

Mr. Latham: That is a most remarkable statement to make.

Mr. Sleeman: Why remarkable?

Mr. Needham: It is usual.

Mr. Marshall: Newspaper proprietors are very often directors of banks.

Mr. NORTH: My statement can be checked by the newspapers when they come to hand very shortly. What I have said will indicate to the House that consideration of the matters we have been discussing is not confined to Western Australia. Quite recently newspapers in England have recanted and are prepared to admit that these changes must be made. In those circumstances, we are well advised to persist in urging that an inquiry should be conducted. I find myself limited to the extent that the Premier desires that we should press this matter on the Federal Government. I cannot move to amend my own motion, but before I sit down, I would urge the Premier to bring this matter under the notice of the Federal Government. Perhaps some other member will move to amend my motion by inserting "Federal" before the word "Government," and that will get over the difficulty and secure what we all desire.

Mr. F. C. L. SMITH: I move—

That the debate be adjourned.

Motion put and negatived.

Mr. GRIFFITHS: Would I be in order in moving an amendment to insert "Federal" before the word "Government"?

The Minister for Mines: No, let us carry the amendment before the House, and you can then move to amend that as you like.

Amendment put and passed.

On motion by Minister for Works, debate adjourned.

House adjourned at 9.32 p.m.

Legislative Council,

Thursday, 28th September, 1933.

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

BILL—FINANCIAL EMERGENCY TAX.

Standing Orders Suspension.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.33]: I move—

That so much of the Standing Orders be suspended as is necessary to enable the Bill to pass its remaining stages at one sitting.

I am submitting the motion without notice, but there is necessity for it in order to complete the final stage of the Bill, instead of adjourning consideration over one day.

Question put.

The PRESIDENT: There being an absolute majority of members present and no dissentient voice, I declare the question passed.

BILL—GOLDFIELDS ALLOTMENTS REVESTMENT.

Read a third time and *passed*.

BILL—SUPPLY (No. 2), £1,201,000.

Standing Orders Suspension.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.35]: I move—

That so much of the Standing Orders be suspended as is necessary to enable the Bill to pass its remaining stages at one sitting.

Members will recognise the necessity for the motion. The authorisation under the previous Supply Bill has been exhausted, and we have to secure the passage of this Bill to enable the Government to meet the position.

Question put and *passed*.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [4.36] in moving the second reading said: When presenting Supply Bill (No. 1) a few weeks ago, I was under the impression that it would not be necessary to ask for further Supply, as it was expected that the Budget would be presented at an earlier date than usual. It has become necessary, however, to ask for further Supply covering two months to enable the Government to finance operations pending the passing of the Estimates. The amount now asked for is £1,201,000, representing expenditure from the following funds:—

| | £ |
|------------------------------|-------------------|
| Consolidated Revenue | 900,000 |
| General Loan | 300,000 |
| Government Property Sales .. | 1,000 |
| Total | £1,201,000 |

The Supply granted by the previous Act was from the following funds:—

| | £ |
|----------------------------|-------------------|
| Consolidated Revenue | 900,000 |
| General Loan | 300,000 |
| Treasurer's Advance | 300,000 |
| Total | £1,500,000 |

That amount covered a period of two months. The expenditure from Consolidated Revenue Fund for the two months to the 31st August was:—

| | £ |
|--------------------------|-------------------|
| Special Acts | 646,154 |
| Governmental | 432,319 |
| Business Undertakings .. | 454,474 |
| Total | £1,532,947 |

The receipts for the same period were:—

| | £ |
|--------------------------|-------------------|
| Taxation | 143,379 |
| Territorial | 40,717 |
| Commonwealth Grants .. | 162,239 |
| Business Undertakings .. | 820,002 |
| Other | 76,068 |
| Total | £1,042,405 |

The deficit for the first two months has thus been £490,542, compared with £635,943 for the first two months of the previous financial year. Receipts from the Commonwealth for July and August, 1933, amounted to £162,239 and included the proportion of the special grant of £500,000

per annum. The receipts for the corresponding period of the previous year were £78,906. This amount did not include any receipts on account of the special grant as the arrears were not paid until October, 1932. The special grant is to be increased to £600,000 this year, but no payments have yet been received on account of the extra £100,000 as the necessary Act has not yet been passed by the Commonwealth Parliament. 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—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.*Assembly's Message.*

Message from the Assembly notifying that it had disagreed to the amendments made by the Council in the Bill, now considered.

