the years go by, it will be harder to get each succeeding year. Despite that, it is essential that an adequate water supply should be provided in that district.

Hon. G. W. Miles: The Government with their water supplies have done good work in other districts.

Hon. J. CORNELL: Yes, they have, and good work could be done in this district. Another matter to which I hope consideration will be given is in respect to the extension of the North Walgoolan water supply to Geelakin. I understand that it means about £33,000, but I hope the Minister, when replying, will give us some intimation as to the Government's intention regarding that scheme. If only the money could be found to put in the water, immediately those districts were reticulated not only would the security of tenure be greater and the future brighter, but there would be created a value in the land which does not exist to-day, and the productivity of the land would be increased by 100 per cent. An old axiom has it that no church was ever built without going into debt, and the Chief Secretary will agree that no agricultural district is ever properly established without getting into debt. The trouble just now appears to be that we cannot get anybody to trust us. I will support the second reading.

HON. J. EWING (South-West) [6.5]: A year or two ago our loan expenditure was £4,800,000; last year it was just over four millions, whereas this year it is to be only £2,250,000. I realise the Government's difficulty. The Loan Council has reduced all expenditure, and money is very difficult to get. Still, the loan expenditure proposed in the Bill must be the very smallest we have had for many years past. If we could go out and borrow about four millions just now, it would serve to do very good work for Western Australia. In the Bill I notice that, although the amount proposed to be borrowed is only £2,250,000, no less a sum than £50,000 of it is to be devoted to the Geraldton harbour works, and £100,000 allocated to Fremantle. There is not one word about the Bunbury harbour; yet for many years past Bunbury has been a fairly good port. The Mitchell Government were going to do all sorts of things for Bunbury, but never did it.

Hon. J. Cornell: The hon. member is condemning himself now.

Hon. J. EWING: And when the present Government came into power they were going to do all sorts of things for Bunbury, but of course nothing has been done. In consequence, the people of Bunbury are saying to-day that they cannot expect anything from any Government. I hope the Minister, when replying, will tell us what the Government propose to do for Bunbury. The port has a splendid hinterland, carrying a rich coal trade and an extensive timber trade.

Hon. H. Stewart: It has a foreland as well as a hinterland.

Hon. J. EWING: I hope the Chief Secretary will tell us what the Government intend to do for Bunbury. I understand the Minister for Works is to go down there next week, so perhaps he will have something to say in Bunbury on behalf of the Government.

Hon. J. Cornell: The Government had something to say 5½ years ago.

Hon. J. EWING: Yes, and what they promised Bunbury then they have not yet performed.

Hon. G. W. Miles: You ought to ask how they are finding the money for the beautifying of the foreshore at Perth.

Hon. J. EWING: We want practical things. The foreshore at Perth can wait. Still, I am not criticising the Government and what they are doing, but am simply urging the Chief Secretary to tell us what the Government propose to do for Bunbury. I hope it will justify the earlier promises of the Government. It may be the Minister will not give this information when he speaks this afternoon, for possibly the policy of the Government is reserved to be expounded to the people of Bunbury when the Minister for Works goes down there. However, I hope it will not be merely a promise. The Boyup Brook railway referred to by Mr. Stewart is in my province. I have attended many deputations to the Premier at Bridgetown and other places, and I can say that on several occasions he practically promised us that railway, which is admitted by all to be necessary. The Premier said he would put £5,000 on the Estimates for certain works. He did so, but that was all. There

is nothing on the Estimates for that work now. I hope the people who have been down in that district for 30 or 40 years will be given some consideration, for that country is well worth developing. But I do want to emphasise to the Minister the position at Bunbury. The harbour at Albany is a very good one, the result of the large amount of money spent upon it by the Mitchell Government.

Hon. H. Stewart: I beg your pardon!

Hon. E. H. H. Hall: What about Geraldton?

Hon. J. EWING: Geraldton harbour is receiving consideration. But the Bunbury harbour ought to be far ahead of that at Geraldton. Something should be done for Bunbury immediately. Then Busselton has a long outstanding promise from Ministers that something would be done for the harbour there.

Hon. J. Cornell: The Premier said that if he were to extend the Busselton jetty, it would be getting in the way of passing ships.

Hon. J. EWING: I do hope the Bunbury harbour will receive the serious consideration of the Government, if not this year, then next year.

HON. G. FRASER (West) [6.12]: Whilst Bunbury may have some cause for complaint, I do not know that Geraldton can complain and hold up Fremantle as a comparison. When we consider the difference in status of the two ports, we see that Geraldton is being treated remarkably well in getting £50,000, whilst Fremantle is to have not more than £100,000. Of course, I do not mind Geraldton getting the £50,000.

Hon. E. H. H. Hall: No, but we do mind your getting our trade.

Hon. G. FRASER: I cannot help thinking that Geraldton is doing remarkably well. However, the information I require from the Minister when replying is as to an item under "Railways" in the Second Schedule, "Perth-Fremantle Deviation, £72,465"; and in the same schedule, under "Roads and Bridges" the item "Fremantle Road and Railway Bridge, £93,200." Both those amounts are re-appropriated under the Bill. Then in the Third Schedule, under the heading of "Railways," we get the item "Leighton-Robbs' Jetty Railway and Fremantle Road and Railway Bridge, £165,666." Here again the amount is re-appropriated. I should like some information from the the Minister as to those two items. I should like to know just what those amounts are being re-appropriated for, whether it is for the new bridge, whether it has anything to do with the maintenance of the present structure, or whether it has anything of do with the—

Hon. H. Stewart: Canning-road.

Hon. G. FRASER: The hon. member will find that the Canning-road is a separate item in the Second Schedule. Also he ought to know that the Canning-road is a long way away from the Leighton-Robb's Jetty railway.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. G. FRASER: Before tea I stated that I wanted some information upon the expenditure of £165,666 allowed for in the second and third schedules in connection with railways. How will this money be expended, and for what purpose has it been allotted? It seems to be such a small amount for important work of this description. I take it that it would probably cover the cost of resuming land in the areas embraced by the railway. If such is the case, I hope the Government will take early steps in the matter. People living in the locality are at a great disadvantage. There is a good deal of uncertainty about the railway. Many people could sell their properties today, but have no desire to do so if in future they are allowed to live there. If the railway is to go through and the land is to be resumed they want to have the opportunity to get out and buy land elsewhere near Fremantle so that they can erect their homes there.

Hon. E. H. H. Hall: And profit by the unearned increment.

Hon. G. FRASER: They are quite prepared to take for their properties what they paid for them. The longer the Government wait before coming to a decision, the dearer will other land become. Already it will cost more to build now than would have been the case a few years ago.

Hon. E. H. H. Hall: The land may become cheaper.

Hon. G. FRASER: No. Fremantle is going ahead rapidly, and there has been a tremendous increase in the value of property near Fremantle.

Hon. E. H. H. Hall: As a result of centralisation.

Hon. G. FRASER: No, more as a result of the port getting that which is due to it.

Hon. H. Stewart: And much that is not due to it.

Hon. G. FRASER: I do not think so. I trust that the Chief Secretary will give the House some information on this point.

HON. C. H. WITTENOOM (South-East) [7.33]: I support the second reading. My chief complaint has already been voiced by Mr. Stewart with regard to the Cranbrook-Boyup Brook railway. I am sorry nothing has been set aside for that line which will pass through such an important part of the country. I also regret that again Albany has not been considered. Fremantle and Geraldton are both mentioned, but Albany has been left severely alone. About six months ago the Minister for Agriculture visited Albany, and the urgency of deepening one side of our town jetty was explained to him. At present the water is only deep enough for comparatively small ships. A small amount of dredging alongside the jetty, and some deepening at the end, would make the jetty available for large ships. We were expecting some work of this nature to be done. The years go by and nothing is ever done. The Government seem to forget that Albany is an important port, and has received some of the largest ships that come to Australia. We think a few thousand pounds should have been set aside for the general improvement of the port and for some additions to the harbour.

