

Legislative Council.

Friday, 3rd December, 1937.

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The PRESIDENT took the Chair at 5 p.m., and read prayers.

LEAVE OF ABSENCE.

On motion by Hon. J. Cornell, leave of absence for three consecutive sittings granted to Hon. C. B. Williams (South) on the ground of urgent private business.

BILL—LOAN, £1,227,000.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.4] in moving the second reading said: The purpose of this Bill is to authorise the Government to raise money for carrying out the programme detailed in the Loan Estimates, and to provide for further advances to the revenue fund to meet the accumulated deficit. Members are aware that moneys raised on the market for the State's loan requirements are credited to the General Loan Fund, which is constituted from loans raised under the authority of the various Loan Acts. So long as we continue to borrow it is necessary to bring forward a Loan Bill each year for the approval of Parliament, for, although our raisings are approved by the Loan Council, the functions of that body do not override the requirements under the State and Commonwealth laws. The Bill provides authority for the raising of a total amount of £1,227,000. Of this sum £977,000 is for loan works, and £250,000 for deficit purposes. Last year's Loan Act granted a total authority of £3,212,000, of which £2,412,000 was for works and £800,000 for the deficit. In accordance with the procedure followed in previous years, the amounts set down for the various works are based on the estimated requirements to the 31st December, 1938, having regard to the unexpended balances of previous authorisations for loan

works totalling £2,908,923. This ensures that there is a sufficient authorisation in hand to enable the programme to be carried on until the granting of further authority. The accumulated deficit on the 30th June last was £5,599,351. This, together with the estimated deficit of £128,855 for the current year, will result in a prospective accumulated deficit of £5,728,206 at the 30th June next. A balance of some £255,000 is left when this sum is offset by amounts totalling £5,473,000, which have already been temporarily advanced to the revenue fund for deficit purposes under previous Loan Acts. The amount of £250,000 asked for this year will be approximately sufficient to meet this balance. The whole of the accumulated deficit at the 30th June last, namely, £5,599,351, has been financed by Treasury bills which are treated as a short term debt of a temporary nature. In the earlier years of the depression when deficits were large, Parliamentary authority for the total amounts advanced was not obtained, with the result that the amount of loan moneys advanced to revenue was much greater than the amounts authorised. We have been gradually reducing this unauthorised balance. At the 1st July, 1936, it was £555,147. The corresponding figure at the end of June last was £126,351. As I have explained, it is now proposed to grant authority to advance this sum, together with an amount necessary to meet this year's estimated deficit. We are still faced with the question of funding our Treasury bills into a long-term debt. If the whole of our accumulated deficit since the Financial Agreement came into operation were funded, the added annual cost in interest and special sinking fund of 4 per cent. per annum would be approximately £336,000. This matter has received the consideration of the Loan Council, and the various Governments are now examining the position so that it can be reviewed at the next meeting. Two loans were again raised by the Commonwealth during the last financial year. The first of these was floated in November, 1936, for an amount of £7,500,000 at the issue price of £97 10s., bearing interest at 3¾ per cent. over a term of 15 years. Our share was £1,274,270, which, when debited with discounts and expenses amounting to £31,857 and £9,511 respectively, left a balance of £1,232,902. The second loan floated in April was also for £7,500,000, of which £1,406,000 was earmarked for this State. On this occasion the

issue price was £99 5s., with interest at $3\frac{3}{4}$ per cent., and the term 11 years. The net proceeds, after allowing for discounts and expenses totalling £22,166, was £1,383,834. In addition, we raised £250,000 locally, while stock to the value of £53,200 was issued in London to finance progress payments due on the construction of the new ship for the State Shipping Service. The bond market has been strengthening during the past few weeks, and the new loan which was placed on the market this week for the purpose of meeting the programme agreed to by the Loan Council, reflects this improvement. The loan which is for an amount of £8,000,000 is being underwritten by the Commonwealth Bank. The issue price is £99 15s. with interest at $3\frac{3}{4}$ per cent., and the maturity date will be November 15, 1951. At £3 15s. 6d. per cent., the average yield is the lowest since November, 1935, which was approximately the same. The following are the yields of loans floated since 1935:—

| | | | | |
|----------------|----|----|----|---------|
| June, 1936 | .. | .. | .. | £3 17 6 |
| November, 1936 | .. | .. | .. | £3 19 4 |
| April, 1937 | .. | .. | .. | £3 19 1 |

Members will see that not only has the upward trend in rates been arrested, but that there has been an improvement of 3s. 7d. per cent. since the issue of the last loan. The gross public debt on the 30th June last was £92,332,855, inclusive of short-term debts in Australia and London, as follows:—

| | | | | |
|-----------|----|----|----|------------------|
| Australia | .. | .. | .. | £5,325,000 |
| London | .. | .. | .. | £2,998,014 |
| | | | | <hr/> £8,323,014 |

The flotations on the 30th June last amounted to £109,560,425, of which £60,689,955 was raised overseas, and £48,870,470 in Australia. Redemptions total £17,227,570 comprising loans redeemed overseas amounting to £14,372,876, and Australian redemptions £2,854,694. The balance of our flotations in circulation totals £92,332,855. The sinking fund on the 30th June, 1937, amounted to £645,905, leaving a net debt of £91,686,950—an increase of £1,912,079 on the corresponding figure for the previous year, namely, £89,774,871. The total amount approved by the Loan Council for the current financial year was £2,100,000, out of which we have to finance our estimated deficit of £128,855. The proposed expenditure on works, according to the Loan Estimates, is £2,241,427 (including £57,528 charged to loan suspense last year). When this sum is

offset against the amount of £977,000 asked for in the Bill, and the balance of previous unexpended authorisations for loan works, there will be left an unexpended balance of authority totalling £1,644,496 which should enable us to carry on until 31st December, 1938. As members are aware, the Loan Estimates are controlled by the amount made available by the Loan Council. The total amount made available for Governments this year is substantially reduced compared with each of the last four years. The Commonwealth is making available this year an additional sum from the proceeds of the petrol tax. However, this additional sum, which will probably be in the vicinity of £120,000, will not make good the reduction in the provision of loan funds generally, which is somewhat embarrassing to a Treasurer faced with the problem of providing for unemployment relief. Although there has been a substantial reduction in the numbers of the unemployed, the cost of materials used on relief works is steadily rising, with the result that wages costs represent a correspondingly reduced proportion of the expenditure on loan works. Thus we find that, while there may be many necessary works which should be carried out, these have had to be excluded from our programme because of the heavy cost of materials. At present, the Government has still to find work for approximately 6,600 men. Although the Government desires to provide full-time work for these men, the money made available has not been sufficient to enable us to achieve that objective. It is the intention of the Government, however, that as soon as practicable the men employed by it will be given the opportunity to work under non-relief conditions. It will be recalled that last year the Loan Council was not able to raise the whole of the money necessary to enable us to carry out our loan programme, with the result that several important works had to be curtailed, and, in some cases, stopped. This year, however, the Loan Council was able to obtain an assurance from the Commonwealth Bank that the whole of the moneys required for the current year's loan programmes would be provided. It has been decided that the total sum to be raised for all governments, including the Commonwealth, for 1937-38 shall not exceed £16,000,00. (Included in this is an amount of £2,500,000 for Farmers' Debts Adjustment.)