In Committee.

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

No. 1: Clause 1.—At the end of the clause add the following words:—"and shall come into operation on a day to be fixed by Proclamation."

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

The CHAIRMAN: The Assembly's reason for disagreeing to the Council's amendment is—

For financial reasons it is necessary the Bill should operate as from the beginning of the financial year.

Hon. C. F. BAXTER: I hope the Chamber will insist on this highly important amendment, which relates to the retrospective nature of the clause. That clause would re-act harshly upon employers, who would have to bear the tax on wages already paid. The employees will do well enough in paying tax as assessed at the time of receiving the wages.

Question put and negatived; the Council's amendment insisted upon.

No. 2: Clause 2.—Delete this Clause.

The CHAIRMAN: The Assembly's reason is the same as in the case of the previous amendment.

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Hon. H. SEDDON: This amendment is really consequential on the last, and the reasons for insisting upon it are the same.

Question put and negatived; the Council's amendment insisted upon.

No. 3: Clause 3.—Delete paragraph (a).

The CHAIRMAN: The Assembly's reason is—

A single person in receipt of less than £2 per week should not be subject to this taxation.

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Hon. C. F. BAXTER: I oppose the Chief Secretary's motion. Why should a single person enjoying the benefit of free Government services not contribute a small amount to their cost? The House has already decided that persons earning £1 per week should assist, even though slightly, towards supporting persons out of employment.

Question put and negatived; the Council's amendment insisted on.

No. 4: Clause 3.—Delete paragraph (b).

The CHAIRMAN: The Assembly's reason is the same as in the case of the previous amendment.

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Question put and negatived; the Council's amendment insisted upon.

No. 5: In proposed new paragraph (d), in line 4, delete the word "forty" and substitute the words "twenty-one."

The CHAIRMAN: The same reason is given in this instance.

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Question put and negatived; the Council's amendment insisted upon.

No. 6: In proposed new paragraph (b), in line 5, delete the words "ten shillings."

The CHAIRMAN: The Assembly's reason is—

Married people, in view of their responsibilities, should not be subject to this tax if receiving less than £3 10s. a week.

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Hon. R. G. MOORE: I hope the amendment will be insisted on, for the reasons I advanced in moving it. Then the Government can fix a suitable rate of tax.

Hon. G. FRASER: I hope the amendment will not be insisted on. Mr. Moore's reasons for the amendment were the weakest I ever heard given in this Chamber. A certain portion of this State, it is urged, should be exempted because the basic wage there is slightly below the amount mentioned in the Bill. In Mr. Moore's district the basic wage is slightly higher, and the object of his amendment is to bring more people within the scope of the tax. The amendment seems to be almost a matter of spite.

Hon. J. J. Holmes: It will bring in a good deal more tax.

Hon. G. FRASER: But the Government are not desirous of bringing those people in. The amount fixed by the Government is the lowest which they consider should bear taxation. The Government would seem to be in office, but not in power, having regard to this Chamber's tinkering with their financial policy.

Hon. H. SEDDON: There might be more force in the previous speaker's argument if the Government were consistent and exercised a little discretion in regard to men on the goldfields who are below the basic wage. Even a person on the basic wage upon the goldfields is in a worse position than a man on the basic wage in any other part of the State. Therefore I consider that the Chamber should insist upon the amendment. The principle of taxation should be maintained in this case as in that of the single man. Every person should bear some part of the expense of maintaining free services.

Hon. G. FRASER: Instead of moving to raise the amount to the maximum, so that those workers could be included, the hon. member goes the other way about it and reduces the amount. He is not so keen to

protect the interests of the men on the basic wage in his district.

Hon. R. G. MOORE: Originally I had an amendment on the Notice Paper, the object of which was to include all married persons who were on or below the basic wage, but it was pointed out to me that that would not be welcomed, and as an alternative I suggested the amendment which this Committee agreed to, and by which all would be treated alike. It is not a fair thing to impose a tax on the man on the basic wage in the metropolitan area, and not impose it on others in other districts, who are below the basic wage. I have in mind not only the people on the goldfields, but those in places like Collic and Wyndham and also on the northern goldfields, who will come in at a rate well below the basic wage. It would be better for people on the basic wage in all districts to pay. It was only with a desire to impose more equitable taxation that I moved the amendment.