HON. H. J. YELLAND (East) [7.34]: I cannot let the second reading pass without making some remarks upon the Bill. I will not touch upon anything parochial. In dealing with a Bill of this kind one has to be guided by the purpose for which the schedules are set out. Moneys borrowed by Governments should, in almost all instances, be devoted to developmental work. So long as the money is spent on reproductive undertakings there can be no harm in increasing to the fullest the borrowing capacity of the State. Although it may not pay to extend our railways to begin with, it is certainly a wise course to take because it means further development. Some of the railways referred to by previous speakers have been left out altogether. I cannot remain silent when I see that such urgent works have been overlooked. Our public works have been of great assistance in developing the State, and I am glad to see that provision has been made for carrying some of these on. It is necessary for the Government to carry out, as far as possible, a decentralisation programme. Reference has been made to the development of various harbours. Nothing has been said as to what will be done with Esperance. By the development of a large area between Esperance and the goldfields we are endeavouring to open it up for wheat growing and stock raising purposes. Owing to the freight these settlers will have to pay, it will be impossible for them to make a success of their undertakings unless some outlet is provided for them by water near the coast at Esperance. The time is ripe for the development of this country. It must be opened up by means of water supplies, roads and railways. I fail to find any provision for this in the Bill, and very much regret that the Government have done nothing in this respect. In the first schedule reference is made to water supplies and a stock route for which £15,000 has been set apart, and for water supplies for the agricultural and North-West districts, including drainage and irrigation, £120,000. I should like the Minister to advise us how much of the money received under the migration scheme is likely to be utilised under these headings. I notice that the capital of the Agricultural Bank is to be increased by £600,000 under the first schedule and by £306,000 under the third schedule. I wish to express my pleasure that the extension of the agricultural industry through the Agricultural Bank has not been lost sight of. With regard to the reclamation works along the river foreshore in Perth, we recognise that the City Council is assuming a certain amount of the responsibility. I should like the Minister to tell us how much the Government propose to spend each year on this work, for how many years it will be continued, and whether the money will come out of revenue or loan account. Under the heading of "other undertakings" in the third schedule, a certain amount has been set aside for State enterprises. The State Brickworks are to receive £5,000, I presume for developmental purposes. The Metropolitan Market Trust, the Pardelup Prison Farm, the State Sawmills and the State Quarries are also to receive a fair

proportion of the loan money. I should like the Minister to tell us in what direction it is intended to use this money. Is it designed to add to the working capital or to increase the plant? The House is entitled to know how the money will be spent. I support the second reading of the Bill.

On motion by Chief Secretary, debate adjourned.

BILL—LAND AGENTS.

Assembly's Message.

Message from the Assembly received and read notifying that it had agreed to amendments Nos. 1, 2, 4, 6, and 9, made by the Council, had agreed to Nos. 3 and 12 subject to further amendments, and had disagreed to Nos. 5, 7, 8, 10, and 11 for the reasons set forth in the schedule annexed.

BILL—COMPANIES ACT AMENDMENT.

In Committee.

Hon. J. Cornell in the Chair: Hon. H. Stewart in charge of the Bill.

Clauses 1, 2 —agreed to.

Clause 3—Memorandum and Articles of Association of co-operative companies:

Hon. H. STEWART: I move an amendment—

That in paragraph (a) after "in," in line 2, the words "respect of" be inserted.

The Bill was drafted by the Solicitor-General and subsequently passed another place. In this House Mr. Nicholson raised certain points that were investigated by the co-operative companies' solicitor and he has framed certain amendments to safeguard the position of the companies, and generally to carry out the objects of the Bill. The one I have just moved is the first of the series.

Amendment put and passed.

Hon. H. STEWART: I move an amendment—

That the following new paragraph be inserted to stand as paragraph (b):—"Before declaring a dividend out of the profits for the then last financial year of the company, the directors may in their discretion provide for the payment of a dividend upon the shares held by shareholders during any one or more of the three preceding financial years in respect of which no dividend has been declared: Provided that such dividend shall be payable to the persons registered as the owners of such shares at the date of the declaration of such dividend."

The Articles of Association at present provide for a cumulative dividend which shall not exceed 7 per cent. per annum. In inserting paragraph (a) the cumulative effect on the existing Articles of Association was not preserved. The object of the amendment is to provide the payment of a dividend of three preceding years in respect of which no dividend was declared. As the Bill stands it was possible to go back many years. The amendment has been adopted as a compromise and will meet the position of the various societies that are in the co-operative federation.

Hon. E. ROSE: I cannot see the necessity for the amendment because if there are any profits at all they are divided pro rata amongst the shareholders. As for going back three years, that will have the effect of complicating matters. I do not see the need to go back over any period. As the clause is worded, it seems to me to be sufficient.

Hon. A. LOVEKIN: I do not profess to understand this clause, but it seems to me that as it stands it will open the door to suspicious conduct. It is likely that persons who for two, three or four years have not received any dividends, to become squeezed out of the companies, and after they have disposed of their shares a retrospective dividend may be declared. The clause really wants to be closely examined. Perhaps the hon. member in charge of the Bill will explain that position.

Mr. NICHOLSON: I did raise some question in connection with the Bill when it was before us at an earlier stage. I discussed the matter with Mr. Stewart and I had a further discussion with the solicitors for those interested in the measure, and the amendments appearing on the Notice Paper are really the results of that discussion. It was pointed out to me that in many instances the Articles of Association of co-operative concerns have some provision for cumulative dividends just in the same way as an ordinary company often has in regard to the payment of dividends on preference shares. Those dividends on preference shares are frequently made cumulative, as Mr. Lovekin will appreciate.

Hon. G. W. Miles: That is a different proposition from ordinary shares.

Hon. J. NICHOLSON: But there are no preferences so far as these societies are concerned. As the law stands regarding cumulative dividends, it is this: if a dividend is not paid in one year the result of the cumulative provision is that when a company has sufficient money dividends can then be paid. It is possible to go back almost any length of time, but it is realised that these concerns are co-operative, and the suggestion has been made that a limit should be placed on the period of years; consequently three years has been stipulated in the clause. The law also provides that the shareholder on the register is entitled to these dividends, and to make the position clear it seemed desirable to insert a provision so that it should be there in black and white and that it should be known to whom the dividend had to be paid. The position feared by Mr. Lovekin would apply even in the case of preference shares, because the person whose name was on the register at the time of the declaration of the dividend would be the person entitled to receive the dividend. In this case, instead of making it compulsory, the matter is left entirely to the discretion of the society; it is permissive. The clause is fair and will meet the position of those particular societies working under this scheme.

The HONORARY MINISTER: I support the amendment. The co-operative movement in this State is comprised chiefly of farmers who have to depend in the main on the proceeds of one crop a year and who are not possessed of money week by week as are clients of industrial co-operative societies. Consequently co-operative companies and societies have to give credit sometimes for long periods, and it has happened on several occasions that, if interest had been paid on the capital or dividends declared or bonuses distributed, there would have been insufficient capital left to give such credit. The amendment would make it possible for the directors to defer a dividend and to fulfil the functions of a co-operative society in further catering for the requirements of shareholders. In some instances there might be a danger, but I believe that even at present it would be possible for a co-operative company to pay dividends for an indefinite period, whereas the amendment would limit the period to three years.

Hon. A. LOVEKIN: The companies contemplated are not the usual speculative companies, but are composed of farmers and others, and it would be quite easy for some unscrupulous shareholders to defer the payment of dividends for some years until other shareholders had been compelled to sell their shares.

Hon. H. Stewart: There is a limit to the number they can hold.

Hon. A. LOVEKIN: I am dealing with the principle. If shareholders were forced to sell, they would obtain only a small price for their shares by reason of the fact that no dividend had been paid for three or four years. Then it might be discovered that there was money enough to pay the back dividends. I am not suggesting that anyone is dishonest, but such loopholes should not be left. The dividend should have been paid to the persons who held the shares at the time the dividend might have been paid but for some reason was not paid. I move—

That the amendment be amended by striking out the proviso.

Hon. J. NICHOLSON: The very danger to which Mr. Lovekin has referred has been guarded against in the amendment. The shareholdder participates, not only in dividends that might be declared, but in bonuses on his purchases from the society. If a company were wisely run as a co-operative concern and there were funds available for distribution, a dividend would be declared at the end of each financial year, but it would be limited to a certain amount. If no dividend were declared, the amendment would limit the period for which provision might be made for accumulated dividends to three years, instead of leaving it indefinite. The proviso should be retained. If it were struck out, it would not matter because, under the ordinary law, the shareholder on the register at the time of the declaration of the dividend is entitled to the dividend. What applies to an ordinary company would apply to a co-operative company.

Hon. H. J. Yelland: Then the proviso is superfluous?

Hon. J. NICHOLSON: It may be said to be superfluous. Such companies are being conducted by men not versed in the legal position, and it was deemed wise to insert the proviso and make it clear that the party en-

titled to the dividend was the one registered at the date of the declaration of the dividend.

