Legislative Assembly.

Wednesday, 6th November, 1935.

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

QUESTION—STORED WHEAT.

Mr. WARNER asked the Premier: 1, Have the Government obtained the legal advice suggested by the Royal Commissioner (Mr. Bennett) in Part (e), page 15, of his report dealing with stored wheat? 2, Is it the intention of the Government to introduce legislation giving effect to the Commissioner's recommendations that a standard form of contract should be used for stored wheat?

The MINISTER FOR LANDS (for the Premier) replied: 1, Yes. 2, Not this session.

LEAVE OF ABSENCE.

On motion by Mr. Wilson leave of absence for one month granted to the Minister for Employment (Hon. J. J. Kenneally—East Perth) on the ground of ill-health.

BILLS (3)—FIRST READING.

1, Lotteries (Control) Act Continuance.

2, Reserves.

3, St. George's Court.

Introduced by the Minister for Lands.

BILL—LOAN, £2,627,000.

Read a third time and transmitted to the Council.

PAPERS—STATE INSURANCE OFFICE.

Claim of Alfred Belsey.

HON. W. D. JOHNSON (Guildford-Midland) [4.35]: I move—

That all papers relating to Alfred Belsey's claim for worker's compensation, and the discussions concerning same with the State Insurance Department and with the Minister in Charge, be laid upon the Table of the House.

The Minister for Water Supplies has informed me that these papers will be made available. This is the case of a sustenance worker named Alfred Belsey. He is a very fine citizen. Unfortunately, being out of work, he was put on sustenance and was employed in or around Geraldton. He met with an accident to his hand. As far as was thought advisable he was attended to at Geraldton. He was then transferred home, and further treatment was given to him. After a while he was attended by Dr. McKenzie. The finger was repaired as far as was practicable, and it was suggested by Dr. McKenzie that a settlement should be arrived at. The board dealt with the case, and compensated Belsey for one finger. The unfortunate man accepted that compensation, not realising that his whole hand was rendered useless. I have had the position checked by the best medical advice I could get. Belsey's whole hand is now so affected that it is useless. In the desire to save the finger, the doctor concentrated on repairing that member, with the result that the injured man was compensated only for his finger. He cannot work to-day with the hand as it is.

Mr. Raphael: That is not the only case of the kind.

Hon. W. D. JOHNSON: That kind of thing cannot be allowed to pass. When I see the papers I propose to ask Parliament to see that justice is done. Even if this man is a sustenance worker I must see that he receives just compensation. I hope to be able to convince the House to that end, though I regret I have not been able to convince the Minister that Belsey has not been fairly treated. The Minister has agreed that the papers shall be made available. I then propose to ask Parliament to direct

that there shall be an inquiry into the case. I think I can prove that some mistake has been made by the board, and that they did not appreciate that the man was injured to the extent that I think I can prove he has been injured. I suggested in correspondence that I should see Dr. McKenzie and convey to him the information I have. Evidently that does not meet with the approval of the administration of the State Insurance Office. I have, therefore, no alternative but to take the course I am now taking.

The Minister for Water Supplies: I have no objection to the papers being laid on the Table of the House.

Question put and passed.

MOTION—MONEY LENDERS.

To Inquire by Royal Commission.

MR. RAPHAEL (Victoria Park) [4.40]: I move—

That in the opinion of this House a Royal Commission should be appointed to inquire into the methods adopted by money-lenders in this State as regards the computing of interest charged to clients.

It was with a certain amount of diffidence I commenced to investigate complaints by different persons who have had dealings with so-called Shylocks. I am not satisfied with the motion as it stands. It does not go quite far enough. Not only should there be an inquiry regarding the computation of interest, but into the whole of the ramifications of the Money Lenders Act of 1912 and its amendments of 1913. I have made arrangements for an amendment to be moved, to which I hope the House will agree. In the first place, I am speaking on behalf of unfortunate people who have been driven by dire necessity to borrow from money lenders. There are other people who have been driven to do this because of the necessity for getting medical attention. Others may have borrowed money they should not have borrowed. In some cases men have perhaps borrowed money belonging to their employers, and either lost it at the races or spent it in a drinking bout. On the following Monday morning they have been driven into the hands of money lenders, and for many years have remained in the clutches of those people. When Parliament passed the original Act, it did not intend that men and women should remain in the clutches of Shylocks for years ahead.

Hon. C. G. Latham: Why not move to amend the Act?

Mr. RAPHAEL: The more one goes into the matter, the more does the need exist that Parliament should investigate the whole position. It should give consideration to cases where money has been borrowed in connection with mortgages on houses, although that is perhaps getting away from the original subject of the motion. The matter first came under my notice when a newspaper in March, 1935, took it up. The case was one that came to light through the instrumentality of Mr. Haynes, solicitor. I have discussed this question with several members of the House. A man in the city holding a responsible position was unfortunate enough some years ago to back a bill for an ex-member of this Chamber. The amount involved was £110, and he has paid to the money lender £150, and is still responsible for £180.

Hon. C. G. Latham: Did you say that the man was a member of Parliament?

Mr. RAPHAEL: He is a member of Parliament. Under threat of being broken by this firm of money lenders, the man has been legally blackmailed by the Shylocks of this city. It will be appreciated that should that man become bankrupt, he would have to relinquish his seat in this House. I do not think it was ever the intention of Parliament that that condition of affairs should be permitted to continue. The sooner that and kindred matters are brought to the light of day, and the money lenders forced to charge a uniform rate of interest, the sooner will this sort of thing be nipped in the bud.

Mr. Doney: Do you not think you should give the name of the money lender?

Mr. RAPHAEL: That phase will be dealt with in due course. The first case I intend to deal with refers to a person named Rachel Evans. It might be claimed that as the woman has since died, her name should be left out of the discussion. When clients of the deceased person, Rachel Evans, made application for relief to those who ostensibly represented her, they were referred to her son. So we may take it that the name of Rachel Evans was merely used as a cloak to enable her son to carry on the good work. It is well known that quite a number of big business firms participate in the money-lending business. I will quote the names of some.

Mr. Thorn: I do not think I would mention any names.

Mr. RAPHAEL: Many of those firms invest their money wholely and solely in the money-lending business, for they are given a guarantee of a return of 12½ per cent. interest. Quite a number of lawyers make this their sole channel for the investment of money. Of course, I am not reflecting in any way upon members of the legal profession who have seats in this House. The arguments generally advanced when prosecutions have been launched were those that I encountered in my investigations, and were that this practice was confined principally to members of "the chosen race." Easy money seems to be their favourite avocation and it seems that the poor old Aussie is the one who borrows the cash. In 1912 the Money Lenders Act was passed, and it was amended in the following year. The object of the legislation was to define those persons who came under the category of money lenders. It was set out that they would include bodies not incorporated or those engaged in the get-rich-quick business, because of their dealings with those who were down on their luck. It is my intention to give specific instances regarding persons who have experienced misfortune and have had recourse to different money lenders. I do not propose to submit suggestions as to what should be done. I will leave that for the Royal Commission that I hope will be appointed. I trust that next session at the latest the Act will be amended to provide that no money lender shall be allowed to charge more than 15 per cent. interest at the very outside. It is claimed that any individual who lends money to people such as those I have referred to has no security whatever for the backing of the loans. In conversation with one particular person, who might be regarded as a minor in the business, I was informed that if I cared to invest money in the undertaking he would guarantee me a return of at least 12½ per cent. I did not mention to him that I was already taking an interest in the money lending business, but I asked him to put the proposition before me and to give me facts and figures. He told me that when he started off on his operations, he took good care that his name was not mentioned at all. Someone else was registered as the proprietor of the business. This individual went to the banks and approached clerks and also interviewed public servants, and lent them £5 or £10, as the case might be. If he lent an individual £5, the conditions were that the borrower was to repay the amount at the rate of £1 per week, and, in addition, was to pay an extra £1 within six weeks, making the return £6 in all. This particular money lender started off with £200 and within 10 months by virtue of a multiplicity of deranged ideas —I do not think I am far wrong in using those words—his blackmailing methods increased his capital from £200 to £400.

Hon. P. D. Ferguson: On that basis, the ideas were well arranged I should think, rather than deranged.

Mr. RAPHAEL: This man increased his capital by 100 per cent., despite the severe loss of £25 due to a most serious accident. The person who had borrowed the £25—I do not suppose this experience would be repeated once in ten years—suffered from a paralytic stroke and died. The most terrible feature about the whole thing was that the man's "lousy backer," as the money lender described him, also died. Money lenders claim that they are compelled to charge huge rates of interest because they have no security or backing for the loan. Notwithstanding that contention, I guarantee that no member of this House could go to one of the money lenders and borrow £5 unless he took with him someone who would attach his signature to the documents on his behalf. Money lenders definitely demand that each loan must be backed up by the signature of another individual. The object is that if the borrower does not repay the amount, the demand can be made upon the backer. Yet the money lenders claim that the huge interest rates they charge are necessary because they have no security and, in addition, the borrower may die!

Hon C. G. Latham: But the debt does not die with the man, does it?

Mr. RAPHAEL: Yes.

Hon. C. G. Latham: That is something new.

Mr. RAPHAEL: At least, it does in many instances.

Mr. Withers: But not in enough instances?

Mr. RAPHAEL: Yes, perhaps there is at least one member of this House who would like the debt to die more often. In-

stead of securing interest at the rate of 30 per cent., as they usually prescribe at the outset, many of these money lenders secure more like 130 per cent. in many instances. In such circumstances, they should be compelled to accept the whole risk, and if they should meet with the treatment they justly merit, they should be allowed to suffer along those lines as often as is possible. In the issue of the "Mirror" of Saturday, the 2nd March, 1935, one instance was cited, and I quote from that paper as follows:—

Mrs. Rachel Evans Again!

