

Legislative Council,

Thursday, 5th December, 1912.

	Page
Paper presented	4216
Sitting days and hours, additional	4216
Bills: Land Act Amendment, 2a., rejected	4216, 4233
Loan, £5,600,000, all stages	4229
Melville Water and Freshwater Bay Road, 1a.	4238
Agricultural Bank Act Amendment, 1a.	4238
State Hotels (No. 2), 2a., Com.	4238
Electoral Act Amendment, 2a.	4253
Workers' Compensation, Com.	4253

The PRESIDENT took the Chair at 3 p.m., and read prayers.

PAPER PRESENTED.

By the Colonial Secretary: Amended Swan River regulations under the Shipping and Pilotage Consolidation Ordinance.

SITTING DAYS AND HOURS, ADDITIONAL.

The COLONIAL SECRETARY (Hon. J. M. Drew) moved—

That for the remainder of the session the Council do meet for the despatch of business at three in the afternoon on all sitting days, and that after Friday, the 6th inst., the Council do sit on Fridays in addition to the days already ordered.

It was absolutely necessary to extend the hours and days of sitting in order to expedite the progress of legislation, as an effort was to be made to close down the session next week. It was expected that the Assembly would complete its labours by either Wednesday or Thursday and the Council ought to be able to complete its work by to-morrow week. Of course it would be necessary to regulate discussion. If every member exercised his right to speak on every Bill there would be no hope of completing the business much before Christmas.

Hon. J. F. Cullen: You are not bringing down any more Bills?

The COLONIAL SECRETARY: There were very few coming down, and he did not think any more Bills would be introduced into another place.

Hon. M. L. MOSS: The Minister had suggested that as far as possible, consistent with the discharge of the duties of the House, discussion should be brief. It was with that object in view that the discussion was so limited on the Norseman-Esperance Railway Bill. He had indicated to the Colonial Secretary that it was the intention and desire of members that on some of the other measures there should be only one or two speeches. At the same time, he thought there would be great difficulty in completing the business by Friday week, because in another place a Bill repealing the Dividend Duties Act and amending the Land and Income Tax Act had been introduced, and that was a measure of 75 clauses. It could hardly be expected that this House could get rid of that Bill under a week.

Hon. J. F. Cullen: We cannot possibly deal with that Bill.

Hon. M. L. MOSS: As far as he was concerned, he would endeavour to assist the Minister by shortening discussion as much as possible and he knew there were other members who would do the same.

Question put and passed.

BILL—LAND ACT AMENDMENT.

Second Reading—Amendment (6 months) carried.

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said: The Bill which it is my privilege to submit for the consideration of hon. members is entitled to receive in full measure that mature thought and keen analysis which members bestow upon matters which are submitted to their attention. The Bill proposes a fundamental change in our system of land tenure, and as it is recognised that in the beginning all wealth, private and national, comes from the land, it necessarily follows that all legislation affecting the tenure of land is of the highest importance to the State and to the individual. I particularly ask of hon. members a keen analysis of the proposals contained in this Bill, because the most careful attention and the closest scrutiny are required, so that the advan-

tages embodied in the Bill may be adequately appreciated. This House will not, I am sure, be swayed by the torrent of misrepresentation, voiced and printed, which has been turned loose in regard to this measure, nor will members be frightened by the bogey of confiscation which has been raised. While I admit that the Bill introduces a complete change, a change so extensive as to be almost revolutionary, there is nothing in the proposals to justify the wild assertions and gross misrepresentations indulged in by its opponents. Members will certainly find that there is nothing in the Bill which, by even the wildest stretch of imagination, can be termed confiscatory. The right, title and interest at present held by any person in any parcel of land remains inviolate and will so remain if the Bill is enacted to-morrow. In introducing new legislation prudence counsels that the results of legislation in older countries should be observed, and the experience gained in those older countries should be of some benefit to us in taking into consideration a measure of this character. The history of the world teems with examples of the evils of landlordism. Countries have become depopulated through its agency, and for generations the world has cried out against it.

Hon. Sir J. W. Hackett: Even when the State is landlord?

The COLONIAL SECRETARY: Not when the State is landlord.

Hon. J. D. Connolly: What is the difference between the State landlord and a private landlord?

The COLONIAL SECRETARY: I hope hon. members will permit me to proceed, and they can ask their questions afterwards. Political economists admit that the aggregation of land in the hands of a few is inimical to the best interests of any State, and though the advocates of an alteration of our system of land tenure are scornfully referred to as dreamers and idealists, yet when the subject is analysed it is found that the root of this almost world-wide evil is traced solely to the right to freehold in the land. I could quote many authorities, but I will simply quote now a cable which appeared in the

West Australian on 2nd December, dated from London 1st December, giving the views of Mr. Lloyd-George on this particular question—

The Chancellor of the Exchequer (Mr. Lloyd-George), addressing a meeting of 3,000 persons at Aberdeen yesterday, said that land was at the root of all questions of poverty and social reform, and he advised that the land system should be burst up, for our social and economic conditions were bound by the feudal system. There was plenty of land for the race to develop, and to bring forth fruit a hundredfold for the people hungering for it.

Hon. D. G. Gawler: That does not apply here.

The COLONIAL SECRETARY: It will apply here later. Mr. Lloyd George continued—

This was the hour of the great inquisition of the people of Scotland, which was infected with a pestilence of land famine, while thousands of acres in the Highlands were given over to deer and sport, although they had once yielded the finest soldiers in the world.

Hon. D. G. Gawler: Is it not better to take the example of Australia instead of the example of England?

The COLONIAL SECRETARY: I will come to the Australian example later. The absolute individual right in land is what permits of the aggregation of land in the hands of a few holders, and the object of this Bill is to so recast our land tenure system as to prevent this. It will be admitted that a measure which will prevent, so far as our State is concerned, a further introduction of what has been proved by the experience of older countries to be a distinct evil, is worthy of our most careful and most serious consideration.

Hon. J. F. Cullen: Is that not a bogey?

The COLONIAL SECRETARY: I do not think so. I hope I shall be able before I resume my seat, to demonstrate to members that this Bill involving as it does, a drastic change in our land tenure yet is such as will conserve the true in-

terests of the people. The Government recognise that the foundations of national prosperity are based on the proper utilisation of the land. Other industries are no doubt desirable and necessary to advance the State along the path of progress, but in the end the whole fabric of our national existence depends on the productions of the soil. Hence anything which affects the settlement of our land is of the highest importance. It becomes then a question of considerable moment, whether this proposed legislation will have a beneficial or a retarding effect on land settlement. Our opponents tell us that this Bill will kill land settlement. They advance no valid reasons, however, in support of that statement. We claim on the other hand that it will promote this closer settlement which is so desirable and necessary.

Hon. W. Kingsmill : Have you valid reasons for that assertion ?

The COLONIAL SECRETARY : I think so. It will at any rate prevent the private acquisition of large areas, and thereby permit of the settlement of the land by a larger number of husbandmen. The argument relied on by opponents of the measure is that the freehold system, which it is proposed to substitute by leasehold in perpetuity, conserves for all time the right of a holder in a parcel of land. That contention is proved by the experience of other countries to be utterly fallacious, at any rate that has been the experience in the mother country. From the United Kingdom the land systems of Australia, in common with those of other portions of the Empire, have been adopted. What is the position to-day in the United Kingdom ? We find that in a community of approximately 50 millions under an allegedly free system of land tenure, the absolute ownership of more than half of the land is enjoyed by 2,500 persons.

Hon. J. F. Cullen : Is not the Minister wasting time by going to England ? We are dealing with Australia.

The COLONIAL SECRETARY : I am coming to Australia.

Hon. J. F. Cullen : We have no time for all this.

The COLONIAL SECRETARY : These 2,500 persons own no less than 40,426,000 acres of the total area of 77 million acres comprising the United Kingdom. Inquiring further we learn that 710 persons own a quarter of the soil of England, and 70 persons own half of Scotland. It follows therefore that the vast majority of those occupying land in England are leaseholders.

Hon. J. F. Cullen : That is a curse, and would be here ?

The COLONIAL SECRETARY : Yet we are told that to ask people under this Bill or under the policy of the Labour party to accept leasehold is to invite something like disaster to our agricultural industry.

Hon. J. F. Cullen : Hear, hear.

The COLONIAL SECRETARY : It has to be remembered that whereas we propose that the leaseholder in Western Australia shall be secured in the undisturbed possession of his holding and be given an indefeasible title and right to his improvements, the tenant farmer in England is dependent on the goodwill and very often on the financial exigencies of his landlord. In the newer community of the United States, particularly in the earlier settled eastern States, the same process is going on. There the settled areas are gradually and surely coming into the hands of a yearly decreasing number of holders and the result is that that State is put to enormous expense in the way of irrigation and other works to make available for settlers in the western States areas which in their virgin days were regarded as desert lands. I propose now as Mr. Cullen suggested, to come nearer home. In New South Wales so long ago as 1895 a determined effort was deemed necessary to put an end to the period of the aggregation of land. In that year Sir Joseph Carruthers introduced in the Parliament of the mother State a Bill substituting the leasehold for the freehold principle.

Hon. J. F. Cullen : And it utterly failed.

The COLONIAL SECRETARY: That principle has been re-enacted by the Parliament of New South Wales only this year.

Hon. J. F. Cullen: What was the need to re-enact it?

The COLONIAL SECRETARY: Prior to 1895 freehold pastoral holdings obtained in New South Wales, but they were abolished by Sir Joseph Carruthers' Bill.

Hon. J. F. Cullen: By no means; that is utterly misleading.

The PRESIDENT: The Minister has asked members not to interrupt.

The COLONIAL SECRETARY: Who will say to-day that the pastoral industry of New South Wales is suffering in any way from the alteration in the principle of holding land? There has been no diminution either in the number of holdings or in their value because of the abolition. As showing that leasehold tends to closer settlement and increases production, the experience of New South Wales may also be quoted. The *Year Book* of New South Wales commenting on the effect of the Act of 1895 and of a supplementary measure passed in 1903 stated—

The new principles in agrarian legislation contained in these measures appear to supply by the new systems of tenure, namely, homestead selections and settlement leases, something that was needed in former legislation to transform land speculators into settlers properly so-called.

That is exactly what is wanted here, and what this Bill is designed to effect. The same publication which is official, being published by the Government of that State, gives the percentage of cultivated land to the areas alienated in large and in small holdings. This goes to show that while in the case of small holdings of from one to 40 acres the percentage of cultivated areas was 26.31, the percentage has steadily dropped as the area of individual alienated holdings increased, until in regard to holdings of between 1,000 and 10,000 acres the percentage of cultivated areas is only 1.31.

Hon. J. F. Cullen: Is not that natural? How could it be otherwise?

The COLONIAL SECRETARY: We cannot expect every acre to be cultivated or even a quarter of it, because a large proportion would be fit only for grazing purposes. But still this is an abnormally low percentage, and anyone is entitled to ask for an explanation. I may be reminded that the Conversion Bill was subsequently passed by the New South Wales Parliament enabling the holders of settlement leases to convert them into freehold. That fact was used by opponents of this Bill and on the hustings at the last general election. It was submitted to the people as evidence of the failure of the leasehold system in New South Wales. I wish, however, to quote from the speech of Sir Joseph Carruthers in the Legislative Council of New South Wales this year. Speaking of the Labour party's policy he said—

I remember last Parliament that a Bill was introduced by the Government of which Mr. Wade was the head. That was the Conversion Bill. I very well remember what the hon. and learned member, Mr. Ashton, said here, and in which I concurred. The proposition to allow the settlement lessees to convert their leaseholds into freeholds was a direct gift of millions of pounds to the people beyond what we had ever contemplated. I regard the Conversion Act as going to a wicked extreme in legislation in order to pander to the cry for a freehold, and to give lessees, who have the right to hold under the settlement lease provisions areas up to 10,000 acres, the right of conversion. Settlement leases were designed by me as leases to precede settlement, and not to give a man the right to convert an area of country like that, when we have a mere handful of people here, and the areas might be required hereafter as a site for towns and cities.

In Victoria the need for doing something to arrest the aggregation of large areas has been felt. I do not wish to weary the House by reading lengthy extracts, and I shall content myself with saying that the debates in the Parliament of Victoria show that while the process of land alienation from the Crown has gone

on apace the ratio of increase in the area under cultivation has not been in any way proportionate. It has not been anything like what the people in Victoria had a right to expect as being necessary in the true interests of the State.

Hon. J. F. Cullen: How could it be? Cannot the Minister see—

The PRESIDENT: I remind the hon. member that it is not question time.

The COLONIAL SECRETARY: The experience of Victoria has certainly been that while the area alienated has been continuously on the up-grade the increase in population in the rural districts has been disproportionate to that in the urban and suburban areas. Let me refer to our own State; that is coming nearer home. Under the present Land Act we recognise the desirability of limiting the area which can be selected, but that wholesome provision is rendered absolutely worthless by the fact that after a given period the selector is entitled to demand the deed of ownership of the land. Whereas with the object of making land available to buy we enact that a man cannot take up more than a given area of country we foolishly permit him to part with the land subsequently, which is opening the way to the building up of large areas. While we restrict him in regard to conditional purchase, we make no restriction at all in regard to the amount of freehold land he may obtain and hold. If it be right to limit a man's selection to an area which may be conveniently improved and profitably utilised from the standpoint of the community, it is surely equally right to say that he should not be permitted by subsequent sale to allow that land to be added to other land from which the genuine producer is at the option of the holder excluded to the detriment of the whole community. This State has already tasted the evils of land aggregation. Parliament has sanctioned the purchase of privately owned estates at considerable expense; yet the land has been again aggregated. I know of several instances myself. I know where land has been resumed from pastoral leases. It has been taken up and large estates have again been built up and the property has been

sold to the Government at an enhanced price. I know of one instance where the highest amount paid was 1s. 6d. an acre, and there were payments extending over seven years and that estate was sold with only a fair amount of improvements on it for 17s. 6d. per acre.

Hon. D. G. Gawler: Are you not going to refer to New Zealand where the leaseholders were defeated the other day?

The COLONIAL SECRETARY: So long as our system of land tenure remains as it is that condition of things will continue.

Hon. J. F. Cullen: That is a bogey.

The COLONIAL SECRETARY: Though the total acreage of alienated land in this State is but a tithe of the area still in the hands of the Crown, the proportion of alienated land held with no attempt at improvement or even occupation is justification for the effort now being made to bring the whole of the remaining lands of the State into proper use.

Hon. J. F. Cullen: To make it all idle.

The COLONIAL SECRETARY: When a few years since the value of Western Australia's land for agricultural purposes began to be realised, it was found that so large a proportion of the alienated land was held by large land holders that intending new settlers were forced away into the back country, and before long the necessity arose for the Government to build railway lines in order to furnish these people with transport facilities. That agricultural settlement has been successful in the past in no way takes away from the fact that, had there been in existence a system of leasehold instead of freehold, there would have been available to incoming settlers land within easy reach of the market, that is, if there had been an Act in existence based on the lines proposed in this Bill. If the leasehold system had been introduced some years ago and the condition of things described by me had obtained, the consumer would have benefited by the early placing on the market of the produce grown, and the State would have reaped the double advantage of having waste lands put to legitimate use and of postponing the large

capital outlay involved in building railways to give settlers access to their land. Along the various lines of railway in the older settled parts of the State we find a large quantity of land practically locked up against settlement. In whatever part of the State one travels through he will discover this, and in my opinion it is lying idle with the object of benefiting by the unearned increment, or the holders are anticipating that some day the Government will come along and pay them a big figure for their properties, as has been done in numerous cases. While the State is building railways to open up the lands of the interior, the holders of these idle acres, without the slightest effort on their part, and in many cases without performing even the ordinary duties of citizenship by residing in the State, are having built up for them, as I have already indicated, the unearned increment created by State expenditure and the thrift of bona fide settlers, who are doing all they possibly can, and doing it successfully, in the direction of developing the agricultural resources of Western Australia. We claim that such a condition of things should not be permitted to continue, but we do not urge, as our opponents would have the country believe, that those whom the law has permitted to accumulate land shall be dispossessed of it or have any of their rights interfered with, even in the slightest possible way. What we desire is that no further opportunities shall be given to land speculators to hold up the progress of the State in order that they may become rich by acquiring large slices of the public estate. It is not asking too much to expect of a man desirous of acquiring land, that he shall show his bona fides by accepting the plain responsibilities resting on him to improve the holding which the State assists him to obtain. That is what is proposed in this Bill, and that is one of the objects we seek. We say that selectors shall be limited in the area of land they may take up, and we do this with the object of securing the settlement of the soil by a sturdy producing community. To what must our present system of the sale of Crown lands

eventually lead? Though to-day there are millions of acres of unalienated land, still it must be remembered that we are not legislating for to-day nor for to-morrow.

Hon. M. L. Moss: I am afraid you are legislating for to-day, for this would be repealed to-morrow by anyone who is sane.

