

to all children in the State. In some instances children were 30 or 40 miles from the nearest school, and were therefore destitute of education. Half-time travelling teachers should be appointed for such places. It appeared there was not one school in the Pilbarra district, and in Mt. Magnet were many little centres where the number of children was insufficient to secure a school. Even half-a-dozen scholars should be provided with a teacher, and none would object to the expense. After primary education had been attended to, we could turn our attention to the higher education.

Question (that the vote do stand as printed) put and passed.

This completed the Treasury Department Estimates.

Progress reported, and leave given to sit again.

PAPER PRESENTED.

By THE PREMIER: Report of the Perth Public Hospital Board for 1906.

ADJOURNMENT OF HOUSE

(AFTER LONGEST SITTING ON RECORD IN W.A.)

THE PREMIER moved that the House do now adjourn.

MR. DAGLISH: The Premier should show some consideration to those who had sat here for the last 31 hours in order that the Government might pass the Treasurer's Estimates. Adjourn till 7:30 instead of 4:30 to-morrow. Some of us had not slept at all during the last 40 hours.

MR. BATH, though agreeing to adjourn till 4:30, was willing to acquiesce in the other suggestion.

THE PREMIER altered the proposal to 7:30.

Question put and passed.

The House adjourned accordingly at three minutes to 12 o'clock (midnight), until Thursday evening.

Legislative Council,

Wednesday, 7th November, 1906.

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THE PRESIDENT took the Chair at 4:30 o'clock p.m.

PRAYERS.

BILL—BOAT LICENSING ACT AMENDMENT.

IN COMMITTEE.

Clauses 1, 2—agreed to.

Clause 3—Amendment of Section 6:

THE COLONIAL SECRETARY moved an amendment—

That all the words after "inserting" be struck out, and the following inserted in lieu: "After the words 'passengers and goods' in line 3, the words 'or to ply for hire or to be held for hire'; and by inserting after the word 'fees' in line 18, 'prescribed by regulations under this Act or until such regulations are made, the fees'—"

The object of the amendment was to make the clause more clear. Not only should boats plying for hire but boats held for hire be licensed. Certain fees were fixed in the Act, and until regulations were made, these fees would be charged; but when new regulations were framed, the fees there named would be the fees to be charged.

HON. R. LAURIE: The definition of "steamer" in the principal Act was a vessel driven by steam. Did the Colonial Secretary intend to deal with the words "or other motive power"?

THE COLONIAL SECRETARY: That had been dealt with in Clause 2.

HON. R. LAURIE: Did the Colonial Secretary intend to make provision for vessels not held for hire?

THE COLONIAL SECRETARY: The amendment would cover such vessels.

Amendment passed; the clause as amended agreed to.

Clauses 4, 5, 6—agreed to.

Clause 7—Board may inquire into charges of incompetency or misconduct of licensees :

HON. G. RANDELL: Was there any power of appeal? We were giving the licensing board full power, and there should be some means of appealing to a higher court in cases of miscarriage of justice on their part.

THE COLONIAL SECRETARY was not quite clear that there was a power of appeal. He did not think there would be under this clause.

Clause put and passed.

Clause 8—Regulations :

THE COLONIAL SECRETARY moved an amendment—

That after the word "boats," in line 1, Subclause 1, the words "employed in carrying goods or passengers, or goods and passengers for reward, or" be inserted.

Supposing a steamer like the "Decoy" or some other of the steamers on the river took a lot of passengers from one side of the river to the other, the Parliamentary Draftsman was of opinion that although they carried passengers it might be held that they were not plying for hire. This amendment was moved so that there should be no doubt that such vessels should come within the scope of the regulations.

HON. G. RANDELL: That meant it would embrace yachts.

THE COLONIAL SECRETARY: The reason for putting in the words "goods and passengers" was this. A man might carry his own goods, and it would hardly be held that he was carrying them for reward, and one could scarcely say that a man with a private yacht having some people on board could be deemed to be carrying passengers.

HON. G. RANDELL: From some words uttered by Captain Laurie during the second reading, one came to the conclusion it was intended that the Bill should apply to all classes of boats.

THE COLONIAL SECRETARY: No. A suggestion was thrown out by him (the Minister), but it was not in the Bill.

Amendment passed, and a consequential amendment made in Subclause 2, "steamer" being inserted.

THE COLONIAL SECRETARY moved an amendment—

That the word "licensed" in Subclause 9 be struck out.

The original Act was passed in 1878, and there were no less than four amendments. It was the intention of the Government to introduce a consolidating measure next session; but they recognised the urgency of this matter. If the word "licensed" were left in, the licensing board would only have power to prescribe the lights that a licensed steamer would have to carry. It was only right that such provision should apply to privately owned steamers, yachts, or launches, as well as to the licensed ones. They should be amenable to the rule of the river and carry the necessary lights.

Amendment passed, also a consequential amendment in Subclause 10.

Subclause 13 amended by inserting "steamer."

Subclause 16 amended by inserting at the beginning the words "Notwithstanding anything contained in the principal Act to the contrary—," certain penalties in the principal Act thus applying until regulations were made.

Clause as amended agreed to.

Clause 9—agreed to.

New Clause—Amendment of Section 8:

THE COLONIAL SECRETARY moved that the following be added as Clause 5:—

Section eight of the principal Act is amended by inserting after the words "license, the fee," in line 14, the words "prescribed by regulations made under this Act, and until such regulations are made, the license fee—."

The same explanation applied to this amendment as to the other. Certain license fees were set forth in the schedule of the principal Act. It was proposed to make all these fees by regulation, but in case the regulations should not be made covering fees, the fees set forth in the Act should apply. When the regulations were made, the fees set forth in them would apply.

Question passed, the clause inserted.

Title—agreed to.

Bill reported with amendments; the report adopted.

BILL—MUNICIPAL CORPORATIONS.

CONSOLIDATION AND AMENDMENT.

IN COMMITTEE.

Clauses 1 to 5—agreed to.

Clause 6—Interpretation :

HON. G. RANDELL: In line 5 appeared the words "ewes, wethers, rams." Was there any necessity to use all those definitions? Did not the word "sheep" cover them all? He knew that the words were in the present Act, but they seemed perfectly unnecessary. He moved an amendment—

That the words "ewes, wethers, rams," be struck out.

THE COLONIAL SECRETARY: The words seemed superfluous, but did no harm.

Amendment put and passed.

HON. T. F. O. BRIMAGE moved an amendment—

That the words "or road" be inserted after "municipal," in the definition of "outlying district."

HON. R. D. MCKENZIE: The amendment was needed so that municipalities might take any land immediately adjoining their own boundaries. The Kalgoorlie Roads Board acted as a municipality in the territory between Kalgoorlie and Boulder, and resented an attempt to extend a municipal boundary.

THE COLONIAL SECRETARY opposed the amendment. Before any roads board district could now be included in a municipality, a majority of the roads board ratepayers must sign a petition. The definition would avoid the need for a petition. A more comprehensive amendment was required. The Leonora municipality, desiring to extend its boundaries to take in a strip of land for a tramway to Gwalia, experienced great difficulty because on this strip were no ratepayers, and a majority petition was therefore unobtainable. After much trouble the difficulty was overcome. If necessary, the matter would be dealt with on recommitment.