Question put and negatived: the amendment insisted upon.

No. 7: (iii). In lines 7 and 8 delete the words "one hundred and four," and substitute the words "fifty-two."

The CHAIRMAN: The reason given by the Assembly for disagreeing to this amendment is—"Similar reason to that stated regarding amendments 3, 4 and 5."

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Question put and negatived; the Council's amendment insisted upon.

No. 8: (iv). In line 9, delete the words "eighty-two," and substitute the words "fifty-six."

The CHAIRMAN: The reason given by the Assembly for disagreeing to this amendment is similar to that stated regarding Amendment No. 6.

Question put and negatived; the Council's amendment insisted upon.

No. 9: Clause 4—Delete paragraph (b).

The CHAIRMAN: The reason given by the Assembly for disagreeing to the amendment is similar to that stated regarding amendments 3, 4 and 5.

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Question put and negatived: the Council's amendment insisted upon.

No. 10: (Consequential on No. 8)—In paragraph (c), lines 26 and 27, delete the words "eighty-two" and substitute the words "fifty-six."

The CHAIRMAN: The reason given by the Assembly for disagreeing to this amendment is similar to that stated regarding amendment No. 6.

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Question put and negatived: the Council's amendment insisted upon.

No. 11: Insert a new paragraph to stand as paragraph (d), as follows:—

(d) by adding a subsection, as follows:—

(7.) If it shall be made to appear to the Commissioner at or after the end of any financial year that any person has paid tax, by means of deductions or otherwise, in respect of salary or wages earned during that year, a total sum exceeding the amount of tax which he would have been called upon to pay in respect of such salary or wages, if the same had been income, and financial emergency tax had been assessed thereon as provided by this Act, then the Commissioner shall repay to such person the amount of the excess so paid by him as aforesaid.

The CHAIRMAN: The Assembly's reason for disagreeing to this amendment is: "It is not necessary; provision is made in the existing Act and regulations."

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Question put and negatived; the Council's amendment insisted upon.

No. 12: Insert a new paragraph to stand as paragraph (e) as follows:—

(e) by adding a subsection, as follows:—

(8) Persons paying salary or wages to any other person shall be responsible only for the payment of financial emergency tax calculated at such rate per pound as would be applicable if the salary or wages so paid were the only salary or wages received by such other person.

The CHAIRMAN: The Assembly's reason for disagreeing to this amendment is that it is not necessary; provision for it being made in the existing Act and regulations.

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Question put and negatived: the Council's amendment insisted upon.

No. 12: Clause 5.—Delete this clause.

The CHAIRMAN: The Assembly's reason for disagreeing to this amendment is similar to that applying to amendment No. 1.

The CHIEF SECRETARY: I move—

That the amendment be not insisted upon.

Question put and negatived: the Council's amendment insisted upon.

No. 14: New clause.—Insert a new clause to stand as Clause 6, as follows:—"This Act shall remain in force until the 31st day of October, One thousand nine hundred and thirty-four, and no longer."

The CHAIRMAN: This amendment was ruled out of order by the Chairman of Committees in another place as being outside the scope of the Bill.

The CHIEF SECRETARY: I move:—

That the amendment be not insisted upon.

Hon. W. J. MANN: I submitted this amendment which has been ruled out of order. I am not able to understand the ruling given in another place. I had no idea or intention of limiting the duration of the Act, but I think we can overcome the difficulty if I submit an alternative amendment to Clause 2. I move an alternative amendment—

That the following words be added to Clause 2—"This section shall cease to operate on 31st October, 1934."

Hon. H. SEDDON: Will the effect of this amendment be that when the time elapses the original Assessment Act will come into operation?

The CHAIRMAN: Whatever is eventually agreed upon as forming Clauses 3 and 4, they will cease to operate after the 31st October next if the alternative amendment is agreed to. This will mean that the exemptions agreed upon at this session of

Parliament will have to come up for review at the next session of Parliament.

Hon. J. J. HOLMES: As we have insisted upon all the other amendments we have made, we should insist upon this.

Hon. E. H. Gray: Whether it is out of order or not.

Hon. A. Thomson: Is it out of order?

Hon. J. J. HOLMES: So long as the President and Chairman of Committees say it is in order, that is sufficient for me. The amendment should be thrashed out later, should the occasion arise.