This State's share of the £16,000,000 will be £2,000,000, in addition to which we will have available loan repayments of £100,000. There will also be available the proceeds of the petrol tax estimated to yield £720,000; the forestry grant of £25,000, and the grant for metalliferous mining amounting to £9,800. The estimated loan expenditure of £2,241,427 for the current year represents an increase of £48,310 on the actual expenditure of last year. Included in this year's expenditure is a sum of £218,000 for the new State ship "Koolama." The provision for Railways and Tramways (£385,500) marks an advance of £67,039 on last year's expenditure. The addition is more than accounted for by increased expenditure on rolling-stock, which will total £161,000 as against a sum of £44,952 expended in 1936-37. Under a five-year programme, the department is constructing new rolling-stock to replace worn-out and obsolete stock. Unless this is done, it will be impossible for the department to cope with traffic. Included in the estimate is a provision for six Diesel rail cars, all of which should be available for service in January next. The programme to overtake belated repairs has been completed. Of the amount of £718,567 expended to the 30th June last, £525,971 has been recouped from revenue, leaving a further £192,596 to be accounted for. It is proposed to recoup £100,000 of this balance to Loan from Revenue during the year. A sum of £130,000 will be provided for additions and improvements to opened railways, including a provision for two new dams on the Mullewa-Cue section, and improvements to the catchment at Perenjori. Provision has also been made for the expenditure of £5,500 on the completion of the Cue-Big Bell railway. It is anticipated that the new power station at East Perth will be in operation at the end of the month or early next year. The total estimated cost is £640,269, and the expenditure to the end of June last was £450,462. Provision has already been made for most of the balance. A sum of £32,000 has been provided for essential electricity supplies. Last year, actual expenditure on Harbours and Rivers totalled £172,116. The estimate of £126,500 for this year represents a decrease of £45,616. It is estimated that the completion of the work on the Point Samson jetty will absorb a further £45,000 this year, before it is opened for shipping in February or March of next year. Work on the Fremantle harbour will be con-

tinued, and £48,000 has been provided for this purpose. A sum of £7,000 will be made available for additions and improvements generally in the North-West. The principal works which will be undertaken in connection with the provision of £25,000 for improvements to harbours and rivers, will be reclamation of the Swan River, including reclamation of the Subiaco and Nedlands foreshore, where the local authorities are contributing half the cost. Water supplies, sewerage, irrigation and drainage requirements throughout the State will involve an expenditure of £926,000—a decrease of £204,559 on the corresponding figure for last year. Expenditure during 1936-37 on sewerage and drainage at Perth and Fremantle amounted to £339,488. The amount provided this year is £315,000. The main gravitation sewers and the main pumping station and rising main were completed last year. Progress was made with the Claremont-Cottesloe, Maylands-Inglewood, and Victoria Park sewerage, together with the main treatment works and the Maylands-Inglewood stormwater drainage. This year further progress will be made with the main treatment works and South Perth sewerage, while it is anticipated that the Claremont-Cottesloe, Maylands-Inglewood, and Victoria Park sewerage schemes will be completed, together with the Maylands-Inglewood stormwater drainage. Expenditure last year on the metropolitan water supply amounted to £311,327. The main works completed were the Canning contour channel (to convey water to the metropolitan area), the provision of a 42-inch steel main from Gosnells, to Cannington, and the Scarborough water supply. Progress was also made in relaying 30-inch and 24-inch mains along Stirling Highway, in the construction of the Canning reservoir, and in the reconditioning of the 36-inch Hills main. This year's provision for metropolitan water supply is £210,000—a reduction of £101,327 on the previous year's expenditure. Further progress will be made on the Canning dam, work on which was re-opened early in the calendar year. At present the storage capacity of this reservoir is 4,300 million gallons. If expenditure is continued, it is expected that by the end of the financial year the capacity will be raised to 7,000 million gallons. Work will also be continued in connection with the 24-inch mains along Stirling Highway and at Queen's Park, and the reconditioning of the 36-inch and 16-inch,

Hills main. A sum of £187,000 out of a total expenditure of £319,138 devoted last year to Goldfields Water Supply was spent on renovating the main conduit. In connection with the Norseman water supply, the pipe line from Coolgardie to Norseman, including reservoirs, cost £103,000. Other works included the provision of an additional reservoir at Northam, and a pumping plant for the York and Beverley extensions. In addition to a sum of £20,000 expended from the Goldfields Water Supply Vote, a further £43,000 was expended from the Vote "Water Supplies in Agricultural Areas" in connecting the Barbalin water supply with the Goldfields Water Supply main. The anticipated expenditure on Goldfields Water Supply this year is £230,000. Again the principal work will be the renovation of the main pipe line. Other works for which provision has been made include improvements and extensions to agricultural branch mains, the Northam service reservoir, Norseman reticulation, and the necessary extensions to town reticulations. Provision has also been made for other mining water supplies; namely, £3,000 for the Eastern Goldfields and £7,000 for the Murchison Goldfields. The principal works provided for this year are the Meekatharra and Youanmi water supplies, and boring and well-sinking at Big Bell. The allocation in respect to water supplies, irrigation and drainage in the agricultural areas is £140,000 or, approximately the same amount as that expended last year. Apart from an item of £43,000 for the Barbalin water supply, expenditure last year was on account of water supplies, tanks, drainage, and irrigation generally in the agricultural areas. This year work will be carried out on the Collic and Waroona irrigation scheme (lining channels), the Waroona-Coolup drain, and on drainage and irrigation in the South-West generally. General improvements also will be made to country water supplies. Members may be aware that during the year a survey was commenced for the purpose of locating sites for reservoirs in the coastal ranges, with the object of supplying water by pipeline to the hinterland. This survey is almost complete. It is hoped that a statement on the matters now under consideration will be possible within the next few months. The provision made for "Development of Goldfields," namely £20,000, is practically identical with last

year's expenditure. Expenditure this year will be devoted to purposes similar to those of last year, such as loans under the Mining Development Act, assistance to prospectors, additions and improvements to batteries, tailing plants, and subsidies and assistance to the mining industry generally. As regards "Development of Agriculture," this year's allocation of £169,100 represents a decrease of £19,338 on the previous year's expenditure of £188,438. The item "Abattoirs, Cold Storage," etc. is responsible for the decline. The amount charged to this Vote last year was £21,460, which included, however, an amount of £19,548 expended in the previous year but which was not covered by a Loan authorisation, and was charged to Suspense. "Development of Agriculture (Lands)" covers clearing and settlement at Nornalup, Nannup, and Albany, as well as the reconditioning of holdings. "Assistance to Settlers" amounts to £1,500, and represents an allocation for the purpose of further assisting banana growers. The corresponding expenditure last year was £8,870, and was used for the assistance of pearlers and banana growers. Last year we spent £74,325 on forestry. This was supplemented by a Commonwealth grant of £50,000. Although there is a provision of £80,000 for the current year, the total expenditure on forestry this year will be £20,000 less than during 1936-37, owing to a reduction of £25,000 in the Commonwealth grant. Expenditure on roads and bridges last year was £83,294. Although the current provision is £132,528, the actual amount provided is only £90,000, as £42,528 was spent last year and charged to Suspense. The expenditure last year was on roads not covered by the Federal Aid Roads Scheme, and the provision this year is for a similar purpose. The small loan scheme, which was inaugurated in 1933 under the administration of the Workers' Homes Board, partly to stimulate activity in the building trade, has been discontinued. Including a sum of £5,448 provided during 1936-37, £30,998 was provided in all for the purpose I have mentioned. It is now considered that this purpose has been achieved. At £62,000 the allocation for public buildings represents a decrease of £16,377 on last year's actual expenditure. A sum of £40,000 has been earmarked for buildings generally, and the balance, namely, £22,000, will be the Government's share in the cost of the new Infectious Diseases Hospital. In that re-