HON. T. F. O. BRIMAGE: When a municipality desired to take in part of the district of a roads board doing municipal work, some consideration should be shown the board. Without the amendment the board could be overridden by the Government.

Amendment put and negatived.

HON. G. RANDELL intended to move that all words after "wood," in line 2 of the definition of "pave," be struck out. Rates were constantly becoming higher, and it was unfair to charge property-owners for defective footpaths made from gravel, metal siftings, and shell. Footpaths were for the general public, though a durable footpath might beautify the adjoining premises. Town councils should not overload ratepayers, else these would remove to adjoining suburbs where rates were lighter. The provision as printed was in the existing Act, but was erratically enforced, some owners being charged for footpaths while others went free. The rates or the loan fund should bear the expense. Some footpaths were 15 feet wide and others six or seven feet. The property-owner would be required to pay half the cost of the footpath, a much heavier price in one case than in the other. Footpaths on the goldfields in some instances were 30 feet wide, and it was unreasonable to ask an owner to pay for the making of 15 feet of footpath. Many of the footpaths in Perth were made so badly that within the course of 12 months they had to be required or remade. He moved an amendment—

That in the interpretation of "pave" the words "gravel, metal siftings, shell, or any other material not being sand which the council deems it expedient to use for such purpose" be struck out, and the following inserted in lieu, "or other material of like nature which the council deem it expedient to use for such purpose."

THE COLONIAL SECRETARY: This definition was in the present Act, and had been in the Municipal Act since 1900. There might be special cases where a locality was built up quickly, and it was fair and just that the owner should pay a portion of the expense for the making of a gravel footpath.

HON. R. F. SHOLL: The object of the interpretation was to allow municipalities to charge one-half the cost of the footpath, but owners should not be charged for gravelling. He intended to move that the clause dealing with paving be struck out, because all improvements to footpaths, such as paving, should be paid for out of municipal rates. The other day he received a notice from the Perth council asking for the payment

of half the cost of asphaltting certain footpaths in Hay Street and St. George's Terrace. A resolution of the council had been passed that only one-third of the cost should be claimed, and when he wrote and pointed this out he received a reply that the resolution to charge one-third of the cost was passed subsequently to the asphaltting of the footpaths in question having been decided upon. People who owned valuable sites paid high rates, therefore the cost of making the footpaths in front of those properties should be paid out of the funds of the municipality.

HON. E. M. CLARKE: At first he was in favour of striking the clause out, but on second consideration he thought the interpretation should be included because it might be necessary in some cases to define what a footpath was.

HON. R. LAURIE: If the amendment were carried we should be rather defeating the object Mr. Randell had in view. His idea was to reduce the cost to the owner. Under the Act a council had power to compel the owner of property to make a footway, and if the word "gravel" were struck out it would mean that the council could call on the owner to pay for asphalt or some such expensive material used in making a footpath. The interpretation should be left as it appeared.

HON. J. W. WRIGHT: Let "permanent nature" be put instead of "like nature."

HON. G. RANDELL: None of them were permanent.

HON. W. MALEY: A council might frequently come to the ratepayer for construction of a footpath in front of certain property.

HON. G. RANDELL: The council could not go a second time.

HON. W. MALEY: They would go a second time, because he had known them do so. Certain material might be used to form a footpath. A few months later new members might have different views and require a gravel footpath, and later on other members might require some fresh change. We had seen a kaleidoscopic change in regard to St. George's Terrace and Mount Street.

HON. C. SOMMERS: The interpretation clause was all right, but when we came to Clause 278 dealing with the making of footpaths we could strike out that part which made ratepayers contribute towards

the expenditure. He did not see why adjacent owners should be made to contribute. A path was not made for their benefit only.

HON. W. T. LOTON: The point raised seemed to be whether gravel, metal siftings, or shell would constitute the paving of a footpath. In his opinion a footpath would not be paved if gravel, metal siftings, or shell were put down. The question of who should pay would have to come subsequently. A footpath should be durable. So far as the municipality of Perth was concerned, he did not say it was the case at the present moment, but it had been the practice to call upon ratepayers to pay half the cost of gravel footpaths or half the cost of asphalt footpaths. If these words were struck out, it would not prevent any council from laying down a gravel footpath at the cost of the council. There was nothing to prevent people from saying, "If we lay down a path you will pay half the cost of it?"

THE COLONIAL SECRETARY: This clause was purely a definition clause. The object of Mr. Randell would be served by moving an amendment to Clause 278. If the present amendment were carried it would be interfering unnecessarily with the definition clause, and Mr. Randell's object would not be altogether met unless an alteration was also made in Clause 278.

HON. G. RANDELL: If we began to alter Clause 278 we should have to reconstruct the whole clause, unless we took out this definition. What he proposed was a simpler way of doing what was desired, and it would inflict no injury on the council or ratepayers.

HON. R. LAURIE: Striking out the present definition would mean that a good gravel footpath was not a fair footpath. If Mr. Randell desired to carry out what he had expressed, the better plan would be to move the addition of a proviso to Clause 278, to the effect that the clause should not apply to footpaths constructed of gravel or other material mentioned in the interpretation clause.

HON. W. MALEY: Property might be called upon to contribute every time a change of programme was made by any municipality. If an owner was required to pay for a footpath, such footpath should be a permanent one. It might be

reasonable to call on the owner of property to contribute half the cost of a footpath that would last 10 years.

HON. T. F. O. BRIMAGE intended to support the amendment. Where a municipal council made footpaths, especially gravel ones, the least it could do was to pay for them out of the rates.

THE COLONIAL SECRETARY: Probably the words "pave, paved, and paving" were used dozens of times in the Bill, and this amendment was one of those which if passed would make the Bill unworkable. He asked Mr. Randall to withdraw the amendment. The hon. member could achieve his object by inserting words in Clause 278, which would, if the Committee so desired, prevent a council from charging half the cost of a gravel path.

HON. J. W. WRIGHT moved—

That the clause be postponed till after the consideration of Clause 517.

Motion put and negatived.

HON. G. RANDELL: Clauses 278 and 279 were the only clauses affected by the amendment, and they simply compelled payment when the council had made a footpath. Being fully conversant with municipal law, he knew the addition of the words "gravel, shell, and metal siftings" was quite recent.

HON. W. PATRICK opposed the amendment. The wider the definition of "paving" the better, for the definition had worked well. Goldfields municipalities generally charged the owner half the cost of permanent footpaths, but not for those of more fragile materials. The amendment might induce councils to construct permanent pavements where they were not required.

HON. T. F. O. BRIMAGE: Councils should collect sufficient rates to construct ordinary footpaths, but where permanent pavements were needed the owners should pay half the cost.

HON. J. W. LANGSFORD opposed the amendment. Otherwise, why not strike out "asphalt," which was not so durable as flags or other stones? This was a question of degree. The amendment would affect Clause 280, providing for the removal of pavements.

HON. W. T. LOTON: No; the amendment provided simply that gravel, metal siftings, and shell were not paving, and

must be constructed at the councils' expense.

HON. V. HAMERSLEY: The definition was the same in the parent Act. Had it worked harshly?