Hon. G. W. MILES: If in 1926 a co-operative company made a profit, but could not declare a dividend on the ground that the money was required to carry on the business, the holders of shares in that year should be entitled to the dividend subsequently declared. I agree with Mr. Lovekin that the proviso should be deleted.

Hon. J. Nicholson: The shareholder would be so entitled without this proviso.

Hon. G. W. MILES: If this paragraph were inserted, he would not be. I want to see the original holder of the shares protected.

Hon. J. Nicholson: There might be difficulty in tracing him.

Hon. G. W. MILES: No. The records in the books would be available.

Hon. H. STEWART: If it were possible under the law to do what Mr. Lovekin and Mr. Miles and I, and also the co-operative companies, would like to see done, the back dividends of, say, 1926 should be paid to the shareholders of 1926. However, the best legal brains in Perth have discussed the matter for a week; and the result is this paragraph, together with the proviso. The deletion of the proviso means the repeal of the existing law on the point, as stated by legal authorities. The Companies Act ought not to be amended in an important respect merely to meet the new position now under review. The proviso, according to the legal authorities, simply restates the existing law. The Bill in effect seeks to bring about that co-operative companies shall be protected from non-co-operative companies using the term "co-operative." Then, co-operative shares, no matter how valuable, are never saleable at a premium; and the Bill provides that when co-operative shares are thrown on the market, the co-operative company may repurchase them at face value, in order to prevent their being sacrificed. The third object of the Bill is to ensure that when a dividend has been arranged for, all surplus profits shall be distributed among the shareholders on the basis of the business each of them has done with the company.

Hon. A. LOVEKIN: We can alter or modify the Companies Act, and we have done so by this Bill. I refer to Clause 4, which provides that a co-operative company may purchase its own shares. It is quite competent for us to insert in this measure any amendment of the principal Act.

Hon. J. Nicholson: Yes; we can amend the principal Act as much as we like.

Hon. A. LOVEKIN: Some poor unfortunate shareholders may be squeezed out, and my object in seeking to get rid of the proviso is, if possible, to protect them. The amendment without the proviso seems to afford protection which the Companies Act does not give. The person whose money has been invested three or four years back, and whose money has earned the dividend, is the person who should receive the dividend. The clause appears to be quite explicit without the proviso. It protects the small man, and prevents the abuse of a co-operative company getting into the hands of a few men who squeeze the other shareholders out. The proviso is inconsistent with the preceding portion of the paragraph. The Minister makes a point of the limitation of the company's power to purchase its own shares. The hon. gentleman interjected that the company was limited as to the number of shares to be purchased. There are limitations only to the extent that they cannot purchase more than 20 per cent. in one year. That means that in five years an unscrupulous person could gradually take up the shares at a discount.

The Honorary Minister: Are you sure about the 20 per cent.? The Bill refers to one-twentieth part.

Hon. A. LOVEKIN: Perhaps my point is not quite good, seeing that it will take 20 years, but still what I suggest could be done to a limited extent. I have no objection to the company buying shares of a holder who has died and paying for them the price at which they were bought. What I object to is the possibility of the small holders being crushed out and the concern getting into the hands of a few men through the withholding of dividends.

Hon. E. H. GRAY: Mr. Lovekin's trouble is that he is looking at the clause from a company point of view, instead of from the standpoint of the co-operative movement. Until I discussed the amendments I thought they would lead to confusion, as apparently Mr. Lovekin does. The basic principle of co-operation is cash, and on that basis huge businesses in the Old Country have been built up. As that does not apply in Western Australia to such a large extent, inducements

must be held out to people to invest their capital in co-operative companies. When that point is taken into consideration, it places a different complexion altogether on the matter. As I read the amendment it will enable those concerned to offer some inducement to others to put their money into co-operative concerns and keep it there. In my opinion the point raised by Mr. Lovekin as to the interests of the small shareholders being sacrificed has no substance. A man who has to leave a district and desires to dispose of his shares, will receive much better treatment under the co-operative system than he would if his shares were in an ordinary company. I can see no objection to the proviso. I have discussed the amendments with people who have taken an active interest in the co-operative movement, and I have been assured that they are necessary.

Hon. J. NICHOLSON: Mr. Lovekin has overlooked an important point. He has moved to strike out the proviso, but I have explained that I suggested adding the words for the sake of simplicity.

Hon. A. Lovekin: But the proviso is a complete negation of the first part of the amendment.

Hon. J. NICHOLSON: It is not a negation by any means. I suggest that the hon. member read the amendment again.

Hon. G. Fraser: He has read it as he did the 20 per cent.!

Hon J. NICHOLSON: Should Mr. Lovekin buy shares, I presume he will take it for granted that the shares he buys are his property and carry with them the ordinary rights attaching to such a transaction.

Hon. A. Lovekin: I am not challenging that.

Hon. J. NICHOLSON: In connection with co-operative concerns, a man may have to leave a district. He may find that the only remaining assets to be disposed of are his shares in the local co-operative company, and no buyers may be available. Does Mr. Lovekin suggest that those concerned shall hang about until a lapse of three days, in order to find out who are entitled to them?

Hon. A. Lovekin: Is not a register kept?

Hon. J. NICHOLSON: Yes, and a record of addresses as they then existed.

Hon. H. Stewart: Should such a man die, how would it be possible to find out who were the executors of the deceased person so many years afterwards?

Hon. J. NICHOLSON: Of course. Mr. Lovekin will merely create great difficulties to accomplish nothing at all.

Hon. A. Lovekin: You are not meeting the point I raised.

Hon. J. NICHOLSON: If we strike out the proviso it will not assist as much as a snap of the fingers.

Hon. A. Lovekin: But is not the proviso the very opposite of the words preceding it?

Hon. J. NICHOLSON: Nothing of the sort; the hon. member has misconstrued the language of the amendment. The only way the hon. member could accomplish what he desires would be, having struck out the proviso, to insert another setting out that the dividends that may have been declared in any of the preceding three years shall be paid to the person then registered as the owner.

Hon. A. Lovekin: That is what the first part of the amendment says.

Hon. J. NICHOLSON: It does nothing of the sort. If the hon. member achieved his object and purchased shares, he might claim the dividends declared in previous years but would find that he was in trouble. There is another way of getting out of the difficulty and that is by purchasing the shares cum. dividends. What object would be achieved if we agreed to the hon. member's amendment? It would be folly, and would only make the position more difficult for the men who have been carrying the burden of the day in those co-operative concerns. I am going to suggest that we let the clause go as it stands. I have pointed out exactly what the position is.

Hon. H. Stewart: And yours is not the only legal opinion on the matter.

Hon. J. NICHOLSON: It is not my opinion at all. I went in there to oppose, not to advise. And I will continue to oppose anything I think is not right.

Hon. A. LOVEKIN: The hon. member has been dancing all around the subject. I, being only a newspaper man, always want to get at the kernel as quickly as I can. Let the hon. member look at the proposed amendment as it stands. In the first part persons who, during any one or more of the three preceding years, have held shares on which no divided has been paid may receive payment of the dividends in the discretion of the directors. That is clear. Then it is provided that such dividends shall be payable to the person regis-

tered as the owners of such shares at the date of the declaration of such dividend. Those two parts of the one paragraph are in contradiction one of the other. How can the hon. member justify that drafting?

Hon. J. NICHOLSON: If the hon. member will examine those two paragraphs more closely, he will find there is no direction given for payment of a dividend to the shareholders. All that is authorised is that the directors may, in their discretion, provide for the payment of a dividend. The hon. member is wrong in his interpretation.

Hon. G. FRASER: I place an entirely different interpretation upon the words "shares held by shareholders." In all companies there are many shares not taken up. It appears to me that "shares held by shareholders" means issued shares.

Hon. J. Nicholson: That is right.

Hon. G. FRASER: Then it is clear that what is meant is shares issued. The first portion of the proposed new paragraph means shares held by shareholders and, later, provision is made for payment to the persons who held the shares at the date of the declaration of such dividend. I agree with Mr. Nicholson that the whole thing is quite in order. Mr. Lovekin wants the dividends to be paid to the shareholders of two or three years ago. But should those persons have left the country, what becomes of the dividends?

Hon. H. Stewart: They will remain in the hands of the company.

Hon. G. FRASER: That is unsatisfactory. It would be far better to say straight out that the dividends shall be paid to shareholders holding the shares at the present time.

Hon. G. W. MILES: I want to see the proposed amendment amended in this way: let the paragraph stand, down to "shares" in the penultimate line, and then let the words be added "provided such dividends shall be payable to persons registered as owners of such shares in the year or years in respect of which such dividend or dividends shall be declared."