Hon. W. J. MANN: I do not know why our amendment was ruled out of order. If the Committee think we might disagree as to the entire clause, I do not mind if the whole thing is left to our managers, in the event of a conference being held.

Hon. H. SEDDON: It has been ruled in another place that this amendment is not relevant to the Bill. I suggest, Mr. Chairman, we should have your ruling as to whether or not it is in order.

Hon. A. THOMSON: The Financial Emergency Act of 1931 states in Section 26 that it shall continue until the end of 1932 and no longer. The Government regard this Bill as an emergency measure, and we should insist upon the opportunity to discuss the whole question next session. Failing that the Act may remain permanently on the statute-book.

The CHIEF SECRETARY: If this Bill goes to a conference, as seems inevitable, the whole matter can be considered, and an amendment drafted to meet the wishes of the Committee. It may be possible to introduce into the Bill an amendment that will meet the case. I do not see how we can make any progress by any other means.

Hon. J. J. HOLMES: This Bill plays an important part in the taxation imposed upon the people of this country. It is a question which should be reviewed at no distant date. We should insist upon some terminating date being specified in it.

The CHAIRMAN: Whether the Chairman of Committees in another place was right or wrong in his ruling has nothing to do with us. When this amendment was originally before the Committee, I asked from the Chair whether it was intended that it should affect only this Bill, or whether it

should apply to the parent Act which contained no duration section in it. The opinion of the Committee was that on the amending Bill they should strive to limit the duration of the parent Act this session, seeing that this limitation had been omitted last session. Mr. Mann has clarified the position by moving his alternative amendment. He said he had no desire to go further than the next session of Parliament to deal with the points that were dealt with previously. In the event of a conference, our managers will know that the mover of the original amendment did not intend it to be a piece of machinery tacked on to the whole of the parent Act.

Hon. J. J. HOLMES: The Committee, as well as the mover, understood what the effect of the amendment would be. The mover is only one member of this Chamber, and he has to obtain the support of the Committee before any amendment can be carried. What Mr. Mann had in mind, what the Committee understood, and what the Committee has insisted upon, are the things we have to consider.

The CHAIRMAN: What the Committee actually did was to say that the Bill should come up for review in the following year, not that the Act passed last session should be affected similarly. I suggest that Mr. Mann withdraw his alternative amendment.

Hon. C. F. BAXTER: It would be as well to understand the position clearly. I supported the amendment, thinking that we were dealing not only with the Bill but with the Act itself. It was a mistake that it was not done previously.

The CHAIRMAN: You can say it was an oversight.

Hon. C. F. BAXTER: Probably so, but I was of the opinion that the amendment would apply to the Act and not to the Bill only.

The CHAIRMAN: I think the Chairman of Committees in another place was on safe ground in ruling the amendment out of order.

Hon. W. J. MANN: I have been given to understand that the ground upon which my amendment was ruled out of order in another place was that it was outside the scope of the Bill. I had intended it to be within the scope of the Bill. At any rate, my amendment has had the effect of making the position clear regarding what mem-

bers wish, and that will be impressed upon the managers at the conference. I ask leave to withdraw my alternative amendment.

Alternative amendment, by leave, withdrawn.

Question put and negatived; the Council's amendment insisted upon.

Resolutions reported, the report adopted and a message accordingly transmitted to the Assembly.

BILL—POLICE ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—FINANCIAL EMERGENCY TAX.

Recommittal.

On motion by Hon. J. Nicholson, Bill recommitted for the purpose of further considering Clause 2.

In Committee.

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

The CHAIRMAN: Clause 2, which imposes the financial emergency tax, has already been amended.

Hon. J. NICHOLSON: I move an amendment—

That in line 2 of sub-paragraph (viii.) of paragraph (a), after "more" the following words be inserted:—"provided that in the case of a life assurance company any rate of tax herein applicable to every such company shall not exceed fourpence in respect of every pound of interest received from its investments as mentioned in section eight of the said Act."

The amendment will overcome the difficulty regarding life assurance companies to which reference was made when the Bill was before the Committee previously. The amendment will provide an indication to the Assembly of our views regarding the position of life assurance companies, which do so much in the interests of the community.