THE COLONIAL SECRETARY: Apparently not.

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

Ayes	...	...	...	10
Noes	...	...	...	10
A tie ...				0

AYES.
Hon. H. Briggs
Hon. T. F. O. Brimage
Hon. C. E. Dempster
Hon. J. W. Hackett
Hon. W. T. Loton
Hon. W. Maley
Hon. G. Randall
Hon. R. F. Sholl
Hon. J. W. Wright
Hon. V. Hamersley
(Teller).

NOES.
Hon. E. M. Clarke
Hon. J. D. Connolly
Hon. J. M. Drew
Hon. S. J. Haynes
Hon. R. Laurie
Hon. R. D. McKenzie
Hon. W. Patrick
Hon. C. A. Piesse
Hon. C. Sommers
Hon. J. W. Langsford
(Teller).

The voting being equal, the Chairman declared his casting vote with the Noes, to afford opportunity for farther consideration.

Amendment thus negatived.

HON. R. D. MCKENZIE moved an amendment—

That all the words after "district," in the definition of "roads district," be struck out, and "district under the local government of a roads board" be inserted in lieu.

The printed definition limited the term to those boards only which were constituted under the Roads Act, 1902, and excluded boards constituted prior to January 1903, when that Act came into operation. The Colonial Secretary might say whether that was so.

THE COLONIAL SECRETARY: The clause was much better as printed. The Act of 1902 repealed the previous Acts, and a roads district would be a district under the Roads Act of 1902, that being the only Roads Act in force.

HON. T. F. O. BRIMAGE: There was good reason for the amendment. Such an alteration would exclude boards constituted prior to 1902.

HON. C. SOMMERS: It might be clearer if it were stated that a roads district meant a district under the local government of a roads board.

HON. W. MALEY: This seemed to be a mare's nest. The definition was quite sufficient to cover any existing roads district.

HON. R. D. MCKENZIE: Would the Colonial Secretary inform the Committee if all roads boards were under the Act of 1902?

THE COLONIAL SECRETARY: Certainly, there was no other Act.

HON. R. D. MCKENZIE: That being so he asked leave to withdraw his amendment.

Amendment by leave withdrawn.

HON. J. W. WRIGHT: The definition of "street" included thoroughfares over 66 feet wide and less than 66 feet wide.

THE COLONIAL SECRETARY: At present no road or street within a municipality was deemed to be a road or street unless 66 feet in width. Occasionally it was necessary to bring in small Bills to meet certain cases. The latter portion of the clause gave a municipal council power to declare any street less than 66 feet wide to be a street.

HON. E. M. CLARKE: According to the Colonial Secretary a council could define what a street was. It would be better if a thoroughfare less than 66 feet wide was called a right-of-way. An action might lie against a person for an act done in a street. It would only be necessary for the person interested to get a municipal council to declare the thoroughfare a street, and the action would succeed or fail as the case might be.

HON. J. W. LANGSFORD: This definition involved a farther clause of the Bill, which provided that councils could take over streets of a lesser width than 66 feet, and might declare such to be streets. Permission should be given to councils to take over streets less than 66 feet, because it was unfair to collect rates from properties abutting on roads which had not been taken over.

HON. T. F. O. BRIMAGE: What was the definition of "roads board," as it was not defined in the Bill? A roads board was mentioned in several clauses of the measure. Roads boards were not treated with that respect in this measure which they had a right to.

THE COLONIAL SECRETARY: The reason no Roads Bill was brought down this session was that in 1902 an Act was passed which had been a good and workable measure. There was no necessity to describe what a roads board was, as it was included in the Roads Act of 1902.

Clause as amended agreed to.

Clause 7—Sundays, holidays, etc.:

HON. R. D. MCKENZIE moved an amendment—

That in line 4 the word "business" be struck out, and the words "which is not a bank or public holiday" be inserted in lieu.

He thought members would see the advisability of inserting the words suggested.

THE COLONIAL SECRETARY did not know that the hon. member had advanced sufficient reasons why we should interfere with this clause, which was taken from the 1905 Act. We might very well leave it as it stood. It had acted very well in the past.

Amendment negatived; the clause passed.

Clauses 8, 9, 10—agreed to.

Clause 11—Power of Governor to constitute municipalities:

HON. W. MALEY: This was a new departure from the previous Act. The good things of the Act had apparently been left out and the bad ones put in. To give power to constitute any portion of Western Australia a municipality was a very large order. He moved an amendment—

That after the word "Australia" in line 1 of Subclause 1, the words "containing an area not exceeding ten square miles" be inserted.

HON. J. W. LANGSFORD: Canning was asking for 16.

HON. W. MALEY: It could be made 16, but his proposal was 10.

THE COLONIAL SECRETARY did not see any great objection to the amendment, but at the same time he thought it altogether unnecessary. It was not likely that a new municipality would apply for an area of anything like ten square miles. A district thickly populated would be a municipality long before that.

HON. W. MALEY: Such a limitation was in the Local Authorities Act in force in Victoria at present.

THE COLONIAL SECRETARY: The Victorian Act covered roads boards and shire councils.

HON. W. MALEY: In that Act the limitation was not ten square miles, but the provision was that no point

should be farther from another point than six miles, so that there would be no rival interests springing up and interfering with towns. If we limited the area to 10 miles, that would give plenty of latitude for the experimental legislation now being introduced.

HON. R. F. SHOLL: Apparently there should be a limit. If there were a municipality not having a revenue of £750, the council might take in a lot of country which they would not otherwise include in order to obtain that amount. Ten square miles of country was a great lump.

HON. W. MALEY: Make it less.

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

Ayes	...	...	7
Noes	...	...	13

Majority against 6

AYES.
Hon. E. M. Clarke
Hon. C. E. Dempster
Hon. V. Hammersley
Hon. W. Maley
Hon. R. F. Sholl
Hon. J. W. Wright
Hon. C. Sommers
(Teller).

NOES.
Hon. H. Briggs
Hon. T. F. O. Brinnage
Hon. J. D. Connolly
Hon. J. W. Hackett
Hon. S. J. Haynes
Hon. J. W. Langsford
Hon. R. Laurie
Hon. R. T. Loton
Hon. R. D. McKenzie
Hon. W. Patrick
Hon. C. A. Piesse
Hon. G. Randell
Hon. J. M. Drew
(Teller).

Amendment thus negatived.

At 6:29, the CHAIRMAN left the Chair.

At 7:30, Chair resumed.

HON. W. MALEY moved an amendment—

That in Subclause 1, line 4, the words "seven hundred and fifty" be struck out and "five hundred" inserted in lieu.

THE COLONIAL SECRETARY: As several members were absent, thinking this Bill would not be farther discussed to-day, he moved that progress be reported and leave asked to sit again.

Motion passed.

Progress reported, and leave given to sit again.

BILL—AGRICULTURAL BANK.

CONSOLIDATION AND AMENDMENT.

SECOND READING.

Resumed from the previous day.

HON. J. M. DREW (Central): I notice that this Bill amending the law

relating to the Agricultural Bank embodies two suggestions I made during my speech on the Address-in-Reply. I then advocated that the management of the bank should be placed in the hands of three trustees, and I urged that the limit should be reduced to £500. I am very glad to see that the Government have adopted my suggestions.