The COLONIAL SECRETARY: I hope the hon. member has not already come to a conclusion. There is no doubt that if the present policy of parting with the people's land be persisted in, the time must eventually come when the State will have parted with the whole of its land. What then will be the position? To-day we hear the cry that if the land be taxed the producer is being bled for the benefit of the whole community. To-day we are living, I maintain, in a fool's paradise. We point with pride to the growing revenue from land sales, utterly ignoring the true fact that, instead of being so much the richer, the State is so much the poorer for every penny that goes into the coffers of the Treasury from the sale of Crown lands. Of course the right of imposing taxation still remains with the State, but is it not wiser to recast our methods while there is yet time and, instead of making the imposition of a land tax inevitable, endeavour to conserve to the State that interest in the land that is undoubtedly its right for all time? The bogey of confiscation, I submit, is completely replied to in this Bill, because all existing rights in land are fully respected.

Hon. J. F. Cullen: From whom is the Minister quoting now?

The COLONIAL SECRETARY: With regard to the bogey of confiscation? I am not directing my remarks at any member of the House, but the bogey was raised at the last general election.

Hon. M. L. Moss: The hon. member thinks it is a recitation he is listening to.

The COLONIAL SECRETARY: It was quoted right through the general election that the Labour party proposed to rob the settler of his land and of his home.

Hon. J. F. Cullen: The hon. member is surely not expressing his own views.

The COLONIAL SECRETARY: If the holder of large estates is desirous of reselling to the Crown, provided the proposition is a business one the Government will still be prepared to do business; but any land acquired in this manner, if this Bill becomes law, will be disposed of, not as freehold, not as conditional purchase, but under leasehold conditions. It has been urged that to pass this Bill means the creation of a huge monopoly in land for those who already possess large estates, or even small areas for cultivation purposes, but that argument falls to the ground when the millions of acres which are still available for selection are taken into consideration. It would be a different thing if the Bill was introduced a hundred years hence when the best proportion of the agricultural land of Western Australia was already alienated.

Hon. J. F. Cullen: That would be its only chance.

Hon. W. Kingsmill: Let us strike out "now" and insert afterwards "one hundred years."

The COLONIAL SECRETARY: Another objection raised is largely sentimental in its character. It is urged that every man likes to feel that his holding is his own, and that unless he feels that he owns the land he tills there is no incentive to putting it to its best possible use.

Hon. J. F. Cullen: That is the first sound sentiment we have heard from you to-day.

The COLONIAL SECRETARY: A perusal of the Bill shows that the leaseholder under its provisions has as great an incentive to improve his land as the man who aspires in the end to acquire the freehold.

Hon. J. F. Cullen: That is a joke.

The COLONIAL SECRETARY: Every pound he spends on improvements and every pound of added value to the acreage is his.

Hon. D. G. Gawler: Except when it comes to a revision of the rent.

The COLONIAL SECRETARY: He creates the monetary value of the property for himself.

Hon. W. Kingsmill: For the Government!

The COLONIAL SECRETARY: Of course the State derives the benefit of the unearned increment. What is the real difference between the two systems? It is this: Whereas under freehold the State has in the first instance by the expenditure of public funds created the value of the property by providing facilities to enable it to be profitably worked, once it passes from the Crown the State does not receive its due quota of advantage from the land; under the leasehold the rights of the State, which, of course, mean the rights of the community, are conserved, but the lessee is not necessarily unfairly treated. The State's interest of course still remains despite the added value given to the property by the industry of the occupier, but only to the extent of the unimproved value. The occupier cannot be taxed for his improvements. Briefly this Bill proposes to constitute the State the landlord of a community of tenant farmers, and I propose now to show that the future settlers on our land under this system will be in a much better position as tenants of the State than men to-day in possession of the fee simple. The State having a direct interest in the holding of a tenant farmer, is more likely to assist him in times of financial stress than would the outside financial institutions with whom the freeholder would in many instances have to deal. The experience of our farmers in last year's partial crop failure showed clearly that in such circumstances the Government is a much easier taskmaster than a financial institution. Private financial institutions are notoriously chary about accepting financial risks. It is not good business to do so. Consequently when financial difficulties face the farmer at a time very often when assistance is most required, he is called upon to pay up his overdraft. That occurred in numerous cases last year, and it is likely to occur again. How different is the attitude of the Government towards

these people, as shown by their administration last year in connection with the brought! In face of all this I ask what becomes of the boasted security of the title to freehold? How many men after years of thrift and industry have found themselves on the financial rocks and have gone through the unenviable experience of seeing the fruits of years of toil go to satisfy the claims of some private mortgagee? I have shown, firstly, that there is no semblance of confiscation in the Bill, secondly, that the experience of older communities teaches us the necessity for recasting our methods and, thirdly, that the true interests of the community demands the introduction of a system which will bring about the closer settlement of our land and the maximum cultivation of the soil. It is for the House to say whether, in its opinion, that object is likely to be achieved under the Bill. I would like to point out that the Government have a most direct mandate from the people of the State in regard to this question of land policy. At the elections last year the opponents of the Government made this question of leasehold versus freehold the issue of the contest. There is not the slightest doubt about that. The question was pushed out to the very forefront with such unmistakableness that a clear cut issue was placed before the electors. It was claimed by some of the Liberal candidates that this was the only difference between the two policies placed before the people. How the people decided that issue is quite within the knowledge of every hon. member. I shall now proceed to briefly explain the provisions of the Bill.

Hon. M. L. Moss: Why not tell us how much the revenue is going to lose over this pet scheme?

The COLONIAL SECRETARY: Clause 2 effectively deals with the confiscation bogey, providing for the full recognition of all acquired rights in land. It goes farther, and ensures completion by the Government of all contracts made up to the date of the passing of the measure. Clause 5 empowers the Minister—

Hon. Sir E. H. Wittenoom: May I ask for an explanation? Under Clause 4 rural Crown lands may be declared open

for selection. Would that include any Crown lands held under lease at the present moment? We see in the definition clause that "rural lands" means any lands not classified as town, suburban, or village land. Would that rural Crown land come under what is known as lease land?

The COLONIAL SECRETARY: That is a point I could not determine.

Hon. Sir E. H. Wittenoom: Does it include pastoral leases?

The PRESIDENT: I think you had better get the information when in Committee.

The COLONIAL SECRETARY: It would apply to all pastoral leases taken out after the passing of the Act. Clause 5 empowers the Minister to classify the land as agricultural or pastoral, and, further, to rate pastoral lands as first and second-class. Clause 6 contains the kernel of the Bill. It introduces in lieu of the present freehold system a lease in perpetuity. Clause 7 fixes the annual rental at £2 per centum of the capital unimproved value. It may be objected that this is too low; but the Government were guided by their desire to promote land settlement. Under the old system the annual rental of conditional purchase land was five per cent., and at the expiration of 20 years the holder got his freehold. All he had to pay was five per cent. for 20 years, when he got his freehold title. We propose two per cent. in perpetuity. As I have said, that may be considered low in view of the price the State has to pay for its money; still, the Government are of opinion that the opportunities of land settlement and agricultural development should be made as great as possible.

Hon. J. F. Cullen: Is it not really a bribe?

The COLONIAL SECRETARY: Certainly not; does the hon. member object to it? Clauses 8 and 9 make provision for limiting the area of agricultural holdings held by a lessee, or by the wife or husband of a lessee, and also for the performance of specific conditions of lease. An important point to which attention may be directed is the provision intended to work for the relief of a lessee who for one or another reason finds

it impossible to continue on his holding. In such circumstances the lessee may surrender, and if such a surrender be made within three years after the commencement of the lease the Minister is granted discretionary power to pay to the lessee the value of the improvements effected by him. Clause 19 permits—

Hon. Sir E. H. WITTENOOM: Will the Minister give an explanation of Clause 13? The President said just now we might get it in Committee, but the question of whether or not the Bill ever reaches Committee may depend on the explanation given by the Minister.

The PRESIDENT: The question is not in order at this time, because the Minister specially asked that he be not interrupted.

Hon. Sir E. H. WITTENOOM: I only want an explanation of what the clauses mean, the clauses which the Minister is trying to explain.

The COLONIAL SECRETARY: What is the information the hon. member desires?

Hon. Sir E. H. WITTENOOM: Clause 13 states that the Governor may, subject as hereinafter provided, in the name and on behalf of His Majesty, grant leases of rural Crown lands classified as grazing land and declared open for selection. Under Clause 22 "rural land" means any land not classified as town, suburban, or village land. That applies also to Clause 4. What I desire to know is whether the Government are taking power to themselves to resume these grazing leases, to take away the pastoral leases from people who have held the land under lease.

The COLONIAL SECRETARY: There is no power given here to resume conditional purchase land or freeholds, but I assume there will be power to lease pastoral land under the Bill.

Hon. Sir E. H. WITTENOOM: But I desire to know—

The PRESIDENT: I think the Minister had better continue his speech.

The COLONIAL SECRETARY: I do not understand what information the hon. member is seeking. Clause 19 permits the holder of land under existing conditions to surrender his holding and take

up a perpetual lease. That is, in case where a conditional purchase holder wishes to come in under the leasehold principle he can surrender his block and obtain a perpetual lease. The remaining clauses are largely administrative, consequentially amending the present procedure to suit the proposed order of things. With regard to the information required by Sir Edward Wittenoom, will be only too pleased to furnish it when the Bill is in Committee. If the hon. member objects to that particular clause, or the definition of "rural lands," we will have an opportunity of moving an amendment. I beg to move—

That the Bill be now read a second time.

Hon. J. D. CONNOLLY (North-East): I have sufficient confidence in the House to believe that they will reject this Bill and reject it in no uncertain voice.

Hon. J. Cornell: I do not doubt it.

Hon. J. D. CONNOLLY: And let me say I believe the State is watching with more interest the attitude of the House on this particular Bill than it has done on any other question for a considerable time past. We know that the objective of the party who have introduced this Bill is the abolition of the Legislative Council. That party seeks to concentrate all power in another place, a House that is at present dominated by a body quite outside the Constitution. If this House was a moribund institution, as it is erroneously said to be in some quarters, and unpopular in the country, I say that it could renew its life and rehabilitate itself in the eyes of the country by promptly and decisively dealing with this revolutionary Bill. This House owes a debt of gratitude to the Government for having introduced the Bill, because by doing so the Government have shown clearly the necessity for this House, have shown that it is possible for the pre-dominant Political Labour Council to turn topsy-turvy the whole land laws of the State, the land laws which have done so much for the advancement and prosperity of this great State. The Government have done this Chamber a signal service: they have shown the absolut

necessity for this House to guard the country from this reckless, ruinous and wholly unnecessary piece of legislation. Why this country, with its vast unoccupied areas, should be submitted to this rash experiment certainly goes beyond my comprehension. Wherever leasehold has been tried in lieu of freehold it has invariably retarded settlement. What is the experience of New South Wales, which the Minister mentioned, and of New Zealand, which he did not specially touch upon? In those countries, when the leasehold principle was instituted, some choice was given to the people to take either the freehold or the leasehold. But in this Bill no choice at all is given. People are told that they must either take this leasehold or go without land altogether. In regard to New Zealand, which the Minister did not touch upon, the Dominion Parliament is now engaged with a Bill repealing the Leasehold Act. Let me say this in regard to New Zealand. Some years ago in New Zealand—I think during the Ballance Government or the Seddon Government—a leasehold Land Act was passed. The leasehold was for 999 years.

Hon. J. Cornell: This is longer.

Hon. J. D. CONNOLLY: No, 20 years only.

Hon. J. Cornell: It is in perpetuity.

Hon. J. D. CONNOLLY: It was popularised by the cry that a leasehold for 999 years was as good as freehold. If any leasehold can be as good as freehold, certainly a 999 years' lease based on a rental of 4 per cent. of the original price of the land without periodical reappraisements of the value—I say if any leasehold can be as good as freehold, then a leasehold of that description certainly ought to be. It is tried with its power of sale, sublease, mortgage, disposition by will, etcetera. What do we find? Four years ago the Act was changed for a 66 years' lease of ordinary Crown lands and 33 years' lease in the case of repurchased estates. The reason for that state of affairs existing in New Zealand so long was this, that the leasehold party of New Zealand was kept in power by the socialistic party, the party that seeks to put the same law on

the statute-book of this country. That party knew nothing whatever about the land system of the country any more than that party does in this State to-day. At the present time the New Zealand Parliament is engaged in the repeal of this leasehold principle. The last file of the New Zealand newspapers which I saw was about a month ago. At that time the repealing measure had been carried in the House of Representatives by 44 votes to 16, considerably over three to one, almost a four to one majority. I do not think there is much doubt that it is through the Upper House now. If a country like New Zealand, a fertile and settled country, has seen the necessity, after years of experience, of repealing the leasehold system for the freehold system, is it not an absurdity to try the leasehold system in a country like Western Australia. It is said that to create freehold alongside of leasehold, as we should have if this Bill was passed, is going to enhance the value of the freehold. I do not think the freeholders are so blind as to be caught by chaff of that kind, because we know the objective of the political party that has introduced this Bill—it is one of their planks—is the nationalisation of all lands. That is their declared object and to nationalise the land by a system of grinding taxation. Indeed it is provided for in this Bill, a system of grinding taxation of freeholds, which was strongly advocated by a member or a supporter of that party in this very House only a very short time ago. If the private ownership of land is such a disastrous thing, as the Minister would lead us to suppose, why are not freeholds abolished in other countries where they have had more experience in agriculture, because this is essentially a Bill dealing principally with the tenure of the agricultural lands of this State? But what is the case? Quite the contrary. Countries where freeholds are mostly encouraged are the most prosperous on the face of the earth. Take the countries of the earth where the wealth is most equally divided, for they are the ideal countries: where there are not the very rich nor the very poor. These countries are France, Denmark, Switzerland, and Belgium.

France is a wonderful example of the freehold system. France has cultivable land to the extent of 195,000 square miles, or 94 per cent. of the total area of France.

Hon. J. Cornell: Do you not think the declining population of France is due to the freehold system?

Hon. J. D. CONNOLLY: No. Of this 195,000 square miles 171,000 square miles are artificially cultivated, 80 per cent. of that total is cultivated by the proprietors of the farms.

Hon. J. E. Dodd (Honorary Minister): But the population of France is declining.

Hon. J. D. CONNOLLY: The population of France is not declining in the country, it is in the cities that the population is declining. In France 80 per cent. of the total area cultivated is owned by the people who cultivate it, 13 per cent. of the cultivated land is leasehold, and 7 per cent. is worked on the share system. That is in an old country like France, where you would think there would be no freehold. In Denmark, which is probably the richest agricultural country in the world—and it is made so by co-operation which the Danes found only possible under the freehold system—73 per cent. of the land under cultivation is freehold. The leaseholds in Denmark are decreasing, while on the other hand the number of freeholds are increasing. In 1860 in Denmark the freeholds numbered 146,000, to-day they number 300,000, more than double. During the same period, that is since 1860, the leaseholds have decreased from 65,000 to 20,000. In Norway, although 70 per cent. of the country is barren, it being very mountainous, farming employs directly and indirectly 40 per cent. of the population on the freehold tenure. Belgium is a small country, but there 6½ million acres are under cultivation, and they are not leasehold, but freehold worked and owned by the peasant proprietary. In Switzerland there is a similar state of affairs. We find there small freehold farms worked by the peasant proprietors. Undoubtedly agricultural prosperity goes hand in hand with freehold, as shown by the countries which I have quoted. Take the case of Ireland, and I am a descendant of the Irish race. I did

not see Ireland until eight or ten years ago, and if it had not been for the unfortunate system of leasehold my people would never have seen Australia, and probably the Minister too would probably not have seen Australia. Any Australian has only to go to Ireland for a few months or a few weeks to enable him to speak here sufficiently long to convince the House in favour of a freehold system as against leasehold or landlords. The freehold system of Ireland is putting an entirely new face on the landscape of the country. People who starved there as tenants now thrive as proprietors.

The Colonial Secretary: It will all go back to the big landlords again.