Hon. J. Nicholson: That would knock out the whole thing.

Hon. G. W. MILES: Well I am going to attempt to amend it in my own way. I move an amendment on the amendment—

That the words "at the date of the declaration of such dividend," in the last two lines of the amendment, be struck out, and "in the year or years in respect of which such dividend be declared" be inserted in lieu.

The CHAIRMAN: Already we have an amendment on the amendment, and the Standing Orders do not permit of our going any further in that direction. So I cannot accept Mr. Miles's proposed amendment on the amendment.

Amendment on the amendment put and negatived.

Hon. G. W. MILES: Perhaps my amendment on the amendment can now be taken.

The CHAIRMAN: The Standing Orders provide that when the Committee has resolved that certain words be not struck out, they cannot be struck out in the same Committee. The Committee has already resolved that the words Mr. Miles wishes to have struck out shall not be struck out.

Amendment put and passed.

Hon. H. STEWART: I move an amendment—

That in lines 1 and 2 of paragraph (b) the words "after setting aside necessary reserves" be struck out, and the following inserted in lieu:—"in any year in which a dividend for such year shall be declared after setting aside to the credit of any reserve fund, as may from time to time be authorised by the memorandum or articles of association of the company."

Under this, after the payment of surplus profits and of dividends allowable, and the authorising of any profit reserve, all other surplus moneys have to be distributed, either in proportion to the business done or to the profits made by members of the company.

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

Clause 4—Power to purchase shares:

Hon H. STEWART: I move an amendment—

That in line 2, after the word "its." the words "memorandum or" be inserted.

Hon. A. LOVEKIN: Should not the amendment read, "memorandum and." The Companies Act provides that the memorandum shall set forth the objects of the company, one of which will be the purchase of its shares. Such a provision in the articles of association is of no value. It must appear in the memorandum.

Hon. J. NICHOLSON: My first intention was to oppose this clause. It is a departure

from a recognised principle in company law. Courts are disinclined to recognise the right of any company to buy its own shares. They have pointed out that any company which buys its own shares is doing something illegal. It is reducing its capital by a means other than that stipulated in the Act. I was, however, informed of the difficulties these co-operative companies have in many cases to contend with. It happens frequently that the shareholders are unable to find buyers for their shares, especially in the country districts, and they may therefore suffer some hardships.

The Honorary Minister: As a rule there is no market for them.

Hon. J. NICHOLSON: I recognise, therefore, it would be necessary to take some such statutory power as this. I objected to the clause in the form in which it was printed, as a result of which these amendments have been put upon the Notice Paper. The companies will be able to purchase only a small proportion of the shares. We are not, therefore, violating materially the principles to which I have referred. Companies have taken power in the memoranda to buy their shares, but it has been held by the court that even so they are not allowed to do it. It is better to leave the amendment as it is. The alteration of a memorandum under the Act is sometimes attended by a good deal of expense. People may omit within the prescribed time to make the alterations, and may therefore be put to expense in order to effect it. I therefore agreed to the words "memorandum or."

Hon. A. LOVEKIN: The hon. member knows that a provision such as this is ultra vires. There have been dozens of cases to show that. The memorandum governs the articles. If the words were put into the memorandum it would be justifiable to put them in the articles as well. The amendment should therefore read, "memorandum and."

Hon. J. NICHOLSON: These companies have a hard road to hoe, and I do not wish them to be put to more expense than is necessary. If we give them statutory power to do this either by memorandum or articles, it does not matter whether the words appear in the one document or the other.

Amendment put and passed.

Hon. H. STEWART: I move an amendment—

That in lines 4 and 5 the words "in any year" be struck out, and "and not sold or disposed of" inserted in lieu; and that in line 5, after the word "not," the words "at any time." be inserted.

These amendments will make the clause more definite and give authority to do that which is not now permitted. The clause as it came to us was faulty.

Amendment put and passed.

Hon. H. STEWART: I move an amendment—

That the following proviso be added:—"Provided that such shares shall not be deemed to be cancelled nor to be a reduction of capital, but may be sold or disposed of by the company in accordance with the provisions of its articles of association."

Hon. A. LOVEKIN: This is a departure from the Companies Act. It is another negation of fact. When a company buys its own shares it is reducing its capital by an indirect and illegal method. Members are now trying to make this procedure a legal one.

Hon. J. NICHOLSON: All these questions have been very fully discussed.

Hon. H. Stewart: No one was more apprehensive than your good self. It applies simply to one particular class of company.

Hon. J. NICHOLSON: Hon. members would have been impressed, as I was, with the necessity for this clause. I assure the Committee it was essential to include it. If these words had been omitted, it would have meant that the shares could not have been issued again. The idea was to enable the company, out of its capital, to buy these shares and, as soon as the opportunity presented itself, the company could re-issue the shares and then, to preserve the shares as issuable shares, it was essential to insert the proviso, so that the shares should not be deemed to be cancelled. If the words were not included, the shares would automatically become part of the company and could not be re-issued. This position is as nearly as possible similar to that of forfeited shares. The company just buys the shares to re-issue them.

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

Clause 5—Existing companies may register within a year without fees, etc.:

Hon. H. STEWART: I move an amendment—

That the following be inserted at the end of the clause:—"From and after the date that any such society shall become registered under the principal Act, as amended by this Act, then the registration thereof under the Co-operative and Provident Societies Act, 1903, shall be annulled or cancelled and the rights, duties, or obligations of such society under such last-mentioned Act shall cease without prejudice to any subsisting right or claim by or against the society. Every society not already registered under the principal Act shall file with its application a memorandum and articles prepared in accordance with that Act, and comply with such provisions thereof as the Registrar under that Act may require."

This is the outcome of much consideration on the part of those interested in the Bill.

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

Clause 6—Existing company may alter its memorandum and articles of association to comply with this Act:

Hon. H. STEWART: I move the following amendments:—

That in line 3 "that" be struck out, and "which" inserted in lieu; in line 5, after the word "may," there be inserted "without being required to make any application or present any petition to the court in that behalf, as required under the principal Act"; in the same line strike out "and," and insert "or" in lieu thereof; in line 6 insert "special" before "resolution"; in line 7 strike out "special" before "meeting," and insert "general"; in the same line, after "society," insert "and every such special resolution shall be forwarded to and filed or recorded by the registrar in terms of the provisions of the principal Act."

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

Clause 7—Distribution of reserves and of assets on winding up:

Hon. H. STEWART: I move an amendment—

That all words after "due," in line 6, be struck out, and the following inserted in lieu: —"and any other moneys to which he may be then entitled under paragraph (c) of Section 3."

This amendment is necessary because of the amendments made to Clause 3 with regard to the payment of dividends.

Amendment put and passed.

Hon. H. STEWART: I move an amendment—

That in line 2 of Subclause 2 after "its," the word "nett" be inserted.

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

Clauses 8, 9,—agreed to.

Title—agreed to.

Bill reported with amendments.

BILL — MINER'S PHTHISIS ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. W. H. Kitson—West) [9.30] in moving the second reading said: This Bill is necessary on account of representations made to the Government by the Audit Department and also a ruling given by the Solicitor-General to the effect that we have been paying quite a number of men under the Miner's Phthisis Act whom we were not entitled to pay. It is necessary to legalise the position and make sure that the Act will cover the men we intended it to cover when the measure was introduced. As the Act stands it applies only to a man employed on, in or about a mine at the commencement of the Act, which was proclaimed on the 7th September, 1925, or within three months prior to that date; in other words, between the 7th June and the 7th September, 1925. It provided for such persons as were employed on a mine at the time they were examined and reported to be suffering from tuberculosis. It was never understood that it would be restricted to the men who were employed during that period and, as a matter of fact, the Government have paid two men who were employed prior to the 7th of June. The Audit Department having discovered this flaw in the Act and the Solicitor General having supported the Audit Department's contention, it has become necessary to amend the Act.

Hon. E. H. Harris: They have been three years discovering it.

The HONORARY MINISTER: The discovery was made only quite recently, but apparently there was ground for the contention.

Hon. E. H. Harris: Will it not be necessary to put through a validating Bill?

The HONORARY MINISTER: Not that I am aware of.

Hon. H. Stewart: The Government have not validated the State insurance business.