The CHIEF SECRETARY: I oppose the amendment, which does not embody any new principle. In the Act of last year the companies were taxed at the rate of $4\frac{1}{2}$ d. in the pound and the Bill merely seeks to provide an increase of $1\frac{1}{2}$ d. in the pound. I quite appreciate the fact that life assur-

ance companies are in a different position from fire insurance companies because the former are benevolent organisations and those in control have subscribed to Australian loans and assisted various Governments. At the same time, the companies are commercial propositions and in times of stress, when almost everyone is being taxed, I cannot see why we should be so lenient to life assurance companies.

The CHAIRMAN: Before the debate proceeds further, let us consider the history of the amendment. In the first place, Mr. Nicholson endeavoured to introduce his amendment as a separate paragraph to cover the whole. When he saw that I, as Chairman, was a bit dubious about its admissibility, he asked if it were possible to provide for what he desired by tacking on to paragraph (c) the amendment he sought, prefaced by the words "Provided for." His intention then was that if the Chairman would allow it to go in, it should govern the clause in respect of life assurance companies. Now the hon. member seeks to tack it on to sub-paragraph (viii) of Clause 2. I ruled out the amendment on the previous occasion and was upheld by the President, and I can see no difference between the effect of the amendment now before us and the effect of that which I ruled out at the last sitting. Therefore, to be consistent, I must rule that this amendment is inadmissible, for the same reason as I gave on the previous occasion.

Hon. J. NICHOLSON: I submit that this proviso stands in a somewhat different position from the amendment previously moved.

The CHAIRMAN: The effect will be exactly the same.

Hon. J. NICHOLSON: By providing in the Bill for certain graduated taxes, we have sectionalised the tax. That is quite consistent with the provisions of the assessment Bill, which states that it shall be at a rate to be fixed by Parliament. That being so, surely we are entitled to say in respect of certain classes of companies that the rate of tax shall not exceed so much. In the moving of this amendment, all that is sought is to get the matter before another place. If I were seeking to impose a higher rate of tax, it would be wrong.

The CHAIRMAN: By the amendment you would be imposing a tax on life assurance companies.

Hon. J. NICHOLSON: No, the tax is already imposed.

The CHAIRMAN: At all events, it would be putting into the Bill something that was not in it when it came here.

Hon. J. NICHOLSON: The amendment seeks to reduce taxation, which is within the rights of this House. So the amendment is not outside our powers.

The CHAIRMAN: In this class of Bill, our powers are strictly limited.

Hon. J. NICHOLSON: Yes, but we have the right to reduce taxation, which the amendment seeks to do. Some of the amendments we have already carried for insertion in the Bill, such as reductions made in respect of married people, contain the very principle embodied in this amendment. Surely there can be no objection to the admission of this amendment, since we have already done something of the same nature in dealing with married people.

The CHAIRMAN: Wherever this amendment was inserted in Clause 2, it would have exactly the same effect as the amendment I ruled out at the previous sitting.

Hon. J. NICHOLSON: No, the effect would not be exactly the same.

The CHAIRMAN: I say it would be.

Hon. J. NICHOLSON: In a way it would be, but in another it would not.

Hon. G. W. MILES: On a point of order. Have not you, Sir, already ruled the amendment out of order?

The CHAIRMAN: I was merely giving the hon. member a little latitude. The effect of this amendment, if admitted, must be identical with that which was previously ruled out. So I rule that this amendment is inadmissible on the same grounds as I gave at the previous sitting.

Hon. J. NICHOLSON: I do not propose to proceed any farther with the matter, but if the Bill should go to a conference, I trust the managers will take note of this suggested amendment.

Clause put and passed.

Bill again reported without further amendment, and returned to the Assembly with a request that the amendments previously suggested be made; leave being given to sit again on receipt of a message in reply from the Assembly.

BILL—WILUNA WATER BOARD LOAN GUARANTEE.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [6.0] in moving the second reading said: The object of the Bill is to enable the Treasurer to guarantee, on behalf of the Wiluna Water Board, the repayment of a loan of £8,000, which it is proposed to raise to provide an adequate water supply for the town of Wiluna. A water district and a water board for this town were created last year. The road board advanced money from its ordinary sources of revenue, and, with a little assistance from the Government, made provision for a limited water supply and reticulated portion of the town. Owing to the revival of the mining industry and the opening up and development of the property of Wiluna Gold Mines Ltd., Wiluna has become a thriving centre, with a total population of about 4,000 souls. The present water supply is drawn principally from the Caledonia Shaft, but the population has increased so rapidly that the existing supply is inadequate, and, moreover, has become contaminated through surface drainage and possibly seepage from contaminated shafts. The water has been treated with chloride of lime, but without complete success, and both the Resident Medical Officer and the Government Bacteriologist have condemned the supply as unfit for human consumption. In view of these facts, it became urgently necessary to provide an adequate and pure water supply.