Hon. J. D. CONNOLLY: No, it will not. Thanks to the Land Purchase Act and the wonderful industrial organisation of Sir Horace Plunkett, Ireland's greatest modern benefactor. That organisation work has been carried on by Sir Horace Plunkett and those people connected with him, and so long as they carry on the work of co-operation the land will never go back to the large holders again. I could speak for hours on the freehold system as against the leasehold system just from my short experience in Ireland. I have said previously of all the men I know I certainly cannot understand any person descending from the Irish or being a native of Ireland who can support a leasehold or landlord system as against a freehold system. Something may be said about the non-alienation of Crown lands in urban districts. The prosperity of the towns is brought about a good deal by the country, but the improvement in the value of country lands is not brought about by the cities or towns. It is brought about, in the first place, almost entirely by the work put into the land by the people who pioneer those lands and work them, and in the second place the increased value is accounted for by the demand which exists in the world's markets for the products of these lands. It goes without saying that there never will be the same use made of land under a leasehold tenure as there will be of land held under a freehold tenure. It may be this freehold, as against

leasehold, is a sentimental reason, but I think that it rests on a more substantial basis. But whether it be from sentiment or not people will not, in country lands at any rate, have leasehold, they must and will have freehold. Take the houses in Perth to-day. There is a noticeable difference between the house owned by the person who lives in it and the house which is rented. I think there is a good deal in the saying, "Give a man the freehold of a piece of land, though it be a desert, and he will make a garden of it, but give a man the leasehold of a garden and it will soon become a wilderness." I do not intend to delay the House very long because I feel that will be quite unnecessary, but I desire to add one or two further arguments before I sit down. Undoubtedly the whole future of settling our agricultural lands depends on giving the settler good tenure. This can only be done by the freehold system and not the leasehold. The twenty years term as proposed in the Bill is simply an absurdity. The holder cannot finance in the first place, and certainly there is not sufficient inducement for him to attempt it at all. Although we have had remarkably easy terms in connection with our land settlement, and every inducement has been held out under the freehold system, it has been until recent years an uphill fight in order to get the outside world to appreciate fully the fact that we have valuable agricultural land. For instance, in 1905 we had only 18,000 conditional purchases; in 1912 the total was 31,000. In 1905 there were 320,000 acres under crop, equalling $1\frac{3}{4}$ acres per head of the population. Seven years afterwards there were one million acres under crop, equalling $3\frac{1}{2}$ acres per head of the population. It took us ten years under liberal conditions to get up to the $1\frac{3}{4}$ acre standard, and once we got going, in seven years we increased to $3\frac{1}{2}$ acres, and that progress was obtained by offering people freehold, and offering it to them on very liberal terms. Why make this change when everything is going well? Is it not always wise to let well alone? I have only to refer to the very disastrous effect which fol-

lowed the announcement of the Minister for Lands to alter the land regulations, which fortunately were never carried out. The Lands Department eighteen months ago, before the advent of the present Minister for Lands, may have been compared to a bee-hive, or a busy emporium or something of that kind, whereas to-day it resembles a morgue or a cemetery. This change has been brought about by the Minister's projected regulations, and I regret to say also that the mere introduction of this Bill is having a very disastrous effect on the land settlement of this State, and if by any chance it should become law—and I sincerely hope it will not become law—it will kill land settlement in one fell swoop. Let me give one more instance as to how this would affect land settlement in this State. We will assume that this was in force 20 years ago, and, say, that in the Beverley or Wagin districts a man took up a one thousand acres lease under C.P. conditions; under the Bill this lease would be revalued to-day, and the system of revaluation would be this: We will assume it is a well-improved property; it would be wholly cleared, fenced, subdivided, etc., and probably £1 per acre would be allowed for that—that would mean £1,000. The cost of the fencing could be put down at £40; the house at £500—and for that, probably, £350 would be allowed—for the water supply £170, making a total of £1,700. That would be the value of the improvements. In that district to-day a farm like that would be worth £4 per acre, or £4,000. Under the Bill they would deduct the improvements from that, and the balance remaining, £2,300, would be the rental basis. In other words, after the holder of the land had toiled like a slave to make a comfortable home, after twenty years he would be asked to pay on £2,300 in lieu of £500—his rent would be multiplied five times. Is that a condition that would induce anyone to go out on the land and do the heavy work which we know is incidental to the early stages of farming? While I know that it is wholly unnecessary to convince the House that this is a mischievous and revolutionary measure,

I desire to raise one other objection, and only one. I say that the Bill treats the finances of this State in a most unjust fashion, and, indeed, I do not think I would be going too far if I said that it was treating the finances of the State in an absolutely dishonest manner. Not only is this land taken up under the Bill exempt from land tax, but it is exempt from rent for three years. There are to be fewer improvements, and not only that, but to offer further inducement they are only charging 2 per cent. as rent. In the first place this Government under the leasehold system offer town blocks at 4 per cent, double the amount. Then they try the workers' homes at 3 per cent., and we are going to do this regardless of the cost to the State in order that the people may swallow this visionary scheme. They are charging this 2 per cent. when money is cheap at 6 per cent.

Hon. J. Cornell: How long are they doing it for?

Hon. J. D. CONNOLLY: It does not matter how long they are doing it for, but the fact remains that they are borrowing it at 4 per cent. and they are leasing their assets at 2 per cent. The reduction of 2 per cent. is a bait at the country's expense that the people might swallow this leasehold principle.

Hon. J. Cornell: You will not swallow it.

Hon. J. D. CONNOLLY: No. This system of only charging 2 per cent. if it were in force at the present time would mean giving away three-fifths of the land revenue. I just instance this to show what effect it will have on the revenue of the Lands Department. For instance, last year the department received in revenue from land in process of alienation £360,000, and this was at 5 per cent. If it had been at 2 per cent. the amount would have been reduced to £140,000. It cost more than £140,000 to administer the Lands Department last year, and so the actual loss to the State would have been over £220,000. This Bill will mean stagnation and death to land settlement. What for? Just to please the dictates of the Labour Congress which was held at Bunbury shortly before the last election—

Hon. J. Cornell: That plank has been in the platform for twelve years.

Hon. J. D. CONNOLLY: That may be so, but it is very strange that there was a strenuous fight at the congress prior to the general election, and, if I mistake not, the present Premier and at least one other member of the Ministry fought hard to get that plank out of the platform before the general election. Perhaps I should not say the Premier, but I know that one member of the Ministry wanted to get the non-alienation of Crown lands out of the platform.

Hon. J. E. Dodd (Honorary Minister): You have made a mistake there. It was not the Premier: I candidly admit that it was I who desired to get it out.

Hon. J. D. CONNOLLY: I will withdraw my remark then, so far as the Premier is concerned. I think it was the Attorney General, and I can name several others of the Labour party in another place.

Hon. J. Cornell: Mr. Dodd's remedy is worse than that.

Hon. J. D. CONNOLLY: The Minister has told us that this plank of the Labour platform was endorsed by the people at the last election. I deny that any special plank of the labour platform was particularly endorsed. If we go to the country with a number of questions we cannot say that any particular question has been endorsed. In order to get a special endorsement it would be necessary to go to the country with one question only. At an election lots of things enter into it—the personality of the candidate comes in. A.B. may be very popular, and he is standing in the interests of his party and so on.

Hon. J. F. Cullen: He is elected in spite of many things.

Hon. J. D. CONNOLLY: At any rate I will admit that it was in the labour platform, and if the Government say it was one of their leading planks there is no reason why they should not adhere to it. I am prepared to vote against the Bill and give the Government an opportunity of going to the country. We shall then see whether the country will endorse this particular plank of

the Labour party's platform. I do not think the Government will go to the country, and I venture the opinion that they would not dare to face the electors. If they do I have no misgivings as to what the result would be. I have already said that this is a reckless, mischievous, and revolutionary measure. The Minister for Lands' proposed regulations have already done an incalculable amount of harm, and the mere introduction of this Bill has also done considerable injury to land settlement. I regret the fact that the Bill has been on our Notice Paper for fifteen days, and that the leader of the House has thought fit to introduce it only to-day. I regret that, because the country has been waiting for the result of the debate in this Chamber with interest, and I also regret the Ministers' delay because, as I have already said, the very presence of the Bill on the Notice Paper has had a bad effect on land settlement. In the interests of land settlement we ought now to deal with the Bill promptly and decisively, and in order to take a step in that direction, and so try in a measure to restore confidence among the people, I beg to move an amendment—

That the word "now" be struck out, and "this day six months" added to the motion.

[Debate continued later.]

BILL—LOAN (£5,600,000).

All stages.

The PRESIDENT: I beg to announce that there is a matter of urgency contained in a Message received from the Legislative Assembly and by leave of the House I will read it now.

Bill received from the Legislative Assembly and read a first time.

Standing Orders Suspension.

The COLONIAL SECRETARY moved—

That so much of the Standing Orders be suspended as may be necessary to enable the Loan Bill to pass through its remaining stages.

Admittedly this was a most unusual course to adopt when there were several

days of the session ahead, but it was absolutely necessary in the circumstances that the Bill should be passed to-day. A cable message had been received from London last night, and the Government found that they were in a position to raise money in London provided a reply was sent so as to reach London by 8 o'clock to-night; otherwise, so they were informed by the Agent General, they were likely to be forestalled.

Hon. Sir J. W. Hackett: At what price?

The COLONIAL SECRETARY: It would be injudicious to disclose that information at this stage, but he could say that the money was offered on reasonable terms.

The PRESIDENT: I certify that there is an absolute majority of the House present.

Question put and passed.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said: We shall not be in a position to borrow this money unless the Bill is passed at once. The loan authorisation remaining on the 30th June was £1,004,930. Since then local inscribed stock and Treasury bills had been issued to the amount of £451,955, leaving a balance of authorisations available at the present date of £552,975. The last-named sum represents the amount for which the Government at present have authorisation, and I think hon. members will admit that it is advisable not to go on the London market for anything less than one million pounds. The money is needed in order to carry on the various public works referred to in the schedule. Hon. members will have full opportunity later on to examine and criticise the Loan Estimates in detail. I beg to move—

That the Bill be now read a second time.

Hon. M. L. MOSS (West): In view of the statement made by the Minister as to the urgency of putting this Bill through in order to get the market at the time when opportunity offers, I am sure this House will not take upon itself the

responsibility of putting the slightest obstacle in the way of the Government. Whilst I say that, the Government must assume the whole responsibility in the circumstances for asking for an authorisation whereby we are to add to the national debt by £5,600,000. It is only the extreme urgency of the case and the fact that probably we will lose the opportunity of getting the market at an opportune time if the Bill is not passed that induces me to at once say that I will put no obstacle in the way of the Government getting the Bill through. Still there are one or two things which must be struck out of the schedule. There is item 19 in the First Schedule, a vote of £10,000 for a railway from Esperance northwards; that, of course, must come out. I am mentioning that now not with the desire of cutting down the authorisation, but in order to make a protest at the first opportunity so that it cannot be said later on that I and other members who think with me have assented to some of the socialistic enterprises which are referred to in the schedule. Amongst them are sawmills £10,000, steamships £100,000, and brickyards £10,000. I readily recognise that the ordinary Loan Estimates must come before this Chamber at a later date, and whilst we are giving power to raise this money, it does not follow that I am going to yield readily to give authorisation for the carrying on of these socialistic enterprises if they can be avoided. But at the present time, in view of the urgency of the situation and the remarks which the Minister has made that there is a cable from London that this is the psychological moment for getting money, I am prepared to support the Bill.

Hon. Sir E. H. WITTENOOM (North): I, too, am prepared to vote for the Bill on account of the urgency of the position, which I fully realise. But I think the Government should give us some further say in the apportionment of the money. We have had no opportunity of discussing the Bill or of knowing what enterprises are proposed. I notice there are one or two things in the schedule to which I must take exception. The Government should give some pledge

that we will have another chance of discussing the apportionment of this loan before the money is appropriated. I take it that if the Bill is passed the loan will be apportioned according to the schedule.

The Colonial Secretary: No; you will have the Loan Estimates before you.

Hon. Sir E. H. WITTENOOM: But how can we get away from this schedule? I do not think we can alter it even on the Loan Estimates. When we pass this Bill we agree to this schedule.

Hon. J. D. Connolly: No.

Hon. Sir E. H. WITTENOOM: We ought to have an assurance from the Government that we will have an opportunity of discussing the apportionment of the loan.

Hon. J. F. CULLEN (South-East): I am sure that the proper course for the House to adopt is to ask the Government to withdraw these debatable items. I hold that it would be utterly unsafe for this House to pass this schedule because the Government have already stated—"We do not want authorisation. So long as we have money in contingent funds we can use the vote how we like." That is the expressed view of the Government. Having £250,000 in contingent funds they have said that they can spend it how they like. How can we give a Government with that loose view of finance this schedule on the strength of which they can say they will spend £10,000 on the Esperance railway which this House has rejected?

The Colonial Secretary: A Bill must come down.

Hon. J. F. CULLEN: Here are four other matters that are intensely debatable and ought to be submitted in due time.

Hon. J. D. Connolly: So they will be.

Hon. J. F. CULLEN: There is no due time now with the session so near its end. Those four items are agricultural implement works, which have never been authorised, sawmills which have never been authorised, steamships, which have never been authorised, brickyards, which have never been authorised, and an item of £19,000 for State hotels, the greater part

of which is asked for in the hope of establishing more State hotels. If the Government are wise they will withdraw these items and bring them down in proper form. It is utterly unfair to ask the House as a matter of urgency to pass debatable matter of this sort. I would advise the House to insist upon these items being taken out and being submitted by the Government in proper form for the approval of both branches of the Legislature.

Hon. J. D. CONNOLLY (North-East): I, too, refuse to take any responsibility in regard to the authorisation of this huge loan. The Minister representing the Government in this House has made a statement and that statement we must respect. He says it is necessary in the interests of the Government that this Bill should be passed. That is sufficient for me, and I do not take any further responsibility, but I do not admit that I am approving of any principle such as State sawmills, or agricultural implement works by voting for the Loan Bill, because I know this is only an authorisation for the Government to borrow, and it is necessary under the Loan Act that they must set out in the schedule how they arrive at the amount of the proposed loan. I have never known the items in a Loan Bill to be strictly adhered to. For instance, take item 19, £10,000 for a railway from Esperance northwards. There is no necessity to trouble about that at all, for the reason that the Government cannot spend anything on the railway without first bringing down a Bill to Parliament. Secondly, Parliament has to pass the Loan Estimates covering the necessary expenditure.

Hon. W. Patrick: Then why not give authority to borrow without the schedule?

Hon. J. D. CONNOLLY: According to the Loan Act the schedule must appear. An item such as that for agricultural implement works, to which I am opposed, will have to be brought down in the Loan Estimates and that is the time to object to it. Assuming that these items are cut out the protection will be no greater than it is now. The Government

have money and they do not require an Act to build implement works any more than to buy steamers.

Hon. D. G. Gawler: What about Clause 3?

Hon. J. D. CONNOLLY: They can erect implement works and bring down the Estimates afterwards and we have to pass them. One half of the year has expired before the Revenue Estimates come down, so that the Government have spent the greater portion of the money without any authority. The £5,600,000 may extend over ten years. Next year the Government may expend a million of it and devote a fraction to each item. I take no responsibility and I say we are not committing ourselves to these principles by voting for the Bill.

Hon. Sir E. H. WITTENOOM: In explanation I would like to say that when the Loan proposal is submitted to the people in London they have the schedule before them and they would expect that money to be spent in accordance with the schedule.

Hon. H. P. COLEBATCH (East): Mr. Gawler directed attention to Clause 3, apparently under the impression that it gave the Government power to expend money according to the schedule but that clause says that the money shall be applied in conformity with the Annual Estimates of the expenditure of Loan moneys sanctioned by Parliament.

The COLONIAL SECRETARY (in reply): The whole position has been clearly explained by Mr. Connolly. This is simply a small Act authorising the borrowing of £5,600,000.

Hon. Sir E. H. Wittenoom: How about the money-lender and the schedule?

The COLONIAL SECRETARY: Within a few days the Loan Estimates will be submitted and members will then have ample opportunity to discuss them.

Hon. W. Kingsmill: This is your idea of how the money should be spent?

The COLONIAL SECRETARY: That is so. If the money is raised it will be raised before to-morrow morning.

Hon. J. Cullen: Why not leave these items out?

The COLONIAL SECRETARY: We cannot leave them out. There will be ample opportunity within the next few days to discuss the Loan Estimates, when the whole of these items, I am informed by the Premier, will be fully set out. Regarding the line "Esperance-Northward" I remember in connection with another railway an item appeared in the Loan Bill and it was three years before the Bill to authorise the line came down. If the Government should later on introduce another Bill for the Esperance railway it will be necessary to have the authorisation. If it is not passed then the money cannot be used.

Hon. W. Kingsmill: "Other State undertakings" is a more serious group.

Hon. J. F. CULLEN: The majority of members are against them.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair, the Colonial Secretary in charge of the Bill. Clauses 1 to 6—agreed to.

First Schedule:

Hon. M. L. MOSS: The inclusion of Item 19 "Esperance-Northward," £10,000, was not pleasing to him, but as under the Government Railways or Public Works Act it was necessary that a special Bill should be introduced to authorise any railway, he did not feel disposed to move for the deletion of the item. He simply drew attention to the matter so that it would be perfectly obvious that there was no expressed or implied assent.

Hon. Sir E. H. WITTENOOM: This was a most important matter, and knowing a little about the financial arrangements as carried on in London, he could say that these loans were made to a large extent on this schedule.

Hon. J. D. Connolly: They will not see the schedule as the money is to be raised by cable.

Hon. Sir E. H. WITTENOOM: That was only the first million. We were pledging ourselves to the lenders to spend the money in a certain way. The lenders did not care about the Loan Estimates. If a man was going to lend money he

naturally looked to see how it was to be spent and whether it was to be applied to reproductive public works, or not; consequently he would look at the schedule. He represented an important part of Western Australia and had not had an opportunity to see whether any portion of this money was to be spent in his locality. He would like to peruse the schedule before it was passed. The Minister ought to give some assurance that it could be considered afterwards.