THE COLONIAL SECRETARY: We are always willing to take good suggestions.

HON. J. M. DREW: I think it is advisable that the limit should be reduced to £500. As regards the placing of the bank under three trustees, I think this is also very desirable; because it seems to me to be a very heavy responsibility to place on one man's shoulders, the responsibility of controlling a financial institution which has already lent half a million of money and which proposes to lend an additional half a million. I do not know that in any private financial institution such a system prevails. In connection with banks there is always a board of directors, and if a man makes an application for a loan or for an overdraft from a bank it is not left to the manager, but the board of directors meets and decides whether or not it is advisable to grant the accommodation sought. What has been deemed wise in connection with private financial institutions I think must be deemed proper in an institution over which the State has control. Under the principal Act and its amendments advances can be made up to £800 for making improvements on unimproved holdings or adding to improvements already made on holdings, and up to £1,000 to pay off liabilities already existing on holdings, to carry on farming and grazing, agricultural, horticultural, or viticultural pursuits on holdings, or to add to improvements already existing on holdings. It seems to me the State is too generous and that provision is made for advances which are unnecessarily large. It appears to me that all the State should do is to help the small selector until he is able to get a loan without that help. A man who has already received £500 from the bank who has obtained from the State shall I say monetary pay to the extent of £500, should be strong enough to walk to some private financial institution for help. It seems to me that if the State has lent

him that amount of money it has done all that can be reasonably expected from the State, and that if the necessities of his position demand more help than £500 there are private financial institutions who will be only too ready, if he has the necessary security, to render him the help that is essential. I would have much preferred the Government to have brought in a consolidating measure.

THE COLONIAL SECRETARY: This is a consolidating measure.

HON. J. M. DREW: I overlooked that. I see that it is a consolidating measure, and I congratulate the Government on the fact. The bank was established in 1894, and since then there have been amendments vitally affecting the original Act passed in 1896, 1899, and 1902, not taking into consideration various other amendments which merely gave authority to the bank to raise more money. Under this Bill the present manager is to be appointed as managing trustee, and there is provision for the appointment of two other trustees; but what I cannot understand is that while the managing trustee simply retains his position at the pleasure of the Government, and is I think brought under the Public Service Commissioner, the other two trustees are safe for three years.

THE COLONIAL SECRETARY: They can be removed for certain causes set out in the Bill.

HON. J. M. DREW: Yes, for misconduct; but they may perhaps lend money rashly. Unless it is absolute misconduct there is no provision made for their removal as far as I can see. At any rate there is not sufficient provision. I want to know why the managing trustee is not placed on the same footing. No doubt there is a good reason for it, but the House is entitled to know what the reason is. In South Australia—and this provision is to a large extent copied from the South Australian Act—it is practically a State bank, and the trustees are appointed for life. I certainly would not approve of such legislation being introduced here, but I think, seeing that the other two trustees are appointed for three years, the managing trustee should come in on the same terms.

THE COLONIAL SECRETARY: He is appointed for ever, subject to good behaviour.

HON. J. M. DREW: He is not appointed for ever, but only for such time as the Government may see fit. Hence come to the conclusion that it is advisable to retire him. Political influence may be brought to bear and the managing trustee may be removed from his position in consequence.

THE COLONIAL SECRETARY: That applies to any public servant.

HON. J. M. DREW: But it does not apply to the other trustees. They are safe for three years, but the managing trustee, the more important trustee, is all the time imperilled at the whim of any Ministry or probably the Public Service Commissioner. I do not know which, because it is not very clearly explained in the Bill; at any rate he is at the mercy of any Government who may object to any policy he may adopt, though this may be in the best interests of the country. I would like to know also who appoints these two trustees.

THE COLONIAL SECRETARY: The Governor.

HON. J. M. DREW: Will the Public Service Commissioner have the recommendation of these appointments? That is most necessary. In most instances I approve of the Public Service Commissioner having the right to recommend the appointments.

THE COLONIAL SECRETARY: Of course the Government can always avail themselves of the advice of the Public Service Commissioner.

HON. J. M. DREW: From my reading of the Public Service Act and from my experience, the Government have no option but to accept the recommendation of the Public Service Commissioner, or if they do not accept it, present to Parliament some reasons for their refusal.

THE COLONIAL SECRETARY: That is only in regard to classification.

HON. J. M. DREW: I hope the Minister in charge of the Bill will be able to satisfactorily explain that aspect of the question. If the Government have power to ignore the Public Service Commissioner, it is altogether contrary to my experience. There must be very strong grounds indeed, and certain steps have to be taken if the Government refuse to agree to any recommendation made by the Public

Service Commissioner in regard to any public body.

THE COLONIAL SECRETARY: This does not come under the Public Service Commissioner at all.

HON. J. M. DREW: I do not know whether it comes under him or not. I am simply seeking information.

THE COLONIAL SECRETARY: The trustees are under a separate statute. They are an incorporated body.

HON. J. M. DREW: I hope the matter will be explained satisfactorily. It seems to be the position that in future, if this Bill passes, these trustees will form a body corporate with full power to make loans without reference at all to the Minister or Executive Council. At present the manager of the Agricultural Bank makes recommendations to the Minister for Lands that a certain loan should be made, and the Minister for Lands has to approve or disapprove of it. He can disapprove of it and then it goes to the Executive Council. All these matters are considered in Cabinet, and Cabinet or the Minister can refuse to sanction any loan if it is thought to be a loan that would be unwisely made. The Minister has no power to grant a loan himself, but he has the power to refuse to approve of a loan. What is proposed in this Bill is to grant to this body corporate, these three trustees, power to lend up to a million of money without reference at all to the Government, and without reference to any person in a position responsible to the people of the State. I think the Colonial Secretary will admit that it is the power given in this Bill, and it will be for members of this House to consider whether it is wise to entrust this power to three trustees, two of whom we do not know. One we do know, and I think he has proved himself a conscientious manager of the bank; but two of them are to be appointed by the Government, and they are to be in the positions for three years. They will practically control the institution, and may lend sums of money up to £500 with perhaps not very good security, but there is no means of relieving them from their position, and the Government cannot control them in any way. These men have the power if this measure is passed to lend up to £1,000,000, the authority being raised by this Bill to that amount

from the present authority of £600,000. I do not think that amount has been lent up to the present, but there will be authority to lend another half a million of money without reference to the Government. Then we must recollect the money that is used for this purpose, whatever source it is borrowed from—and I think there is a provision for mortgage bonds—is to be a charge on the consolidated revenue. It would be interesting for the Minister to inform us whether any money has been raised in the past by mortgage bonds for the Agricultural Bank.

THE COLONIAL SECRETARY: Principally it has been obtained from the Savings Bank.

HON. J. M. DREW: I know of no statute that permits that, although I know it is done. I know of no authority which allows this money to be withdrawn from the Savings Bank.

HON. W. PATRICK: All other Governments have done it.