gard, under an agreement entered into between the Government and a committee representing the local authorities in the metropolitan area, each party agreed to pay half the cost of building and equipping the hospital, the estimated cost of which is £44,000. A sum of £3,500 in all has been provided for buildings and water supplies at Moola Bulla Native Station, native hospitals, building extensions at Moore River, and the reconditioning of settlements. It is hoped that a start will be made in re-building Caves House at Yallingup early in 1938.

Hon. W. J. Mann: Hear, hear!

Hon. G. W. Miles: Good gracious!

Hon. L. Craig: At last!

The CHIEF SECRETARY: A provision of £10,000 has been made for this purpose under the vote "State Hotels and Tourist Resorts." A similar amount was provided last year, but nothing was spent owing to the necessity for conserving our funds for works of a more labour absorbing nature.

Hon. W. J. Mann: It sounds all right.

The CHIEF SECRETARY: Provision has been made for a sum of £10,000 to be advanced to the Workers' Homes Board for the erection of homes for renting. This advance will enable the Board to erect houses suitable for persons on the lower range of incomes, who will occupy them as tenants. It is estimated that the rentals of the type of home which the Board proposes to build for this purpose will be between 12s. 6d. and 15s. per week, according to the size of the house. As regards "State Ferries," a sum of £3,644 has been provided for the purpose of a new launch for the South Perth service.

Hon. A. M. Clydesdale: At last!

The CHIEF SECRETARY: Apparently, the Government is improving.

Hon. A. M. Clydesdale: You are, but don't earmark the money for something else this time.

The CHIEF SECRETARY: Included in this year's expenditure is an amount of £218,000 to be spent on the new State ship "Koolama." Of this amount, approximately £5,000 represents the cost of bringing the ship from England. Last year's expenditure was £53,385. The contract price of the new ship is £266,000 sterling. The money expended in this connection is provided in addition to the Loan programme to be financed by the Loan Council from

internal loans, as we were able to obtain the consent of that body to raise the money in London on a very favourable basis.

Hon. L. Craig: How are such matters arranged? How was this money raised?

The CHIEF SECRETARY: Through an insurance company. When the "Koolama" is available for trade—probably early in March next—the earnings of the State Shipping Service should be substantially increased. While I have suggested that the vessel will probably be available early in March, I regret to say that there will probably be a little further delay owing to the difficulty in securing steel for the completion of the craft. We expect that with a fleet of fast vessels such as we will have when the "Koolama" arrives here, it will be possible to undertake additional trips to Darwin, and obtain an increased subsidy from the Commonwealth as a result. A sum of £57,000 has been set aside for the erection of bulk handling facilities at Bunbury. The erection of silos is proceeding in accordance with a promise made by the Government that these facilities would be available to farmers in the Bunbury zone in time for the 1937-38 harvest.

Hon. C. F. Baxter: They are loading a ship there now.

The CHIEF SECRETARY: It is anticipated that they will be ready for use by the middle of next month. The silos will have a capacity of 250,000 bushels. They will comprise one of the most up-to-date bulk handling equipments in Australia, and it will be possible next year to load a wheat freighter at Bunbury at the rate of 300 tons per hour. Members will have noted that no provision has been made in the Estimates for the erection of new public offices. The Government realises, however, that the provision of this accommodation is a matter of some urgency. It intends, therefore, to make a start with the additional accommodation required for the Department of Agriculture and the Titles Office, before the end of the current financial year, if the legislation which has been submitted to Parliament for this purpose proves acceptable. Our expenditure this year, as I have indicated, comprises a balanced programme of works covering the different industries throughout the State. With the limited amount of loan money now available, our problem is to concentrate on the future development of

those districts that have already been provided with facilities, in order to ensure that they are being exploited to the full. Only by these means can we hope to increase immediately the production of our home and export industries.

Hon. L. Craig: Hear, hear!

The CHIEF SECRETARY: If members will indicate any further information they may require, I shall be glad to have notice as early as possible, so that, as usual, I may be able to furnish it to them. I move—

That the Bill be now read a second time.

On motion by Hon. C. F. Baxter, debate adjourned.

BILL—LAND TAX AND INCOME TAX.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.40] in moving the second reading said: This Bill seeks to impose a land tax and income tax for one year, thereby following the practice adopted in the past. By virtue of the prospective enactment of the Income Tax Assessment Bill, the measure now before the House differs somewhat from the legislation of previous years, although the rates prescribed under this Bill will be the same as those levied last year and for several years past. Thus, because our new legislation will provide for the taxation of interest paid to absentees, it has been necessary to make provision in this Bill for the imposition of the appropriate tax. The Bill also imposes a rate for companies, previously levied under the Dividend Duties Act, and a rate for racing stakes formerly included in the Land and Income Tax Assessment Act. It will be recalled that in dealing with the liability of individuals for income tax, the Land and Income Tax Act stipulated that an adjustment should be made in respect of dividend duty paid on that portion which represented dividends from a company. That provision does not appear in the Bill, as appropriate arrangements are made in the new income tax assessment legislation for adjusting income in such cases. It is not anticipated that there will be any substantial alteration in receipts this year as compared with those of 1936-37. The comparison is as follows:—

Receipts.

| | Actual. 1936-37. | Estimated. 1937-38. |
|------------------|---------------------|------------------------|
| Land Tax | £117,249 | £110,000 |
| Income Tax | £283,539 | £285,000 |

As regards dividend duties, these have been levied since 1920 at the rate of 1s. 3d. per pound, plus 15 per cent. Mutual life assurance companies have not been subject to the extra 15 per cent. This measure incorporates the 15 per cent. in the rate of tax, making it 1s. 5¼d. The rate prescribed for life assurance companies also remains at the previous level, namely, 1s. 3d. per pound. No other changes are contemplated under the Bill. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Read a third time and passed.