Hon. J. J. Holmes: The rain water from the roofs cannot be utilised there?

The **CHIEF SECRETARY**: No, not safely, where the residences are close to the mine. After consideration of an exhaustive report by a qualified engineer, and a thorough investigation, two alternative schemes were submitted for consideration by the board. The scheme adopted will involve an expenditure of approximately £6,000. In addition, the water board will be required to recoup the road board an amount of approximately £2,000 for expenditure previously incurred, so that a total of £8,000 will be required by the water board to establish and equip a new source of supply, and to extend facilities to areas that are not now served. The Commonwealth Bank authorities have agreed to advance the amount required, at 5 per cent. inter-

est, principal and interest to be repaid by half-yearly instalments over a term of 10 years, subject to a condition that the Treasurer guarantees the repayment of the loan. The Water Boards Act of 1904 contains no provision to enable the Treasurer to give the required guarantee.

Hon. A. Thomson: Why the need for a guarantee in this instance when the Treasurer does not guarantee other country water supplies?

The **CHIEF SECRETARY**: The Water Boards Act does not empower the Treasurer to give a guarantee. Later on it may be necessary to introduce legislation to meet the position that has arisen.

Hon. J. J. Holmes: The guarantee is the condition that the bank authorities impose.

The **CHIEF SECRETARY**: Yes. The trouble with gold mining generally is the evanescent nature of the industry, and investors naturally desire to have an assurance that any money they invest is a reasonably safe investment. In this instance, there is no doubt that Wiluna has a fairly long life before it, for the mining companies operating there have proved to their own satisfaction and, I think, to the satisfaction of others, that there is a large ore body available, and one that will give payable returns not only on the inflated price of gold at present obtaining, but on the basis of the standard gold value for many years to come.

Hon. A. Thomson: For how many years?

The **CHIEF SECRETARY**: When I introduced the Bill to authorise the construction of the railway, I quoted an expert of the Mines Department who gave the life of the mine as at least 30 years. As a visible evidence of their faith, the company have spent £1,500,000 in developmental work and plant. The production of the Wiluna Gold Mines Ltd. to date has been—

| | Ore Treated. Tons. | Gold. Fine ozs. |
|---------------------|-----------------------|--------------------|
| 1931 (9 months) .. | 215,903 | 58,954.52 |
| 1932 (12 months) .. | 332,769 | 97,650.84 |
| 1933 (7 months) .. | 233,329 | 61,823.23 |

The July output alone was 38,510 tons of ore for a gold yield of 10,199 fine ozs. The mines employ 807 men of whom 535 work underground and 272 on the surface. In addition, a strong company have acquired a reservation to the north of the Wiluna Gold Mines' leases and a compre-

ensive scheme of exploration is in progress. Wiluna seems therefore, assured of a prosperous life for many years, and the provision of an adequate and satisfactory water supply is not only justified but absolutely necessary. The population within the water area now so inadequately supplied numbers 1,200, but the number requiring supplies is 2,100 made up as follows:—

| | |
|--------------------------------------------------------------------------------|--------------|
| No. in townsite to 30th June, 1933 .. | 1,200 |
| Estimated increase to 15th August, 1933 .. | 300 |
| No. of residents Red Hill area (at present being supplied from mine supply) .. | 450 |
| Estimated No. outside townsite, dependent on supply .. | 150 |
| Total .. | <u>2,100</u> |

It is expected eventually to provide supplies for a population of 2,500. The town is growing rapidly. Within the past seven months, 94 buildings—dwellings and shops only—have been erected. The source of the proposed new supply will be from a well sunk in limestone and gravelly rubble to a depth of 20ft. The present water level stands at 11ft. from the surface thus showing a depth of 9ft. of water in the shaft. This well was tested by the water board to 3,000 gallons per hour, and at this consumption the water level dropped 4ft. and then remained stationary. Based on a rate of 1s. 9d. in the pound on the annual value of property, the estimated revenue is £1,800 per annum. Operating expenses will amount to £380 per year, and this will leave £1,420, which is quite sufficient to pay the interest and repay the loan within 10 years.