HON. J. M. DREW: I want to know what authority there is for doing it. The only provision in the original Act was for raising money by the issue of mortgage bonds. This money is obtained from the Savings Bank. The Treasurer is the Minister controlling the Government Savings Bank. He may issue mortgage bonds and must issue them to himself; he hands the money over to the Agricultural Bank. I want to know what security is given to the Savings Bank. I would like some information on that point. The money belongs to the public, and it will be interesting to know what security the public have.

HON. G. RANDELL: The consolidated revenue.

HON. J. M. DREW: I do not see any provision that it shall become a charge against the consolidated revenue. Can the Treasurer as head of the Savings Bank issue mortgage bonds to himself? I trust some light will be thrown on the matter before the close of the discussion. Clause 28 allows advances to be made of an amount not exceeding £300 to the full value of the improvements proposed to be made. This seems to be an outrageous provision. A man may take up a 500-acre block, pay the deposit fee, and then approach the trustees of the Agricultural Bank for a loan of £300, and according

to the Bill he has the right to be heard. He may say that he proposes making £300 worth of improvements, therefore he is eligible as an applicant.

HON. G. RANDELL: Subject to the approval of the trustees.

HON. J. M. DREW: I do not say that any common sense trustee would lend him the money, but why allow the Bill to go so far? I am totally opposed to this provision. Would any private financial institution make an advance in the nature of a loan to an individual to the full value of the improvements made on a block of land? Ministers have gone around the country preaching about the liberal amendments which they propose to make in the Agricultural Bank Act. This seems to me to be liberalising to the extent of foolhardiness. I have always supported anything in the interests of the *bona fide* selector, but no *bona fide* selector would expect from the bank a loan under conditions such as those proposed in the Bill. If he did, I think Parliament should not allow him so have the opportunity. Although we should be liberal, perhaps to the verge of generosity, we should adopt every possible means of safeguarding the public purse. Last night Mr. Loton referred to a measure now before the House, and commented on the action of another place in passing the Bill in the form in which it was sent to us. I should be glad to hear from Mr. Loton some criticism on this measure, particularly on the clauses to which I have referred. With his long experience in financial matters it will be entertaining and instructive to the House and carry a lot of weight if Mr. Loton will speak his mind on the measure, and state if he thinks it wise that the trustees of the Agricultural Bank should lend money to the full value of the improvements proposed to be made. There is one defect in the Act—I have not had an opportunity of closely studying the Bill—it is this, that in most instances no loan is granted unless the person borrowing guarantees to make certain improvements. He must make certain improvements before he gets the loan. It may not be necessary to make the improvements. A man may spend all his money in purchasing a block of land, and before he can borrow money to buy stock he must put improvements on the land

which may be totally unnecessary. That is a direction in which an amendment may be wisely made. No provision as far as I can see is made for that in the Bill, although I have not had an opportunity of closely studying it. Clause 40 provides for a yearly audit by the Auditor General. I suppose the Auditor General will report to the Government; but there should be some provision in the Bill making it compulsory for the Government to place the report before both Houses of Parliament. This is an important matter. There should be an enactment providing that a copy of the auditor's report should be placed before both Houses of the Legislature.

HON. R. F. SHOLL: The trustees have to report.

HON. J. M. DREW: I should much prefer it embodied in the Bill, making the provision compulsory. It has been deemed necessary in the Companies Act and various other acts to make this compulsory. In most cases it would be done, but we must insist that it shall be done. I do not propose to say more now. I shall support the Bill, and when it goes into Committee I shall probably move amendments in the direction I have indicated.

HON. E. M. CLARKE (South-West): In order that we shall really grasp the far-reaching nature of the Bill, it is absolutely necessary we should hark back to the starting of the Agricultural Bank, and if we do so we find that in the early days of the institution it was controlled, we may say absolutely, by the then manager, who I am pleased to see is the manager to-day. He is a man worthy of the trust reposed in him; he has never betrayed it. But we are confronted with the fact that the time was when the manager of the Agricultural Bank visited each and every farm before any money was lent on it. That manager insisted that certain improvements had to be done, and that they must be done. I say these are safe lines on which to go.

THE HONORARY MINISTER: That is the principle to-day.

HON. E. M. CLARKE: We now come to the time when the operations of the bank are so extensive that the manager has no time to make a personal inspection of each farm, but this work is left to two or

three officers to make their inspection and report to the manager. We take it that this Bill is brought in with a view to liberalising the Agricultural Bank, and I say so far from liberalising it we should simply curtail the liberality of it more than ever, bearing in mind that these inspectors are not men of the same stamp as Mr. Paterson; that is to say they are not men who will go and measure the abilities of a man, not only by what he has done but by what he is doing. To illustrate my point, I may say I know a man who is a very successful old settler, and he used to gauge the qualities of a farmer by the condition of his gates and fences. I undertake to say Mr. Piesse could go round to a number of farms, and as soon as he got on the premises would say to himself, "This is or is not going to be a successful farm. This is or is not owned by a man I would lend money to." I think the Minister will hardly contradict that. What are we labouring under now? We are having all these farms inspected by men whom I candidly confess I do not know; they may be very good men; but I am rather inclined to say that there are ten chances to one we will not have men of the same stamp as Mr. Paterson, on whose judgment we can rely. While I say I am in favour of increasing the operations of the bank as much as you like, we must safeguard the public funds even more than they are safeguarded in the original Act. We have only to look to Clause 28. A man is indebted to some private firm. He may go to the Agricultural Bank and ask for a loan, and it is competent for the bank to lend him money equal to three-fourths of the improvements made on the land under one clause, and then under another clause he may ask for £100 with which to purchase stock. Allowing that his property in the first instance with the improvements is worth £400, would any member care to lend money to a man on these lines? I can only say that in a building society what is generally done is to lend up to about two-thirds of the value of the property, and in order to safeguard themselves the society will wait until a certain amount of material is on the ground before they lend any more money than an amount equal to the value of the land. They are absolutely

certain that the man is not promising to do the work, but that material and everything are there, and the man is in a fair way to do the work. Meanwhile they have a mortgage. It is within the province of the bank to take the responsibility off a private company and relieve a man of a mortgage which he owes to one person. I need not labour the question, but I will simply sound a warning. Clause 28 is going farther than anyone would care to go in dealing with his own money. Before we pass that one clause we should look carefully into it and see how it will pan out. There is another phase of the question I would like to touch on. We know that in the early days of the bank a man could get land near to the Eastern Districts at a very low figure. Indeed he has to pay no more now; but in those days they were certain of getting £6 or £7 per ton for their chaff. What are they getting now? It is an acknowledged fact that the margin of profit for a ton of hay now is narrowed down from about £3 per ton to about 15s. per ton. Therefore we want to be even more cautious than we were in the early days of the bank. If I were going round there I should simply value the improvements much more cautiously than I should have done 10 or 15 years ago. I do not see that I should labour the question; but I am speaking about things I have taken a lively interest in. I know Mr. Paterson perfectly well, and I know him to be a man of sound judgment as to the advisability of lending money on property like this. And if he in those days was cautious—and he was cautious—the caution is required far more now than it was then. I shall support the second reading on the understanding that this clause is very carefully gone into.