BILL—FREMANTLE GAS AND COKE COMPANY'S ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [5.45] in moving the second reading said: The purpose of this short Bill is to extend the limits of the Fremantle Gas and Coke Company's Act. As members are aware, the metropolitan area is served by two gas supplying authorities—the Fremantle Gas and Coke Company and the Perth City Council. Section 3 of the principal Act restricts the activities of the former to the area within a radius of five miles from the Fremantle Town Hall. Similarly, under the Perth Gas Company's Act, the activities of the City Council department are limited to the area within five miles of the General Post Office. It is now desired to make provision in both of these statutes in order that residents who live outside the specified areas will be enabled to obtain the extension of gas mains to their homes. I understand that at present the demand for extensions is confined to the north side of the river. There is little doubt, however, that in time the residents on the south side will be anxious to have the same facilities. This measure, together with another with which I shall presently deal, formulates the procedure to be followed when it is desired to extend the operations of the Act beyond its present limits. The Bill sets forth that the Governor may, by proclamation, declare

that the Act shall extend outside the present area. It is provided, however, that any such extension must be subject to the approval of the local authorities. I am assured that there will be no conflict of interests between the two operating authorities, both of whom were consulted by the Minister before this legislation was brought forward. The Minister has also been in touch with the Neillands Road Board, the Claremont Municipal Council, and the Cottesloe Municipal Council, and all have intimated that they are not much concerned as to which authority supplies their requirements. I move—

That the Bill be now read a second time.

HON. G. FRASER (West) [5.49]: While I do not intend to oppose the measure, because I desire to give the company every opportunity to extend its operations, I want to draw the attention of members to one or two phases in connection with the operations of the company. The existing act gives the company a monopoly of the supply of gas within a radius of five miles of the Fremantle Town Hall, while the amending Bill seeks to give the company power to go beyond that radius. I am not going to oppose the giving of the company the extension it desires, but I think it is advisable that it should be shown that we would like the company to do more than it is doing within the area of five miles in which it has a monopoly. During recent years an agitation was started, particularly in the Mosman Park area, with a view to inducing the company to do something about serving that area. After the agitation had proved successful and the mains were laid in that area, it was found that there were difficulties in the way of people there being served with gas. The company is protected by the Act in that the Act makes it compulsory only for the company to connect up any person within 80 feet of a main. The mains do not enter cross streets, and so any person in a cross street cannot demand to be connected up, because in most instances such persons in cross streets are beyond the distance of 80 feet from the main. The people in one street containing only 25 houses have been refused gas because not more than 6 of them have agreed to take it. Admitting that the company should have some protection and should not be required to waste its capital, I think it is a short-sighted policy the company is pursuing in insisting that a certain number

in a street should signify their willingness to take the gas. It seems to me a short-sighted policy, because many people will connect up once the main passes their doors, although they would not give an assurance beforehand to take the gas.

Hon. G. W. Miles: Why not?

Hon. G. FRASER: Well, for various reasons. There have been so many instances of this that people have reached the stage where they will not give their word beforehand to take the gas, yet when the company puts down the main it is found that many people are ready to connect up with the scheme. This has been noticeable in the Mosman Park district, and then we have another district, that of Hilton Park, where the Fremantle City Council has been negotiating with the company to do something in this matter. I have here a copy of a report appearing in the "West Australian," which reads as follows:—

Gas for Hilton Park.

Extension Offer to Council.

In answer to repeated efforts made by the Fremantle City Council to secure a gas service for the residents of Hilton Park, the Fremantle Gas and Coke Co., Ltd., in a letter read at a meeting of the council on Tuesday night, intimated its readiness to undertake the necessary expenditure in the laying of the main to the Hilton Park district conditionally on the consumption of gas in the area being 1,250,000 cubic feet per annum, or if the council would guarantee an annual payment of 2s. for every 1,000 cubic feet by which the actual consumption fell below that figure.

In answer to councillors' inquiries as to how the figure named was arrived at, the Town Clerk (Mr. J. Shepherd) said that it was based on an average monthly gas consumption amounting to 8s. 9d. for each of 100 residents. So far, only 55 householders wished to have the gas connected. The deficiency which the council would be asked to make up would probably be about £60 a year.

Cr. E. R. Evans: The amount of 8s. 9d. is exorbitant. Out there the monthly bill probably would not be more than 4s.

The matter was deferred for further consideration.

In that district, 55 persons have signified their intention to take the gas, but unless the local authority gives some guarantee as to the amount, the company will not go on with the connections. The amount standing in the way is approximately £60 per annum. One would think that for business reasons where there are already 55 potential customers and the loss to be entailed is only £60 a year, which would be picked up in a year

or two, the company would be ready to go ahead.

Hon. G. W. Miles: But business men are running the company.

Hon. G. FRASER: Yes, this is a private company, and evidently its main consideration is profit, not the convenience of the residents. Had this been a Government concern, no doubt there would have been keen agitation amongst the residents.

Hon. G. W. Miles: And some of the rate-payers would have had to foot the bill.

Hon. G. FRASER: But the important thing is the service to the community. Quite a number of these districts, no doubt, in the course of a year or two would be returning a handsome profit to the company should the necessary connections be made. However, I am not going to oppose the second reading, although I should like the company in future to pay more attention to connecting up within the five-mile limit, whilst at the same time giving service outside that limit.

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

BILL—PERTH GAS COMPANY'S ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. E. H. Gray—West) [5.58] in moving the second reading said: This measure is complementary to the Bill with which we have just been dealing. My remarks on that measure have equal application to this Bill. I would point out, however, that at present a municipal council has power to contract with the Electricity and Gas department of the Perth City Council by virtue of Section 215 of the Municipal Corporations Act. I understand that advantage has already been taken of that provision. However, as districts outside the five-mile limit necessarily include road boards, as well as municipalities, it is desirable to amend the principal Act in the direction I have indicated.

Hon. J. Nicholson: That is Section 215 of the Municipalities Act.

The HONORARY MINISTER: Yes. The Bill gives the Perth City Council power to go outside the five-mile radius. I move—

That the Bill be now read a second time.

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

BILL—APPROPRIATION.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [6.0] in moving the second reading said: This is the annual Bill to authorise the appropriation of moneys required for the services covered by the Revenue and Loan Estimates, and by the Advance to Treasurer. The Bill covers the whole of the Government expenditure for the year, with the exception of expenditure appropriated under Special Acts amounting to £4,159,595. The total amount requiring appropriation for this year is £9,363,672, which is comprised as follows:—

| | £ |
|------------------------------|------------------|
| Consolidated Revenue Fund .. | 6,622,245 |
| General Loan Fund .. | 2,241,427 |
| Advance to Treasurer .. | 500,000 |
| | <hr/> £9,363,672 |