The HONORARY MINISTER: If a man had been employed on a mine for 20 years or more but had ceased to work owing to illness or for any other reason on the 6th June, 1925, and resumed work in the mine on the 8th September of the same year, and then several years later was still employed on the same mine, was examined and found to be suffering from tuberculosis, he would not, according to the legal interpretation be entitled to compensation, although his employment could be prohibited. Again, a man who was employed between the 7th June and the 7th September, 1925, would not be entitled to compensation if he were subsequently thrown out of work owing to the closing down of the mine, sickness or any other cause and while out of work was examined and found to be suffering from T.B., notwithstanding that he may have contracted the disease before he left the last mine on which he had been employed. That would put him in a very unfair position. Similarly, any person who obtained a medical certificate that he was free from T.B., as required by Regulations 6a to 6d. of the Mines Regulation Act, 1906, and secured employment on a mine would not be entitled to compensation if in any subsequent examination, perhaps years later and while still employed on the mine, he was found to be suffering from T.B., although his employment in the mines could and would be prohibited under the regulations referred to.

Hon. J. Cornell: Many a man left the mines because he read the Act correctly.

The HONORARY MINISTER: I would not be surprised if that were so.

Hon. J. Cornell: I am sure of it.

The HONORARY MINISTER: The hon. member is more closely associated with the industry than I am.

Hon. J. Cornell: Men interpreted the Act correctly and left the mines.

The HONORARY MINISTER: Section 8, Subsection 7, of the Act provides that whenever a medical officer appointed under the Act reports that a person engaged in mining operations has so developed symptoms of miner's phthisis, uncomplicated by tuberculosis, as to indicate that further employment in a mine may be detrimental to his future health, the Minister shall, by notice in the prescribed form, notify such person accordingly. After every examination, therefore, such persons are notified and some of them accept the advice given them and in the interests of their health seek other employment, but when their new employment ceases and they are unable to obtain other suitable employment and desire to return to the mines to earn a living, it is necessary to obtain a certificate before they can be so employed. The certificate required is to the effect that they are free from T.B., but if upon examination it is found that they have developed T.B., they are debarred from obtaining employment in a mine and are not entitled to compensation, although the seeds of the disease may have been sown before they left the mine. That also is a very unfair position for the men to be placed in. From what I have said it will be realised that to administer the Act within the restricted legal interpretation would inflict great hardship on quite a number of men, and the Government have administered the Act as applying to any person who was employed on a mine on or after the 7th June, 1925, and to any such person who within 12 months of the date of his last employment in a mine was re-examined and reported to be suffering from tuberculosis. The period of 12 months will bring this law into line with the Workers' Compensation Act. That is desirable.

Hon. E. H. Harris: Can you tell us in what way it would be inflicting a hardship?

The HONORARY MINISTER: It must be patent to the hon. member that a hardship would be inflicted on a man who had been accustomed to mining all his life, if he was to be debarred as described.

Hon. E. H. Harris: That does not make it clear.

The HONORARY MINISTER: I think it is clear; I have given three or four instances. The hon. member is associated with the mining industry and might have been expected to understand what I have been speaking about.

Hon. E. H. Harris: I know what you have been speaking about, but you have not made it clear.

The HONORARY MINISTER: The hon. member may make it clear when he speaks or, if he desires further information, it can be given in Committee.

Hon. J. Cornell: The trouble is that the Act gives too much to T.B. men and not enough to silicotic men.

The HONORARY MINISTER: The amendments proposed in Clauses 2 and 3 of the Bill will legalise the actions of the

Government. I do not think any member will raise any serious objection to them. The Act, as it stands, applies to persons suffering from tuberculosis only. A man suffering from miner's phthisis complicated by tuberculosis, whose employment may be prohibited, is not entitled to compensation, although such a man if he were incapacitated would have a claim under the Workers' Compensation Act.

Hon J. Cornell: If silicotic, and T.B. supervened, would he not be entitled to compensation under the Act?

The HONORARY MINISTER: Apparently not.

Hon J. Cornell: That is ridiculous.

The HONORARY MINISTER: The Government have been paying such men, but under the interpretation given, they were not entitled to receive compensation.

Hon. J. Cornell: If a man is found on examination to be suffering from silicosis and T.B. supervenes, he is not entitled to compensation as a T.B. case?

The HONORARY MINISTER: A man so employed might be prohibited from working in a mine, but he is not entitled to compensation under the Miner's Phthisis Act, although he would have a claim under the Third Schedule of the Workers' Compensation Act.

Hon. J. Cornell: He should be entitled to compensation by reason of having contracted T.B.

The HONORARY MINISTER: The Government consider that the position is unreasonable because a man suffering from T.B. plus an industrial disease would receive less in compensation than a man suffering from T.B. only. It was therefore decided to prohibit working in a mine and compensate under the Miner's Phthisis Act any man reported to be suffering from tuberculosis whether he was suffering from tuberculosis only or miner's phthisis complicated by tuberculosis. Section 9, Subsections 4c and 4d of the Act read—

> 4c. A person whose name is registered shall not have any right to compensation under this section if such person is or becomes entitled to receive compensation under Section 7 of the Workers' Compensation Act, 1912-24.
>
> 4d. The dependants of a person whose name is registered shall not, in the case of his death, have any right to compenation under this section if such dependants are entitled to receive compensation under Section 7 of the Workers' Compensation Act, 1912-24.

I direct attention to two words in those subsections, namely, "registered" and "entitled." The significance of those words will become more apparent when the Bill reaches the Committee stage, if it is necessary that additional details should be given. Therefore, in accordance with those two clauses, if a man suffering from miner's phthisis plus tuberculosis is prohibited from employment in a mine, and if he claims compensation under the Workers' Compensation Act, both he and his dependants are debarred from compensation under the Miner's Phthisis Act, which provides that if a person or his dependants are entitled to receive compensation under the Workers' Compensation Act, they shall not have any right to compensation under the Miner's Phthisis Act.

Hon. E. H. Harris: In effect it says that he cannot get compensation under both Acts.

The HONORARY MINISTER: No; and he is not entitled to get it under both Acts. The proposed amendment of Section 4c will, however, entitle a man suffering from miner's phthisis plus tuberculosis, and prohibited from employment, to receive compensation under the Miner's Phthisis Act, and will also entitle his dependants to compensation. If he or his dependants, however, should apply for and receive compensation under the Workers' Compensation Act, then any compensation payable under the Miner's Phthisis Act will cease and will not be payable.

Hon. J. Cornell: It is somewhat complicated, but I can see the object sought.

The HONORARY MINISTER: When I first went through the Bill I thought it was somewhat complicated; but after having discussed the matter with those who know more about it in a personal way than I do, I am convinced that there is really nothing complicated in the Bill, except by reason of the legal interpretation which has been placed on this legislation. When one understands all the circumstances associated with the Miner's Phthisis Act and the Workers' Compensation Act, the matter is comparatively simple. I can well understand, however, that persons not associated with the industry have some difficulty in understanding the position unless it is explained to them. The remaining clause of the Bill deals with Government and workmen's inspectors.

Hon. J. Cornell: That provision is quite all right. It should have been in from the beginning.

The HONORARY MINISTER: We desire to ensure that Government and workmen's inspectors are brought within the scope of the compensating measures. It is claimed on behalf of the inspectors that they have to go into the mines every day, and are associated with the miners, who undergo examination and are entitled to compensation under the Miner's Phthisis Act. If the inspectors encounter the same risks as the miners, they are logically entitled to any privileges or rights which the miners themselves have.

Hon. J. Cornell: That is the South African law.

Hon. E. H. Harris: Do the Government not have the inspectors insured now under the Workers' Compensation Act as Government employees?

The HONORARY MINISTER: Certainly. Every man employed is so insured.

Hon. E. H. Harris: Then the inspectors would come under both the Workers' Compensation Act and the Miner's Phthisis Act.

The HONORARY MINISTER: No. The hon. member interjecting knows quite well that it would be impossible for them to receive the benefit of both Acts.

Hon. E. H. Harris: You have them insured under the Workers' Compensation Act, and this Bill entitles them to compensation under the Miner's Phthisis Act. So they will get both.

The HONORARY MINISTER: I hope the hon. member is not trying to cloud the issue, or make the matter appear more complicated than it really is.

Hon. E. H. Harris: Certainly not.

The HONORARY MINISTER: I have already explained that the object of the amendment is to bring inspectors employed in the mines into the same position as the miners themselves are in. If a miner is entitled to compensation by reason of having developed miner's phthisis, whether complicated by tuberculosis or not, then the inspector should be placed in the same position; and this amendment will effect that.

Hon. J. Cornell: This is nothing new. It is merely belated.