Hon. W. T. LOTON (East): I am not really prepared to say anything on this Bill; but having been challenged by a member I would like to say a word or two. In the first place it seems to me that the Bill on the whole is a measure that the Government are bringing in to seek farther powers to lend extra sums of money to encourage people to settle on the land and improve it. I think the desire a very reasonable one. The only

thing is that the power to be given should be sufficiently guarded. In my opinion the Government at the present stage may very well utilise money even up to the extent of one million in lending to various settlers upon the soil, so long as they see that they are properly secured. With regard to the trustees who are to have sole control over lending this money, I think the note of warning expressed by Mr. Drew is worthy of very careful consideration. I do not know that you will find many financial institutions dealing with other people's money in trust that are giving the extensive powers it is proposed to give under this Bill to one or two of the managers. They would generally have a board to supervise the managers. Take a bank for instance, or any financial institution of any magnitude: you have your manager, your sub-manager, and so on, and the ordinary working staff. But above these you have a board to say either yea or nay on the particulars placed before them, and I certainly think that this power to deal with this sum of money should not be left in the hands of a board of trustees alone. After trustees have taken information and considered it, they should at all events have to recommend it for the approval of some other power; if not the Governor-in-Council, at all events the Minister. We should have some person who is responsible to Parliament. You cannot bring these gentlemen before Parliament at all in any kind of way. They certainly have to report, and the report comes before Parliament yearly. But that is one point which I think this House will do well to consider. With regard to the lending of money under Clause 28, Mr. Drew has drawn attention to Subclause 3, where it is proposed to make advances to the extent of £300, or to the full value of certain improvements proposed to be made. That clause is a little bit vague; but I take it that if the trustees agreed to lend any applicant £300 on any improvements he proposed to make, that sum of money would be advanced in instalments; and surely it would be advanced after certain improvements had been made.

THE COLONIAL SECRETARY: Yes. Clause 29 says it should be advanced in instalments.

HON. W. T. LOTON: Any advance may be made by instalments; but it does not say so in this particular clause. I take it, however, that if the trustees board have any business capacity at all and they agree to lend £300 to a man proposing to make certain improvements, say clearing the land or anything of that sort, they will not advance it on the promise of the applicant to make the improvements. They will naturally make the advance when improvements are made.

THE COLONIAL SECRETARY: The improvements are to be effected.

HON. W. T. LOTON: The point I wish to draw attention to is that you propose to lend these people an amount of money to the full value of the improvements made. I think that is too liberal and too dangerous a clause, because if a person actually performs the improvements you are to pay him for the whole lot. And supposing he throws up the land, what have you got?

THE COLONIAL SECRETARY: You have the improved land.

HON. W. T. LOTON: Yes; but the possibility and the probability is that in a number of instances those improvements will be overpaid for. In other words a man would do the improvements at a less cost than the amount he would borrow, and he might draw the money and have something to the good and clear out and leave you. You propose dealing too liberally in this particular clause. You should have a margin, I think, because what I wish to impress upon this House at this particular moment is this. Of course members may have their own views on the subject, but my opinion is that it is bad policy and useless to attempt to put people on the land who know nothing at all about it in the first instance, and who have not a penny in their pockets to go on the land with. We are holding out a bait for people who know nothing about land. Possibly they will take up a piece of land and arrange to borrow a sum of money to go on it, and they will make a failure of it.

THE HONORARY MINISTER: One cannot borrow money until the land is improved. The land is subject to inspection.

HON. W. T. LOTON: The point I wish to impress upon the House is, that it is useless to attempt to throw out baits and encourage people not fitted to go on the land, and not likely to make a success of it. You had better leave these people alone. Let them follow some other calling or get some employment, and obtain some experience before they take up land. In other words, it is useless, in my mind, to attempt to force people to go on the land by lending them money on particularly easy terms. There are many clauses I think that require a little attention. There is one other question to which I wish to refer. It is proposed to lend money for certain improvements on land, and if a man owes money already and will give a sound mortgage, you propose to assist him to the extent of £500. It is proposed to lend money for the purchase of stock for breeding purposes. I am rather opposed to lending money for the purchase of stock. I think it is a very dangerous practice, and I do not like the Government holding out baits to encourage people to get over head and ears in debt. The people I refer to had better keep away from farming until they have had a little experience and have saved a little money. It would be better for them and better for the State. The system to which I allude will only lead to failure and trouble.

THE HONORARY MINISTER: It has worked successfully so far.

HON. W. T. LOTON: Successfully so far? I should very much like to see that return showing how much the Government have expended in those experimental farms, and whether they made a success of purchasing stud stock, and how they deal with it. I hope the head of the Government will soon let us have the return so that we can see what has been done. If the Government with their highly-paid experts have been losing money, as is very currently reported, and as is admitted by the Government—I do not say the present Government, but the Government of the day—what is going to be done under this Bill with inexperienced people? The Government will get heavily into debt, irretrievably into debt. We want to get people to settle on the land to make

a success of settlement; those are the kind of people we want; and I hope the Government will put aside the idea of attempting to ensnare people and practically force them to go on the land.

THE HONORARY MINISTER: The desire is to help them, and not to ensnare them.

HON. W. T. LOTON: Yes; spoon-feed them, lend them money *ad libitum* to a certain amount. There is another point. The limit of the amount which the Government can lend to any one person is £1,000. Previously it was £800. The Government propose to reduce that £1,000 by a half. Why should they do that, when they wish to have a million pounds? I should have thought they would at all events have kept it at that moderate amount. I can easily see that this limitation of £500 will in many instances prove practically useless. A man goes on virgin country and improves it, and has already had from the Government £500. He wants another £100, and is bound to have it. He can give good security for it. He must have it, but he cannot go to the Government for it. The result is that he has to clear out from the Government. He has gone through the expense of a mortgage, whatever it is, paying I suppose the premium he has to pay under the present measure. I do not know whether that is so. I think it is knocked out.

THE COLONIAL SECRETARY: No. He pays five per cent. interest.

HON. W. T. LOTON: He does not pay a premium?

MEMBER: I think he pays the premium.

HON. W. T. LOTON: I think there was an inspection fee of some kind. I do not know whether that is included in this Bill. I think the Government are making a mistake, and that they should have kept the amount at £1,000.

THE COLONIAL SECRETARY: It is only to assist the small man. A man who wants £1,000 can go to an ordinary bank.

HON. W. T. LOTON: As to this idea of assisting the small man, I would like to see some men with larger means here, as well as the small man. I would very much like to see them, and so long as you enforce the conditions of improvement, to my mind you need not bother yourself

much whether it is a small man or a large one. Do not shut out the large man if he has means and you can compel him to do certain improvements on the land. Those are the men we want. We want men with a little more independence, men of capital. We do not want to have to spoon-feed every one who comes into the State. I should be glad to see people come in who do not want to go to the Government for money. I hope some improvement will be made in this Bill in Committee.

HON. R. LAURIE (West): There is one point to which I wish to call attention, arising out of what has been said by members, and it is this. The Bill provides that the managing trustee shall hold office during the Governor's pleasure, and that each of the other trustees shall hold office for the term of three years. I would like to see it provided that inspectors appointed under this clause should be outside the Public Service Act.

THE COLONIAL SECRETARY: So they will be.