Unwarranted Demands for Interest.

Money Lender Comes to Heel and Disgorges.

Mrs. Rachel Evans has bobbed up again.

A few weeks ago we introduced her to readers in the matter of a little money transaction in which Rachel came out rather badly.

Now here's another.

In September, 1928, a man in North Perth found himself in temporary difficulties, and like most people who have no securities that they can lodge with a bank to obtain the ordinary rate of interest, he had to seek a money-lender.

The person he sought was Mrs. Rachel Evans.

From the philanthropic Rachel Evans, who trades under the name of R. Evans & Co., the hard-up man borrowed £30.

Later, being still in difficulties, he borrowed further amounts bringing the total up to £60 or so.

Ever since 1928 he has been busy paying it back, but he didn't seem to make much headway up the mountain of interest.

Recently the money-lender informed him he still owed £47. A fortnight ago the firm wrote demanding a remittance. At this juncture he decided to consult the "Mirror" and after going into the details of his case, we advised him to see Mr. Arthur Haynes.

Mr. Haynes advised him that as the bill of sale did not stipulate either the rate of interest per annum or the total amount of interest payable, the money-lender could only charge 12½ per centum per annum—not the delightful 30 per cent. she was claiming.

Calculating on this basis, Mr. Haynes wrote to Rachel Evans stating that instead of his client paying her £47, Rachel Evans, in fact, owed the client £4 12s. 3d., and demanded that this money should be paid and the bill of sale discharged. The money-lender didn't argue, but paid up promptly and released the borrower from all further liability.

So Rachel Evans lost again.

The "Mirror" again advises readers who are in the clutches of any money-lenders, and who are not getting a fair deal, to get in touch with this paper or their lawyers.

Among Perth's money-lenders there are some who are unconscionable blood-suckers, from whose deadly grip the Money Lenders Act was passed to afford relief. We are not referring to Mrs. Evans, or any particular case, but we have come across some very pitiable incidents affecting a number of money-lenders.

And the "Mirror" is out to protect the public from such birds of prey.

To my mind, Parliament would be a poor old thing if it permited that sort of thing to continue. Merely because publicity was given to such happenings, these Shylocks were prepared to disgorge and reduce the rate of interest. If such practices are wrong in the eyes of the public, Parliament should not permit them to be continued and the sooner the whole thing is cleaned up the better. The next firm that comes under the spotlight is W. F. Lean Ltd. Incidentally, as a result of the publicity given by the "Mirror" to the two cases I have instanced, Len Evans, the son of Mrs. Rachel Evans, complained bitterly that most of his clients were demanding a big reduction in the rate of interest and, from the reports I have received, it would appear that he has granted many reductions so as to avoid publicity. Coming to W. F. Lean Ltd., the details and facts of the case regarding that firm are shown in the following report from the "Mirror" under date 25th May, 1935:—

Money-lender's Unwarranted Demand.

W. F. Lean, Ltd., in the Limelight.

From time to time we have had occasion to comment on the charges of certain money-lenders. Too often have poor people been unduly harrassed by certain of this gentry, but occasionally the worm turns.

The latest to come within the beam of our searchlight is W. F. Lean, Ltd., who recently sent an incorrect statement to an unfortunate borrower, and made an unwarranted demand for a substantial sum with a threat of legal action if she did not pay the amount shown due by the statement, the major portion of which they later admitted she did not owe.

In 1929, a certain Mrs. L., of Hollywood, went to this firm to borrow £20 on the security of a bill of sale, and the interest was therein fixed at the definite figure of £3 in all. Later, in 1930, she borrowed £7 at 30 per cent. interest. This borrower went on repaying the loans as fast as she could. The depression, however, came, and for three years her husband was on sustenance, and they had a hard time. Being of a saving nature, however, she scraped together a few shillings at a time and managed to make some payments, even while on the dole. In all, up to recently as against the £27 borrowed she had repaid to this firm £34 12s. According to a statement from the money-lenders dated 30th June, 1934, she then still owed £19 13s. 3d. Imagine, therefore, her amazement when she received recently a statement showing that she still owed Leans, Ltd., £37 0s. 2d., to be followed up by a letter from Francis A. Jones & Co., chartered accountants.

That is one of the things I want the Royal Commission to investigate, namely the duties of these so-called chartered accountants. In one instance the money lender has his office in the building and the chartered accountant acts as a huge bluff for the money lender, that chartered accountant being installed in a little corner of this downstairs place as an office. If you do not manage to come up to the scratch with the money lender you are transferred through a little hole into the chartered accountant's room, and so have to pay for his services as well. Here is the letter from the chartered accountant:—

Our clients, Messrs. W. F. Lean, Ltd., have informed us that you requested a statement of account, and advise us that a detailed statement was forwarded to you some time ago showing a balance due by you to the company of £37 0s. 2d. Please advise us forthwith as to when you propose settling this account, as unless satisfactory arangements are made and carried out within three days, our instructions are to proceed to recover all moneys due.

I do not for a moment believe that any such judgment would be given by any magistrate, but this is a matter of bluff and blackmail imposed upon the poor devils who happen to get into their clutches.

Mr. North: Sidelights on the age of plenty!

Mr. RAPHAEL: Yes. I have met a few of those who have got into their clutches, and I can assure the House it is pitiful to hear their tales. The report continues:—

In great distress and fearing that she was perhaps going to have her furniture sold up on her, she consulted a Perth solicitor, and asked him to look into the matter. Now the statement sent to her had commenced as follows:—1929, December 23: To advance £20. 1930, January 13th: to further advance £7. To interest at 30 per cent. per annum to 13-1-31 as per agreeemnt £8 8s. 8d.

So in all she borrowed £27. She paid them back £34 12s. and still owed them £37 2s. This goes on with compound interest piling up all the time. That is where my complaint lies—the compound interest. When you borrow money from these firms you might borrow, say, £25. They tell you that you have to pay them back £30, of which £5 is for interest. You have to sign for the £30. You may pay to that firm £2 in one week and then, through circumstances over which you have no control, you cannot meet the next payment. Immediately you fail to meet that payment, from month to month you are being charged interest, not on the £25 at 30 per cent. per annum, but on the £28 and on money you have never had. That is to say, you are paying interest on money that has been charged up to you as interest. Those people have been following those tactics in this State for many years past. For the bill of sale of 1929 the interest was fixed at a maximum amount of £3. Yet this firm of chartered accountants have made a claim upon this unfortunate person for money that she did not owe, and have threatened to take legal action against her. Then, in the belief that her home would be sold up, as in ninety-nine out of a hundred cases, she would manage to pay. If no action is taken, is Parliament going to sanction this blackmailing that has been going on in this State for very many years? Are we going to sanction it for many years to come? I hope the House will not agree to that. The report continues—

Therefore the claim for 30 per cent. interest on this item and the charge of compound interest was all hooey, and the allegation contained in the statement setting out that 30 per cent. was the correct rate of interest "as per agreement" was all eye-wash so far as the £20 loan was concerned.

So far as the £20 loan and the £7 loan were concerned, the positions were different. There was more than sufficient paid on them in 1930 to repay the £7 together with the interest on it, and thus get rid of the ever-recurring soul-destroying interest. They might answer that they credited the payments against the £20 loan on which not so much interest was charged, and let the £7 loan carrying the big interest go on multiplying. That was their contention, but it is not right. The borrower should be considered. Should she be made to sweat tears of blood in the way of compound interest, or ought the money-lender credit the payments against the debt that is the greater burden to bear? We know not what the legal position is on this question, so we leave it unanswered. The report continues—

It was on Friday of last week that Mrs. L's solicitor called and saw the lenders, and it did not take the manager of Lean's long to see that their claim of £37 could not be sustained. After some discussion, they agreed to cancel all liability and in addition to pay over the sum of £5 1s. 6d. The cheque was in fact made out on the 17th instant.

They were prepared, not only to cancel the £30, but to pay back over £5 in order to keep the matter quiet.

Mr. North: Silence is golden.

Mr. RAPHAEL: The cheque was made out on the 18th instant, but it was said that the directors' signatures could not be obtained until the Monday. On the Monday they said they would not pay the £5 1s. 6d. and demanded instead a balance of £6 3s. 8d. which they claimed to be due to them. They changed their minds over the week-end, just like politicians. The report continues—

> There were further negotiations, and finally, whilst still protesting that the borrower was still in their debt to the tune of a few pounds, "but to avoid publicity" they came across on Wednesday last with the £5 1s. 6d. We are not lawyers, and therefore, for all we know there may have been a balance of a few pounds still due to the firm, but we certainly do know that they had made an unwarranted demand for money out of that client, a large proportion of which they must or ought to have known was not owing to them. Mrs. L claims, in spite of the firm's protestations to the contrary, that she never received a copy of the bill of sale, which the law says, we understand, must be given. The bill of sale contains a clause to the effect that she had received a copy.

This is another phase of the question to be considered. I myself persuaded a friend to borrow £2 from one money-lender so that I might watch the tactics. I backed the bill for him. But the clause on that bill of sale is in type so small that one needs a reading glass to read it.

Hon. C. G. Latham: You want a magnifying glass for that.

Mr. RAPHAEL: I suppose the hon. member, in a period of bad luck, has had to borrow from them, and so he knows what is required.

Hon. C. G. Latham: What about the £2 you borrowed?

Mr. RAPHAEL: I admit that a magnifying glass was necessary to read the clause on the bill of sale in this case. I will give the Leader of the Opposition every support in his statement of the trouble he has had with those people.

Hon. C. G. Latham: What did you do with that £2?