The HONORARY MINISTER: As Mr. Cornell has pointed out, it was originally intended that the inspectors should be within the scope of the Act. Unfortunately, however, they were not mentioned in it. We desire to rectify that omission by this amendment. I do not know that I need say more on the subject of this Bill. There are hon. members who have been more closely associated with the industry than I have, and who probably know the subject from a personal standpoint. I sincerely hope those hon. member will give the measure their whole-hearted support. I move—

That the Bill be now read a second time.

On motion by Hon. J. Cornell, debate adjourned.

BILL—MENTAL DEFICIENCY.

In Committee.

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clauses 1, 2, 3—agreed to.

Clause 4—Interpretation:

Hon. A. LOVEKIN: I move an amendment—

That in the definition of "Examining authority" the words "a clinical" be struck out, and "an examining" inserted in lieu.

The Tasmanian Act, from which this Bill is taken, is in accordance with the amendment. We have at present a clinical psychologist, Miss Stoneman, who is to be one of the examiners. That I do not regard as right. The examination is of great importance to many people, since they may be segregated as feeble-minded; and there should be an examining psychologist or psychiatrist, instead of a clinical psychologist.

The HONORARY MINISTER: I sincerely hope the amendment will not be carried. Mr. Lovekin apparently suggests that an examining psychologist would have higher qualifications than a clinical psychologist. The very reverse is the case. We should not necessarily include the Tasmanian definition in this Bill. An examining psychologist in most cases would be competent to deal with only one phase of the subject. The present practice, particularly in Britain, is that the clinical psychologist shall be the person responsible for the most important duties pertaining to the administration of such measures as this. The London University, for example, demands of students of psychology preparing for work under the Mental Deficiency Act of Great Britain, that they shall have clinical training and experience; and that is quite apart from anyone who may be called upon to

do the examining. I am advised that what the Bill proposes is necessary if a complete psychological examination is to be made. The amendment, I consider, represents a great mistake. Briefly, a clinical psychologist is a psychologist who has had training and experience in a psychological clinic. That is only my own explanation of the term. Now I shall give a definition furnished by Louis E. Bisch, M.D., Ph.D., who I understand is a world-renowned authority.

Hon. A. J. H. Saw: Is he an American?

The HONORARY MINISTER: Yes. He writes—

> Too many persons who are trained as psychological experimenters, and whose knowledge of medical science is nil, are posing as clinical psychologists without warrant . . . . Clinical psychology is what the words imply—psychology based upon clinical experience. No person should consider himself a qualified clinical psychologist who has not had some medical training, nor should a physician qualify as such who lacks training in psychology. That a psychologist may to best advantage work in conjunction with a physician goes without saying—yet even the physician should be versed in abnormal psychological processes (psychiatry), a study much neglected in the average medical school curriculum.

The English Act has been in operation for a good many more years than the Tasmanian Act, and we find that to be a clinical psychologist, every student who proposes to work under the Mental Deficiency Act there must also have a clinical training and experience. There is a wide difference between an examining psychologist and a clinical psychologist, and the Committee would make a mistake if they agreed to the amendment. I have had copies of the annual report of the State Psychological Clinic circulated amongst members.

Hon. J. Nicholson: It has just now been tabled!

The HONORARY MINISTER: That report has been before hon. members for 12 months! I have had copies supplied to enable hon. members to refresh their memories, and to follow what I wish to say. I direct the attention of hon. members to the diagram appearing opposite page 12, as indicating what is required in connection with psychological examinations. Examining psychologists deal with what are known as intelligence tests, and usually do not go beyond that. The diagram will show the other phases that are dealt with by a clinical psychologist. If hon. members study that diagram they will realise that the psychologist who will be entrusted with the responsibility of directing operations under the Act must at least be capable of dealing with the whole of the phases indicated. I would ask Mr. Lovekin: Who are the examining psychologists in Western Australia at present?

Hon. A. Lovekin: I suppose you can get one. You are not bound to Perth where the subject is new.

The HONORARY MINISTER: The hon. member is desirous of including "examining psychologist," the term used in the Tasmanian Act. We have in this State, so far as I know, only one clinical psychologist, and I do not know whether we have what the hon. member would term an "examining psychologist."

Hon. A. Lovekin: Perhaps the University could give you some information on that point.

The HONORARY MINISTER: Our present psychologist is a lecturer at the University. She holds the highest possible qualifications in this science. She has attended clinics, not only in Great Britain and America, but on the Continent as well. I understand there are very few clinical psychologists who hold higher qualifications than those possessed by the State Psychologist. As a matter of fact, her work and her reports are to-day quoted in most of the books and reports on this subject throughout the world, more particularly by the authorities in the Old Country.

Hon. A. Lovekin: That shows how new the subject is.

The HONORARY MINISTER: The English Act came into operation in 1913 and there has been a considerable advance in the science since then. Surely it will not be argued that because this is new to Western Australia we should not do as the Government suggest!

Hon. A. J. H. SAW: I do not agree with either Mr. Lovekin or the Honorary Minister. I do not know why it is necessary to include either "examining" or "clinical." If we leave the word "clinical" out and retain merely "psychologist approved by the board," the ground will be covered.

Hon. A. Lovekin: I agree with that.

Hon. A. J. H. SAW: So far as I can understand, "clinical psychologist" is not a term recognised by universities in the Old Country in connection with the granting of diplomas or degree in psychology.

The Honorary Minister: The hon. member is mistaken.

Hon. A. J. H. SAW: My authority is Dr. Fowler, who came from London just recently, and made a statement in a letter that he wrote to the "West Australian."

Hon. H. Stewart: Is Dr. Fowler the lecturer at the University?

Hon. A. J. H. SAW: Yes, he is the lecturer.

Hon. H. Stewart: Has he superseded Miss Stoneman?

Hon. A. J. H. SAW: I understand Miss Stoneman is a part-time lecturer, whereas Dr. Fowler is now the lecturer. I need hardly point out that there is nothing personal in these remarks. I do not want for one moment to praise Dr. Fowler or disparage Miss Stoneman.

Members: Certainly not.

Hon. A. LOVEKIN: I am in accord with what Dr. Saw has said and I will ask leave to withdraw my amendment.

The CHAIRMAN: The hon. member need not do that; he can let his amendment stand and strike out the word "clinical."

Hon. A. LOVEKIN: I will do that.

The HONORARY MINISTER: I again urge that the word "clinical" be retained. I have pointed out that the use of the word in association with "psychologist" indicates that the person concerned has had medical training and experience, as well as experience in a clinic. I do not wish to draw comparisons between individuals, but I think the gentleman mentioned by Dr. Saw would probably be one of the first to admit that there is a wide difference between his qualifications and those of the State Psychologist, from a psychological point of view. If the amendment be agreed to, we will place the whole matter in the hands of the board, and in its discretion the board may appoint a psychologist who may, or may not, have had training necessary to enable him to deal with all the work outlined in the Bill.

Hon. H. STEWART: Having heard the Honorary Minister's remarks, I am inclined to think that I would prefer to have a psychologist appointed who was approved by the board.

Hon. A. J. H. SAW: The Honorary Minister's explanation carried its own condemnation. He says on the one hand that the only clinical psychologist we have is Miss Stoneman, and if Miss Stoneman should go away, or be ill or on leave, there will be nobody at all to carry out the work. It is necessary that anybody undertaking this work should have had experience in a clinic, but I do not think it necessary that we should insert in the Bill a term which, according to the authority I have quoted, is not a recognised term at the British universities.

The HONORARY MINISTER: The provision is that there shall be one legally qualified medical practitioner in conjunction with a clinical psychologist approved by the board. While it may be all right for a member to suggest that he would rather have a psychologist appointed by the board than one appointed by the Government, it must not be thought that our present psychologist will be our psychologist for all time. In any event, it is a question, not of individuals, but of qualifications. Dr. Saw says that "clinical" is not recognised by British universities, but I am advised that it is so recognised. Consequently I suggest there is more in this term than perhaps Dr. Saw appreciates, and that we must take a little notice of what is required of a clinical psychologist as a member of the board.

Hon. J. Nicholson: Would not the board protect themselves in this regard?

The HONORARY MINISTER: Yes, I think they would try to get the best possible person to fill the position. On the other hand, we find there is quite a number of things that the psychologist will require to take into consideration; so I suggest that unless we did have a clinical psychologist who was capable of taking all these matters into consideration and coming to a proper determination, we would be running a risk of not doing the best we could.

Amendment put and passed.