HON. R. LAURIE: I do not know whether they will be, under this measure. It is provided that the managing trustee shall hold office during the Governor's pleasure.

THE COLONIAL SECRETARY: The trustees appoint the inspectors.

HON. R. LAURIE: The trustees appoint them?

THE COLONIAL SECRETARY: Yes.

HON. R. LAURIE: Where?

THE COLONIAL SECRETARY: The whole management of the bank is placed in their hands by regulation.

HON. R. LAURIE: I am glad of that, because I wish to see the trustees made responsible for carrying out their duties; and if they are responsible they should have the appointment of their own officers. If they have officers in whom they have confidence, the trustees will be in much the same position as the directors of a joint-stock bank, because they will receive from their inspector, who will in a sense occupy the position of a bank manager, reports which will enable them easily to conclude whether an advance should be made. The papers in any

particular matter would not receive from a Minister that attention which a board of three trustees could give, and Mr. Clarke's objection will thus be removed. A Minister may be responsible, but Ministers come and go. We know well that we cannot hold responsible those three trustees, who are sure to be men of reputation, unless we give them full control. I am satisfied the country will get good service from the gentlemen appointed to these positions; and it is only on the report of the inspector that such advances can be made. I will support the second reading.

HON. C. E. DEMPSTER (East): I congratulate the Government on introducing the measure, and assure the Colonial Secretary that the Bill will be popular. We all admit that in the past the Agricultural Bank has been a great advantage to the colony, and has led to the throwing open for cultivation of much land which might otherwise be idle. At the same time, as Mr. Clarke has shown, much of the success of the bank is attributable to the management. The manager is thoroughly acquainted with the people, with his business, with the value of land, and so forth. I agree with Mr. Drew's cautionary remarks; first, that the trustees must be men with a thorough knowledge of the capabilities of the country, of the soil, and of the nature of the improvements required. Everyone with agricultural experience knows that land which has been cleared for some years quickly becomes overgrown if left untended; or land may be worked out to such an extent as to be of little value; and from my own observations I know that after certain fertilisers have been used for two or three years they become almost useless as fertilisers, and the land is even more thoroughly impoverished than if fertilisers had never been employed. These are matters with which the trustees should be thoroughly conversant, otherwise the State will be put to great expense without a corresponding benefit. With respect to advances to pay off existing mortgages, great precaution will be necessary. It will often be found that advances have been made

to more than the full value of the improvements. But how often have we learned, in times gone by, that in selling a property we cannot get half the value of the improvements; and nowadays, even with the increased value of lands, we can seldom get a fair price for the improvements effected. Great judgment must be exercised in that matter. I have never favoured advances for the purchase of live stock. We know how precarious is that security. Many clients wishing to buy live stock will be perfectly unable to turn it to profit, for want either of sufficient water or of sufficient experience. None but men of experience should receive such advances.

THE HONORARY MINISTER: The manager can use his discretion.

HON. C. E. DEMPSTER: Managers are sometimes indiscreet.

HON. J. M. DREW: By Clause 30 the manager must have additional security.

HON. C. E. DEMPSTER: Nevertheless, I think we should in Committee amend this clause, for I am quite sure it would not be wise to allow of these advances. I shall support the second reading.

HON. J. W. LANGSFORD (Metropolitan-Suburban): I wish to confirm the attitude of Mr. Drew and Mr. Loton regarding Subclause 3 of Clause 28, whereby the full value of improvements will be advanced after the improvements are effected. A proposition of this character will not I think be found in the rules of any other institution whatever. Directly the improvements are effected deterioration sets in.

THE HONORARY MINISTER: In ringing?

HON. J. W. LANGSFORD: I am speaking of improvements generally; and if the repayments of the loan were made half-yearly from the start, those repayments would diminish the risk; but the repayments of principal do not begin for the first five years, and during that period a property may be considerably reduced in value. I think three-fourths or two-thirds is the fullest extent to which we should allow advances to be made.

HON. T. F. O. BRIMAGE (North-East): I support the second reading of the measure. As to Subclause 3 of Clause 28, I quite agree with Mr. Drew and Mr. Loton that every safeguard should be provided; but I think the Government should have a certain latitude with regard to the first settlers on land, especially as we are now embarking on an immigration scheme, and need provision for liberal advances to new settlers if our immigrants are to be assisted to gain a living on the land. Many a settler will bring with him only £100, and the clause should be left as printed, for I am quite confident that the present manager of the bank will be particularly careful that no undue advantage is taken of the provision. At the same time, I quite agree with members who state we should give every encouragement to the immigrant with capital. I particularly remember certain gentlemen who are doing a great work for this country along the Southern Railway. The Messrs. Wilding are spending much money in this country, and I believe they are not receiving the encouragement which wealthy settlers have a right to expect in a country where so much poison weed is to be eradicated, and where other difficulties are so numerous.

HON. W. T. LOTON: Surely they do not wish to borrow £400?

HON. T. F. O. BRIMAGE: I know they do not; but I am speaking in defence of the Bill as printed, so that when the "small" immigrants come to this country, the Government will have the necessary power to make liberal advances to those who deserve them.

THE COLONIAL SECRETARY (in reply as mover): I am particularly pleased with the kindly manner in which the Bill has on the whole been received. There has been some little criticism, but I do not think the principle of the Bill has been attacked at all. Mr. Drew advocated two principles contained in the measure, first the appointment of trustees, and second the reduction in the maximum advance from £1,000 to £500. Nevertheless, he seemed to find great fault with the powers of the trustees. If we are to have trustees, I do not know

how else we can equip them. If we have trustees or directors, we must give them the necessary powers. As Captain Laurie very aptly remarked, after all if we have trustees to whom the question of advances is left, we are quite safe in saying that the question will receive as careful consideration from the manager and his co-trustees as it receives at present from the Governor-in-Council. What is the position? We have the present manager, who will be the chairman of the trustees, and two other trustees receiving as the ordinary directors of a bank two guineas a sitting, or a maximum of £100 a year. They will be sitting once or twice a week. These two trustees will be old and experienced men, having had considerable experience in farms, and they will examine carefully the security that is offered. They will be careful not to advance more than the improvements are actually worth. If we do away with the trustees and leave it with the manager, he will submit his recommendations to the Minister, and in turn these will go through the Executive Council. The Minister sitting in his office may get half a dozen of these applications in a week, and he must as a matter of course, except in a few instances where he may have special knowledge, rely on the advice tendered him. The manager will recommend the advances, and will point out that there is ample security. On the other hand the two trustees will have special knowledge of the country, and will know at a glance whether the security is good or not. They can make farther inquiries if they have any doubt. When the matter is carefully looked into members will see that Parliament is not taking an undue risk with the money of the country. As I said on moving the second reading, the reason for making the change is that the advances may be made with more despatch than has been the case in the past. There has been some delay and inconvenience at times to settlers in getting advances made. Now the applications will be dealt with promptly. Mr. Drew complained that the Bill does not give security of tenure to the managing trustee. The Bill says the managing trustee shall hold office