Mr. RAPHAEL: I will tell you afterwards. That is something that should be definitely registered with the court. No matter how small the sum may be, the borrower should definitely know the position in which he is placing himself, and the State should say that when anything is signed the person signing it should be made to understand clearly what it is he is signing. The report continues—

> It is high time the Money-lenders Act was vitally amended, and two essential amendments are that there should be provisions that a separate receipt for copy of the agreement should be signed, with an obligation on the lender to make a statutory declaration within seven days that the copy was in fact supplied; and further that the barbarous infliction of compound interest from month to month, which is charged in some instances, should be prohibited or, at all events, drastically curtailed.

The firm of Francis A. Jones and Co. consists of Mr. Jones only, and he is located in the office of W. F. Lean Ltd. When the statement in that case, showing £37 due, was produced by the solicitor to Mr. Henwood, the manager for W. F. Lean Ltd., he immediately disclaimed responsibility and said, "Oh, that has been prepared by Jones, not by me." That was the chartered accountant. Henwood then went on to admit that the previous manager of the moneylending firm, a Mr. Airey, had left things in a hopeless state of confusion, and that they had made up their demands as best they could. Airey evidently considered that they were making too much profit, and he took to himself quite a lot of it and went to the Eastern States, leaving them lamenting. Henwood instanced one man from whom they had demanded several hundreds of pounds, and with whom they had settled for £200, adding, "If he had liked to defy us, we could not have made him pay anything." Another particularly outstanding case was that of a Perth woman who borrowed £200 from Rachel Evans and Co., in August, 1930, on a bill of sale over a large quantity of furniture, etc., at 30 per cent. interest. After about £150 had been paid off, Len Evans, when asked for a further loan, said, "Give me back £120 worth of receipts and I will lend you £120." That was done. The borrower went on paying until 1st March, 1935, and then demanded a statement from Evans. Evans said, "You still owe me £15." After some argument, Evans admitted that he had failed to credit a cheque for £45 which he had received from Ivan Campbell, auctioneer, on the sale of certain of the furniture. After looking over the figures, he said, "We owe you £40." The client refused to accept it, and Evans then said, "Well, I will give you £50." The woman replied, "Oh, but you have not allowed me the financial emergency reduction of 22½ per cent. on the rate of interest."

The Jewish people are not of our race, and evidently do not consider that they are bound by the Act of Parliament stipulating the interest reduction. Evans said that she was not entitled to the reduction. On her refusing to be bluffed, he called on her three days later and admitted that she was right and said he was prepared to pay her £97 15s. So far from her owing him £15, he was prepared to pay her £97 15s. The client again demanded a statement, but he failed to give it. The matter was then placed in the hands of solicitors who pointed out that the action of the moneylender in making a further advance under the bill of sale in excess of the amount authorised thereunder was a fraud under the Bills of Sale Act, and that no interest could be chargeable on that extra advance. The upshot of it was that Rachel Evans and Co., through their solicitors, ultimately paid over the sum of £124 and acknowledged that they were owed nothing under the bill of sale. That was a difference of £139 between the amount computed by the moneylender and the actual settlement. That might be considered by some people to be honest dealing, but in my opinion it is not. In that case, to save the costs of another bill of sale and the stamp duty thereon, the lenders tried to dodge the law and were caught. That is a case in which the Crown Law Department might well launch a prosecution. Those people are breaking the law every minute of the day and every day of the week. Here is another instance of imposition. An employee in the Civil Service borrowed £5 in December, 1933, from George Prosser, trading as the Victoria Park Finance Co. Now I am getting near home. There were also two other amounts, one of £2 early in 1934, and one of £10 in September, 1934, making a total of £19. There must be a certain amount of comradeship between the moneylenders. The much-discussed firm of Lean Ltd. have now opened business in Victoria Park, and are displaying the sign, "Money lent; any terms arranged." It must be a good paying proposition when two men can sit there all day and do nothing for the money they obtain. Dealing with the civil servant I mentioned, by April, 1935, the borrower had paid the money-lender £36 in all, and the money-lender still claimed there was a further £12 10s. owing. The man had borrowed £19, had repaid £36 and, according to the money-lender, still owed £12 10s. That surely was bare-faced robbery. It represents 100 per cent. interest.

Mr. Needham: Is that all?

Mr. RAPHAEL: In respect of the last sum of £10 the money-lender had arranged for a repayment of £11 10s., but when the amount was not paid, he got the borrower to sign an agreement to pay £20 in respect of that item. Thus that went up nearly 100 per cent. The money-lender threatened to expose the civil servant to his chief. He was a Federal civil servant. Instead of his owing £11 10s., they got him to sign an agreement to repay £20.

Mr. Warner: That was blackmail.

Mr. RAPHAEL: The borrower consulted a solicitor who advised that under the Money Lenders Act, inasmuch as the memorandum did not state the annual rate of interest, the most the money-lender could charge was 12½ per cent. The solicitor pointed this out to the money-lender and made a demand for £6 and a cancellation of all liability. The money-lender, seeing that he had no chance of enforcing the unjust demand, promptly paid over the £6. Instead of that poor devil being kept in the toils of the money-lender for goodness knows how long, by going to a solicitor he recovered £6. The difference on that transaction was £26. Money-lenders resort to numerous artifices in order to avoid the consequences of the Money Lenders Act, which was passed for the protection of borrowers. A common expedient is to lend money under a bill of sale or a set of promissory notes and then, before the whole amount due is paid off, to arrange a new transaction with a new security or set of promissory notes. Supposing, for the sake of argument, £100 was advanced and interest up to the time of the new arrangements amounted to about £30 and the man had paid off £80, leaving £50, including interest still owing. A new bill of sale is prepared with a fresh advance of £50, and the old £50 due is included as another advance of £50, so that the new bill of sale is for £100 with the usual 30 per cent. or 40 per cent. interest. This process is frequently repeated. The point is that when the matter is taken to a solicitor it is very complicated, as a large proportion of the supposed new advance under the new security consists of interest under the previous document. In this way money-lenders really arrange for compound interest, although it appears to

be ordinary interest. It is absolutely essential to amend the Act to provide that in no instance shall compound interest be charged in money-lending transactions. Borrowers never read the very lengthy documents they are asked to sign, which are invariably printed in very small type and would take a long time to read. The usual statement prepared by a money-lender is very difficult for the borrower to follow. The interest is usually computed to the end of every month; in other words, the money is at compound interest with monthly rests. This, in the long run, amounts to a huge rate of interest. I have a statement in account with W. F. Lean, Ltd., Victoria House, Perth. Let me read the opening items:—

1929.	£	s.	d.
May 7—To loan	35	0	0
Add 1 month interest to 7-6-29, at 30 per cent. per annum	0	17	6
	35	17	6
Less cash payment June 7	2	0	0
	33	17	6
Add 1 month interest to 7-7-29, at 30 per cent. per annum	0	16	11
	34	14	5
Add 1 month interest to 7-8-29, at 30 per cent. per annum	0	17	4
	35	11	9
Less cash payment July 12	1	15	0
	33	16	9
Add 1 month interest to 7-9-29, at 30 per cent. per annum	0	16	11
	34	13	8

So it continues. A sum of £3 15s. had been paid and, after three months, the amount of the liability had been reduced by only 6s. 4d. How the hell can anybody get out of debt when he has to stand up to that sort of thing?

Members: Oh, oh!

Mr. Thorn: You are certainly making it a bit hot.

Mr. RAPHAEL: Certainly they are hot. The transaction I have just instanced began in 1920. In 1935 the party borrowed another £14 and has been continually paying sums off. Yet he still owes £31 11s. 6d. That man, a returned soldier, was a porter on the Perth station, and the money was borrowed to pay for medical attention for his wife. His home has gone, as well as the few sticks of furniture he possessed, and now he is being pestered by the money-lender to pay the balance. The lender sold up the home and got £13 for the few sticks of furniture that remained. The man is being threatened with what will happen if he does not make immediate payment. That sort of thing should not be allowed to continue. There should be some provision that, in the event of a borrower agreeing to pay a rate of, say, over 20 per cent., the onus should be thrown on the money lender to establish, not only that the interest was a fair and equitable rate, but also that there was a reasonable prospect of the borrower being able to pay it. The trouble at present is that the onus of proof is thrown on the borrower. When people are up against things, they should not be pestered every minute of the day by these blood-suckers. There should also be a provision that in the event of a lender refusing to supply a detailed statement showing the amounts repaid and the details of interest within a reasonable time, on payment of, say, 1s. per folio of the account, he should be liable to a heavy penalty. A very heavy penalty should be prescribed for any money lender sending out a statement containing any false or misleading entry. Many of these Shylocks send out demands for money not actually owing, and the chartered accountants, acting at their instigation, should be liable to prosecution. Another necessary provision is that a borrower should have the right, with or without an accountant, to inspect the books and be shown details of his account in the money lender's books. Incidentally, it may be mentioned that numbers of prominent people in Perth invest their money with these Shylock firms to be lent out at exorbitant rates of interest. These firms guarantee 12½ per cent. to the person lending the money, and they have to pile on the interest in order to get something out of the business for themselves. There should be some provision in the legislation to cover these cases, because really a false statement of facts is presented when cases come to court, the money lender suing for principal and interest as if he were the lender, whereas in fact the money lent is in many cases, money belonging to a client who would be ashamed to have his own name associated with the claim for exorbitant interest. I have put up the

case, and I believe hon. members will agree that inquiries should be made. I would have preferred to bring in a Bill to amend the existing Act, but in my opinion sufficient information for that purpose could not be given, at all events not by me, without prior investigation such as the motion suggests.