Hon. A. LOVEKIN: We have here an interpretation of "guardian." Evidence before the select committee showed that in the later clauses of the Bill it is not quite clear whether "guardian" is intended to be the legal guardian or the natural guardian. The point seems to have been overlooked that there is this interpretation in the clause, and that therefore the interpretation must apply throughout the Bill. I suggest that the Minister takes an opportunity to look at those later clauses, bearing in mind this interpretation of "guardian." I move an amendment—

That in lines 7 and 8 of the definition of "guardian," the words "and the defective had been under the age of 14 years" be struck out.

I see no reason for that limitation of age. In this Bill dealing with defectives we should say simply "defective" and leave the board to deal with that defective, whatever age he may be. It is not in accord with the Criminal Code and the Child Welfare Act. I shall be glad to hear reasons for making the age 14 years.

The HONORARY MINISTER: I know of no reason for the age of 14 in this definition. Perhaps it would be better to defer further consideration pending inquiry.

Hon. A. LOVEKIN: To facilitate inquiry by the Honorary Minister, I ask leave to withdraw the amendment. I would point out that age limitations appear throughout the Bill.

Hon. J. NICHOLSON: When the Honorary Minister is considering the point raised by Mr. Lovekin, will he take into account the provisions of Clause 6, which seem to indicate other ages?

Amendment, by leave, withdrawn.

Hon. A. LOVEKIN: The definition of "intoxicant" is limited to suplying liquor within the meaning of the Licensing Act. The Tasmanian Act includes any sedative, narcotic, stimulant drug or preparation. I think it advisable to include those words in this measure. I move an amendment—

That in the definition of "intoxicant," the following words be added:—"and any sedative, narcotic or stimulant drug or preparation."

A lot of drugs, dopes and other things are sold and might be given quite as easily as liquor to a feeble-minded person. No harm could be done by inserting the words.

The HONORARY MINISTER: There is no objection to the amendment, but the drugs mentioned are controlled by the Drugs Act.

Amendment put and passed.

Hon. A. LOVEKIN: I move an amendment—

That after "resident," in the definition of "judicial authority" the words "or special" be inserted.

The definition would then cover the special magistrate of the Children's Court, who has more to do with the feeble-minded than has any other magistrate.

The HONORARY MINISTER: I have no objection to the amendment.

Amendment put and passed.

Hon. H. SEDDON: The definition of "judicial authority" refers to "any justices specially appointed for the purpose of this Act." That seems rather wide.

Hon. A. Lovekin: I think it is intended to cover the judicial authority under the measure.

The HONORARY MINISTER: When special justices are appointed under the measure they will need to have the power prescribed under the definition.

Hon. A. LOVEKIN: Under a later provision a justice is provided for, not justices. Perhaps the Minister will also consider that point. In the definition of "mental deficiency" the age of 18 years is mentioned. I should like the Minister to explain why different ages are inserted.

The HONORARY MINISTER: There is a reason for the inclusion of different ages. Mental disorder or derangement that occurs after the age of full development is not mental deficiency as defined in this Bill. It is intended under this measure to deal only with persons who have been mentally deficient from birth or from early years. Anyone who develops mental deficiency after attaining full development at 18 years of age, is not a mental deficient within the meaning of the Bill.

Hon. A. J. H. SAW: I have made inquiries upon this matter from my medical friends. The explanation they give is similar to that of the Minister. The brain is supposed to have attained full development at the age of 18. If mental deficiency occurs after that age, the cases are provided for under the Lunacy Act. I think the inclusion of the age is warranted.

Hon. A. LOVEKIN: Dr. Saw has given good reason for eliminating the age. It should not be necessary to say that someone aged 18 can come under the Bill, and that someone three months older must come under the Lunacy Act. The mental deficiency may be the same in both cases. It is better for the department that it should not be tied down to any particular age.

Hon. H. J. Yelland: There must be a line of demarcation.

Hon. A. LOVEKIN: The defect is a defect at any age. For the present I will let the matter rest.

The HONORARY MINISTER: I should like to quote from the evidence placed before the select committee. The chairman asked the State Psychologist whether the words "before 18 years" should be deleted. She replied that this would be unwise. The

words were inserted after consideration and on the definite advice of Dr. Tredgold, the chairman of the central association for the care of mental deficients. He had suggested a definite definition somewhat in the following terms:—"Mental defectiveness means a condition of incomplete or arrested development of mind whether innate or induced after birth, but before the age of 18 years, by disease or injury."

Hon. A. Lovekin: That evades the point.

The HONORARY MINISTER: Then the chairman of the select committee put the same question to Dr. Crisp, who replied that the age of 18 was reckoned as that at which intellectual development stopped. Any backwardness which developed at the age of 18 was not what was regarded as mental deficiency. It was something which had definitely occurred after full intellectual development. Anything that developed after 18 would not arrest intellectual development, because nothing more took place along those lines.

Hon. A. Lovekin: I do not think Dr. Saw would agree with that.

The HONORARY MINISTER: The evidence justifies the wording of this definition. It would be foolish to go outside it.

Hon. A. LOVEKIN: I am sure no one will agree with the latter part of the evidence given by Dr. Crisp on this point. Dr. Treadgold also evades the question. Might not diseases occur at the age of 18 to affect the mentality of the person? The department should be given full scope to deal with mental deficiency at any age. Sometime ago 10 very prominent medical men met in England, and took the view that defectiveness might appear at any time.

Hon. A. J. H. SAW: If we start with the definition, that it is a condition of arrested or incomplete development of mind, the word "eighteen" consequently follows.

Clause, as amended, agreed to.

Clause 5—Definition of defective:

Hon. A. LOVEKIN: I do not wish to trouble the Committee with small amendments, but in the definition of "Place of safety" I consider the words "other than a police station" should be struck out.

The CHAIRMAN: The hon. member's remarks refer to Clause 4. The question as regards Clause 4 has been put to the Committee and carried.

Hon. A. LOVEKIN: I understood you, Sir, to put the clause again. If it has been carried, I shall ask for a recommittal. I now desire to draw attention to the wording of Clause 5, which says, "The following classes of persons who are mentally defective shall be deemed to be defective."

The HONORARY MINISTER: "Deemed to be defective within the meaning of this Act."

Hon. H. Seddon: Should not the question of moral defectives be dealt with in the Criminal Code rather than in this Bill?

The HONORARY MINISTER: A person such as those whom Mr. Seddon has in mind must be mentally deficient within the meaning of the Bill before he or she can be certified. I fail to see how the definition of moral defective can be improved. On the second reading the hon. member expressed a fear that persons might be dragged under this measure simply because they were drunkards or gamblers. A drunken person would not be examined for the purposes of this measure while he was under the influence of drink. In each definition the same words are used—"mental defectiveness."

Hon. H. SEDDON: It would be interesting to know whether the habitual gambler to the detriment of his family, or the habitual drunkard to the detriment of himself and his family, is not a mental defective? Further, should persons who are really criminals be dealt with in this Bill?

Hon. A. J. H. SAW: Mr. Seddon overlooks the fact that a definition of "mental defective" is provided. Only when that condition occurs in conjunction with certain immoralities or moral lapses can the person be regarded as a moral defective under the Bill.

Clause put and passed.

Clause 6—Circumstances rendering defectives subject to be dealt with:

Hon. A. LOVEKIN: In order to give greater elasticity to the department in dealing with feeble-minded defectives, I move an amendment—

That in Subclause 1, paragraph (a), the following be struck out:—"if he is an idiot or imbecile, or at the instance of his parent if, though not an idiot or an imbecile, he is under the age of twenty-one."

The parent or guardian, under the clause as it stands, must assent even if the person, in addition to being defective, is liable to a criminal charge or to committal to an insti-

tution. The parent or guardian would not be likely to assent. This matter should be left to the department. That course would avoid difficulties involved in Subclause 2 of this clause.

The HONORARY MINISTER: I do not see the need for the amendment. The Bill has received a great deal of thought at the hands of various authorities, and consideration has been given to the wording of the Tasmanian and British Acts. Having given full consideration to the question, I suggest the Committee would make a mistake if they did as the hon. member suggested. The Bill is all-embracing in regard to its various provisions, and if we delete portion of the clause as suggested we may find it necessary to delete other parts as well. I urge the Committee not to amend the clause.

Hon. A. LOVEKIN: In view of the Honorary Minister's references to the Tasmanian Act, there may have been an omission on the part of the Tasmanian Parliament.

The Honorary Minister: I did not say that; I said the authorities had compared the two measures.

Hon. A. LOVEKIN: I think the clause is the same as the section in the Tasmanian Act. The whole clause provides for sending defectives to institutions or placing them under guardianship. In one case the defective, in consequence of the report of a parent or guardian, may be sent to an institution. If a person has been found guilty of a criminal offence, and the words I propose to strike out are left in, the parents or guardians must give their consent before the action suggested can be taken. Surely we do not want that.