Hon. A. Thomson: The bank authorities are asking a good deal.

The CHIEF SECRETARY: The Act permits a water board to rate up to 3s. in the pound, so there is a good margin of security. Professional advice has been availed of and the position generally, has been very fully considered, and I have no hesitation whatever in recommending the Bill. I move:—

That the Bill be now read a second time.

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

Sitting suspended from 6.15 to 7.30 p.m.

BILL—TENANTS, PURCHASERS, AND MORTGAGORS' RELIEF ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. J. NICHOLSON (Metropolitan) [7.32]: The Act which this Bill seeks to amend is one which, as pointed out by the Honorary Minister, was introduced three years ago, and was passed then because of conditions existing which it was deemed necessary or desirable to try to rectify so as to relieve tenants, purchasers and mortgagors from oppressive action on the part of those who might possibly, because of circumstances, exercise the powers at that time competent to them. The Act gave the opportunity to tenants, purchasers and mortgagors to apply for what was called a protection order. They had to give certain evidence before the Commissioner, to satisfy him so that he might be justified in making the order desired. It is now proposed to amend a highly important section of the principal Act, namely Section 24, which permits of contracting-out in the case of agreements, etc., entered into after the commencement date of the Act. The Act applied to all contracts for tenancies and leases and agreements of sale and mortgages existing at that date. For that section the principal clause of this Bill proposes to substitute the following:—

From and after the commencement of this section the provisions of this Act shall apply and have effect in all cases, notwithstanding any contract to the contrary heretofore or hereafter made or entered into.

That is a vital alteration, and one for which I failed to find any sound reason in the introductory speech of the Honorary Minister. The hon. gentleman told us that the Act was one of the emergency Acts. I do not know that that is exactly so, because the emergency Acts did not come in until the subsequent year. However, this was one of the first relief measures to be introduced. The Honorary Minister also stated that although three years had elapsed since the passing of the Act, there was no alteration in the position. The thought which occurred to my mind upon hearing that statement was that if there was no alteration in the position, then there was no need to alter the Act in the way the Bill suggests. The only reason which the Minister gave for the amendment

was a general statement that a number of people had suffered since the passing of the Act because of the presence of the contracting-out section in that Act. To understand the position we are compelled to look at conditions as they existed in 1930 and in earlier and later years. In 1930, and for some years previously, there had been a great tendency for prices to rise. Up to that time people had entered into obligations in the way of leasing or renting properties and into agreements of sale and mortgages in the full hope that those brighter conditions were going to prevail. However, that happy state of affairs did not continue, and in place of higher rents being received and higher rates of interest and higher prices for property ruling it became evident that business of that nature was gradually relapsing. The high rents which prevailed in 1930 and for some years previous, and the high rates of interest and high prices for property, did not continue. One would have difficulty indeed in finding a single property which could be sold for the same price now as obtained in 1930. But besides a general fall in rents and prices and rates of interest we find that in subsequent years legislation of a highly drastic character has been introduced, giving further protection to many of the people affected by the principal Act. In the subsequent year we had the first emergency Act. There was also the Rents Restriction Act. We know what these Acts provided for in the way of reductions. A man who might have rented his property at a certain rate, found that in place of drawing that rental he was drawing a much reduced rental by reason of the passing of those Acts, and like reductions were suffered by mortgagees. Naturally one asks on whom the loss has fallen. Has it fallen on the occupier of the premises, or the purchaser, or the mortgagee, or the mortgagor? Undoubtedly it has fallen on the land owner in the one case, and on the vendor in the other, and lastly on the mortgagee. These people have all suffered reductions by the enactment of the legislation which followed the statute this Bill seeks to amend. One need not go into the discussion which occurred when that later legislation was passed. The Acts in question reverse the position and the order of things in the way of making applications, from what was provided in the measure now sought to be amended. Under that Act proceedings have to be taken by the tenant, purchaser, or mortgagor,