Supply Bills covering an amount of £3,900,000 have already been passed this session. The balance of the supply required to make up the total of the Estimates and Advance to Treasurer is £5,463,672. Set forth in Schedule A of the Bill are the various amounts already appropriated, and the amounts to be appropriated under this measure. Schedule B summarises the allocation of revenue expenditure. In Schedule C appears a summary of Loan expenditure, while Schedule D defines the purpose for which the Advance to Treasurer can be used, and the manner in which it shall be adjusted. Schedule E and F show the details of expenditure from Advance to Treasurer during 1936/37 as adjusted against each item. Last year there were unexpended balances of £69,130 and £496,744 on the revenue and loan funds, respectively. The excesses on the respective votes were £476,194 and £277,452. The total revenue appropriation during 1936/37 was £6,152,157 and the actual expenditure £6,559,220, the net excess being £407,063. The loan appropriation was £2,412,409 and actual expenditure £2,193,117, leaving a net underdraft of £219,292. The net excess expenditure on both funds was thus £187,771 on the amount voted. To comply with statutory requirements, provision has been made in this Bill for specific appropriation of the actual excesses on each of the items concerned. Revenue collections which totalled £10,185,433 showed an increase of £25,834

on the estimate of £10,159,599, notwithstanding the reduction of £300,000 in the Commonwealth grant. The principal increases on the estimated receipts were Financial Emergency Tax £131,372, and Dividend Duties £58,876. Including expenditure under special Acts (£3,997,418), the total expenditure amounted to £10,556,638—or £402,713 in excess of the estimate. A number of factors contributed to the increase, chief of which were the drought and the rise in the basic wage. These, together with the cost of belated repairs to railways, were mainly responsible for the increase of £194,245 in public utilities. Then again, drought relief to settlers exceeded the estimate by £111,520, while losses on Agricultural Land Purchase Estates were written off to the extent of £41,313. The Public Works Department was responsible for an increase of £11,611 on account of expenditure incurred on dredging and jetty replacement at Bunbury harbour. Last year this expenditure was charged to revenue, whereas previously it was charged to loan. Another substantial increase which amounted to £26,175 was in respect of the Education Department, and was due to the reclassification of teachers' salaries. The estimated expenditure for the current year is £10,781,840 compared with the estimated revenue of £10,652,985. The anticipated deficit of £128,855 is £242,350 less than the deficit of £371,205 incurred during 1936-37, after allowing for an increase in expenditure of £225,202 and an increase in revenue of £467,552. The increases in expenditure are in respect of Special Acts £162,177 (including interest £122,078 and Sinking Fund £39,241), and Governmental £68,020. Of the increased interest payment, £22,710 is in respect of loans raised for migration purposes. The increase is in accordance with a provision in the migration agreement. Under that agreement the State was required to pay 1 per cent. for the first five years, 1 2/3 per cent. for the second five years, and thereafter the full rate at which the money was borrowed. When all these loans reach their full rate of interest it will cost the State an additional £72,000 per annum. The balance of the increase in interest payments is due to our increased debt. The increase in "Governmental" is spread over the various departments, the main items being Education £17,352, Chief Secretary £13,622, and Agriculture £13,639 (including an increase of £8,156 in the pro-

vision for the destruction of locusts). A decrease of £41,520 is anticipated in expenditure from the Consolidated Revenue Fund for drought relief. Revenue increases are anticipated under the following headings:—

| | £ |
|------------------------|---------|
| Taxation | 54,195 |
| Departmental | 125,079 |
| Commonwealth Grants .. | 42,000 |
| Public Utilities | 263,637 |

It is anticipated that Railway revenue will benefit to the extent of an additional £211,343, mainly as a result of this year's improved wheat harvest. Most of this increase will be received during the latter six months of the financial year. The other principal increases in public utilities are Goldfields Water Supply £13,152, Metropolitan Water Supply and Sewerage £22,455, and Fremantle Harbour Trust £7,571. Under "Departmental," the only department showing a substantial advance is the Treasury, which is expected to receive £107,679 more than last year. This increase will result from repayments on account of advances for drought relief, which are expected to amount to £140,000. The alterations affecting our revenue from the Commonwealth are an increase of £75,000 in the State's disabilities grant and the discontinuance of the special grant of £33,000 distributed last year from the Commonwealth surplus. The following are the main increases anticipated under taxation:—

| | £ |
|----------------------------|--------|
| Financial Emergency Tax .. | 28,628 |
| Dividend Duty | 22,034 |
| Probate Duty | 6,680 |

A decrease of £7,249 is expected in land tax collections. Decreases of £3,918 and £14,469 are estimated in the revenue under territorial and State Trading Concerns. It is expected that the income from land will be £9,111 less than actual collections during 1936-37. Last year revenue was affected for six months only as a result of the operations of the Land Act Amendment Act, 1936, which granted relief to pastoralists in drought-stricken areas. The loss to revenue was £35,000. This year the loss will be increased by a similar amount, but will be partly offset by increased collections from conditional purchase rents, which should be greater by approximately £25,000. An increase of £5,193 is anticipated from mining and timber revenue. This Bill follows the practice initiated last year by including a provision for the approval of expenditure

under Section 41 of the Forests Act, 1918-1931. The Forests Act provides that three-fifths of the net revenue of the department, excluding revenue derived from sandalwood, shall be placed to the credit of a special reforestation fund. The Act stipulates that moneys from the fund may be expended by the Conservator of Forests, but the scheme of expenditure must be submitted and approved by Parliament. Previous to last year, it had been assumed that the absence of any action by Parliament gave tacit approval to the scheme of expenditure tabled in the House each year. The Solicitor General ruled, however, that the approval of Parliament must be given positive expression. In accordance with that ruling, Clause 4 of the Bill makes provision for an expenditure of £60,000 as set forth in the scheme already tabled. I move—

That the Bill be now read a second time.

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

Sitting suspended from 6.15 to 7.30 p.m.

BILL—MUNICIPAL CORPORATIONS ACT AMENDMENT (No. 2).

Recommittal.

Order of the day read for the consideration of the Committee's report.

The CHIEF SECRETARY: I move—

That the Bill be recommitted for the purpose of reconsidering Clause 25.

Hon. J. NICHOLSON: And Clause 68.

Hon. J. J. HOLMES: I wish Clauses 50 to 52 to be reconsidered.

Hon. H. S. W. PARKER: As well as Clause 37.

Question put and passed.

In Committee.

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

Clause 25—Amendment of Section 109; repeal and new section:

The CHIEF SECRETARY: Proposed Subsection 6 deals with the question of ballot papers being issued by the Minister, and being supplied to the town clerk, road board secretary, etc. I move an amendment—

That in line 6 after "municipality" the following be inserted:—"and every road board secretary and every person appointed by the Minister."

The desire is that these people shall be supplied with the necessary ballot papers when an election is to take place. The amendment is really consequential. It will also be necessary after the word "clerk" in line 8 to insert "road board secretary or other person appointed as aforesaid," and to delete all the words after "thereof" in line 9 down to and including the word "section" in line 12. The department cannot say how many postal ballot papers will be required in any particular district on the occasion of any particular election. It is desired that ballot papers may be issued to all who are entitled to take postal ballot papers, which will be of a uniform character and which will be retained in their possession. At any time if there should be an election or a by-election, it would not then be necessary for those who are entitled to take postal votes to write to the district where the election is taking place to secure postal ballot papers for the election. If sufficient ballot papers were not supplied in the first instance they would have to be applied for before the ballot could be taken. The object is to provide for the taking of postal votes with greater ease, and to obviate the occurrence of delays which might prevent voters from recording their votes.

Amendment put and passed.

On motions by the Chief Secretary, proposed Section 109 further amended, in Subsection 6, by inserting after "clerk," line 9, the words "road board secretary or other person appointed as aforesaid," and by striking out the words "and shall permit the same to be taken out of his custody by returning officers or other persons appointed as aforesaid only for the purposes of this section."

Clause, as amended, agreed to.