On motion by the Minister for Water Supplies, debate adjourned.

BILLS (3)—RETURNED.

1. Wiluna Water Board Further Loan Guarantee.
2. Financial Emergency Act Amendment.
3. Pearling Act Amendment.

Without amendment.

MOTION—SPARK ARRESTERS OR NULLIFIERS.

To Inquire by Royal Commission.

MR. DONEY (Williams-Narrogin) [5.35]: I move—

That in the opinion of this House a Royal Commission should be appointed to inquire into, test, and report upon the various appliances for the arresting or nullifying of sparks from railway engines, with a view to ascertaining whether the H.D.D. equipment as used in this State could not be improved upon, or replaced by a more efficient appliance.

I do not anticipate any difficulty in getting hon. members to realise the possibilities of large-scale destruction which lie in railway engine sparks on a hot summer afternoon in the open country. That is the same as hoping that the House will readily agree to the motion. It will be obvious to hon. members that it is the duty of any Government to save money by not spending it—by not wasting it—in any direction when it is possible to do so. Particularly does this apply during a period of depression such as the present, when our efforts on the land yield us little or no profit and when it is especially undesirable to borrow on depreciated security. "A penny saved is a penny earned," and equally £10,000 saved represents £10,000 earned. The House will agree that the old adage is just as true today as it was in the long ago when it was coined. The outstanding example of avoidable waste in Western Australia, and indeed throughout Australasia, is to be seen in the results of bush fires. That statement, I think, will not be disputed. It is impossible to compute with accuracy the amount lost annually from bush fires in Western Australia. It is beyond argument, however, that the amount must be many thousands of pounds annually, either in this or in any other Australian State. I daresay the record amount lost in any one State in one year was that of about £3,000,000 lost by New South Wales in 1927 or 1928. Such an amount, of course, has never in any one year been lost in Western Australia. In the closely settled portions of all countries such as this, the larger number of bush fires spring from sparks discharged by railway engines. Bush feed, grass, standing crops, ricks, buildings and stock all share in the general disaster. Moreover, the Railway Department pretty well every year lose heavily through considerable destruction of railway property by engine causes.

Mr. Cross: That applies in a good number of countries.

Mr. DONEY: I am not saying that it does not. Where the same conditions obtain, the same results must ensue unless there is by chance a better spark arrester or safety appliance than we have here. It has been agreed the world over that fires from engine sparks are avoidable by the use of spark arresters or spark nullifiers. The poorest of all arresters or nullifiers would undoubtedly prevent a certain number of fires. A moderately good appliance would stop many fires, and the best of all appliances probably would stop practically all fires that might occur but for the use of the device. The object of this money-saving motion is to ascertain the whereabouts of, and to copy, this best of all devices. For that quest we plainly need the services of an engineer with such a reputation that we shall feel convinced of his knowledge and of his bona fides. Perhaps it may be fair to say that he should be an engineer not connected with railways. I have heard that Sir George Julius, of New South Wales, is such an engineer. I am informed by those with whom I have discussed the subject that he would be better fitted than anyone else for the job. It is not my privilege to know Sir George Julius otherwise than by repute. Conceivably there are other engineers even better qualified than he; if so, they would be exceptionally good men. Objections may be raised that the cost of a Royal Commissioner of the standing of Sir George Julius would be high. It might be, but I would ask objec-

tors to reflect on the tremendous loss resulting each year from fires caused by sparks from railway engines, not only to farmers but also to the Railway Department. I question whether hon. members can suggest any better investment for public money than that which the motion proposes.

The Minister for Railways: Do you think Sir George Julius could recommend something better than the appliance we have at present?

Mr. DONEY: I shall come to that point directly, but meantime may say that should not be extremely difficult. I am not decrying the present device. Conceivably it is the best available, but that is wholly unlikely.

The Minister for Railways: A lot of money has been spent in trying to get a better one.

Mr. DONEY: I intended to refer to that point also a little later. In my reference to it I shall recall that in reply to a question from me the Minister now interjecting said that no reward had ever been offered by this State for any device other than the particular one now in use. I admit that the cost of installing a new device on the railways is certainly a factor requiring a great deal of thought. I appreciate the reluctance of the Commissioner of Railways to make a change on his own responsibility, for the reason that the change might possibly involve the total discarding of the H.D.D. appliance to which the Minister has just referred. That need not necessarily be the result. The change might merely involve some amendment of the present device. Anyhow, my motion proposes to lift the responsibility from the shoulders of the Commissioner of Railways and place it upon those of hon. members. What is the position in Western Australia? We use what is known as the H.D.D. spark arrester. I think the initials come from the names of the inventors of the device, Messrs. Hadlow, Davenport and—I think—Downing. I am not sure that those three gentlemen were in fact the inventors of the device. The point I am sure about is that they at least sold the device to the railway authorities and were paid something like £1,000 for it. I daresay that at the time the H.D.D. arrester was considered to be as good as any other.

Mr. Wilson: There are a thousand arresters on the market now.

Mr. DONEY: On all the markets of the world, it is probably no exaggeration to say, there are ten thousand arresters or nullifiers.

Mr. Wilson: Certainly thousands.

Mr. DONEY: It appears, after all, that the department's claim that theirs is the best of all arresters, though it may be well-founded, is hardly likely to be.

The Minister for Railways: They have spent a lot of money investigating the subject.

Mr. DONEY: The information just given by the Minister is quite contrary to the information given in reply to that question of mine which I mentioned a little time ago. The H.D.D. arrester was installed on our railways a number of years ago—I think, about 16.

The Minister for Railways: Not so long ago as that. Anyway, it is a great many years ago—ten or twelve.

Mr. DONEY: And with the lapse of time since then it is likely that other railway men have hit upon some better idea. That would seem to be reasonable; I know that those ideas exist. It is quite proper in those circumstances to put the question as to whether any encouragement is given by the railway authorities to their men who, as I know, have these ideas. I do not think those people are encouraged. The Minister can correct me if I am wrong. I believe they should be encouraged. The point is that the H.D.D. arrester has never been changed; it is the same now as, we might say, on the date of its birth. During the twelve years—the period mentioned by the Minister—there must have been many improvements made that the railways have not yet adopted. On the 28th September, 1933, in reply to questions put by me the present Minister for Railways informed the House that the H.D.D. baffle plate with wire mesh was the arrester used in this State, and that it was quite satisfactory. He also added that no annual royalties were being paid for it, and that no reward had ever been offered for an acceptable spark arrester, and that the inventor had been paid £1,000. To me the amazing part of that reply was the information that the arrester was quite satisfactory. I do not think the Minister really believes it is so satisfactory, and I do not think the Commissioner thinks so; in fact I

do not think anyone believes it is satisfactory. Certainly no railway officers believe that.

The Minister for Railways: They are satisfactory if you stop the trains altogether.

Mr. DONEY: In saying that the Minister is not dealing with the question quite as seriously as I would wish. I am not advancing my case with the object of putting the railways in a tangle: far from it, but rather with the object of assisting the railways, and at the same time assisting those land owners who frequently suffer. How can the arrester possibly be quite satisfactory when we know that often as the trains fitted with the H.D.D. device move along the countryside they are followed by a more or less continuous stream of sparks and that then there follows a chain of fires? There can be no doubt about that. All members must have seen that happen, and therefore it is beyond dispute. I believe the Commissioner himself will admit it, and of course there is this fact, that every now and again the Commissioner pays out considerable sums as compensation to those farmers who have put in claims.

The Minister for Railways: That is not so.

Hon. P. D. Ferguson: You are thinking of the Midland Railway Company.

Mr. DONEY: I have good ground for saying that, because my own personal experience goes to support the statement.

The Minister for Railways: That the department pays all claims?

Mr. DONEY: I said every now and again——

The Minister for Railways: No, no.

Mr. Wilson: Very little money is paid out.

Mr. DONEY: Then I must have forgotten what happened about five years ago, and also since then. Certainly the Commissioner does not pay out as much as morally he should do. Probably he pays just what he is required to pay under the Act, which is a vastly different thing.

Mr. Wilson: In a bad season some of the farmers will set fire to their own crops.

Mr. DONEY: I admit only the mere possibility of that. The Minister will know also that pretty well every year fires break out as a result of engine sparks on railway bridges and in culverts, and even on the trains themselves. Trucks of chaff and sandalwood and trucks of anything at all that is inflammable are liable to catch fire. If I had cared to weary the House with information I could have submitted a pile of Press evidence to support what I am saying. More than one Press report has appeared of the burning of the Beaufort-street bridge, and on three or four occasions there have been reports of the burning of the old Bunbury bridge at East Perth, and other railway properties in the metropolitan area. I ask the Minister, in the circumstances, how can it be said by him on behalf of his department that the H.D.D. appliance is quite satisfactory and the best he knows of?

The Minister for Railways: It is quite satisfactory in comparison with anything else we can get.

Mr. DONEY: The big probability is that the railway authorities are careful not to know of any other appliance to that thorough extent that will enable them to make a comparison.

The Minister for Railways: You are not saying that seriously?

Mr. DONEY: I am saying that it is possible: I am not saying it has happened, because I do not see how otherwise the Minister and the Commissioner can possibly declare that the H.D.D. is the best arrester they know of.

Mr. Wansbrough: Do you know of any other?

Mr. DONEY: I do not know of too many. I have heard that the Coxon spark arrester has been well spoken of, and I have also heard the Cheney nullifier referred to on many occasions, and that there are many others from which the Railways could make a selection. We heard the member for Collie (Mr. Wilson) say a little while ago that there are 1,000 or more registered devices in existence. Members heard me say 10,000.

The Minister for Railways: And none perfect.