whereas under the other Acts it is necessary for the other parties concerned in these various contracts to take proceedings in the court so as to enable relief to be obtained. There is even another Act of which I would remind the House, the Mortgagees' Rights Restriction Act, which represents yet another means of protecting people who found it necessary, as most people have done, to mortgage their properties or holdings. So that in every way the fullest protection has been afforded, since the passing of the principal Act, by other measures amply safeguarding all those concerned. There is a reason, I venture to say, why the contracting-out clause was embodied in the principal Act now sought to be amended. That reason lay in the fact that it was recognised at the time—and there is nothing to show any change in that circumstance—that higher rents and higher rates of interest and so forth did prevail up to that date or immediately before the passing of the Act than seemed to be justified by the conditions which had then manifested themselves. It was also recognised when the contracting-out clause was inserted, that there was a general tendency towards a drop in prices, rents and interest rates. The Act was really passed to prevent oppression by persons who might have held contracts made in the good times. But when a man entered into a contract after the date of the passing of the Act, he was in the position of doing so with his eyes open as to the conditions prevailing, and therefore he should carry out his obligations. No man is forced to enter into a contract or anything of that nature. He is a free agent as to committing himself in that way. If he sees the possibility of making what he regards as a fair bargain at the time, surely it is only fair that the contracting-out clause should be inserted; otherwise there would have been a block to business generally. There is nothing to justify the present amendment, but I would go farther and suggest that it amounts to something in the nature of repudiation. That is not desirable.

Hon. J. CORNELL: We must pass the second reading, in order to continue the Act.

Hon. J. NICHOLSON: I am not objecting to the continuation of the Act. But in addition to the question of repudiation, the Bill imposes a burden on one section of the people for the benefit of another section. If there is a general stress of conditions affecting a large section of the people, surely

there would be some justification for the Government to come forward and do what they propose doing in the Wiluna Water Board Loan Guarantee Bill that came before us this afternoon, and provide something in the nature of a guarantee for those who are asked to bear the burden of the other section who are asking to be relieved.

Hon. J. Cornell: That would be worse than paying sustenance.

Hon. J. NICHOLSON: We provide sustenance for unemployed workers. Here is another instance of people who are, shall we say, impecunious. The impecunious are equal to the unemployed workers, and so it is only fair for the Government to recognise their responsibility in circumstances such as these. But there is still another reason why we should not agree to a clause such as that to which I have referred; it is the effect it will have on trade in general. There is a duty upon us here to do what we can to extend credit and facilities for business and trading. If we can do that, we are doing something to assist the Government in relieving the stress of unemployment. It is very bad policy indeed for any Government to pass legislation of a highly restrictive character such as this. Instead of being beneficial to the worker, it will only mean less work, more unemployment and more destitution. Take, for example, a man who is prepared to invest his money in the building trade. Is he going to invest money in that way, with restrictive legislation of this nature hanging over him? Restrictive legislation is very much like heavy taxation, and Governments who impose heavy taxation as well as restrictive legislation find soon that it does harm, and instead of helping towards a happier and better position of affairs it usually ends in a worse. Holding these opinions, I can only say that I cannot see my way to do more than support a reasonable extension of the Act; when the Bill goes into Committee I shall certainly vote against the contracting out clause.

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

House adjourned at 7.50 p.m.

Legislative Assembly,

Thursday, 28th September, 1933.

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

QUESTION—BULK HANDLING, ROLLING STOCK.

Mr. GRIFFITHS asked the Minister for Railways: What are the average and approximate operating costs of (a) the steel trucks converted for bulk wheat, (b) the balance of the steel trucks, for the eight months period December, 1932, to July, 1933, inclusive?

The MINISTER FOR RAILWAYS replied: The costs are not recorded, nor is it practicable to record them.

QUESTION—MOTHER HUBBARD APPEAL.

Mr. MOLONEY asked the Minister for Police: 1, Has permission been granted by the Commissioner of Police for the conduct of the Mother Hubbard Golden Orange Appeal? 2, Does this come within the meaning of the Lotteries Control Act, and have the Crown Law authorities ruled that it is a lottery? 3, Is the manager of the appeal a member of the Lotteries Commission? 4, Is it a fact that the manager of this appeal has been warned to discontinue the appeal as it is at present being conducted? 5, What action, if any, does the Minister propose to take?

The MINISTER FOR POLICE replied: 1, No. 2, It has been ruled by the Crown Law authorities that it is a lottery and as such would come under the Lotteries Control Act. 3, No. 4, Yes. 5, The position is being considered.