Clause 37—Amendment of Section 218:

Hon. H. S. W. PARKER: I propose that this clause be amended by deleting the words "for such purposes as it or they may require, and" and inserting in lieu the word "or." Further, I propose that the clause be amended by inserting after the word "materials" the following:—"for use in the construction, maintenance or repair of the footpaths, streets, roads or ways in the district of the council provided that the council may sell and dispose of stone and materials obtained from its quarries within a radius of forty miles of its council chambers if no other quarry is producing such stone and

materials within a radius of fifteen miles of such council chambers." The object of these amendments is to prevent municipal trading. However, it is realised that in the country there are municipal quarries, and no objection exists to municipal quarries trading within 40 miles of the municipal chambers. Without a limit, there would be unfair competition with private quarry-owners, because municipal vehicles, wagons, trucks, etc., pay no license fees. These amendments have been thought out by people who are interested in such concerns. At the same time, they have not been suggested by private interests. A municipality may have a quarry for supplying all the needs of the district, and if there is no other quarry within 15 miles it is proposed to allow the municipal quarry to trade within a radius of 40 miles as stated. That is a big radius. To go further than that might bring municipalities closer to the city into competition with various big quarries that exist.

The CHIEF SECRETARY: I can quite understand that these amendments have been thought out by people interested in private quarries. The effect of the amendments would be to give a monopoly to private quarries in the metropolitan area of all requirements of all local authorities in the metropolitan area outside the city of Perth. Mr. Parker's proposal would prohibit the City of Perth from supplying the Main Roads Board with stone, and would also prohibit any other local authority—Subiaco, for example—from securing stone from the Perth municipal quarry. No doubt the proposal has been well thought out by proprietors of stone quarries in the metropolitan area. The original object of the clause was to give to municipal quarries, wherever established, the right to supply stone to other local authorities or the Government for the purpose of doing work within the particular districts of those authorities. That is fair and legitimate. Mr. Tuckey tried to formulate an amendment which would prevent municipal quarries from trading in this manner if there was another quarry within 15 miles. Mr. Parker goes further, and proposes what I have just described. To country municipalities Mr. Parker's proposal would not matter very much, because wherever a country municipality has a crushing plant, there probably is not another municipality within a considerable distance also possessing a crushing plant. The further

afield one goes, the more unlikely it is that stone will be purchased from those crushing plants, on account of the cost of transport. I am afraid I cannot accept the amendment suggested by Mr. Parker. In view of the difficulties apparent in amending the clause, we would be well advised to leave it as drafted. Municipal quarries will then be able to supply the Government and other authorities with stone for the purposes described in the clause.

Hon. H. S. W. PARKER: The Minister has correctly indicated the object I have in view, because I am against State trading in any shape or form. Once we allow municipalities to open up quarries for the purpose of supplying road material generally to buyers outside their boundaries, then, with the works of the Perth City Council, plus possible bad administration and the trouble that usually attends the management of any trading concern that is controlled by an elected body, it might be possible for such a concern to crush outside competitors and, for the benefit of the community at large, it would be better to allow private concerns to compete against each other rather than permit a municipality to possess the power proposed.

Hon. A. M. Clydesdale: Can a council sell stone?

Hon. H. S. W. PARKER: I think municipalities do, but I cannot say.

Hon. C. F. Baxter: They do it under the lap.

Hon. H. S. W. PARKER: It would be wrong to allow a municipal authority to build up a big quarrying concern and enable it to undersell private traders. It can readily be seen that, with bad administration, such a concern could undersell, because its trucks would not have to bear the license fees that owners of private trucks have to pay. It would set up unfair trading conditions. I move an amendment—

That in lines 7 and 8 "for such purposes as it or they may require" be struck out, and the word "or" inserted in lieu.

Hon. W. J. MANN: I cannot support the amendment. Mr. Parker has indicated that he proposes later to add a proviso that will prohibit trading outside a radius of 40 miles. That may suit the metropolitan area.

Hon. G. Fraser: It will not.

Hon. W. J. MANN: It certainly will not suit the country districts. I have before

me a brief report of a discussion at a meeting of the Bridgetown Road Board last week. Bridgetown is 60 miles distant from Bunbury. The road board is badly in need of supplies of crushed stone. At the meeting, one member asked the chairman how long the board intended to continue the use of the "infernal gravel," pointing out that in many instances it was dangerous, and certainly was not fit to walk on. Other members spoke in similar strain, and one said that the board had been very keen upon installing a stone crusher, but the cost involved, which was about £5,000, was a deterrent. There is an instance of a road board requiring to use stone for its purposes within 60 miles of Bunbury, but cannot afford to instal a crusher on account of the cost. Quite apart from the board, private persons in the district want to purchase stone for various works. Recently Mr. Craig and I were in that district, and on one property we saw that paths were being constructed of concrete for which crushed stone was required. If the amendment be agreed to, the people there will be prevented from purchasing such supplies. I prefer the clause as it stands.

Hon. H. TUCKEY: There is not much objection to the clause from the standpoint of the owners of quarries in the metropolitan area, but we ought to facilitate matters for local authorities in country districts. We should do something to allow Bunbury or Geraldton, for instance, to sell stone from the municipal quarries.

Hon. G. FRASER: The clause as it stands will allow that to be done.

Amendment put and negatived.

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

That in line 9 after "materials" the following words be inserted:—"for use in the construction, maintenance, or repair of the footpaths, streets, roads or ways in the district of the council, provided that the council may sell and dispose of stone and materials obtained from its quarries within a radius of 40 miles of its council chambers if no other quarry is producing such stone and materials within a radius of 15 miles of such council chambers."

The CHIEF SECRETARY: If the amendment stopped half way, it might be acceptable, but the hon. member goes on to propose what, in effect, has been previously struck out.

Hon. H. S. W. PARKER: Perhaps the Minister will move an amendment.

Hon. L. CRAIG: Don't make any suggestions to him at all!

The CHIEF SECRETARY: To make sure that we get the opinion of the Committee on this question, I move an amendment on the amendment—

That all the words after "council" be struck out

At the present time the Act provides that the council "may acquire and work quarries and employ persons, and provide machinery, apparatus, horses and plant for such work." That is the authority under which the municipal council establishes a quarry. It has been found, however, that because there was no authority for a municipal council to supply anybody else with crushed stone, not only have other local authorities suffered from an inability to get it, but the Perth City Council, for instance, has found that it could not dispose of stone it had produced and did not require for its own purposes for the time being. When stone of a fairly large size is crushed, a smaller size of stone is produced, and it is not always possible at one time to dispose of all the different sizes of stone produced. Thus it is quite easy to have an accumulation of stone which has to be handled more than once, and which is therefore more expensive to use. The question is purely one of economy. I do not see why the Perth City Council should not be allowed to supply, say, the Subiaco Council with stone for the making of roads in the Subiaco district. I have no personal knowledge of the operations of the Perth City Council but I should imagine there would be times when the council could supply stone to the Main Roads Board, say, for Stirling Highway; but it is not allowed to tender under the Act at the present time. Surely the council should be entitled to supply the Government with stone for the purpose of making roads within its district. The amendment moved by Mr. Parker will prevent any trading being done at all and I cannot agree to it. My amendment will bring the clause back to its original form. If it were desired that country crushers should have the right to sell to all and sundry, a proviso could be added to that effect.