Mr. DONEY: I readily concede that, but there must be many that are far nearer perfection than the H.D.D. Hon. members are a little sceptical as to whether the department have paid compensation for fires. About six years ago, and again about five years ago, I personally submitted a number of claims from farmers in the Narrogin district in respect of fires admittedly caused by sparks from railway engines in that area,

and out of a total of about nine claims I submitted I succeeded in securing compensation in I think five cases. Whenever I have had occasion to visit the Commissioner or any of his officers with regard to this or any other matter, I gladly admit that I have always been received with the utmost courtesy and consideration. The unfortunate point in connection with this matter is that the Commissioner is not held to be legally liable provided he can claim that he has installed the best arrester he knows of, and provided he is able to assert that following a complaint of a fire from a certain engine he can swear that that engine has been tested and fitted with the appliance, and that the appliance is in good sound working order. The House therefore can see how extremely difficult it is to succeed against the Commissioner. I suggest to the Minister that if a Royal Commission is appointed we can learn a great deal from inquiries that may be made in America. I have already stated that there are more than 4,000 devices registered in the patents office in that country, and no doubt, as we have already heard, there are several thousand more in other parts of the world. In America for several consecutive months railway engines pass over many millions of acres of the most inflammable grasses in the world, and whilst I know nothing of the spark arresters or devices employed in America, it would seem to be reasonable in a country like that where they have a flair for mechanical perfection, that they will have found the best nullifier or arrester in the world, or certainly something pretty well approaching it.

Mr. Cross: And still they have a lot of fires!

Mr. DONEY: In areas covered with nothing but grasses, you certainly may expect to have fires, even with the most perfect arrester, but as I say, commonsense will assuredly have prompted the Americans to search and search until the nearest approach to a perfect arrester is found. What I have said will also apply to the Argentine, in which country the trains have to be sent through huge tracts of grass-covered areas. There, too, I imagine that if they have not the very best arrester they certainly would see to it they had something approaching the best.

Mr. Withers: You would not suggest that their type of arrester would be suitable for the coal used in this country?

Mr. DONEY: I do not suggest anything of the kind, and I had not intended making any reference to Collie coal. I now say, however, that I understand no spark arrester in the world would show perfect results with that type of fuel. In order to meet the strange conditions that have to be met when Collie coal is used, or because of other local factors peculiar to our State, it may be necessary that some new appliance altogether should be contrived.

Mr. North: Have you verified the success of Diesel locomotives in the Old World?

Mr. DONEY: That is getting away from the subject of coal. There would be no question of dealing with fires from Diesel-driven engines by means of arresters. If it should be necessary to search for some entirely new appliance to suit our conditions, we might well look for assistance to our local railway engineers, our engine-drivers, our firemen, and guards. I cannot think of any better source of information than the employees of the Railway Department. They have had years of experience in dealing with the H.D.D. appliance. They have lived with it day by day, and they know its weaknesses and peculiarities. They should be asked to submit suggestions either for the improvement of this particular appliance, or with regard to something entirely new. I suggest that the Minister has not made full use of the information that the railway officers have given him. Any suggestions that are put up by them and are made use of should be paid for.

Mr. Wilson: They are paid for.

Mr. DONEY: I would refer the hon. member back to a reply given to me by the Minister for Railways to the effect that no reward had been offered to anyone in connection with this appliance, other than the £1,000 paid to the inventors about 12 years ago.

Mr. Wilson: They pay for other things.

Mr. DONEY: That is one of the phases I am complaining about.

Mr. Wansbrough: They have had a suggestion board for many years.

Mr. DONEY: I am doing this out of friendship to the Commissioner and the railways generally, as well as to the land owners. I cannot help thinking it can afford no pleasure to the Commissioner to

meet applications for compensation with an excuse that, though it may be legal, is hardly equitable, in that he has to deny liability in the face of the most impressive evidence of his moral culpability. I think the Minister knows that. This is my case. I could buttress it by reciting from a long list of fire disasters in this State that have followed despite the use of arresters, and no doubt through the department I could get a fairly long list of amounts that have been paid out in compensation. These payments are an admission that the appliances now in use are very far from perfect, and cannot be regarded as quite satisfactory. The same conditions are prevalent in other States. I have looked up the question as it affects New South Wales, and I have found that the amounts paid out in compensation there have been as high as £72,000 in one case, £60,000 in another, and in one record year the loss to the State was computed at about £3,000,000. The lesson to be learnt from that is that here, in any hot summer, we may easily meet a like fate. I would conclude by submitting that there should be an independent inquiry by a competent engineer, if not Sir Geo. Julius, then the next best man who is available, and he should have the powers of a Royal Commissioner. The terms of reference should cover the following: (1) Consumption of fuel on a given load; (2) efficiency in arresting or nullifying sparks; (3) cost of the appliance and its installation; (4) life of the appliance; (5) efficiency of the engine under the appliance. A number of subsidiary factors would also require attention. There would be the question of the temperature of the water contained in the tender. The Minister will understand more about that than I do. There would also be the question whether the engine was sluggish or free, and whether the load was properly distributed. What I mean is that a light load on the forward trucks and a heavy load on the rear trucks would cause a considerable dragging on heavy curves. There would be many other points that would occur more quickly to the engineering mind than to that of a layman. I have pleasure in commending the motion to the earnest consideration of the House.

On motion by the Minister for Railways, debate adjourned.

BILL—ENTERTAINMENTS TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

HON. P. D. FERGUSON (Irwin-Moore) [6.8] in moving the second reading said: This is a short Bill to amend Section 9 of the Entertainments Tax Assessment Act, 1925. That section reads as follows:—

> Where the Commissioner is satisfied that the whole of the net proceeds of an entertainment are devoted to philanthropic, religious or charitable purposes, and that the whole of the expenses of the entertainment do not exceed fifty per centum of the receipts, he shall repay to the proprietor the amount of the entertainments tax paid in respect of the entertainment.

There is a proviso which makes it incumbent upon the Commissioner to repay the tax paid if he is satisfied that adverse climatic conditions have militated against the success of the entertainment. The Bill provides for amendment of that section, setting out that where the Commissioner is satisfied that the whole of the net proceeds of the entertainment are devoted to the benefit of any public hospital, within the meaning of the Hospitals Act, 1927, and any publicly subscribed medical service or fund in the State, the main object of which is the relief of the sick, or any public medical service or fund in the State which is assisted by any Government grant or subsidy, and any incorporated public body in the State, the main object of which is to dispense or provide voluntary aid to indigent, aged, sick, blind, halt, deaf, dumb or maimed persons, and that the entertainment has been conducted or managed with reasonable economy and efficiency, and is not provided directly or indirectly for the financial benefit of any persons connected with the promotion of the entertainment, the Commissioner shall repay to the proprietor the amount of the entertainments tax paid in respect of the entertainment. Under present conditions the Commissioner refunds to the promoter of any entertainment for these specific purposes the amount of the tax he has paid when the expenses do not amount to more than 50 per cent. of the receipts. The object of the Bill is to assist hospitals, mainly in the country, because most of the entertainments I know of are conducted in their interests. An almost impossible task devolves upon the promoters of entertainments in the country, particularly in the

sparsely populated centres where picture shows are run, because of the expense they are compelled to incur in the conduct of such entertainments. Most of the picture shows in country districts are run in the interests of the local hospitals. Ninety-nine per cent. of the work that is done in the running of these entertainments is supplied entirely in an honorary capacity. If that were not so, I would not have introduced this Bill. It is because certain public-spirited people in the country are anxious to assist these deserving public institutions in their districts that they give their services voluntarily for the conduct of these entertainments. I have certain particulars to prove that no wages are paid to the operators, doorkeepers, ticket sellers, and other people engaged in conducting the entertainment. Practically all give their services free, gratis and for nothing. There are one or two instances where this has not appertained to the extent of 100 per cent. In cases where there is a fire brigade I understand the law provides that a fireman must be present, and he has to be paid. In every instance where a fireman has been paid 50 per cent of the payment which must be made under the Act has been refunded to the credit of the entertainment. In one other instance the usher receives 2s. 6d. per show for the work she does on behalf of the committee that is running it. So far as hospitals with which I have come into contact are concerned, practically all the receipts are credited to the fund with the exception of that portion of the expenditure over which those conducting the entertainment have no control.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. P. D. FERGUSON: I wish to give the House some figures regarding the picture shows held in connection with the funds of two hospitals in my electorate. The entertainments are conducted by local residents, and the figures will indicate how tremendously difficult it is for those in charge of the picture shows in sparsely populated country towns to comply with the provisions of the Act as they stand at present. I refer particularly to the provision requiring expenditure to be kept below 50 per cent. of the receipts. I have no doubt that the position applying to the efforts in my electorate applies equally to those associated with similar efforts in other country districts. The first figures relate to the entertainments held in aid of the funds of the Moora Hospital. Over a period from the 1st July, 1934, to the 28th February, 1935, the takings at the picture shows amounted to £370. Hire of films cost £138, representing 37 per cent. of the gross takings, and the entertainments tax amounted to £31, representing another 8 per cent. The only expenditure in connection with those entertainments that could have been avoided, so far as I can gather, was £15 paid to the fireman for his attendance at the entertainments. As I mentioned before, the fireman generously returned £7 10s., or 50 per cent. of what he had been paid. Then there are the figures relating to the entertainments held in connection with the Dalwallinu Hospital. Over a period ended the 30th June, 1935, the takings at the picture shows amounted to £540. Film hire represented £225, or 40 per cent. of the gross receipts, and entertainments tax £73, or 13 per cent. of the receipts. It will be seen that those two items alone account for 53 per cent. of the gross receipts. Those entertainments were conducted as economically as was humanly possible, and it will be appreciated how impossible it is for those in charge to comply with the requirements of the Act. From the 1st July to 12th October of this year, the receipts at picture shows held in aid of the Dalwallinu Hospital totalled £88. The film hire cost £42, or 48 per cent. of the receipts, and the entertainments tax amounted to £12, or 14 per cent. of receipts, while the profit resulting was £19, or 22 per cent. of the receipts. It will be seen from these figures, which, I believe, are comparable with those applicable to other country centres, that every effort has been made by those in charge of the entertainments to comply with the provisions of the Act, but they have not been able to secure a refund of the tax because the Commissioner of Taxation holds that he is bound by the Act which says that he can make a refund only when the expenditure is less than 50 per cent. of the receipts. If Parliament desires the unremunerated services of public-spirited citizens throughout the State in the interests of institutions such as our local hospitals, there can be no better encouragement than to pass the Bill I present to members. To those who may think there is some danger of persons making a profit out of these entertainments, I would point out that