Hon. J. F. CULLEN: There were items in the schedule amounting to £300,000 for which Parliamentary consent had never been asked and on several of which the Government had already spent a good deal of money. The Government could not say that this was an emergency which had caught them as it had caught this House. The Government knew very well—

The Colonial Secretary: They knew nothing of the kind.

Hon. J. F. CULLEN: The Minister did not know what he was going to say. The Government knew very well four, five, or perhaps six months ago that they intended to expend money on steamers and on agricultural implement works. They were spending money on these things at the present time. They had a man wasting his time travelling round the country and exciting the hopes of various districts that implement works might be established there. It was not an emergency. Why did not the Government bring in a Trading Bill at the beginning of the session and take Parliament into their confidence and manfully say they wanted to do these things. No, they left it until this emergency Bill came down and asked the House to facilitate them.

The Colonial Secretary: You will have an opportunity to discuss them before the close of the session.

Hon. J. F. CULLEN: The Loan Estimates would come to this House perhaps a quarter of an hour before the session closed. The Minister knew this was not fair play.

Hon. Sir E. H. WITTENOOM : You are pledged to spend the money according to the schedule.

Hon. M. L. MOSS : We frequently re-appropriate these moneys.

Hon. J. F. CULLEN : The Government business would be facilitated as much as possible by him, but members had to answer to the country and a very large part of the country was looking to this House to closely scrutinise all the expenditure of money, and it was our duty to do so. The Government asked the House as an emergency to swallow the whole thing. He made this protest, and if it was midnight on the closing night when the Loan Estimates came down, he would have them debated.

Hon. C. SOMMERS : There was no desire on his part to block the Government in raising this money, but he took exception to many items. Members had a right to information regarding Item 48 "Purchase of Harvey Estate, £25,000." This was the first intimation he had had of that purchase.

Hon. Sir E. H. WITTENOOM : That is all right.

Hon. J. D. CONNOLLY : It was his desire to direct the Minister's attention to Items 32, 38, 39, 47, 52, and 53, more particularly the latter, "Public buildings, £70,000." If he was not mistaken it was the gospel of the present Government to borrow only for reproductive works. He did not know whether this was a mistake.

Hon. E. M. CLARKE : They were returned pledged to do that.

Hon. J. D. CONNOLLY : This item was scarcely reproductive.

The Colonial Secretary : It may be.

Hon. E. M. CLARKE : It was not known to him whether the Minister really meant that members would have an opportunity of discussing the items of expenditure, but it was cruel to tell us that when some of these matters, such as the purchase of steamers were things of the past.

The Colonial Secretary : The object is to transfer that expenditure to Loan Fund.

Hon. E. M. CLARKE : The fact remained that there were certain things laid down for the purchase of steamships, and the money has to be found for that purpose.

Schedule put and passed.

Second and Third Schedules—agreed to.

Preamble, Title—agreed to.

Bill reported without amendment, and the report adopted.

Read a third time and *passed*.

BILL—LAND ACT AMENDMENT.

Second Reading.

Debate resumed from an earlier period of the sitting.

Hon. H. P. COLEBATCH (East) : I do not intend to speak at any great length in support of the amendment moved by Mr. Connolly. In fact after the statements made by the leader of the House and Mr. Moss earlier in this sitting I might have been well content to give a silent vote were it not for the fact that for the last three or four weeks I have been inundated with letters and telegrams from branches of the farmers and settlers' association and other bodies in all parts protesting against the Bill. Without exception these letters and telegrams have been letters and telegrams of definite protest, and so far as I have been able to ascertain there is no one settled on the land who approves of this measure in any shape or form. It is usual when any drastic alteration is made in our methods of doing business that it should be dictated by a need for reform; there should be something unsatisfactory in the present methods, something that is found to be faulty before we alter. Mr. Connolly has explained very clearly to the House the satisfactory manner in which land settlement has gone on under the freehold system in the last ten years, and in looking up the figures he was quoting from I find a rather significant fact. On page 29 of the monthly *Statistical Abstract* it will be found that in the year 1910 the land taken up under conditional purchase was 1,727,000 acres, while in 1911, the latter three months of which were after the

issue of that minute of the present Minister for Lands to which reference has been made, the total amount was only 1,349,000 acres, a drop of nearly 400,000 acres for the year, and again for the current year, ten months of which have already expired, the amount taken up is 772,000 acres, only half the total for the last twelve months, and little more than a third of the total for the year 1910. I do not think it can be supposed that the alienation during November and December will anything like make up the deficiency. It is clear proof that ever since the issue of that minute, which was really the first step towards non-alienation of land, the taking up of land has gradually declined until now, as I have said, this year the chances are that the land taken up will not be half the amount taken up in 1910. It has been said that in this particular matter the Labour Government received a mandate from the people at the last general election. Possibly I may be allowed to say a few words in connection with this, for the reason that I think I was the only one among those who are at present members of the House who contested a seat at that general election, and I had the honour of contesting a seat against the present Minister for Lands. The matter of the non-alienation of lands was made an issue in that particular contest, not by the present Minister, and not by the Labour party, but by myself; and every possible effort was made on the part of Mr. Bath, the present Minister for Lands, and other members of the Labour party to keep that issue in the background. Indeed they went so far as to say, "It has been on our programme for twelve years, but nothing has happened; no one has drawn attention to it, and why do you want to bring it in now." During that election a paper was issued weekly in Perth called the *Vanguard*, and the editor of that paper went to particular pains to point out that the plank in the platform of the Labour party for the non-alienation of lands with a view to the nationalisation of all lands was not the final word on the question, and that congress that had put in that clause might very easily remove it. He appealed to the electors of that dis-

trict to vote for Mr. Bath, not because the non-alienation of Crown lands was good for them and ought to be put into force, but because they need not be afraid of it as the next congress might do away with it altogether.

Hon. D. G. Gawler: Mr. Mahon said that afterwards.

Hon. H. P. COLEBATCH: Mr. Mahon was the editor of that paper, and Mr. Bath never pressed the matter before his electors; in fact he endeavoured to conceal it as far as possible.

Hon. B. C. O'Brien: The fact that the plank might be removed was not in the *Vanguard*.

Hon. H. P. COLEBATCH: I think I can produce the paper, but when an hon. member makes a definite statement I do not think it is altogether courteous for another hon. member to dispute his word.

Hon. B. C. O'Brien: I make a definite statement too.

Hon. H. P. COLEBATCH: There can be no possible mistake on my part. I was contesting an election and read all about these things, and spoke on them every day in the week, so if the hon. member says I am making a misstatement in this regard he must be accusing me of telling a deliberate untruth.

Hon. W. Patrick: The hon. member ought to be made to withdraw.

Hon. B. C. O'Brien: I will willingly withdraw if I made a misstatement. I made an interjection and I am just as definite in my statement as the hon. member is in his statement. I know the policy of Mr. Mahon and I read the *Vanguard* very carefully in most of its issues and I still maintain that Mr. Mahon did not make the statement, but if I am wrong and the hon. member is right I shall have the greatest pleasure in withdrawing.

The PRESIDENT: It shows the evil of these interjections.

Hon. H. P. COLEBATCH: I shall read a line or two from the statements of Mr. Mahon. In supporting a toast he said—

Some few weeks ago he contributed an article to the Press with a view to arresting some of the fabrications propagated by opponents of the Labour party about the land policy of that

party. One or two sentences from that article might now be fittingly recalled, especially as the idea sought to be conveyed had been perversely misrepresented. He merely pointed out that the land plank in the Labour platform, like all other planks, was subject to periodical revision, and that any alteration made by the proper authority would bind members of Parliament elected after such revision.

This was a reference by Mr. Mahon to the article in a speech delivered by him in October, 1910, probably a week or two after the article appeared. Every hon. member who followed the course of that election knows that the issue of non-alienation of lands was not raised by the present Government, and that every effort was made on their part to keep it in the background, because they realised the harm it was doing them. As I said, I had the honour to contest the Avon seat against the Minister for Lands. True I was defeated, but only by a very small majority, and I should like to mention a rather curious incident that occurred after the elections. During the week, I think it was a week, that elapsed between the appointment of Ministers and the closing of nominations for their re-election, a circular was issued by the Minister for Lands setting out the proposals of the Government in the matter of supplying seed wheat, water, manures, and all those things to the agricultural settlers; and on the day nominations closed, and after the nominations were closed, another minute was issued setting forth those alterations in the land regulations in regard to transfers, and in regard to non-residence holders. The one fact was published before the nominations; the other was held back until directly afterwards; and in no boasting spirit I say that had that minute of Mr. Bath's been published before the nominations, I would have contested the election against him and I would have beaten him. Mr. Connolly has referred very fully to the land conditions in different countries, he has shown the successes of the freehold system, but I do not know that it was really necessary for him to do so, because the obligation lies on the Min-

ister to prove the affirmative and show where leasehold has been a success. As the Minister has made no attempt to do this, I do not think it is necessary for us to combat arguments that have never really been advanced. One objection taken to the Bill is in regard to re-appraisements every twenty years—I think that is provided in Clause 7, Subclause 4—and the reason why so much exception is taken is that land owners recognise it would be impossible for a fair valuation to be made of their improvements. At the end of twenty years a great many improvements that a man has made on his land, and that have added value to his land, have disappeared; buildings and fences and all those things wear out and have to be renewed. They serve the purpose of adding value to the land, so that when a reappraisal comes on at the end of twenty years he will have to pay a rent on that additional value without getting credit for a great number of his improvements. I would like hon. members to bear in mind how short a term twenty years is in the matter of land settlement. In connection with the inquiry we have been holding on the matter of irrigation we have found witnesses who have told us that just now, after anything from eighteen to fifty years, they are beginning to reap the benefit of something they did in years gone by. Twenty years is a ridiculously short time in which to deal with matters of this kind. I would like also to point out that any private owner who gives a lease of agricultural land to somebody else always makes certain stipulations in regard to how that land shall be worked, and the conditions under which it will be handed over to him when the lease has expired. Under the Bill there will be a direct incentive to the holder of land when his 20 years is nearly up to allow the thing to go back, to do anything to destroy the value of the land, in order that he may get it in future at a cheaper rent. My main objection to the Bill is that it is entirely dishonest, because inducements are being held out to people to accept the leasehold principle, which neither the Government nor any other section of the community believe in for one minute. Take for in-

stance the matter of improvements, provided for in Clause 9. It has been the cry of the Labour party for years past that past Governments did not compel people to carry out their improvements, and this minute of Mr. Bath's, of which we have heard so much, was directed against this matter of improvements. Yet under the Bill people are told that if they accept the leasehold system they will only be asked to do half as much improvements as they are now called upon to do. As for speculative land settlement, the system would be better calculated to encourage speculation than anything else we have heard of; because people would take up land on this ridiculous two per cent. basis and having only to make one-half the improvements required at the present time, in the certain knowledge that the scheme was bound to be a failure, and that after a few years they would get the freehold. Again, there is the question of the necessity of making the owner of the land live on it and work it. Under the Bill the conditions of residence are nothing like so stringent as in the existing Act, for with the approval of the Minister or, indeed, on the authority of one of the officers of the department, the residence conditions may be performed by an agent of the leaseholder. Under the existing Act if there are special circumstances which render it necessary for the conditional purchase holder to live away from the block, the residence conditions may be performed by some member of his family; but under the Bill these conditions are to be performed by a mere agent. With regard to the two per cent. interest, Mr. Connolly pointed out that this is the third attempt the Labour party have made to induce people to take the leasehold against the freehold. There are the workers' homes blocks, for which only three per cent. is charged. Under the Workers' Homes Act the leaseholder gets the land at 3 per cent., and the house at 5 per cent.; but the provident man, the man who has saved enough money to purchase his own freehold and who requires assistance in the erection of his house, has to pay 6 per cent.; or if he pays promptly it is cut down to $5\frac{1}{2}$ per cent. The

point is that the man who offers the best security is charged the higher rent, for no other purpose than to endeavour to make the leasehold principle popular by giving people something they are not entitled to. Although the Workers' Homes Act has been in operation for some time, the Minister has not been able to commend this Bill to us by showing how popular the leasehold system has proved under the Workers' Homes Act. Even the three per cent. has not elicited a satisfactory response, so now we are to have two per cent. Mr. Connolly referred to the effect this would have on the revenue. The revenue from land last year was £356,000, which was a considerable decrease as compared with that of the previous year, namely, £362,000, which in turn was an increase of £70,000 on the year before. I am aware that the reduction shown last year was due in part to a bad season and the remission of rents; but it was also partly due to the partial stoppage of land settlement. What would happen if the people accepted the Bill? In Clause 19 any person being the holder of conditional purchase land may surrender that land with a view to obtaining a perpetual lease; and it is provided that all instalments of rent paid during the term of the conditional purchase lease may be placed to the credit of the lessee.

Hon. W. Patrick: That is another bribe.

Hon. H. P. COLEBATCH: Of course it is. A man who has held his land for ten years and been paying all that time 5 per cent. would have paid 50 per cent., whereas for the 10 years under this leasehold system he would pay only 20 per cent.; so by surrendering his conditional purchase he would be 30 per cent. to the good, and could go on holding the land for the next 15 years without having to pay one penny. If the Bill is not acceptable to the man on the land it should be torn up. If it is acceptable, then our land revenue will almost entirely disappear. The man who has held conditional purchase land for 10 years will be able to continue to hold that land for the next 15 years without any payments at all either for rent or taxation.

What will then become of our revenue, and where are we to get the money to pay interest on the £5,600,000 loan which has been decided upon? The Minister stated that if the Bill passed the Government would, when repurchasing an estate, lease it instead of selling it. What a splendid business proposition that would be! We buy an estate and give the owners 20-year bonds carrying four per cent. interest. Then we turn round and lease the land at two per cent.

The Colonial Secretary: Oh, no; we propose to amend the Lands Purchase Act as well if the Bill is passed.

Hon. H. P. COLEBATCH: If the Bill is passed you will have to lease the land at two per cent.

The Colonial Secretary: No. we would amend the other Act.

Hon. H. P. COLEBATCH: Then does not that destroy the whole scheme? If you say you are going to let one man have land at two per cent., how can you charge another man four per cent. for it? Under the Bill you would have to charge two per cent. while you were paying four per cent. for the money with which you purchased the land.

Hon. W. Kingsmill: This dummy must have been meant to be knocked down.

Hon. H. P. COLEBATCH: I think so. So far as the necessity for providing against land monopoly is concerned, that difficulty has been solved, or at least can be solved by an equitable system of land taxation. It is generally admitted that land should bear its due share of the cost of governing the country, but not that people should be taxed with a view to taking their land away from them, which is the policy under the Bill. The policy here is to tax the freehold land until the owner will be eager for some relief. This is to be done with the deliberate intention of making the freeholder realise that he ought to convert into a leasehold, and so it is carrying out the policy of the Government—the non-alienation of Crown lands with a view to the ultimate nationalisation of all lands. Those are the words as they appear on the Labour platform, and this Bill not only means the non-alienation of Crown lands, but the ulti-

mate nationalisation of all lands, because under the Bill we are to cast the whole burden of taxation on the freehold land, and it will mean in a few years time that a very small percentage of the land of the State would have to bear the whole burden of taxation. I think it is generally admitted, too, that there is really no such thing as absolute and unrestricted individual ownership of land. There never has been. Land has always been granted under certain conditions. In the earlier days, probably, the King would grant land on condition that a certain number of soldiers be provided. There have always been conditions, and the Crown has always had supreme control. What we want is a tenure acceptable to the majority. We have had the freehold, which has been acceptable to all, but in respect to the leasehold probably no settler at all requires it. I cannot see any reason for giving up an approved system in order to take up one which nobody wants. It would undoubtedly discourage immigration. I see there is a provision in the Loan Bill for £100,000 to be spent on agricultural immigration. No doubt it will be said that the Labour party had a mandate from the people for the restriction or limitation of public borrowing. Probably that is the reason why we are here authorising only five and a half millions instead of ten millions.

Hon. M. L. Moss: It means eight millions since they came into office.

Hon. H. P. COLEBATCH: On agricultural immigration £100,000 is to be spent. That is not exactly a reproductive work, but it will be agreed that it is an excellent work. Still, it cannot be successful unless we bring the people here to a land settlement policy of which they approve. The people at Home will no more swallow this two per cent. than will the people here. They will regard it as a trap, just as they would regard it if a money lender offered them money at two per cent., and they will say "Yes, once the Government get us out there they will amend the legislation."

The Colonial Secretary: Give us an opportunity of testing the system.