Hon. H. V. PIESSE: I agree with the Chief Secretary that there should be a provision by which local authorities should have the power to supply crushed stone. It would be foolish for some country districts to have

to bring crushed stone from the metropolitan area when there are crushers at Kataning, Narrogin and Albany. At the same time the proviso should be worded to allow municipalities and road boards to supply to private individuals.

The CHAIRMAN: If the clause is left as it is, it is an open go.

Hon. H. TUCKEY: The clause as it stands is all right provided the proviso suggested by the Chief Secretary is added.

The CHAIRMAN: The Chief Secretary adjourned this for a fortnight to try to get that proviso but we seem as far from finality as ever.

The CHIEF SECRETARY: I had the matter adjourned to give Mr. Tuckey a chance to have a proviso drafted. He had one drafted but it did not have the effect he thought it would have. I am now trying to get the clause back to its original form whereby municipal crushers will be allowed to supply to local authorities and the Government, and other persons, stone or materials for use in the construction, maintenance or repair of footpaths, streets, roads or ways in the district of the council. In other words, a contractor who may take a contract for making a road or footpath would be allowed to purchase from the municipal quarry, but the private individual who desired stone for the purpose of concrete work in a building would not be allowed to purchase that stone. That is a fair interpretation of the clause. If the country members desire that country municipalities should have the right to more freedom, I have no objection.

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

Hon. J. Nicholson: I understand the amendment has been amended in the way suggested by the Chief Secretary.

The CHAIRMAN: We have got back to where we began.

Hon. H. TUCKEY: I suggest that there be added to the clause the words "provided that municipal councils outside the metropolitan area may sell or dispose of such stone or material for any purpose to any person."

Hon. W. J. MANN: I suggest that there be added to the clause the words "Provided that any Government department or any municipal body situated outside the metropolitan area may sell or otherwise dispose of stone or material to any person."

The CHAIRMAN: I do not think either of those suggestions would meet the case. What is really wanted is that the clause shall definitely say that within the metropolitan area a council may do what is set out in the clause. But that cannot be binding on a council outside the metropolitan area.

Hon. H. S. W. PARKER: I think what is wanted is to leave the clause as it is now.

The CHIEF SECRETARY: It would be necessary to define "metropolitan area" by inserting the words "as defined under the Roads Districts Act." That would give the boundaries.

Hon. H. TUCKEY: I move an amendment—

That the following proviso be added:—"Provided that any municipal council outside the metropolitan area as defined under the Road Districts Act may sell or dispose of stone or material to any person for any purpose."

Hon. J. M. Macfarlane: What, really, are the boundaries of the metropolitan area as defined under the Road Districts Act?

The CHIEF SECRETARY: Without turning it up I could not say, but the metropolitan area has been defined under that Act and also under the Electoral Act. There is another suggestion that might meet with the approval of members, namely, that the metropolitan area shall be as defined by the Governor in Council and published in the "Gazette." That would define it by proclamation.

Hon. H. Tuckey: Why not make it 20 miles from the General Post Office?

Hon. H. S. W. PARKER: Instead of using the term "metropolitan area" I suggest that we specify outside a radius of 50 miles from the Perth Municipal Chambers or Parliament House. I would even agree to a radius of 25 miles.

Hon. H. Tuckey: I am prepared to accept 25 miles.

Hon. H. S. W. PARKER: Say outside an area covered by a radius of 25 miles from Parliament House.

Hon. L. Craig: For goodness sake let us stick to the term "metropolitan area."

Hon. C. F. Baxter: Why not say Bunbury straight out, where there is a crushing plant?

The CHAIRMAN: I suggest leaving it "metropolitan area."

Hon. H. Tuckey: From which Act will you take the definition of "metropolitan area"?

The CHAIRMAN: I shall put the amendment in this form—

Provided that any council outside the metropolitan area as defined under the Road Districts Act, 1919-34, may sell or dispose of stone or material to any person for any purpose.

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

Clause 50—Repeal of Section 411:

Hon. J. J. HOLMES: Under the existing Act, a municipal council has power to impose interest on overdue rates, and I understand that municipalities desire to retain that right. If this clause is not struck out a municipality will make every effort to get in the rates due within the specified time, since, if it fails to do so it will probably have to pay interest on an overdraft, at the same time getting no interest on the outstanding rates. I think this clause has been inserted by the framers of the Bill. If people do not pay their water rates they are charged an extra 25 per cent. for their water, but apparently the Government is not prepared to allow municipalities to charge interest on outstanding rates. The only thing to do is to strike out this clause.

The CHAIRMAN: When this clause was before the Committee the vote for its retention on a division was 15 ayes, 7 noes.

The CHIEF SECRETARY: Section 411 provides that 5 per cent. interest may be charged by municipal councils on rates that are 12 months or more overdue. The Committee that previously dealt with this clause was of opinion that the majority of people who get 12 months behind with their rates have enough difficulty to pay the rates ultimately without having the amount increased by 5 per cent. Some municipalities may have had to get an overdraft because the rates have not been paid, but very few have imposed the 5 per cent. interest.

Hon. J. M. Macfarlane: I should say only once in 14 years.

Hon. L. CRAIG: This power should be given to municipalities. It has never been abused in the past and would not be abused in the future. We must remember, however, that by an overwhelming majority the Committee which previously dealt with this clause decided that it should be retained, and I do not think it is competent for us to-night to upset that decision.

Hon. J. J. HOLMES: I was not present when the division referred to by you, Mr. Chairman, took place. Had I known the

figures I would not have moved in this direction.

Clause put and passed.

Clause 51—Amendment of Section 413: Repeal and new section:

The CHAIRMAN: The division on this clause taken at a previous committee was 12 ayes, 11 noes.

Hon. J. J. HOLMES: Municipal councils have power to distrain for rates. I understand that over a period of many years the Perth City Council has only in two cases distrained for rates. If people can pay but refuse to pay they should be made to pay, as set out in Section 413. A local authority must be given power to carry on its business as it thinks fit. The section has never been abused, and I do not think it would be abused if it were retained in the Act. I shall vote against the clause.

Hon. J. M. MACFARLANE: I agree with Mr. Holmes. The City Council has used the section as a stick to frighten ratepayers, in preference to taking legal proceedings. These are costly to ratepayers in arrears, involving mileage and so forth. The prospect of distraint usually proves effective.

Hon. E. H. ANGELO: Previously I voted for the deletion of the clause, and I shall do so now. The Bill is intended to assist municipalities in carrying on their work, but several of its clauses will hamper them. The City Council has had only two cases of distraint in the last 15 years. The mere fact of the power being in existence assists the council to get in its rates.

The HONORARY MINISTER: We have been reminded that when a previous division was taken on the clause, there were 23 members in the Chamber. Now there are 16. In taking a division with six members fewer present, we are venturing on dangerous ground.

The CHIEF SECRETARY: On a previous occasion I argued that the method of threatening distraint can only be described as barbarous. That term, I consider, applies to the practice of the Perth City Council in issuing hundreds of distress warrants, many of them, we are told, not even being signed. In other words, the City Council puts up big bluffs in serving distress warrants on people who are not the owners of the property.

Hon. J. M. Macfarlane: The distress warrants are not served. The municipal officer

merely has the distress warrant in his pocket. It is really a final notice.