during the Governor's pleasure. Every officer holds his position during the Governor's pleasure. Mr. Drew maintained that the managing trustee has not as good a tenure as the assisting trustees; but the assisting trustees will only be appointed for three years, while the managing trustee will be appointed for all time. There is sufficient power notwithstanding what the member said, to remove the trustees for any good and sufficient reason. Mr. Drew commended the measure on account of reducing the advance from £1,000 to £500. On the other hand Mr. Loton found fault with the Bill for this very thing. I have year after year in this House, when amending legislation of this description has been brought forward, protested against increasing the amount of the advance. I maintain it is much better to assist two settlers to the extent of £500 than to assist one man to the extent of £1,000. This Bill is not brought forward for the purpose of lending money as an ordinary commercial concern. That is not the object. The object of the measure is to assist the small settler. Therefore it is far better to advance only up to £500, and thereby assist double the number of settlers, than advance up to £1,000. The only other clause in which there is a new feature is Clause 28. Some members seem to think that by inserting this clause in the Bill the country will be taking an undue risk, that it is not a business proposition. The clause allows the bank to make advances to the full value of the improvements. Many members have advocated, and rightly so too, that we should do everything to encourage the pioneer settler on the land. It is a very common saying that the trouble with the farmer is in his first years on the land. Members said that we were doing wrong to force people to go on the land. Let me say here in answer to Mr. Loton, there is nothing at all in the Bill about forcing people to go on the land. The Government offer them assistance, but there is nothing that can be described as forcing. Assistance has been advocated to get over the difficulty during the first years of settlement. It is said that a man requires so many hundreds of pounds capital to

go on the land to clear it and make it produce something to live on. That is so. It is advocated that we ought to survey before selection in 500-acre blocks, and clear at least 100 acres, then put an additional price on the land. It was farther said that we ought to employ the unemployed to ringbark. But it seems to me this Bill provides a much better system, for we put men on to clear, and we pay them the full value to clear or ringbark the land. That is what we really are doing, and that is what is meant by the clause. We put a man on to carry out a contract on his own land. In answer to Mr. Langsford, who said this was not a business proposition, I want that member to glance at the list of improvements set out. There are ringbarking, clearing, fencing, draining and so on. Ringbarking does not deteriorate the country but improves it. The same thing applies to clearing. Land is better after it has been cleared for years than land which has just been cleared; so that there is no risk on that account. I point out to members, although the Bill says that there may be an advance to the full value, the trustees will take rather a conservative view of the value which they will put on the land; and it is provided that if the work is done in an extensive way it shall not be valued for the purposes of an advance. Therefore it is fair to assume that if an advance is made on ringbarking, which perhaps has cost 2s. an acre, probably the advance would be 1s. 9d., or even a little less. We may depend on it that the trustees will be on the safe side. The past experience of the bank proves that. The bank has been in existence for 12 years, and has not made a loss. Although there has been a small margin to work on, one per cent., a profit has been made. Last year the sum of £3,700 was made as a profit, with the small margin of one per cent. to work on. That proves that during the last 12 years there could not have been any loss, and I maintain there will be no loss under this Bill. Improvements in the shape of ringbarking and clearing are always worth their money. If land is ringbarked it is easier to sell, and the same thing will apply to clearing and

water conservation. Mr. Drew stated that advances are to be made under the clause to the full value of the improvements; but if the member reads farther on he will find that it is set out that any advance must be subject to the regulations and as the improvements are being effected. That makes it quite certain that the money will not be misappropriated in any way, even though there may be some loss. I do not think there is any likelihood of a loss being made. We must look at the benefit to the country as a whole, and if there is a little loss I do not think there will be a loss to the country as a whole.

HON. C. E. DEMPSTER: What about the advances for stock?

THE COLONIAL SECRETARY: I am surprised that an old and experienced farmer like Mr. Dempster should find fault with that provision. It is generally admitted that the one trouble about farming in Western Australia at the present time is that there is not enough mixed farming. The land does not lend itself to many styles of farming as in the other States, therefore it is essential that the farmers should not be dependent on one crop only, and if we can encourage farmers to have a few sheep and cows on their farms to make a little profit, then we tend to encourage the people to build up the wealth of the State. This will tend also to cheapen the meat supply. We shall get a better class of stock on the farms. This is one thing the farmers want here, a better supply of stock. For that reason the provision is a good one to have in the Bill. Farmers should be able to obtain an advance to buy stock. I am surprised indeed that an experienced farmer like Mr. Dempster should think there was anything wrong in the provision. I do not know there is anything farther that I can add.

Question put and passed.

Bill read a second time.

PAPER PRESENTED.

By the COLONIAL SECRETARY: Report of Board of Management of the Perth Hospital for year ending June 1905.

ADJOURNMENT.

The House adjourned at 9.45 o'clock, until the next day.

Legislative Council,

Thursday, 8th November, 1906.

Bills: Boat Licensing Act Amendment, 3a.	PAGE 2776
Perth Town Hall (site), Legislative Council's suggested Amendment insisted on.	2776
Municipal Corporations, Com. resumed, progress	2778

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

PRAYERS.

BILL—BOAT LICENSING ACT AMENDMENT.

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

BILL—PERTH, TOWN HALL (SITE).

THE SUGGESTED AMENDMENT.

The Legislative Assembly having returned the Bill with the amendment suggested by the Council, and not concurring in it, the matter was now further considered in Committee.

Clause 4—Amendment requested by the Legislative Council, namely: Strike out the words "or any other land approved by a referendum of the ratepayers of the Municipality of Perth," in lines three and four.

THE COLONIAL SECRETARY moved that the Council's amendment be not insisted on. Clause 4 of the Bill, when the measure first came from the Assembly, provided that the Perth municipal council might take a referendum as to whether the Perth ratepayers approved of the terms arranged between

the municipal council and the Government, by which the present site of the town hall and the police court buildings were to be exchanged for the Government block in Irwin Street and £22,000; or, or as an alternative, whether the ratepayers approved of some other site for a town hall. This House suggested to the Assembly that Clause 4 should be amended so that the Perth ratepayers might be able to say whether they approved of the bargain or not. If this House did not insist on its suggested amendment, it would be possible for the municipal council to take a referendum of ratepayers on the wider question as to exchanging the present town hall site and police buildings for some other block in the city. Any other exchange than that contained in the Bill would have to receive the approval of the Government and be included in a special measure authorising it, because the town hall site was originally granted only for the purposes of a town hall; therefore before it could be sold for other purposes, it would be necessary to obtain the approval of the Government and there would have to be an Act of Parliament passed.

HON. W. MALEY resented the publication of any reference to this House having acted under the direction of the City Council. It was stated in a newspaper that this Chamber had made the amendment practically in obedience to the request of the City Council. He denied the imputation. He as a member was not influenced in that direction, nor had he heard any such suggestion coming from the City Council. Whether the idea that we had obeyed the City Council did influence another place in disagreeing to the suggested amendment, he did not know. As to the question before the Committee, no fresh grounds had been put forward to warrant this House in altering its decision, and until some satisfactory explanation was given as to the statement in regard to this Chamber, he would not agree to the motion.

HON. G. RANDELL hoped the Committee would not agree to the motion. The amendment was made on the proposal of the Colonial Secretary, and members understood he had the Government at his back. Some remarks appeared in a newspaper as emanating from the