the Bill provides that the entertainments have to be conducted, or managed, with reasonable economy and efficiency, and that they are not, directly or indirectly, to be for the financial benefit of any person connected with the promotion of the entertainments. In those circumstances, no individual can make a profit in any shape or form from the picture shows. Another aspect is that unless something is done to grant the relief I suggest, people who are conducting these picture shows in aid of our country hospitals will be discouraged, and eventually they will drop out of the work altogether. The profits are small enough at present, and if the enthusiastic people who run these entertainments are discouraged, the picture shows will be dropped. Should that happen, then the income of the country hospitals will be reduced correspondingly, and that will mean a greater demand on the Hospital Fund than exists at present. Everything we can do to encourage these public-spirited people to continue conducting entertainments on behalf of country hospitals will mean that the Hospital Fund at the disposal of the Minister for Health will be conserved to that extent. I commend the Bill to the favourable consideration of the House because I believe it is calculated to be of considerable benefit to small hospitals, not necessarily in country districts alone. I move—

That the Bill be now read a second time.

On motion by the Minister for Justice, debate adjourned.

BILL—MARKETING OF EGGS.

Second Reading.

MR. FOX (*South Fremantle*) [7.40] in moving the second reading said: On practically every sitting day since I have been a member of this House, I have heard complaints from members of the Opposition regarding the disabilities under which sections of the primary producers are suffering. To-night I intend to place before members some of the disabilities from which another section of the community suffers. I refer to the poultry farmers. The Bill is designed to give poultry farmers an opportunity to market their produce in an orderly manner. Shortly after I was elected to Parliament, I introduced a representative deputation of poultry farmers to the Minister for Agriculture with a request for legislation along the lines at present operating in New South Wales and Queensland. The deputation stressed the parlous condition of poultry farmers and the necessity for legislation to enable them to remain on their holdings and be provided with a remuneration approximating that received by those on wages outside the poultry industry. Unfortunately, after the Minister had given consideration to the request for some time, he informed us that it was not his intention to submit the Bill as requested. The poultry farmers are very dissatisfied that legislation has not been introduced to afford them some relief. Personally I am of opinion that the poultry farmers are not altogether blameless for their present position. Every reform has been preceded by much agitation on the part of the aggrieved persons in order to bring before the whole of the people the necessity for the desired reform. Members can cast their minds back over the years and, no doubt, can remember many instances where drastic action had to be taken in order to bring certain grievances before the people and Parliament. I can refer to an instance of recent date. Before the establishment of the Metropolitan Whole Milk Board, the milk producers considered they were badly treated, and for a certain time held up supplies in the metropolitan area. That course was adopted in order that they might have their grievances redressed. To-day they have the advantage of the Milk Board which, although perhaps not as perfect as they desire, will probably be improved as a result of the Bill now before Parliament, the object of which is to wipe out some of the anomalies and improve conditions for all concerned. I do not intend to advocate that the poultry farmers shall withhold their supplies from the metropolitan area in order to have their grievances redressed, but I hope members will give consideration to the Bill and the disabilities under which poultry farmers suffer. I trust the House will give the Bill its benediction, and bring the conditions under which our poultry farmers work into line with those enjoyed by people in the same industry in the Eastern States. I have already mentioned that legislation exists in New South Wales and Queensland, and I understand that a Bill is now before the Victorian Parliament with the same object in view. The Bill I submit to the House is modelled on the legislation in operation in

the Eastern States and is practically similar in terms to that introduced by the member for Guildford-Midland (Hon. W. D. Johnson) in 1930. On that occasion the Bill was defeated by a small majority. Legislation along similar lines exists in many countries. In Great Britain there is a Pig and Bacon Marketing Board, a potato marketing scheme, a milk scheme operating in portion of Scotland, and a milk scheme in Aberdeen. In England there is a Hop Marketing Act that has been modelled on some Australian legislation. Under that Act, all hops must be sold through the Hop Board, unless otherwise prescribed. It is possible for a hop merchant to secure exemption, but unless he obtains it, his hops must be disposed of through the board. A producer who is not registered under the Hop Marketing Act can sell no English hops, either in England or in any other country. All hops which are accepted by the Hop Marketing Board become the property of the board and they can pack them, put them up for sale, borrow money on them, or if they are not sold in a reasonable time, they can destroy them or render them unfit for brewing. If, in conservative England, it is possible to have legislation of that description, surely it should not be difficult to induce the Parliament of Western Australia to accept the Bill now before the House. The Queensland board was appointed in 1928, and after operating for three years a ballot was taken on the questions of the continuance of the board or whether the board should cease to function. After the measure had been in operation for three years the producers had a good opportunity to say whether or not the board was functioning in their interests. If the board was not functioning properly it would be wiped out. However, after the ballot was taken it was found that 1,605 persons had voted for the continuance of the board, while 538 had voted against the continuance of the board. The board continued to run smoothly until the decision in the peanut case in Queensland. Under the Primary Producers Marketing Act of Queensland an Order in Council prescribed that all peanuts in Queensland at the time of the order became the property of the board, together with all peanuts grown while the board was in existence. As soon as the peanuts were grown the producer had to deliver them to the board. Shortly afterwards some peanuts were on the wharf for export to another State. The board claimed that the peanuts were the property of the board. The court ruled that the vesting of the peanuts in the board was a contravention of Section 92 of the Constitution Act, and so it could not prevent the grower from engaging in inter-State trade. At the time of the acquisition by the board the product must not be the subject of inter-State trade, nor must the grower at that time have the intention of engaging in inter-State trade. If neither of those conditions existed the board could claim the product. Following on that decision, the board was not functioning very well, so a meeting was held in the Sydney Town Hall which was said by some of the newspapers to be the largest meeting of primary producers ever held in Australia. Some 2,000 poultry farmers attended the meeting and by an overwhelming majority carried a resolution affirming their faith in the marketing powers of the board and requesting Parliament to bring down legislation to make the marketing board a compulsory organisation. The Government did so, and a clause similar to that in the New South Wales Act is contained in the Bill before the House. At the beginning of January, 1935, after the time had expired for which the board had been appointed, another ballot was taken to decide whether the board should continue, or go out of existence. The result was that 1929 producers voted for continuance and 492 voted that the board should go out of existence. Those figures represent an increase of 364 in favour of the board and a reduction of 46 in the number of those against the board, as compared with the figures of the ballot taken three years previously. So the poultry farmers of New South Wales are very well satisfied with the way the board is functioning in that State. In Queensland similar provisions exist in their marketing legislation, and when the last term of the board expired and a petition could have been brought forward for a ballot to decide whether the board should go out of existence or be continued, no petition was presented. Consequently, the board in Queensland will continue until 1938. Since 1930 the Egg Marketing Board in New

South Wales has had its own egg-handling floors. That was brought about because of the unfair deal it was getting from the merchants. The merchants were putting imported eggs in the board's boxes and also eggs that had come from long distances away in New South Wales, and were selling them as new-laid eggs in the board's boxes. Consequently the board decided to get out of the Sussex-street markets and set up a market of its own, and that has been operating ever since 1930. While we were able to consume all the eggs in Western Australia, things were going pretty well, but the time arrived when it became necessary to export a great deal of our products. Some time ago the member for Guildford-Midland (Hon. W. D. Johnson) made an effort to establish a board on a voluntary basis. But here, as in the Eastern States, it has ben found exceedingly difficult to establish a voluntary board. In the Eastern States it has been seen that the only way in which a board can operate efficiently is for the board to have compulsory powers. In Western Australia we have a number of poultry farmers with 1,000 or more birds, and a number of others with only a few hundred birds each. The poultry farmers with a large number of fowls are in favour of an organisation, but those owning only a small number of fowls have no desire to export eggs. They put their eggs on the local market and so get the benefit of the prices created by those who export their eggs. The poultry farmers consider there should be one organisation of producers in order that all might share in the expense of marketing all eggs in excess of local requirements. That is a very reasonable contention. The only way this can be done is, not on a voluntary basis, but by the establishment of a board with the powers provided in the Bill. In relation to egg pulp, with a proper organisation it should not be difficult to provide all the pulp used by manufacturers in Western Australia. At the present time there is not a great deal of pulp imported into Western Australia. During the season 1933 there was about £3,000 worth imported from the Eastern States and a little dry albumen from China. According to some evidence I have read about the conditions under which eggs are produced in China, I do not think anybody would be very anxious to have anything to do with them, for they are produced under very unsatisfactory conditions, and so I think the people of Western Australia should have nothing to do with eggs that come from China. Also the member for Guildford-Midland did a favour to poultry farmers by advocating the use of local pulp and interviewing a number of people, large users of pulp, and inducing them to deal in the Western Australian article. I feel sure that with a proper organisation the poultry farmers will be able to supply all the pulp used in Western Australia and still have a balance for export. With a proper method of organisation it would be quite easy to create a greater consumption of eggs locally. If the public are assured that they can get eggs for a reasonably fair and constant price, the result will be that more eggs will be added to our general diet. Of course eggs would have to be standardised and graded, and certain eggs which the poultry farmers know only too well, eggs carrying definite imperfections, would have to be thrown out and not sold to the public at all. If the eggs were provided at a fair price the consumption would increase considerably. Mr. Marks was appointed by the Government of New South Wales a commissioner to inquire into the egg business in New South Wales. One of his findings was that when eggs fall below a shilling, the consumption increases by over 100 per cent. I believe that if we had eggs at a reasonably fair price throughout the year the local consumption would increase considerably. Also the board would be able to deal effectively with the production. A board with a knowledge of the daily production and of the possible consumption would be in a position to fix a reasonable price that would absorb the whole of the eggs, after export, and after provision had been made for pulp. The board could also make provision for cold storage, and that would tend to prevent high prices in times of scarcity. To-day the speculators in the egg market in times of glut buy up a large quantity of eggs and store them, and when a shortage occurs they put those eggs on the market as new laid eggs, and so exploit the public in that way. Many producers complain of the unfair methods practised by agents in the markets. For instance, when a producer delivers eggs to the markets he receives 7d. for his box when he