Hon. H. P. COLEBATCH: Yes, an opportunity of testing an honest system. The Minister admits that we will have to charge two per cent. in one case and four per cent. in another. The present Bill would go a long way towards putting a stop to agricultural immigration, because the agricultural immigrant comes out here to get his own land, and he would not accept the land on any other terms. In common with stopping immigration, it would also decrease employment, and the last word I have to say is that I think it was most fitting that the Bill to provide for the raising of five and a half million pounds should have been passed before this Land Bill, because if we passed a Bill of this kind nobody would think of lending us five and a half million pounds. They would know that the Land Bill would mean stagnation. They are willing to lend us money now, because they know that we have the natural resources and that our system of land settlement is favoured by the people.

Hon. J. E. DODD (Honorary Minister): I move—

That the debate be adjourned.

Motion put and negatived.

Hon. J. F. CULLEN: I move—

That the House do now divide.

Hon. C. A. PIESSE: I second that.

Motion passed.

The PRESIDENT: The original motion was, That the Bill be now read a second time; to which an amendment has been moved to strike out "now" and add "this day six months." I will put the amendment.

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

Ayes	..	..	..	18
Noes	..	..	..	7

Majority for 11

AYES.

Hon. E. M. Clarke	Hon. M. L. Moss
Hon. H. P. Colebatch	Hon. W. Patrick
Hon. J. D. Connolly	Hon. C. A. Piesse
Hon. D. G. Gawler	Hon. A. Sanderson
Hon. Sir J. W. Hackett	Hon. C. Sommers
Hon. V. Hamersley	Hon. T. H. Wilding
Hon. A. G. Jenkins	Hon. Sir E. H. Wittenoom
Hon. W. Kingsmill	Hon. J. F. Cullen
Hon. R. J. Lynn	(Teller).
Hon. C. McKenzie	

NOES.

Hon. R. G. Ardagh	Hon. J. M. Drew
Hon. J. Cornell	Hon. J. E. Dodd
Hon. F. Davis	Hon. B. C. O'Brien
Hon. J. W. Kirwan	(Teller).

Amendment thus passed; Bill rejected.

BILLS (2)—FIRST READING.

1, Melville Water and Freshwater Bay Road.

2, Agricultural Bank Act Amendment.
Received from the Legislative Assembly.

BILL—STATE HOTELS (No. 2).

Second Reading.

Debate resumed from the 7th November.

Hon. H. P. COLEBATCH (East): I wish only to say a few words in support of this Bill. I find myself quite unable to take the view advanced by Mr. Connolly and Mr. Cullen. If I thought, as they seem to think, that the establishment of a good, up-to-date, well-conducted hotel will destroy Rottnest as a pleasure resort, I should join the ranks of the prohibitionists, but I think that it will improve the place as a pleasure resort, and I think the Government should have control of such hotels. I am rather partial to State hotels in such localities. Mr. Connolly is pursuing quite a consistent attitude, he is condemning the past Government for establishing a State hotel at Gwalia, and with great diffidence he states that he took over the State hotel at Yallingup. If the Government of which Mr. Connolly was a member had remained in power I believe a State hotel at Rottnest would have been established, either with his approval or against his wishes. I do not think the statement which has been made that it would lead to trouble amongst yachtsmen is a correct one. I have had a good deal of experience of both prohibition districts and yachtsmen and there is one thing I know of both. In a prohibition district there is more drunkenness than anywhere else, and one risk a yachtman will not take is to leave port without sufficient ballast. I do not think there is any danger in the Bill on that score. As

far as a State hotel at Wongan Hills is concerned, I think it is necessary, and the people desire it. Again I say I believe in the State conducting these hotels, especially in one hotel towns.

Hon. D. G. Gawler: With a view to profit.

Hon. H. P. COLEBATCH: I feel inclined to give the Government credit for intending to do well and intending to run the thing as any other Government would do. I should oppose this Government doing anything that I would oppose another Government doing, but I will not oppose the Government doing something which, if it came from a Government of which I was a supporter, I would support. That is the attitude I take up. As to the hotel being established at Wongan Hills there is a statement I wish to refer to. I have looked up *Hansard* and I would not have referred to the matter had I not found the statement there, but this statement being in *Hansard* I feel bound to refer to it. The Minister read a report recommending that at Wongan Hills a wood and iron building should be erected for a State hotel. If the Government erect a wood and iron building for a State hotel at Wongan Hills they will be driving a nail into the coffin of the State hotel system, because no licensing bench in the State would grant a license under such conditions.

Hon. J. F. Cullen: They are going behind the bench.

Hon. H. P. COLEBATCH: Yes, I know. If the Government, by getting the sanction of this House, get behind the licensing bench and then do something that no licensing bench would ever allow them to do, they are looking for trouble. The question has been asked, do I believe in these places being run for profit? I do not believe in State hotels being run for profit. They are being established for the accommodation of the public and because they make more profit out of the liquor side of the business than out of the other side you get better accommodation in an hotel than in a boarding house. From the profit that will naturally come to them from

well-conducted hotels they are justified in building permanent structures. It is not right that a license should be given for a wood and iron building.

The Colonial Secretary: That was only a report of an official.

Hon. H. P. COLEBATCH: I know, but it appears in *Hansard* in the Minister's speech and I could not allow it to pass. I have lived a good deal in places where there have been wood and iron hotels and I have seen no less than seven wood and iron hotels burned to the ground, and in three of these cases people have been burned with them. Even on the goldfields, which it may be said are only passing towns, hotels should not be built of wood and iron. For the protection of human life buildings should be put up that are safe. I was on a licensing bench at one time and during the time I was there we insisted that not only should the hotels be built substantially of brick or stone, but the outbuildings, the stable and places like that should not be constructed of wood and iron, and that system should be carried out everywhere. I would not vote for the Bill if I thought the Government would be foolish enough to build a wood and iron hotel at Wongan Hills. I give them credit for too much sense to do that, therefore I shall support the Bill. The Minister mentioned the fact that when State Hotel Bill No. 1 was before Parliament I interjected that if a small amendment of the existing Act limiting the 15 miles clause to State hotels was brought in I would support it, and so I would. I am sorry the Minister did not do that. It would have meant that he could have gone to the licensing bench and got licenses for these two hotels and I have no doubt he would have got those licenses, and have been enabled to provide the hotels. Although I support the Bill I do it under protest because I do not think this Chamber should act as a licensing bench, and that is what it really amounts to. It is utterly and entirely wrong. I support the Bill because I think the two hotels are justified, but I certainly would not support any proposal of the kind which would be brought forward if I thought a wood and iron building would

be constructed. I think the Government should have brought in an amendment of the existing Act to apply State hotels to the 15 miles limit.

Hon. W. KINGSMILL (Metropolitan): I am sorry to say that I am, to use perhaps a colloquialism, up to my limit in State hotels. I have already on two occasions expressed this opinion. When the people of Dwellingup by pressure on their member secured a State hotel at Dwellingup, I then said—when that contravention of the Licensing Act was going through the second reading—that I was not prepared to support any more State hotels. This House expressed a very definite opinion on the subject of State hotels when the Bill dealing with State hotels generally was before it and yet we find the Government, as it were, by a side track, a flank attack it might be said, endeavouring to induce the House to assent in part to a principle which the House has already condemned *in toto*. I do not think that is the right course for any Government to pursue and the Government will not have my sanction in so far as my vote is concerned. We are not inclined to take the Dwellingup experiment as a test case, although I admit that it has been satisfactory. In the first place, although little has been said in this House, outside a great deal of dissatisfaction has been expressed about the appointment of the manager. When the manager was appointed for Gwalia there was not a word of dissatisfaction but on the occasion when the manager was appointed for Dwellingup we heard practically a universal outcry of dissatisfaction.

The Colonial Secretary: The appointment has been a successful one from every point of view.

Hon. W. KINGSMILL: I am pleased to hear that. I am not expressing a personal opinion. I am only saying that the appointment gave rise to a great deal of hostile criticism which might or might not have had a good deal of foundation.

Hon. J. Cornell: That dissatisfaction had a two-fold purpose.

Hon. W. KINGSMILL: I do not know what the hon. member means but I am

certain that, as usual, he means well. With regard to the system which is sought to be introduced by the Bill, I must say that if we are to have State hotels I would far sooner see them granted under the system under which at the present time the Gwalia hotel and the Caves House at Yallingup exist. I would prefer that the decision as to whether the hotel is wanted, and if it is, of what proportions it should be, and what its scope should be, and its construction as well—that all these matters should be left to the licensing bench rather than to Parliament. I would ask the leader of the House to remember that when the James Government, of which I had the honour to be a member, applied for licenses for State hotels in various places the licensing bench by no means met these applications with a kindly eye. They were inclined to take every objection possible to the granting of the licenses, and on two occasions they were refused. I do not suppose it is revealing Cabinet secrets at this hour of the day when I say that I was not in accord with the actions of my colleagues in that connection. Sir Walter James on one occasion asked me, in fact I might say it was a command, whether I would like to be the applicant for one of these licenses, but I said that I did not care about it, and I was pleased subsequently because the license was refused on an informality, and that informality consisted of the notice of application having been put on a tree and not on a board. It showed that the licensing bench were not inclined to waive informalities with regard to applications, and in each case the conditions laid down with regard to the class of buildings to be erected, and the manner in which the hotels were to be run, were such as would apply in the same circumstances to private individuals. I take it the Government want to be their own masters and I do not believe in it. I agree with Mr. Colebatch that the erection of a wood and iron hotel at Wongan Hills would be a most ridiculous proposal.

The Colonial Secretary: That is not proposed; that is not considered even.

Hon. W. KINGSMILL: I understand that the gentleman who suggested that

was a trusted adviser of the Government in regard to State hotels, practically the final authority on this subject, and if his suggestions are not to be considered—

The Colonial Secretary: It would be a matter for Cabinet to decide.

Hon. W. KINGSMILL: I see; then instead of Parliament being the licensing bench Cabinet will be the licensing bench.

The Colonial Secretary: Cabinet will say what class of building shall be erected.

Hon. W. KINGSMILL: Cabinet will fulfil that part of the functions of the licensing bench. I am not prepared to give Cabinet the opportunity of doing so. A good deal has been said with regard to Rottnest and I wish to enter a protest against the remarks made here and elsewhere with regard to the conduct of yachtsmen at Rottnest. They have been accused, not so much in this House as in another place, of taking over large quantities of liquor and misconducting themselves as a result of consuming that liquor too hurriedly. My experience of yachtsmen at Rottnest is that they are far too busy enjoying themselves in other ways to employ their time in drinking in the way which has been suggested here and in another place.

The Colonial Secretary: Not suggested here.

Hon. W. KINGSMILL: I think the hon. gentleman did.

The Colonial Secretary: I certainly did not.

Hon. J. Cornell: It was Mr. Cullen.

Hon. W. KINGSMILL: Then Mr. Cullen it appears accused these yachtsmen of being injudicious, but I know in another place pointed references were made and many of the yachtsmen felt extremely badly about it, and I take this opportunity, so far as my experience goes, of contradicting the statements made with regard to their supposed misconduct. Again, this theory of the leader of the House that establishing an hotel there will lead to a diminution in the drink is an ingenious one, and I was going to say it will not hold water. Perhaps that is the wrong phrase to use.

Hon. Sir E. H. WITTENOOM: Well, mix it a little.

Hon. W. KINGSMILL: I will say instead that it will not come to a conclusion in practice. So far as I am concerned I should be sorry to see an hotel established at Rottnest. I do not think it is wanted there. I think if the people go to Rottnest they can take with them all the liquor they want.

Hon. D. G. Gawler: The same as they are doing now.

Hon. W. KINGSMILL: If we put an hotel there unlimited liquor will be obtained and it will be consumed in spite of the asseverations of the leader of the House that nothing but moderate drinking will take place. I think it will tend to spoil that island as a pleasure resort, more especially for women and girls. If we want to make the place attractive one of the principal attractions would be the absence of facilities for the sale of liquor. There is one part of the Bill, which I must confess, has caused me a good deal of surprise, and I do not know what induced the Government to submit it. One might be led to believe by the proposed legalisation of the State hotels at Gwalia and at Yallingup, that these hotels had been existing illegally for some years past. I hope that is not so. If it is there is some excuse for the provision in the clause of the Bill for their legalisation. If it is not so, I have every reason for objecting still more strongly to the provisions in this Bill, which will take the conduct of those hotels practically out of the hands of the licensing bench and place it on the same footing as the hotel at Dwellingup. There is a third point, which I hope is not correct, and it is that this is a sort of catch-penny provision which is calculated to make the Bill more acceptable to hon. members to carry through on its totally inadequate back the proposition to establish State hotels at Rottnest and Wongan Hills. I shall be forced, for the reasons I have given, to cast my vote against the second reading.

Hon. Sir E. H. WITTENOOM (North): I intend to support the second reading of the Bill, and I also intend to support the license for Rottnest, for the simple reason that people take over large

quantities of liquor and drink it in a most unlicensed manner.

Hon. M. L. Moss: They do nothing of the kind.

Hon. Sir E. H. WITTENOOM: I have not been there but I have been told that that is what takes place, and therefore I think it is better to have drinking regulated in some way or another. Were it a private individual who was to have the control of the hotel I should be absolutely opposed to it but as it is going to be a State hotel I am inclined to support it because I take it that the Government will not put any one in charge of the hotel unless that person is thoroughly competent to look after it. We all know, and it is no use disguising the fact, that every one who goes out for a holiday, I should not say every one, but a large number, want a certain amount of stimulant.

Hon. J. Cornell: I plead guilty.

Hon. W. Kingsmill: I do not agree with you.

Hon. Sir E. H. WITTENOOM: It does not matter whether the hon. member agrees with me or not, I know it is a fact, and it must be procured from some source. So far as Rottneest is concerned, it has to be taken over. All the testimony bears out that those who take liquor over take more than they require and they imbibe more than is necessary. Were a State hotel there, properly looked after, liquor could be dispensed in such a manner that it would not hurt any one. I can give an example which will almost prove my case up to the hilt. Some years ago I had the privilege of being a visitor to Sydney, and during that time I went to an institution known as Medlow Bath. It is on the Blue Mountains and it was instituted by a gentleman of philanthropic ideas named Mark Foy. This gentleman went to England suffering from a very bad attack of distemper, and he went to a place called Medlow and was cured of the disease, and he was so grateful for what had been done for him that he determined to establish such another institution on the Blue Mountains. Up to the time I was there he had spent £72,000 on this place and his idea was to conduct it as a temperance resort. It is a beautiful

place and there were at that time a great number of people in it. Mr. Foy imported the baths and many other things from Germany, and he did everything he possibly could, and one of his household told me that the great trouble he had to contend with was the amount of liquor which people took up in their bags and portmanteaux. It was such that it could not be controlled, and as Mr. Foy's first idea was that there should be no liquor consumed there he found it absolutely impossible to carry it on as a temperance place. The consequence was that the time arrived, I think it was in 1906, when they applied for a license for the sale of liquor so that they might control and regulate the sale. I take this as a parallel case to Rottneest and I am quite certain that any one who goes over there for a holiday will take over a certain amount of stimulant. I think it is better for them to go to the State hotel, where they can be supplied with good liquor and then they will take only the small quantity they actually require.

Hon. J. Cornell: And there will be less trouble and anxiety.

Hon. Sir E. H. WITTENOOM: I did not hear what the hon. member interjected, but I am quite certain it was a very sensible remark. So long as it is a State hotel at Rottneest no one can have any objection to it. It is not like a place where one has to pay an in-going of £10,000 and £30 a week in rent and the unfortunate lessee has to push the sale of liquor as fast as he can. There is nothing like that in connection with a State hotel, and in those circumstances it is well that there should be a State hotel at a place where it is obvious there must be some drinking, which can be regulated by State control. If we could have total prohibition I would vote for it every time, and if anyone will bring down a scheme for total prohibition I will support him, but as that is impossible I say that the State hotel is the nearest approach to the proper control of the liquor traffic. In those circumstances I shall vote for the establishment of this hotel not only at Rottneest but also at Wongan Hills.

As far as I can understand it is the wish of the people in the Wongan Hills district that a State hotel should be established there, and that being so, I have much pleasure in supporting the second reading.

Hon. V. HAMERSLEY (East) : I will not detain the House at any length but I wish to make my attitude on this Bill quite plain. I feel that it would be a very great error indeed if we permitted a hotel to be built at Rottnest. I want to see a very much stronger demand on the part of the public generally before establishing a State hotel in a place like that. I realise that there are many families who can enjoy a very good holiday there if they know there is no liquor to be obtained. There are many instances where a wife and her children can enjoy a good holiday with the father of the family, but if there is any liquor within his reach it probably spoils the holiday for all of them.

Hon. J. Cornell : The wife will not take him there if that is the case.

Hon. V. HAMERSLEY : Very often the wife has to stay away on that account. Rottnest is an ideal place for many people to enjoy a holiday beyond the reach of the hotels. It affords an opportunity for them to get right away from the drinking, and I think it would be well if the island was left for a considerable time without an hotel. In the future there may be a strong demand on the part of the people that hotel accommodation should be provided, but there are so many other places where the State can establish hotels with advantage, that I think they might rely on those places for the further testing of this system. So far as Wongan Hills is concerned, hotel accommodation is necessary for the new settlement taking place there, and I am therefore voting for the second reading with the idea of providing a hotel there, and striking out the reference to Rottnest.