Hon. A. J. H. Saw: But that provision does not apply to Subclause 2, but only to Clause 7.

Hon. A. LOVEKIN: I cannot follow the hon. member; I am dealing with Clause 6.

Hon. A. J. H. Saw: I know, but paragraph (b) contains the words "as is mentioned in the next following section." That means Clause 7.

Hon. A. LOVEKIN: I suppose it does.

Hon. A. J. H. Saw: Then that places it in a different category altogether.

Hon. A. LOVEKIN: I think the two depend upon each other. If a man were a criminal as well as a defective, the consent of the parent or guardian would have to be obtained.

Hon. A. J. H. SAW: I cannot follow Mr. Lovekin in his interpretation. Regarding Subclause 2, there is some doubt as to the method by which a person is to be sent to or placed in an institution. It is provided in Subclause 1 (a) that it shall be at the instance of parent or guardian, and (b) that it shall be at the instance of the chairman of the board. But in Subclause 2 nothing is said of the means to be taken to place him in that institution. I do not agree with Mr. Lovekin that paragraph (b) of Subclause 1 applies to Subclause 2. We might ask the Minister to look into the point I have raised and see at whose instance a person is to be placed in an institution.

The HONORARY MINISTER: The Bill does provide a method by which those people shall be placed in an institution. In no case can they be so placed unless they are first certified, and go before the judicial authority. There is another clause giving the method to be adopted. It seems to me this Subclause 2 of Clause 6 is all embracing, and that the same procedure that would be adopted in other cases would have to be adopted in this case. But it would not require the consent of the parent or guardian, as suggested by Mr. Lovekin.

Hon. A. J. H. Saw: No, I do not think it does.

Amendment put and negatived.

Clause put and passed.

Clause 7.—Notice to be given to the chairman of the board:

Hon. A. LOVEKIN: In paragraph (iv.) the age comes in again. I suggest to the Minister that he leaves out the definite age of 16 years and makes it "or at a greater age." It must be remembered that at plenty of our schools there are to be found pupils of 18 years and over.

The HONORARY MINISTER: The ages mentioned here have been inserted after due consideration and after consultation with the Director of Education, who, of course, has charge of all public schools.

Hon. A. LOVEKIN: But are we not going to deal with mental deficients in private schools as well as those in public schools? If we were to strike out "sixteen years" and insert in lieu thereof "or at a greater age" it would cover all the defectives at school. The Director of Education has control of the Modern School.

Hon. A. J. H. Saw: There are not many mental deficients at the Modern School. It

would be a poor lookout for the State if there were.

Hon. A. LOVEKIN: I can testify something to the contrary. Only a little while ago a boy was expelled from that school for an act that showed mental deficiency. I move an amendment—

That in line 3 of paragraph iv., "sixteen years" be struck out, and "or at a greater age" inserted in lieu.

The HONORARY MINISTER: I hope the amendment will not be pressed. I will put up the hon. member's suggestion to the Director of Education, and if there is no reason why the amendment should not be agreed to I will give the hon. member another chance to move it.

Hon. A. LOVEKIN: I will accept the Minister's statement and ask leave to withdraw my amendment. At the same time I draw attention to paragraph (c) of the same clause bearing a reference to a medical practitioner and a child under the age of six years. How would he come to be dealing with a child six years of age? Perhaps Dr. Saw could enlighten us.

Hon. A. J. H. Saw: I assume that so young a child would be under treatment by the medical practitioner before going to school.

Amendment, by leave, withdrawn.

Clause put and passed.

Clause 8—Power to deal with defectives at instance of parent, guardian or chairman of board:

Hon. A. LOVEKIN: In subclause 3 it is provided that no defective shall be placed in an institution or under guardianship unless he is certified to be a defective under this Act. We should prescribe who is going to certify him. I move an amendment—

That after "certified," in line 2 of Subclause 3, the words "by the chairman of the board" be inserted.

The HONORARY MINISTER: The board will have nothing whatever to do with certifying, but will merely authorise the disposal of cases after they have been certified by the examining authority.

Hon. A. LOVEKIN: I will withdraw my amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clause 9—Power to deal with defectives otherwise than at instance of parent, guardian or chairman of board:

Hon. A. LOVEKIN: Paragraph (c) prescribes that under an order of the Minister, in the case of a defective detained in a prison or mental diseases hospital, etc. Should we not make that, "hospital for the sick"? I move an amendment—

That in lines 2 and 3 of paragraph (c), "mental diseases hospital" be struck out, and "hospital for the sick" inserted in lieu.

The HONORARY MINISTER: I cannot agree to the amendment, because under it a defective in a hospital for the sick would not be in a fit condition to be subject to a psychological examination.

Hon. A. LOVEKIN: Would you allow a defective in the public hospital to recover from his illness and leave the hospital and then try to catch him afterwards? Similarly, would you allow a defective in a prison to be released, and the go and look for him?

The HONORARY MINISTER: There is no analogy in that. A person admitted to a hospital because of sickness is not in a fit condition to be psychologically examined. Yet such an examination would be necessary before he could be declared a mental deficient under the Act. It is only right that he should leave the hospital before the examination is made.

Hon. A. LOVEKIN: I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clause 10—Examination of defectives:

On motion by Hon. A. Lovekin, clause consequentially amended by striking out "a clinical" and inserting "an examining" in lieu.

Clause, as amended, agreed to.

Clauses 11 to 14—agreed to.

Clause 15—Director of the clinic, assistants, and other officers:

Hon. A. LOVEKIN: I move an amendment—

That all the words after "The" be struck out, and the following inserted in lieu:—"Governor may, for the purposes of the clinic, appoint or terminate the appointment of a director of the clinic and such assistants and officers as he may deem necessary."

As the clause stands, it is mandatory that the State Psychologist shall be the director of the clinic. That is a statutory appointment for life. Section 34 of the Interpretation Act sets forth that where there is power of appointment there is power to revoke the appointment or suspend or remove the person from office, but it provides further that nothing in this section shall affect the tenure of any officer under the express or implied provisions of any statute. I am sorry that a lady is concerned; I intend no reflection on her. I am dealing with a principle. I object to any civil servant being appointed by statute and especially in the matter of psychology, which is an uncertain and almost uncertain science, still in its infancy. The amendment will not affect Miss Stoneman's position.

The HONORARY MINISTER: I oppose the amendment. The State Psychologist has directed the clinic since 1926. She was appointed under the Public Service Act, just as any other officer in the service. I am advised that the position is not as stated by the hon. member, but that her services could be terminated, just as could those of any other appointee.

Hon. A. Lovekin: Although she may be under the Public Service Act at the moment, we are asked not to make it a statutory appointment.

The HONORARY MINISTER: If the hon. member is afraid of the State Psychologist being appointed for life, would he approve of the clause if it were altered to read that whoever is State Psychologist shall also be director of the clinic?

Hon. A. LOVEKIN: I would be agreeable to something like that, but it will have to be moved on recommittal. I ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Hon. H. SEDDON: I suggest that as so many clauses have been postponed, and the Committee is such a thin one, the Honorary Minister ought to report progress.

Hon. E. H. Gray: There are several members outside.

Clause put and passed.

Clauses 16 to 20—agreed to.

Clause 21—Procedure on hearing petitions:

Hon. A. LOVEKIN: I move an amendment—

That in line 11 after the word "relates," the words "or the relative or the guardian of such person" be inserted.

The person to whom the petition relates will be an imbecile. He would not know whether it would be to his interests to have the hearing in public or in private. For that reason he should be accompanied by some person who can assist him.

The HONORARY MINISTER: The wording of this clause follows that of the Imperial and Tasmanian Acts. The clause is acceptable to the legal authorities as it stands.

Hon. A. LOVEKIN: These unfortunate persons ought to have the assistance of some person who is interested in them. I cannot see the objection to the amendment.

Hon. A. J. H. SAW: I can see no objecton to the amendment. It is important that a parent or guardian of the imbecile person should have the privilege of saying whether the inquiry should be held in public or otherwise.

The HONORARY MINISTER: The clause is strictly in accordance with existing legislation, and has proved satisfactory.

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

Clause 22—agreed to.

Clause 23—Procedure in cases of persons guilty of offences:

Hon. A. LOVEKIN: I move an amendment—

That in Subclause 6, line 2, after the word "police" the words "resident or special" be inserted.

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

Clause 24—agreed to.

Progress reported.

House adjourned at 11.28 p.m.