brings it in. But when he comes to take out a box he is charged 9d. for it. That seems altogether unfair. Largely because of the system of selling in the market one can get two or three different prices for eggs in one day. Very often pullets' eggs bring a higher price than hens' eggs. That is brought about by one buyer buying through agents all the eggs available at the moment. Then the inferior quality eggs are left for smaller buyers, and consequently inferior eggs often bring a higher price than eggs of prime quality. The producers also complain that when they send parcels of eggs into the market different prices are given on the same day for eggs of the same quality. I have a return from a poultry farmer who forwarded a considerable quantity of eggs on the same day. They were of the same quality and had been graded and weighed, and he sent them to two different markets. One lot realised 11d. per dozen, and the other 8¾d. per dozen. Members must admit that there is something radically wrong when such a disparity occurs. To that producer it meant a loss of nearly £3 on the eggs marketed that day. Early in the season an advance of 10d. is made for a 15oz. pack—those are eggs of the heaviest quality—and 8d. for a 13½oz. pack. Later in the season when the price drops to 8d. and 6d., the producer cuts out the lighter pack and sends in eggs of the highest quality only. Often, when he gets his returns, he finds that he is credited with a considerable proportion of second-grade eggs. In some glaring instances that has been rectified, but in other instances it has not. The poultry farmers also complain that the packing charge for export is too high. They say the charge is 6½d. per dozen to market their eggs overseas. In New South Wales the Egg Marketing Board do the work for less than 5d. When the agents last handled the eggs on behalf of the New South Wales Egg Marketing Board, the all-in cost of handling the eggs in England was 8¾d. a dozen. In the following season the board themselves exported the eggs and saved the producers 3¼d. a dozen on 7,000,000 dozen eggs. The producers also claim—and I think we can agree with them—that their greatest curse is the middle-man. He does not play any essential part in the production of the eggs, and yet he takes out of the industry more than he is really entitled to receive. The agents are usually the greatest opponents of a proposal to establish a marketing board. In New South Wales they have placed every possible obstacle in the way of the board, but so far they have not succeeded in harming the organisation. If we had a marketing board in Western Australia, they could control the industry with a minimum of overhead charges. They could stabilise the local price and materially develop the export trade. At present there is a demand for eggs in Britain. According to a return which I read the other day, the consumption of eggs in England is 152 per head annually. A great many of those eggs—about 34 per cent.—are imported from Denmark, and China and Australia also supply eggs. Although the producers say they are not getting the best deal from the agents, they propose to utilise the agents under the board so long as satisfaction is given. The egg industry in this State has grown to considerable dimensions. Last year the return to the growers was about £520,000. That is a very large sum; it ranks a little ahead of the return to the fruitgrowers of the State. The agents charge the producers from 5 per cent. to 7½ per cent. for marketing the eggs. If the producers received £520,000, it means that the agents had a rake-off of about £30,000. In addition, every time a producer delivers eggs to the market, he has to pay 6d. selling fee.

Mr. Thorn: Account sales charge.

Mr. FOX: I am informed that about 3,000 poultry farmers are supplying eggs to the market twice a week. That would mean £2 12s. per producer per year, which would amount to nearly £8,000 for selling fees. No industry can stand a charge like that. In August, of this year, the price offered by the agents was 10d. a dozen. The society in South Australia offered 1s. 0¼d. The price in New South Wales during the last three seasons has been: 1932-33, 1s. 0.62d.; 1933-34, 1s. 0.9d.; 1934-35, 1s. 0.34d. In Western Australia the highest price paid last year was 11d. On the quantity exported the agents had a rake-off of over £10,000. Nearly every industry in Western Australia has received some assistance from the Government, but the poultry farmers have received no help. They have had a strenuous time, and at least 95 per cent. of them are in debt. Unless relief is given, many of them will have to leave

their holdings. The Bill follows the lines of the measure introduced by the member for Guildford-Midland in 1930. One difference is that while his Bill defined a poultry farmer as a person who owned 20 head of poultry, the number in this Bill is 50. The manner of bringing the board into existence is provided in Clause 3 which contains the following provisions:—

(1) The Governor may, whenever requested so to do by a petition signed by not less than fifty producers carrying on the business of production, within an area to be defined in the petition, issue a proclamation fixing the day for the taking of a poll of the producers so carrying on business within such area, on the question whether a marketing board shall be constituted for the said area. The issue of such proclamation shall be conclusive evidence of the validity and regularity of the petition.

(2.) If on the taking of such poll more than three-fifths of the votes polled are in favour of the constitution of a board, the Governor may by a subsequent proclamation declare that a board shall be constitued for such area, and may thereby appoint a day for the election by the producers carrying on business within the area of the elective members who shall sit on the board.

Those are the chief features of the Bill. I move—

That the Bill be now read a second time.

On motion by the Minister for Agriculture, debate adjourned.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

MR. SAMPSON (Swan) [8.12] in moving the second reading said: This Bill is a very short, very simple and well justified measure. Under the parent Act there are certain conditions relating to the imposition of land tax. Subsection 2 of Section 9 of the Act provides that where land outside the boundaries of any municipality is used solely or principally for agricultural, horticultural, pastoral or grazing purposes, certain consideration shall be given. Unfortunately, those producers engaged in pig-raising, apiculture and poultry farming do not receive the consideration that is extended to other primary producers. I believe that every member of the House feels that the non-inclusion of those sections of primary producers was an oversight, and was not deliberately intended. A majority of the pig-farmers produce the bulk of their fodder, but in any event there is justification for this section of primary producers receiving the consideration that is extended to others. As to apiculture, I am aware that the busy bee does not restrict is flight to the four corners of the section, but there is a condition attached to paragraph (a) of Subsection 2 of Section 9 of the Act to the effect that the reduction is given subject to improvements having been effected to an extent equal to £1 per acre. That is referred to in the definition relating to improvements which include houses, buildings, fencing, planting and various other things. Even the apiculturist cannot squat indolently on a large area of land and secure the consideration provided in the Act. I think he should receive consideration because apiculture is a branch of agriculture, and this measure provides relief for the people so engaged. There cannot be the slightest doubt, either, as to the justice of exempting poultry farmers from land tax. They cannot possibly be successful unless they produce a quantity of green fodder for the use of the poultry. Every poultry farmer, to achieve success, must have green stuff growing adjacent to his pens—Indian corn or maize, lucerne and other fodders. There is no need for me to labour the question. I doubt whether any member will oppose the Bill, and I hope that the Acting Premier will give it a quick and successful passage. I move—

That the Bill be now read a second time.

On motion by the Minister for Justice, debate adjourned.

BILL—LAND TAX AND INCOME TAX ACT AMENDMENT.

Second Reading.

MR. SAMPSON (Swan) [8.17] in moving the second reading said: The Bill, the second reading of which I have just moved, relates to the assessment Act. This measure seeks to amend the Act that provides the authority for imposing the tax. What I have said in connection with the former measure applies in this case. Back in 1931—I think it was—a measure passed this Chamber abolishing the land tax on certain lands. The annual measure which we passed on the 5th October of this year removes from taxation certain primary producers—those actually engaged in agricultural, horticultural, pastoral, and grazing pursuits. These Bill are complementary

to each other. In order that the poultry-man and the apiculturist and the pig-raiser shall have the advantage which is equitable and reasonable, and which they greatly need, I hope the complementary measure also will be approved. I move—

That the Bill be now read a second time.

On motion by the Minister for Justice, debate adjourned.

MOTION—MONETARY AND BANKING SYSTEMS.

As to State Committee to prepare Evidence.

Debate resumed from the 23rd October on the motion of Mr. Boyle—

"That in view of the appointment of a Commonwealth Royal Commission to inquire into the monetary and banking systems in operation in Australia, and to report whether any, and, if so, what alterations are desirable in the interests of Australia as a whole, and the manner in which any such alterations should be effected, this House, with the object of assisting the Commission, is of opinion that the Government should appoint a State committee to collect within the State such evidence in relation to the terms of reference as will assist the work of the Commission, and place the committee's findings on behalf of the State in collated form before the Commission."