Hon. D. G. GAWLER (Metropolitan-Suburban) : When the Dwellingup State Hotel Bill came before this House some time ago I voted in favour of it, because it was in accordance with my view that

if we want to make a success of legislation of this sort it is desirable to eliminate the element of private profit; but when we read the debates on this Bill and also on the previous State Hotels Bill we find that the desire of the Government is to get revenue out of these hotels. If that is so, that practically places the Government on the same footing as a private individual, and the elimination of the element of private profit, which would be a useful adjunct of Government control, is not attained.

The Colonial Secretary. How would you keep out the profit?

Hon. D. G. GAWLER : I cannot say, but we have the Premier stating that these hotels are to be run for revenue purposes.

The Colonial Secretary : Not for revenue purposes.

Hon. D. G. GAWLER : Even when the Minister was speaking on the Bill in this House and Mr. Connolly interjected he said that these hotels were doubly required for revenue purposes. There has been a considerable profit on the State hotel system so far, and that goes to pay for a lot of the socialistic enterprises which the Government are entering upon and which we do not agree with. That makes me pause as to whether I am justified in voting to place the control of State hotels in the hands of the Government, when the intention to run them for profit takes away the justification that I have always urged, that State control eliminates the element of private profit. As regards an hotel at Rottnest, I am totally against the proposal, because I do think that if a hotel is to be established there it ought to be a hotel such as was provided for under the old licensing law as distinct from a publican's general license; that was a hotel which would only allow of liquor being supplied to lodgers and their friends, but unfortunately a hotel license of that kind does not exist under the present Act. The establishment of a hotel to supply liquor to all and sundry would considerably militate against the likelihood of visitors, especially families, going to Rottnest for holidays. It cannot be said that the establishment of the hotel is in the interests

of yachtsmen, because they take over their own liquor now and will continue to do so. If there is a danger of disorderly conduct on their part, police protection can be provided, but I cannot see how the establishment of a State hotel is going to improve the conduct of the yachtsmen even if such improvement is required. On those grounds I will vote against the second reading of the Bill.

Hon. R. G. ARDAGH (North-East): I intend to support this Bill. In the first place I believe in the principle of State-owned hotels; they are best for the people and best for the State generally. Mr. Connolly in speaking on this measure used the argument that it should not be made easy for parties to obtain drink at Rottneſt. The same argument might be applied to other portions of the State. If there is no provision for persons to obtain liquor at Rottneſt they will take it over with them in large quantities and probably consume it in larger quantities than if they were able to purchase what they required at a hotel on the spot; consequently, I think that argument does not hold good. So far as Wongan Hills is concerned, I do not know much about the district, but from what I have learned it is a rising locality, and if it warrants a hotel at all it should be a substantial building of brick or stone. As a matter of fact any building of this description for hotel purposes, whether erected by the Government or by a private person, should be constructed of brick or stone. If it is not worth that expense it does not warrant the granting of a license for the purpose of selling liquor.

Hon. V. Hamersley: The licensing benches demand that now.

Hon. R. G. ARDAGH: Well, I hope they will continue to do so. The leader of the House has said that it is not the desire of the Government to erect a wooden or iron building at Wongan Hills. I have much pleasure in supporting the second reading.

Hon. M. L. MOSS (West): I have only a few words to say. I am most strongly opposed to the placing of a publican's license at Rottneſt. Anyone who listened to Sir Edward Wittenoom

would think that the yachtsmen who go to Rottneſt go there to have a wild carouse.

Hon. Sir E. H. Wittenoom: I did not say anything of the kind.

Hon. M. L. MOSS: That is the conclusion I arrived at from the hon. member's remarks. I have been at Rottneſt on many occasions at Christmas and at Easter, the seasons when the yachtsmen are mostly there, and a better-behaved lot of men I could not find anywhere in Australia. It is absurd to suppose for one moment that the slanders uttered against the people of Rottneſt by the Premier when he said that sly grog selling goes on there—

The Colonial Secretary: Sly grog selling?

Hon. M. L. MOSS: Yes, the Premier said that, and his remarks will be found in *Hansard*, Volume 22. It is a base slander to say that the Government employees on the island, who constitute the only population there, the lightkeepers, the prison officials, and the other Government servants, are engaged in sly grog selling. They are a well-behaved and honourable lot of people, and this accusation against them is not justified. With regard to trippers going to Rottneſt, there are ample opportunities afforded them to get liquor. The "Westralian" and the "Zephyr," which take the bulk of the passengers across to the island, both have packet licenses, and there is every facility for the public who go to Rottneſt to get liquor on board. The yachtsmen, of course, take liquor for their own consumption, but as one who has frequently visited the island I can say that the people I have seen there are remarkable for their sobriety. There are no such scenes as one would suppose to take place from the remarks made by hon. members. I agree with Mr. Gawler that the Government should not want to make money out of these ventures, but in that speech by the Premier to which I have referred he said that the Government have spent £20,000 on Rottneſt during the last few years, and they expect to get something back, that the profit should not be made by the Swan Brewery and the mer-

chants in Perth, but by the Government of the State.

Hon. J. CORNELL: He made no reference to figures.

Hon. M. L. MOSS: The Premier did refer to figures, as the hon. member will see if he will turn up *Hansard* for this session. The Premier said that £10,000 had been spent last year, and £10,000 this year, and the Government wanted to recoup some of that outlay by making a profit out of the sale of liquor. If my vote can prevent it, I do not propose to allow them to do that. With regard to the Wongan Hills proposition, as Mr. Colebatch has said, what the Government want to do is to erect a shanty to sell liquor—a wood and iron building for which no private applicant would dare to ask a licensing court for a license. I am not prepared to allow the Government to do what private people would be forbidden to do. If these State hotels are justified at all—and I have grave doubts about it—I think they ought to be compelled to erect buildings just as substantial as private individuals would be called upon to provide. There is another way of dealing with the large amount of money which is given to a private person when a license is granted to him. The license ought to go up from an upset price just the same as land, and the Government would get a share of the benefit of the license in that way. This Bill is only a subterfuge to get round the provisions of the Licensing Act, so that the Government may be enabled to erect a shanty at Wongan Hills.

The Colonial Secretary: That is not so.

Hon. M. L. MOSS: Well, it is fair argument to say that the report submitted on the question indicated that if a hotel is established there is nothing to prevent a shanty being put up.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. M. L. MOSS: I have said all I wish to say on this question.

Hon. T. H. WILDING (East): I rise to support the second reading of this measure. I realise it is necessary that

there should be an hotel at Wongan Hills. When I was out in that district last week, I met many people, and I was told that at the present time there are no less than five persons suspected of selling liquor. I was told they were charging 17s. 6d. a bottle for whiskey. It goes to show how necessary it is to have some hotel out there. I am not inclined to see the State having these trading concerns; I oppose them; I do not think they are in the best interests of the State; but I was told by many people out there that they had held a meeting and decided that they should have a State hotel, and I was asked to support a State hotel going there. While I support the Bill, I think if we have a State hotel there, the Government should be treated exactly as a private individual, and be subjected to the Licensing Act. I do not think they have the right to put up any kind of house they may think fit. I should strongly oppose anything but a stone or brick building going up, but I understand from the Minister it is not intended to put up a wood and iron place. Wongan Hills being an isolated place, an hotel is necessary, but I do not think an hotel should be erected at Rottnest. We look upon Rottnest as a pleasure resort, not for what it is to-day, but for what it is likely to be in the future as the State goes ahead. There will be hundreds of people going there in the summer months for their enjoyment. It is altogether a different proposition from an isolated place like Wongan Hills, where there is no control. Sly-grog selling cannot possibly be carried on to any extent. If started, it would be put down at once. I shall support the second reading with a view to seeing that "Rottnest Island" is struck out in Committee.

Hon. W. PATRICK (Central): I do not think this is a subject that requires much discussion, and as Mr. Wilding has exactly expressed my views, I do not think I need say anything further. I shall support the second reading, but I shall oppose an hotel at Rottnest. I think the Government have a great opportunity of proving the possibility of having a temperance hotel there on a scale that has

not been attempted hitherto by the State. It should be an object lesson to prove whether it is possible to run a first-class hotel on temperance lines. Wherever hotels are erected and managed by the Government, they should be under the same control as private hotels.

The COLONIAL SECRETARY (in reply): What remarks I have to make in reply shall be as brief as possible, because I desire that every progress should be made with the business of the House. The opposition to this Bill is chiefly directed against the Rottneest proposal, but I cannot comprehend the grounds for the hostility. It is insinuated that the opening of an hotel has a demoralising influence on the surrounding community, not only on the people who patronise the bars, but also on the people who board and lodge at the hotel. It is a strange circumstance that, although there are 42 publicans' general licenses in Perth, no member of the House has ever protested against the demoralising influence of these hotels on the people of Perth. We have had an hotel at Yallingup for several years past. In 1910 the late Government, on the recommendation of Mr. Connolly, converted the Caves hotel into a State hotel. The hon. gentleman cannot deny it. He made the recommendation to Cabinet that the State should take over the control and management of the Yallingup Caves hotel. The step was attended with splendid results. Previously the hotel was badly managed, in fact, grossly mismanaged, but under the control of the hon. gentleman a great improvement took place.

Hon. J. D. Connolly: That is a recommendation for me as an hotel manager.

The COLONIAL SECRETARY: Yes, any application from the hon. member for the position of manager of a State hotel would very likely be favourably considered on account of the success the hon. member made at Yallingup.

Hon. J. D. Connolly: Would that recommendation hold good for Dwellingup?

The COLONIAL SECRETARY: I am afraid that position is filled. One or two members have said, "We must consider the women and children." "It is a matter for serious consideration." I

wonder whether this is wilful blindness or smug hypocrisy. When women and children come from the country to the State, where do nine-tenths of them stay? Not at coffee palaces, but at the ordinary hotels conducted under publicans' general licenses. When women and children go a sea voyage, how do they travel? They go on ships where there are refreshment rooms, where beer and whisky are sold in abundance. If an hotel is unfit for women and children, surely a steamer where there is an unlimited sale of liquor is equally unfit for them to travel in. If such a state of things obtains in hotels that are privately conducted, I am very much surprised that the licensing courts in which members have so much confidence have not come down very strongly on these hotels.

Hon. W. Kingsmill: It is not so much confidence in them, as lack of confidence in the Government.

The COLONIAL SECRETARY: Hon. members have produced no proof to justify their lack of confidence in the Government. They talk about the management at Gwalia and Dwellingup, but not a single complaint has come forward for investigation. It is the evident desire of many hon. members to make Rottneest a prohibition island, simply a resort for the goody-goody section of the community. I am confident that, if the island is run on these lines, it will not be a success.

Hon. W. Kingsmill: Do you mean a financial success?

The COLONIAL SECRETARY: It will not be a financial success, because that particular class of the community represents only perhaps one-tenth of the whole. I do not want it to be understood that we desire to establish a State hotel at Rottneest to make a profit out of the sale of drink. Nothing of the kind. We wish to establish an hotel at Rottneest for the purpose of providing a convenience and comforts that will make the place attractive as a pleasure resort. Mr. Connolly says we want revenue. We do. We want a lot of re-

venue to make that proposition a success.

Hon. J. D. Connolly : You said you wanted to make revenue for State undertakings.

The COLONIAL SECRETARY : I said we wanted to make revenue in connection with this undertaking. I believe I said that £11,000 had been spent at Rottneest, but I find that was for the year ending 30th June, 1912, and that, in the previous year, the Government spent something like £5,000, while an additional expenditure of £5,000 is contemplated. In order to make a proposition of this kind a success, there should be every convenience and comfort afforded. How on earth can we make this a prohibition island? We may prevent liquor being taken to Rottneest, but in order to be successful we would have to search the luggage of all the passengers in order to discover whether there was any drink being taken to the island. Mr. Connolly says that the men going over there in sailing yachts will be in danger of getting too much liquor. It is very difficult to have any patience whatever with this kind of argument. The same argument would apply to yachts leaving Perth or Fremantle. They could take liquor from Perth or Fremantle, any quantity of it, and if it is bad to have a hotel at Rottneest which would supply liquor to men travelling on yachts, surely it is bad to have hotels in Perth which are a similar source of danger.

Hon. W. Kingsmill : How do the Government propose to stop people taking liquor to Rottneest ?

The COLONIAL SECRETARY : I would like some hon. member to explain how. I do not think it is possible to do it.

Hon. C. Sommers : Surely it is not contemplated.

Hon. W. Kingsmill : The Premier contemplated it.

The COLONIAL SECRETARY : Mr. Connolly made an astounding explanation as to how the large expenditure at Rottneest has been made up. He says that during his term the labour of 40

prisoners was utilised, and that Rottneest was debited £2 a week for each prisoner, or £80 a week, and by this means the prisons were credited with between £7,000 and £8,000 against the Rottneest vote. All this is the product of the hon. member's imagination.

Hon. J. D. Connolly : Take the Comptroller General's report.

The COLONIAL SECRETARY : There is a mention there of £600, but there is nothing definite. I interviewed the accountant of the tourist branch, but never in the history of the department has there been any debit to the department for this labour. There was a reference in the last report of the Comptroller General to the labour of prisoners at Rottneest, which it was estimated was worth something like £600 for the previous year, and that, no doubt, is what misled the hon. member. The whole of the expenditure I have referred to, and the contemplated expenditure, amounting to £26,000, will be expended in golden sovereigns. It is altogether apart from the labour of these prisoners. If a hotel is established at Rottneest it is proposed to bring down Mr. Hunter from the Gwalia State hotel for the first season. I think that is some guarantee that the place will be properly conducted. And suppose it is not properly conducted, surely the matter will very soon come before the notice of the Government. Every member of the community will become a policeman, members of Parliament will go over there, and if there were any excessive drinking or any improper conduct in the management of the hotel we would hear of it within 24 hours. As for sly grog selling on the island, I am not aware of it. I had the control of the place until some two months ago, when it was taken over by the Comptroller General. There was some excessive drinking at times, not by the yachtsmen, but by the campers on the island, and I understand they supplied drink to officials on the island. It would seem from the remarks of the Premier that sly grog selling has developed there also. The point was raised that the local option poll in the Irwin district had de-

clared against State control and against increase of licenses. But all these small centres like Wongan Hills were dominated by the larger centres such as Moora, Mingenew and Dongara, where already there was a plentiful supply of hotels. But, apart from that, the local option poll is ineffective outside the 15-mile radius. That is generally accepted, and is indeed the spirit of the Licensing Act. A proof of that is the fact that a private individual is about to apply for a license at Wongan Hills. If the result of the local option poll could apply, that individual would be disqualified straight away. Some hon. members stated that the Bill enabled the Government to establish these two hotels without going before the licensing court. The Bill is drafted exactly like the Bill submitted to the House last year for the establishment of an hotel at Dwellingup, and which received the sanction of this Chamber. Why should it be necessary to go before the licensing court? The members of the House should be in a position to decide whether or not an hotel is wanted. Members have heard what I have said as a representative of the Government, and they have heard the representatives of the district, and therefore they should be in quite as good a position to judge as to whether or not an hotel is wanted as any licensing court would be. The House should be able to form its own conclusion. Mr. Cullen stated that the Government should submit to the licensing court a requisition in favour of a license. But who would get up this requisition? Could the Government be expected to send round a canvasser to get names to this requisition before starting a State hotel? It is too ridiculous. Mr. Cullen also said that the House should insist that all State hotels should be subject to the licensing law. They are run in accordance with these laws now. There is no objection to that, and if any hon. member wishes to make an amendment I will be willing to accept it. They should be run strictly in accordance with the licensing laws of the State. If hon. members wish to make it mandatory in the Bill I will render every assistance. Mr. Cullen doubted whether any inspec-

tion of State hotels was made by liquor inspectors. There has been systematic inspection. The Gwalia State hotel was inspected by Mr. Lee on March 19th, the Yallingup Caves house was inspected last October, and the Dwellingup State hotel was inspected on the 6th November. Each of these hotels was reported to be satisfactory in every particular, and warm praise was given by the inspector to the conduct of the Dwellingup State hotel. Since then printed forms have been prepared, and regular reports from these liquor inspectors are to be rendered to the Colonial Treasurer at frequent intervals. That is all I have to say in favour of the Bill. I hope that several hon. members will reconsider the matter and support the Bill as it stands. We shall probably have to bring down other Bills next year, and if we fail in conducting—

Hon. W. Kingsmill: More State Hotel Bills?

The COLONIAL SECRETARY: We may have to do it. We were approached to-day. The licensing court refused a license yesterday.

Hon. M. L. Moss: Where at?

The COLONIAL SECRETARY: I am not going to mention the place.

Hon. M. L. Moss: It might have been in Perth.

The COLONIAL SECRETARY: No, it was in an agricultural district where there is no hotel at present. The court refused the license, and said that the State should have the first opportunity of establishing a State hotel there.

Hon. M. L. Moss: They must be free socialists on that bench.