The CHIEF SECRETARY: The rates are levied on the land, and not on the goods and chattels of the occupier of the premises. Nothing can be more severe on people who perhaps are hard up than the threat of distraint on their goods and chattels. That practice is followed although the City Council has the right to proceed against the owner of the land. If only two distress warrants have been issued during the long period of 15 years, there can be no great necessity for the section.

Hon. J. NICHOLSON: The Honorary Minister compared the numbers present when a vote was taken previously on this clause, with the numbers now in attendance. No member wishes to take advantage of numbers in respect of any clause in this Bill or any other Bill. It is a simple matter for the Minister to report progress. The clause will make the position more expensive for ratepayers because it will compel municipalities to issue summonses straight away. The moment they are issued, costs will increase heavily to the disadvantage of individual ratepayers. If the Minister could point to any instances of abuse of the power, I could understand the clause being in the Bill. Nothing else would justify it.

Hon. H. TUCKEY: As, apparently, the Government takes a serious view of the clause, I hope the Minister will agree to postpone its further consideration until the next sitting.

The CHIEF SECRETARY: I do not propose to postpone the further consideration of the clause. We have been postponing the consideration of the Bill for some weeks. We are now meeting on Fridays to expedite business. I am anxious to get the Bill back to the Assembly so that we may have an amended Municipal Corporations Act as a result of this session's work. This Committee has already amended the Bill in many directions, and I feel sure that the matter will be debated in another place, with a strong probability of the Bill being returned to us. Further delay may possibly jeopardise the passing of legislation that is needed in many parts of the State. I do not claim that the clause is vital, but the Government does attach a good deal of importance to it. I have taken note of what Mr. Nicholson said with regard to

his absence during a previous division and Mr. Holmes, too, said that he was not present. They are present this evening. Because the division the other evening went against their views on this particular point, they have raised the matter again and, of course, they are entitled to do so. I do not object to that, but I would not be justified in further postponing the matter.

Hon. J. J. HOLMES: This House cannot be blamed for delay in dealing with the Bill. It has been before members for many weeks, and the Notice Paper is controlled by the Chief Secretary. It is common knowledge amongst members that industrial legislation has been kept to the forefront and other Bills have been maintained at the bottom of the list of business. It is not our fault that there is a thin House tonight. I understood from the Chief Secretary that after he had moved the second reading of some Bills to-day, the House would adjourn.

Hon. C. F. Baxter: The Minister wants to tire us out first.

The CHAIRMAN: Order! I hope members will not continue along those lines.

Hon. J. J. HOLMES: In an undertone the Chief Secretary did say, "Like you did last night on another Bill" We did not take advantage of a thin House last night.

Hon. G. Fraser: Eighteen.

Hon. J. J. HOLMES: Yes, and I can account for ten others in pairs. We give pairs to the other side of the House although they will not give us pairs.

The CHAIRMAN: Two members paired for it and voted against it last night.

Hon. J. J. HOLMES: I do not know anything about that, but there was no thin House last night. If the Minister likes to keep the Bills at the bottom of the Notice Paper and then bring them forward in a thin House and suggest that we are trying to get away with something, I resent the insinuation.

The CHIEF SECRETARY: I deeply resent some of the remarks of Mr. Holmes.

Hon. J. J. Holmes: Then we are both resentful.

The CHIEF SECRETARY: I have endeavoured to meet the wishes of members.

Members: Hear, hear!

The CHIEF SECRETARY: I told members what the programme was for this evening.

Hon. J. J. Holmes: Yes, second readings.

The CHIEF SECRETARY: The hon. member knows I did not say anything of the kind.

Hon. J. J. Holmes: You did.

The CHIEF SECRETARY: If the hon. member would only be truthful in regard to these matters, I would not mind.

Hon. J. J. Holmes: Does that mean that I am a liar? If so, I ask that that statement be withdrawn.

The CHAIRMAN: Order! The Chief Secretary used the word "truthful." I do not know if he meant it in an adverse sense or—

Hon. J. J. Holmes: I do not care in what sense he used it; I ask that the statement be withdrawn.

The CHAIRMAN: Mr. Holmes has asked that the statement be withdrawn.

The CHIEF SECRETARY: Then I withdraw. I remind Mr. Holmes that I did tell him very frankly what the position has been, particularly during the last day or two. He suggests that we have kept industrial measures to the fore at the expense of the Bill under discussion.

Hon. G. Fraser: Members have kept them there.

The CHIEF SECRETARY: Mr. Holmes has done his share in that direction.

Hon. G. Fraser: More than his share.

The CHIEF SECRETARY: I have been desirous of getting on with the business, but it has been dealt with by members from time to time in a manner that I have sometimes thought was not entirely justified. If I were to suggest that the object was to delay matters until such a late stage of the session that it was not possible to get Bills through, then probably Mr. Holmes would say that I was not telling the truth. However, I realise that we will not get far by pursuing an argument of this description. I did explain the position and I do not propose to postpone the further consideration of this measure. Mr. Baxter suggested that I desired to tire out members, but he fully understood how far it was desired we should proceed this evening in dealing with the business. I shall not ask members to deal with anything after this Bill.

Hon. C. F. Baxter: Not being a mind-reader, how could I know?

The CHAIRMAN: It is only fair to the Minister to say that had he given an assurance that second readings only would be

dealt with this evening, I would now be on my way to Kalgoorlie.

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

| | | | | |
|------|----|----|----|---|
| Ayes | .. | .. | .. | 8 |
| Noes | .. | .. | .. | 9 |

Majority against .. 1

AYES.

| | |
|-------------------|----------------------|
| Hon. C. F. Baxter | Hon. E. H. Gray |
| Hon. J. Cornall | Hon. W. H. Kingston |
| Hon. J. M. Drew | Hon. W. J. Mann |
| Hon. G. Fraser | Hon. H. S. W. Parker |
| | (Teller.) |

NOES.

| | |
|-----------------------|-------------------|
| Hon. E. H. Angelo | Hon. G. W. Miles |
| Hon. L. Oralg | Hon. J. Nicholson |
| Hon. V. Hamersley | Hon. H. Tucker |
| Hon. J. J. Holmes | Hon. H. V. Piesse |
| Hon. J. M. Macfarlane | (Teller.) |

PAIR.

| | |
|-----------------------|-------------------|
| AYE. | No. |
| Hon. A. M. Clydesdale | Hon. L. B. Bolton |

Clause thus negatived.

Clause 52—Consequently negatived.

Clause 54—Amendment of Section 438:

The CHIEF SECRETARY: I move an amendment—

That in line 3 of paragraph (a) after "aero" the words "motor vehicle" be inserted.

Amendment put and passed.

The CHIEF SECRETARY: I move an amendment—

That in line 11 of paragraph (c) "aero" be struck out and "aero-motor" inserted in lieu.

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

Clause 68—Repeal of Twenty-first Schedule and Twenty-second Schedule:

Hon. J. NICHOLSON: This is consequential upon the two clauses, 51 and 52, that have been deleted.

Clause put and negatived.

Bill again reported with further amendments and the report adopted.

Third Reading.

Bill read a third time and returned to the Assembly with amendments.

House adjourned at 9.22 p.m.