The COLONIAL SECRETARY: I do not think I should name the place, but hon. members will probably see a reference to it in the Press in a day or so.

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

Ayes	14
Noes	6
	—
Majority for .. .	8
	—

AYES.

Hon. R. G. Ardagh	Hon. A. G. Jenkins
Hon. H. P. Colebatch	Hon. B. C. O'Brien
Hon. J. Cornell	Hon. W. Patrick
Hon. J. E. Dodd	Hon. C. Sommers
Hon. J. M. Drew	Hon. T. H. Wilding
Hon. Sir J. W. Hackett	Hon. Sir E. H. Wittenoom
Hon. V. Hamersley	Hon. R. J. Lynn

(Teller).

NOES.

Hon. E. M. Clarke	Hon. W. Kingsmill
Hon. J. D. Connolly	Hon. M. L. Moss
Hon. D. G. Gawler	Hon. A. Sanderson

(Teller)

Question thus passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair, the Colonial Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Power to establish certain State hotels:

Hon. J. D. CONNOLLY moved an amendment—

That in line 1 of paragraph (b), after "Colonial Treasurer," the words "subject to his complying with the provisions of the Licensing Act, 1911" be inserted.

The COLONIAL SECRETARY: Not only did he object to the amendment, but if it was carried the Bill must be laid aside. The Government would not employ canvassers to get up a petition in favour of an hotel. If the Committee could not trust the Government to carry on hotels in a satisfactory manner, the best thing they could do was to reject the Bill. The amendment would mean that the Government would have to apply to the licensing bench at Fremantle for an hotel at Rottnest. They would have to get a requisition signed by the residents, and the whole thing would be made a farce. No doubt that was the object of the amendment. Such a thing was never insisted on in connection with the Dwellingup hotel.

Hon. J. D. CONNOLLY: The Minister had led him to believe that he had no objection to the provisions of the Licensing Act applying.

The Colonial Secretary: I will state the provisions to which I do not object.

Hon. J. D. CONNOLLY: If we were to have State hotels why should not the Government manager apply to the bench so that the people might have an opportunity of objecting.

Hon. A. SANDERSON: The masterly manner in which Mr. Connolly beat a retreat with a sting in his tail was to be admired. Having been hopelessly outnumbered on the second reading he could not support the amendment, which should be withdrawn.

The COLONIAL SECRETARY: What he had intended to convey was that in his opinion the agent for the Government carrying on these hotels should be subject to the same pains and penalties as the private licensee. The Government had no objection to the obligation to close at the proper time, and to keep closed on Sunday, and in order to give effect to that he had had an amendment prepared.

Hon. D. G. Gawler: Does the suggested provision apply to existing State hotels?

The COLONIAL SECRETARY: Not to the Dwellingup hotel, which was under a separate Act. The Dwellingup hotel was established on the lines of this measure, and there had been no necessity for anything further.

Amendment put and negatived.

Hon. J. D. CONNOLLY move a further amendment—

That the words in paragraph (1)

"and at Rottnest Island" be struck out.

Rottnest was purely a pleasure resort, and we might as well establish a public house in King's park as there. An hotel was not wanted for the visitors, the majority of whom were women and children, and it would be putting temptation in the way of the officials on the island. Besides the boats running to the island had a packet license. The Premier had had all the camps shifted into the settlement near the hotel, and to put a public house in the centre would be the finish of Rottnest as a pleasure resort. It was undesirable that an hotel should be established in this case for the purpose of revenue. If a license was granted police must be provided, and the additional expense would not be met by the

profit. The comfort of the people would not be increased by an hotel. Rottnest was just beginning as a pleasure resort, and it should be given a chance to prove successful without a public house.

Hon. Sir E. H. WITTENOOM: His view was the reverse of that of Mr. Connolly. It would be a good thing to institute a well-conducted hotel at Rottnest. Any class of the community who travelled could not do without a little alcoholic liquor. It had been said that large quantities of liquor were taken to the island by private individuals and made the worst use of. If there was an hotel at Rottnest no one would think of carrying liquor over, and with a good manager there should be no objection. An attempt had been made to run that really splendid institution, the Medlow Bath in the Blue Mountains, on teetotal lines, but so much liquor had been taken up and so much drunkenness had resulted that a license had to be resorted to. Rottnest presented a parallel case.

Hon. C. SOMMERS: The island should be given a chance to remain dry for a little while. If it was found to be a failure the Minister could again approach the House for a license. Medlow Bath did not present a parallel case. If a man wanted to avoid the drink fiend he could not go into the timber or wheat areas without meeting licensed houses, and Rottnest was the only isolated spot. The leader of the House pleaded for the goody-goody section, but we should cater for all.

Hon. A. SANDERSON: It seemed that we were turning ourselves into licensing bench. Wongan Hills passed without notice, but to Rottnest there was opposition. Once we accepted this detestable system of the State running things for profit there would be no end to it, and he wished the Government joy over the contract they had in hand. So far as Rottnest was concerned, he had never been there, but he strongly objected to the Government establishing a hotel there, which they declared they were going to run for the public benefit. Sooner or later, they would run it for the benefit of their treasury as all Gov-

ernments had done. We could still reject the Rottnest proposal.

Hon. J. CORNELL: It was his intention to vote for the clause as it stood. It was a dry argument put up by the advocates that Rottnest should remain dry. Their argument could be put forward also in regard to Wongan Hills. There was one pleasing feature about the dry advocates' argument concerning Rottnest, and it was that they were prepared to trust teetotallers on the island, but they were not prepared to trust the moderate drinkers. There were pleasure resorts equal to Rottnest in all parts of the world, and he had yet to realise that undesirable citizens visited those places to produce the appalling pictures which some hon. members had painted. Not being a teetotalter, he was prepared at all times to extend that amount of toleration to teetotallers which he expected them to extend to the moderate drinkers. He agreed that the hotel could be run better by the State at a place such as Rottnest where it would be conducted on lines of public utility. There would be no inducement there for a lot of people to drink, because of the absence of barmaids, and a satisfactory feature in connection with State hotels was that there had been no barmaids employed. Perhaps that was one reason why hon. members did not wish to see the hotel established at Rottnest.

Hon. M. L. MOSS: There would be ample facilities for persons who went to Rottnest now to procure all the liquor they required. There was no permanent population at Rottnest except the Government officials. There were a number of campers who went there during the Christmas and Easter vacations, and they took their own liquor and they had been satisfied with that for many years. The general public were taken across in the steamers "Zephyr" and "Westralian," both of which had packet licenses, and on each vessel there was a constable carried at the expense of the owners of the vessels to see that the people conducted themselves in an orderly manner. Where was the need for a groggery on the island? The Premier had said that there was sly-grog

selling going on there, but he (Mr. Moss) did not believe it. There was no one to sell grog to. The Premier said further that they were doing this to make a profit, but save and except the persons who went over in the "Zephyr" and "Westralian" there were only the campers, and the consequence was that this was contemplated to induce people to go there, because there would be a liquor license on the island. The fewer opportunities that were given to the campers to get liquor the better it would be. He had spent several vacations over there, and he knew what the behaviour of the crowd that went to Rottnest was like. No fault whatever could be found with their conduct. It had been generally stated that the intention was to make money but that was a discreditable thing for the Government to do. An hotel at Rottnest might be a necessary adjunct to the island, but it was surprising that the Government suggested it so that they might make money out of it. Suppose this had been an application by a private individual, what a howl of indignation there would have been throughout the community.

Hon. Sir E. H. Wittenoom: Quite right too.

Hon. M. L. MOSS: The hon. member was now posing with the prohibitionists. It was difficult to know where the hon. member was on this question.

Hon. Sir E. H. Wittenoom: I know.

Hon. M. L. MOSS: Then it was known only to the hon. member. It was unnecessary at present to keep a policeman stationed on the island, but the experience in other places was that immediately an hotel was established police protection became necessary. The proposition at Wongan Hills was quite a different one. There facilities would be provided for the travelling public, who would be able to obtain accommodation in accordance with the requirements of the Licensing Act. There was need in a rising agricultural centre to give accommodation to the public, but there was

no necessity to afford drinking facilities at Rottnest.

Hon. A. SANDERSON: It might be a slight satisfaction to Mr. Moss to know that his appeal was successful. He would vote against the Rottnest proposition. But to him this seemed a mere bagatelle, when Ministers of the Labour party were embarking on this system which would lead them and the country to financial trouble and disaster. The House was being turned into a licensing bench, and not knowing the circumstances, he felt unable to give a satisfactory vote on the question.

Hon. H. P. COLEBATCH: One could understand the attitude of those hon. members who were opposed to State hotels altogether, but not the attitude of those who supported State hotels, and yet opposed the establishment of a State hotel at Rottnest. Was there any other resort in the State where it would be said to be a feasible proposition to close down all hotels? It was said that the Government wanted to make money out of the hotel, but that was not so. The actual position was that the Government wished to carry on a hostel for the accommodation of visitors to Rottnest without any more loss than could be avoided. The origin of the publican's license was that the publican was supposed to provide for the wants of travellers, and it was recognised that the best way to enable him to do that at a reasonable rate was to give him the special privilege of selling liquor, the profit on which would compensate for the loss on the unprofitable part of the business. Members seemed to think that the Government should take on the unprofitable portion of providing accommodation and not be allowed to have that portion of the trade which would allow of some profit being made.

Hon. J. D. Connolly: It would be possible to make a profit without a license.

Hon. H. P. COLEBATCH: For his own part he had never found that as good accommodation was to be obtained in a coffee palace as in an hotel. People went to Rottnest, not for a picnic, but to live for weeks at a time. The Government

were asked to make the experiment of conducting the place as a hostel for the accommodation of visitors without selling liquor, an experiment which no one had ever succeeded in before.

Hon. C. Sommers: What is the harm in making the experiment?

Hon. H. P. COLEBATCH: Would the hon. member attempt to run a boarding house over there without a license? Without this license the accommodation for the public would be indifferent, and the Government would lose money. If the license was granted there was no likelihood of its being abused.

Hon. C. SOMMERS: One would infer from the remarks of some hon. members that it was not possible to run a house of accommodation profitably without a license, but what about the various coffee palaces?

Hon. J. D. Connolly: Twelve months ago I had offered to lease the place for a good rent.

Hon. C. SOMMERS: And what about the boarding establishments at Mandurah and other health resorts throughout the State? There was no parallel between the cases of Wongan Hills and Rottnest. At the former the hotel was necessary in order to provide various forms of accommodation for the travelling public, and a license was necessary in order to enable the licensee to afford that accommodation. Another reason why he was supporting the establishment of a State hotel at Wongan Hills was that when the Government sold the land at Wongan Hills they had included in the conditions of sale a clause that no public house was to be established there. Therefore, it would be impossible for a private person to get a license at that spot. Rottnest was a health resort used for a few months in the year, and it was a fair thing that the Government should give that section of the community who did not want a license one place where they could go for the short summer season without having a license forced upon them. He believed that it was quite possible to run a first-class establishment without a license, but if the experiment at Rottnest proved a

failure he would be prepared in the future to reconsider his attitude.

The COLONIAL SECRETARY: No statement had been made by him that the Government wished to make revenue out of this hotel. What had been said was that the establishment of an hotel would supply conveniences and comforts which would be appreciated by a great number of people. Judging by experience, if this was made a temperance hotel it would have few patrons, but men coming from the goldfields and elsewhere, and even business men from the city, would be more likely to patronise the establishment if they knew they could get a glass of beer when they wanted it, than if Rottnest was made practically a prohibition island. Some hon. members implied that the hotel would be a low-class "pub," with drunken men staggering about day and night, and that the presence of a police constable would be necessary. If a police constable became necessary on the island in consequence of the operations of the hotel there soon would be a vacancy in the position of manager. It was difficult to understand why members should think that the Government would allow such a state of things to exist within 15 or 16 miles of the city at a place like Rottnest, which would be frequented by a large number of people, including members of Parliament. The Government would require revenue, but they expected to derive it not from the sale of drink, but from the provision of those comforts which the vast majority of people required. If the hotel was conducted on the lines suggested by some members it would prove a white elephant. The cost of upkeep would be something like £2,000, already £20,000 had been spent on the place, and if the Government found the enterprise was going to leeward they would close it down without the slightest remorse. If disorderly conduct did happen on the island it could be only short-lived; otherwise, what would be the position of the Government who made State hotels a prominent feature of their policy. If this hotel proved a failure in the way some members predicted, how could the Government ask Parliament in future sessions to establish other hotels?

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

Ayes	..	..	..	10
Noes	..	..	..	8

Majority for .. 2

AYES.

Hon. E. M. Clarke	Hon. A. Sanderson
Hon. J. D. Connolly	Hon. C. Sommers
Hon. D. G. Gawler	Hon. T. H. Wilding
Hon. V. Hamersley	Hon. W. Patrick
Hon. A. G. Jenkins	(Teller).
Hon. M. L. Moss	

NOES.

Hon. R. G. Ardagh	Hon. B. C. O'Brien
Hon. H. P. Colebatch	Hon. Sir E. H. Wittenoom
Hon. J. E. Dodd	Hon. J. Cornell
Hon. J. M. Drew	(Teller).
Hon. Sir J. W. Hackett	

Amendment thus passed.

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

Ayes	..	..	..	15
Noes	..	..	..	3

Majority for .. 12

AYES.

Hon. E. M. Clarke	Hon. A. G. Jenkins
Hon. H. P. Colebatch	Hon. M. L. Moss
Hon. J. D. Connolly	Hon. W. Patrick
Hon. J. E. Dodd	Hon. A. Sanderson
Hon. J. M. Drew	Hon. C. Sommers
Hon. D. G. Gawler	Hon. T. H. Wilding
Hon. Sir J. W. Hackett	Hon. Sir E. H. Wittenoom
Hon. V. Hamersley	(Teller).

NOES.

Hon. R. G. Ardagh	Hon. J. Cornell
Hon. B. C. O'Brien	(Teller).

Clause as amended thus passed.

Title (consequently amended) — agreed to.

Hon. J. D. Connolly: Was not the Minister going to move an amendment?

The Colonial Secretary: No, I do not intend to move any amendment.

Bill reported with an amendment and an alteration to the Title.

BILL—ELECTORAL ACT AMENDMENT.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second read-

ing said: This is a short Bill needing very little explanation. Its object is to do away with the annual expense of publishing the whole of the rolls of the State. Under the law as it exists at present we have to publish the amalgamated rolls once every year whether it is necessary to do so or not, and it involves an expenditure amounting to something like £1,000 a year. The experience has been that when these rolls are printed they lie on the office shelves and are only required when an election is on; as an election for the Assembly takes place only once in three years there is rarely or never any demand for the rolls. Under the Bill it will not be necessary to publish the rolls in the amalgamated form more frequently than once every three years unless necessary, but the duty will devolve on the Chief Electoral Officer to publish quarterly supplementary rolls that will be the means of avoiding all this large expenditure amounting to £1,000 each year, which can be put, I think, to a much better purpose. I move—

That the Bill be now read a second time.

On motion by Hon. J. D. Connolly, debate adjourned.

BILL—WORKERS' COMPENSATION.

In Committee.

Resumed from the previous day; Hon. W. Kingsmill in the Chair, Hon. J. E. Dodd (Honorary Minister) in charge of the Bill.

Clause 12—Application of Act to industrial diseases. (An amendment had been moved by Hon. M. L. Moss, that Subclause 6 be struck out):

The CHAIRMAN: Progress was reported on an amendment by Mr. Moss to strike out Subclause 6.

Hon. J. E. DODD: This subclause gave the Governor the right to proclaim that the Act might be extended to other diseases than those mentioned in the fourth

schedule, diseases which might possibly be contracted in other industries established in the future. The same provision existed in other Acts dealing with the matter of industrial diseases, and there could be no serious objection to it.

Hon. M. L. MOSS: It was quite true the provision existed in the English Act, but as Parliament sat nearly six months in the year there could only be a few weeks elapsing between the time of the discovery of any disease and the date when an amending Bill could be passed through Parliament.

Amendment put and passed.

Hon. H. P. COLEBATCH: Mr. Moss should not adopt the course suggested at the previous sitting, to leave the clause operate for two years only. It would be unworkable because during the two years those anxious to see the provisions in relation to industrial diseases made a permanent feature of the Act would do all in their power to make the provision as little objectionable as possible, while on the other hand those anxious to destroy it as a permanent provision would do all they could to show it was bad. It would not be a fair trial. Members should rather strike out the clause as an intimation to the Government that it was necessary to bring in a comprehensive measure dealing with these diseases, rather than treat it in this fashion that would mean an increased rate of insurance and cause people in indifferent health to be cast out on the streets with probably insufficient resources.

Hon. A. SANDERSON: Like Mr. Colebatch he disapproved of the proposal to put the clause into operation for two years. With regard to lead poisoning and mercurial poisoning, could the Minister say whether these diseases had occurred or were likely to occur in Western Australia?

Hon. J. E. DODD: Yes, lead poisoning has occurred here.

Hon. A. SANDERSON: As a result of inquiries made he had been led to believe that, practically speaking, the dis-

ease did not exist here. Most certainly miners' phthisis, around which the debate had waged, did not appear in the English Act, nor did pneumoconiosis and the other specific mining diseases mentioned. To him anthrax appeared to be an accident rather than a disease. Still it was miners' phthisis which was given the greatest prominence in the debate.

Hon. J. E. DODD: That is the most serious of them.

Hon. A. SANDERSON: However, he agreed with Mr. Colebatch that the whole of the clause should be rejected, because the proposal would put an almost impossible burden on the employers. He agreed with the Minister in regard to accidents, but he could not support the inclusion of diseases.

Hon. D. G. GAWLER: Surely the Minister would agree that the clause was retrospective, inasmuch as an employer called upon to pay compensation for a disease could join a previous employer as party to the proceedings? To this extent the clause was likely to work a grave hardship. Moreover, the protection given was largely of an illusory character, for the employer would have to prove that the worker had suffered from the disease at the time when the worker was making representations that such was not the case, and the employer would have to prove that those representations had been wilfully and falsely made. If the clause was to stand, the Minister should make inquiries into this retrospective aspect.

Hon. H. P. COLEBATCH: In the first place he would oppose the clause as unjust to the employer for the reasons pointed out by Mr. Gawler. But if an amendment were made in the clause, removing its retrospective aspect, he would then oppose it as being most unjust and cruel to the workers, for it would mean that an employer would weed out those of his workers whom he suspected of being in an indifferent state of health. He was opposed to the clause, but he would sooner see it stand as it was and be an injustice to the employers, than have it

amended by the removal of its retrospective aspect, and so impose cruel hardship on the workers. It would be preferable to strike the clause right out so that it could not be an injustice to either party.

Hon. J. E. DODD: In reference to the suggestion that the clause should remain in operation for two years only, he would prefer to have a straight out vote as to whether or not the clause should remain in the Bill as it stood; because if a two-year limit were put on the operation of the clause no end of trouble would arise.

Hon. M. L. MOSS: Then I will have to vote against the clause.

Hon. J. E. DODD: It would be preferable to have a straight out vote upon the clause. As for Mr. Sanderson's question, lead poisoning had been known in this State as well as in the other States. The principal place in Australia where lead-poisoning existed was Broken Hill; but there were lead mines in Northampton, and it was hoped that these mines might yet employ a large number of men. It was quite possible, also, that other lead mines might be discovered and worked in this State. Moreover lead poisoning was the result of plumbing operations also, and was sometimes found among tinsmiths. As regards anthrax there was not much of it in existence at the present time, and the same might be said of mercurial poisoning. The principal disease, assuredly, was pneumoconiosis. As to the retrospective nature of the clause, no doubt the provision was retrospective in character, but only to the extent of twelve months. It was to be remembered that no man was employed in mines to-day who was not well able to do his work. Possibly not one of the miners of to-day would have to fall out within the next twelve months as a result of any of these diseases. As a matter of fact the pressure at which work was carried on was so great that only those well able to stand it were employed. With the exception of miners' complaint the principle of the clause was in operation in three of the other States.

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

Ayes	..	..	..	8
Noes	..	..	..	9

Majority against .. 1

AYES.

Hon. J. D. Connolly	Hon. A. G. Jenkins
Hon. J. Cornell	Hon. B. C. O'Brien
Hon. J. E. Dodd	Hon. R. G. Ardagh
Hon. J. M. Drew	(Teller).
Hon. Sir J. W. Hackett	

NOES.

Hon. H. P. Colebatch	Hon. A. Sanderson
Hon. V. Hamersley	Hon. C. Sommers
Hon. R. J. Lynn	Hon. T. H. Wilding
Hon. M. L. Moss	Hon. D. G. Gawler
Hon. W. Patrick	(Teller).

Clause thus negatived.

Clause 13—Act to apply as to accidents to persons employed on Western Australian ships:

Hon. M. L. MOSS: This clause should be struck out. He did not think members realised what it meant to those engaged in the coastal trade. Any ship engaged in the coastal trade of Western Australia not registered in this State and owned say by a body corporate in South Australia or by a person whose chief office was in South Australia would be placed in a position of great advantage over a person who was the owner of a boat locally registered or whose principal place of business was in Western Australia. A vessel engaged exclusively in the coasting trade of the State was not subject to the Commonwealth Seamen's Compensation Act. Therefore, if the owner of a vessel did not come within Subclause 2, paragraphs (a), (b), (c), or (d) he possessed this advantage over a person whose boat was registered in the State. There was a number of vessels from 100 to 150 tons operating between Albany and the ports on the North-West coast. A 150-ton boat required about eight seamen. On the assumption that £600 was to be the compensation, in the case of loss of life the total amount payable if the eight men went down would be £4,800. The market value of the boat would be about £1,500; to insure the ship

would cost a premium of about 10 per cent. and to insure the lives of the men up to £600 would cost 5 to 7 per cent. Five per cent. on £4,800 meant a premium of about £240 a year.

Hon. J. E. DODD: You know that will not be carried.

Hon. M. L. MOSS: Then he would put it down at £400; that would be £3,200 at 5 per cent., which would mean a premium of £160.

Hon. J. E. DODD: What wages do you assume they pay?

Hon. M. L. MOSS: The calculation was not based on wages but on what a company would have to pay.

Hon. J. E. DODD: They base it on the wages.

Hon. M. L. MOSS: The companies would not take a premium on wages. When it was a question of insuring the ship against total loss it cost as much as ten per cent. computed on the declared value of the ship. With a crew of eight £160 to £200 would be required for the insurance of the men. This was absolutely prohibitive and the trade would be taken away from the owners of Western Australian ships and given to the other States. The other States would not have a restrictive or burdensome law of this kind imposed on them. It was impossible to make the law operate against ships registered in other States and the only way was to get an amendment of the Federal Constitution Act which he did not favour—

Hon. J. CORNELL: We will get it.

Hon. M. L. MOSS: The hon. member said that before. Until we got something of the kind which put all the shipping on a uniform basis, it would be burdensome to the person whose money was in assets of this kind.

Hon. J. E. DODD: The burden which would be imposed would be nothing like what Mr. Moss had stated.

Hon. M. L. MOSS: Have you made inquiries?

Hon. J. E. DODD: Yes. For eight men he ventured to say the premium would not be more than £24 a year. There was no greater risk on a boat than in the mines where 30s. per cent. of the wages was charged. The same provision ex-

isted in the South Australian Act. Whether it existed in Queensland and New South Wales he was not sure. New measures had been passed in almost every State. The same provision applied in the United Kingdom. This clause would apply only to ships trading in Western Australian waters. The Commonwealth Act applied to those trading between the different States, and it was remarkable that the hon. member should suggest cutting out from the operations of the Act seamen employed on our own ships. The risk was the same to the workmen on the ship as to the workmen on the land, and no reasonable argument could be adduced for striking the clause out.

Hon. R. J. LYNN: The Honorary Minister was hardly *au fait* with the business or he would not have made the remarks which he had. Take *Espérance* as an example. Small sailing vessels and steamers came from South Australia and were not burdened with such a heavy tax as Western Australian boats would have to bear.

Hon. J. E. DODD: They have the same law in South Australia.

Hon. R. J. LYNN: Thirty shillings per cent. might apply to vessels trading within the three mile limit, but we were asked to provide an insurance policy for £600 for every seaman. The seafaring trade stood alone and was not analogous to the mining industry. It would be impossible to effect insurance in this direction. It was almost impossible to cover vessels trading on the coast, let alone the men. The premium would be quite 5 per cent.

Hon. J. E. DODD: Is it any more hazardous than mining?

Hon. R. J. LYNN: There was no analogy. The vessels were owned by very small people and to enforce the clause would wipe out the industry.

Hon. J. E. DODD: What about Government steamers?

Hon. R. J. LYNN: The "Western Australia," carrying 100 men at £600 each would necessitate the Government providing an insurance policy for £60,000. In view of the Loan authorisation that might be a very small matter for the Government. If it was intended that small ship-

ping people in this State should bear the burden of this insurance and ships from other States should be allowed to come here untrammelled, it would inflict a hardship on the few vessels owned in Western Australia. It was a most unfair clause and should be struck out.

Hon. A. SANDERSON: At the risk of calling on his head the Minister's sarcasm he felt inclined to tell the hon. gentleman that he must pay special attention to the opinion of members like Mr. Lynn and Mr. Moss on this matter, because they were well qualified from their association with shipping to express opinions. So far as accidents were concerned he believed in going to a very liberal extent, but he found it difficult to reconcile the statements made by the Minister with those made by hon. members who were better qualified than the Minister to speak.

Hon. J. E. Dodd: On the one hand we have the experience of the laws in every part of the world from which this provision is copied, and on the other hand, we have only Mr. Lynn's statement.

Hon. A. SANDERSON: In a great many places the analogy did not hold. Personally he looked upon the Bill as one which should be treated in a proper manner. It should have been introduced earlier in the session so that members might have had a better opportunity of dealing with it without being asked to rush it through. The Minister asked members to support him but how could he expect members to support him blindfold. Would anyone say that Mr. Lynn's opinion on shipping matters was not entitled to consideration? At any rate weighing the arguments, he could only come to the Scottish verdict of not proven.

Hon. J. CORNELL: The hon. member who had just sat down was in a maze. So far as the clause was concerned, if it was not left in the Bill as printed, it was to be hoped that only paragraphs (a) and (b) and (c) would be struck out. The arguments used by Mr. Lynn and Mr. Moss were that it was going to be a hardship on the West Aus-

tralian steamship owners, but how was it that it had not proved a hardship on New Zealand steamship owners. For one vessel in Western Australia there were six on the New Zealand coast, and the Act in the Dominion had been in operation since 1908. The same Act almost word for word applied to Great Britain, and also to South Australia. The position was that if it had not been for the Constitution of Australia the Federal Government would have made this provision for all the States. It had been pointed out that seamen ran greater risks than miners, but he ventured to assert that they did not come within 50 per cent. of the miners so far as accidents were concerned, all the world over, and the Honorary Minister at the next sitting of the House would produce a statement which would refute the arguments which had been put forward by Mr. Lynn. The figures were procurable and they would be submitted to members. The aim and object of every member should be to extend the principle of compensation to all workers. Personally he was not particular whether the Committee placed private owners under the provisions of this Bill or not. If they did not members would be putting up a good argument for the amendment of the Commonwealth Constitution.

Hon. H. P. COLEBATCH: There was a similar clause to this in the South Australian Act and so we should not be putting shipowners on a worse footing than they were in other places. He was loth to put a strong argument in the hands of unificationists and we would be doing that if the workers in Western Australia were not able to secure some protection in the direction the clause proposed. It had been suggested that sailors could provide their own protection by insurance, but sailors did not receive as good wages as miners or employees in the rural industry.

Hon. R. J. Lynn: Do they not?

Hon. H. P. COLEBATCH: The real point at issue seemed to be what was the amount of risk. His attitude was that if this was a less hazardous occupation than that of mining, then the insur-

ance rates would be lower, and there would be no great exception to it. If it was more hazardous than mining there was all the more reason why the employees should secure protection. He would support the retention of the clause.

Hon. R. J. LYNN: The Minister might at this stage report progress on this clause, so that more consideration might be given to it. The statements he had made were correct in every degree. Mr. Colebatch used the absurd argument that sailors were not being paid more than rural workers, but did he know of rural workers who were receiving from £2 10s. to £4 per week and their keep? If there were rural workers engaged under these conditions they should not receive the advantages that members for the agricultural districts were so anxious that they should get. It was not possible to get able seamen under £8 a month and their overtime, and then in addition there were men who got up to £26 a month. If hon. members got a return showing what was paid to the men on the "Western Australia" it would be found that none was receiving less than £12 a month and keep. The Honorary Minister made a mistake when he said that £24 a month would cover a risk of this description for twelve months. The risk alone on the wages paid was two per cent. for seamen within the territorial limits, that is to say, seamen who were trading on the coast from Fremantle to the North-West. But if an accident happened outside the three mile limit and the ship was lost, the owner of the vessel was called upon to pay £600 for every soul on the ship who had been in his employ. We were told that the mining industry was a more hazardous one than the shipping, and it might be so from an aggregate point of view, but not having regard to the individual loss. A ship was swept out of existence, and this heavy loss was cast upon the owner in one act, but that did not apply to the mining industry.

Hon. J. E. DODD: Oh, yes; we have had five men killed.

Hon. R. J. LYNN: But through the loss of a ship 150 men might be killed. On the "Koombana" there had been a crew of 152, and that would involve the

owners in a compensation payment of over £90,000.

Hon. W. PATRICK: That company could stand it.

Hon. R. J. LYNN: That particular company might be able to stand the loss, but the point was that the small man, whom the Government professed to be so solicitous of, was going to suffer great injustice under this clause against which he could not insure. He admitted that for two per cent. of the wages paid one could insure a man within the territorial limit, but immediately the ship went outside the three mile limit the insurance did not apply, and additional insurance would have to be effected. Small vessels trading on the Western Australian coast to-day had to pay 10 per cent. for total loss of the ship, and what was it going to cost the owner to insure his men in the event of a ship being lost? If the amount of compensation was reduced by half it would be a reasonable amount. He was an underwriter as well as a shareholder in a small shipping company, and if the Minister was correct in his statement he would support him in passing the whole of the Bill, but in view of the discrepancy between his figures and those of the Minister he hoped that progress would be reported, so that on Tuesday he (Mr. Lynn) could furnish corroboration of his figures from authoritative sources.

Hon. A. SANDERSON: It was to be hoped the Minister would agree to the suggestion to report progress. One could not ignore the statements made by a competent authority like Mr. Lynn. How could the Minister expect an independent person, very much in sympathy with the Bill, to support him in rushing the Bill through Committee?

Hon. J. E. DODD: One became tired of the repetition of Mr. Sanderson that he was in sympathy with the Bill, when on every possible occasion the hon. member opposed every clause in the measure. The hon. member's sympathy reminded him of the old couplet that "sympathy without relief is like mustard without beef." The statement made by Mr. Lynn was a long way from the mark, but it was useless postponing discussion of the clause time after time. Mr. Sanderson had asked him

on a previous clause to get the information Mr. Gawler was giving, and he (Mr. Dodd) had shown conclusively that Mr. Gawler was unintentionally giving wrong information and quoting obsolete facts. The provision in this Bill was taken from the South Australian Act. At this period of the session he did not propose to further postpone the consideration of the clause. If the Committee chose to wipe out the clause he was prepared to allow them to take that responsibility. The statement of Mr. Moss that it would cost £240 to insure eight men was absolutely incorrect. Hon. members concerned in the shipping industry were justified in putting up a good case for their industry, but members interested in any other industry could put up a similar case. The question to be considered was whether the employees in the shipping industry were to be wiped out of the Bill. Every other employee in the State was included, and why should the Committee seek to keep the benefits of the measure from the few men engaged in the shipping industry in this State?

Hon. W. PATRICK: The Committee could not logically cut this clause out of the Bill. The measure applied to every other industry in the State, and seeing that similar laws existed in other States it would be unwise to exclude shipping. To do so would certainly afford a strong argument to the persons who in a few months would be stumping the country in favour of giving additional legislative powers to the Commonwealth. He could not possibly support the proposal of Mr. Moss.

Hon. R. J. LYNN: If the Minister would limit the application of the Bill to the territorial limits he would be prepared to support him, but the Minister wanted it to extend to a ship no matter where it was trading.

Hon. J. Cornell: When the ship gets beyond the State it comes under the Commonwealth law.

Hon. R. J. LYNN: Mr. Patrick had referred to other industries being included, and reference had been made by others to the mining industry, but there

was no parallel between that industry and shipping. A ship was sent out of Fremantle in charge of a captain in receipt of a salary of less than £300 per annum, and through his wilful disobedience the ship was lost. Although he was outside the owners' jurisdiction and beyond the territorial limits—which he again said could not be covered by legislation in this State—the owner might be called upon to pay £600 compensation for each employee. That condition did not apply in the mining industry because the managers and supervisors, who were exempt from the operations of the Bill, were present to control the undertakings. He would like progress to be reported because he was desirous of getting a confirmation of the figures which he had given to the Committee.

Clause put and passed.

Clauses 14 to 19—agreed to.

Clause 20—Regulations:

Hon. M. L. MOSS moved an amendment—

That in Subclause 4 the following words be struck out:—"The Governor shall convene a joint sitting of the members of the Legislative Council and the Legislative Assembly, and if at such sitting a resolution is passed by an absolute majority of the total number of the members of the Legislative Council and the Legislative Assembly sitting and voting together, disallowing any regulation."

Hon. J. E. DODD: Seeing that the provision desired by the hon. member had been adopted in regard to the Arbitration Bill he would not oppose the amendment.

Amendment passed, the clause as amended agreed to.

Clauses 21 and 22—agreed to.

Progress reported.

House adjourned at 10.3 p.m.