MR. WATTS (Katanning) [8.21]: I do not propose to approach the subject of the motion as a disciple of any particular brand of reform, because the motion does not require it. It does not ask us to subscribe to anything which we may fancy or not fancy. It is simply a question of appointment by the Federal Government of, and the report of, a Royal Commission. In response to a considerable public demand extending over a period of years, a demand subscribed to not only by numerous people in various parts of Australia, but also by this House, the Federal Royal Commission has been appointed to ascertain what improvements, if any, are required, or can be made, in the Australian banking and monetary system operating at the present time. That system may be satisfactory enough. Possibly the Royal Commission will arrive at the conclusion that no alteration is required, but I personally trust that that will not be so. I believe that from the standpoint of our agricultural industry alone the establishment of a comprehensive and systematic mortgage bank, enabling the removal of the financial trouble which to a large extent has caused our farmers' loss of morale—in other words, the overdraft payable on demand—would be of the greatest advantage to the financial institutions as well as to the primary producers and business people of this country. In all other lines there have been considerable improvements in the course of the last few decades. There is no need for me to go into that aspect. Throughout that time there have been people found to say, as each successive alteration came along, that it would never do any good. We realise that there are those who believe that nothing we can do now will be any good. I do not feel myself quite on all fours with those who hold that belief, because if the Royal Commission only bring about some alteration in the system I have referred to, their labours will prove of inestimable advantage. If we are to believe that whatever is, is right, we shall be in the position of those who refuse to make progress in any direction. If humanity had always adhered to that view, we should still find ourselves chasing our breakfast with clubs, or perhaps we might not have got even so far. Unquestionably, to my mind, we must approach the subject with the object of assisting the Royal Commission as far as we can from the point of view of Western Australia. Probably there is room for improvement, and for the rectification of mistakes, and—as the member for Claremont (Mr. North) said the other evening—for a new technique adapted to our changing needs. Strangely enough, the member for Claremont is not the only person holding such a view. May I for a moment quote from remarks attributed to the Primate of Australia, the Archbishop of Perth, in yesterday's "West Australian"—

Almost all of the economic and political endeavours which puzzled people to-day were variant approaches to one single problem—the problem of how to get into the hands of the people who laboured, enough money to enable them to buy the things which they had made. . . . . The problem behind nine-tenths of industrial unrest, the problem which they had to solve or see society go chaotic, was the problem of how to socialise that surplus value, and how gradually to reduce rewards now paid to investors in the shape of interest so that the cost price and the sales price might be drawn together.

When we hear such opinions expressed by an authority such as the Primate of Australia and Archbishop of Perth, we must be convinced that there is a strong public demand not only in low places but also in high places for this inquiry; and that is why we ought to assist it as far as possible. The Commission appointed has a disinterested personnel. The Commissioners seem to be knowledgeable people, and we ought to give them public support and public confidence. Last week the member for Guildford-Midland (Hon. W. D. Johnson) expressed the view that by carrying the motion we would be implying that the Federal Government did not know their job. In effect the hon. member said that we should mind our own business. I consider that as part of the Legislature of Western Australia we are definitely minding our own business if we assist the Federal Royal Commission in endeavouring to ascertain what, if anythnig, is wrong.

Hon. W. D. Johnson: Certainly we would do it at their invitation, but not without their request.

Mr. WATTS: The position is that we see the difficulty and that we ought to try to assist the Royal Commission to find a remedy.

Hon. W. D. Johnson: They may not require our assistance; they may tell us to mind our own business.

Mr. WATTS: Western Australia is a young and undeveloped country. When we consider the position the primary producer holds here, that without doubt he is the backbone of Western Australia, and when we bear in mind the colossal financial resources which will have to be made available to provide us in the future with water supplies to take advantage of the agricultural research and chemical research that have taken place of recent years, and to develop reforestation, we must arrive at the conclution that this is a matter of importance not only to the people but also to the Government of the country, for financial reasons. It seems to me that at the present time fresh reports are lending weight to the suggestion that we shall be hamstrung by the lack of finance where it is needed. We find such difficulties referred to in the Press every day. The Premier himself has referred to them, asking, "What will the Loan Council do in connection with the loan moneys required for the carrying on of the State's activities?" It seems to me that the people of Western Australia are entitled to look to the Parliament of Western Australia for assistance in going to the Royal Commission to endeavour to obtain some satisfactory answer which will provide them with safe finance in the future. The Federal Government have done their part. They must now await the Royal Commission's report. There are two aspects of giving evidence before the Royal Commission. One aspect is a private aspect; the other, to my mind, is a public, a State aspect. The Commission upon coming here will apply by advertisement, I presume, in the usual manner for persons prepared to give evidence. Those persons will go before the Commission more or less disjointedly. It seems to me that if a committee were appointed to collate the evidence before the witnesses went before the Royal Commission—I understand Royal Commissions welcome witnesses from an organisation such as that here proposed—we should be doing a great service to the Royal Commission and probably to Western Australia. It will be an efficient indication of the interest of the Legislature of Western Australia in the difficulty which it sees and for which it does not know the remedy. The committee would point out to the public the difficulties, so that they would bear the hall-mark of the Government and become well known to everybody as bearing that hall-mark. For the reasons I have stated, I have much pleasure in supporting the motion.

On motion by Mr. F. C. L. Smith, debate adjourned.

BILL—WESTERN AUSTRALIAN TURF CLUB (PRIVATE) ACT AMENDMENT.

Second Reading.

Debate resumed from the 23rd October.

HON. N. KEENAN (Nedlands) [8.28]: The provisions of the Bill which the member for North-East Fremantle (Mr. Tonkin) has brought before the House are designed for the purpose of imposing on what are known as the Rules of Racing, made in the past by the Western Australian Turf Club, the same obligations as apply to by-laws made by that club under the statute known as the Western Australian Turf Club Act

of 1892. I oppose the proposals contained in the Bill, and for three reasons. Firstly, the case for the Bill is, I submit, based on wrong premises. Secondly, the provisions of the Bill are unworkable. Thirdly, the provisions of the Bill are unnecessary and undesirable. Dealing now with the first ground, that the case for the Bill is founded on false premises, I would remind hon. members that the Western Australian Turf Club was founded, in 1852, by certain citizens of the Colony—as it then was—who were desirous of supporting the sport of horseracing. They held races, and for that purpose they passed rules of racing or conditions governing competitions. There was nothing in the law then existing that in any way prevented them from making those provisions for competition, or, as they are called, rules of racing. There has been nothing in the law ever since to prevent that organisation from passing such rules, and there is nothing in the law to-day to prevent it from passing such rules, any more than there is in the law preventing any ordinary persons or any number of ordinary persons associated to promote any sport, from making rules of competition to govern that sport, and from providing that no one shall take part in the sport unless they are agreeable to be bound by those conditions. It was observed by a justice of our Supreme Court, speaking on this very subject, that there is no more difference in the matter of the rules of racing which are framed by the Western Australian Turf Club than there would be in the case of any other conditions of competition framed by any ordinary individual for the conduct of any other sporting venture on any suburban ground. Those are the conditions on which a sport is carried out, otherwise it cannot be carried out at all. That is all that has been done in the past, and it has been continued over a period of 83 years. Indeed it is interesting to observe that the rules of racing formulated in 1852 exist to-day, and in all main features the two sets of rules —those existing then and those existing now—will be found to be almost identical. In 1877, whilst this State was still a Crown Colony, a lease was granted by the Crown for a certain area of land to the Western Australian Turf Club. On certain conditions, a deed poll was granted, and the only condition of which I think it necessary to remind the House was that the club should conduct at least one race meeting a year, whilst another condition was that the club should admit both equestrians and pedestrians to witness the sport on prescribed terms. There was a clause in the deed poll which made the land revert to the Crown if no race meeting were held in any year. Of course, it was merely for that purpose that the land was granted. That land, together with certain freehold land which was purchased, constitutes the present racecourse. In 1892 the Crown thought fit to pass a statute giving certain powers to this organisation, and those powers included the maintenance and control of the racecourse, and the buildings on the racecourse, and also the management of the affairs of the club. In the new statute was recited the deed poll of 1877, under which the land was granted to the trustees of the club for the benefit of the members of the club. As I have pointed out to the members of the House, any ordinary individual, or ordinary citizen, or group of ordinary citizens who organise athletic or sporting competitions are entitled to lay down conditions under which the competitions shall take place, and unless the competitors agree to be bound by those conditions, they have no right to take part in them. But by the statute of 1892, certain powers were conferred upon the Western Australian Turf Club which were not exercisable by any such ordinary individuals or groups of indivduals. But the conferring of those statutory powers on the Turf Club in no way affected or abridged its power or its right to make conditions of competition, just exactly in the same way as had been done before the passing of the statute, and as has been done since the passing of that statute. But if the club in the exercise of the powers conferred by Section 13 of the statute of 1892 made any by-laws, then those by-laws had to be reduced to writing, had to be signed by the chairman of the club, and then sent to the Colonial Secretary, as he was then called, and at any time within a month of their receipt by the Colonial Secretary the Governor-in-Council could disallow them. Also by another section of the Act, Section 17, the Governor-in-Council could disallow any existing by-law notwithstanding that already at some prior date it had received the sanction and approval of the Governor-in-Council. The reason why in the

case of by-laws they were reserved before they became enforceable was because, by Section 20 of the Act, any person who committed a breach of a by-law could be prosecuted for that breach, in a court of summary jurisdiction, and in the event of the person not paying the fine imposed, he could be imprisoned under our Justices Act, which provides that in all cases of fines which are imposed in courts of summary jurisdiction, in the event of non-payment there is the ultimate resort to imprisonment. So it was essential, inasmuch as the liberty of the subject was involved that by-laws should not be enforcable and enforced until the Governor-in-Council had given his consent by his silence to such enforcement, which was evidenced by the fact that they were not disallowed within a month from the date they were sent to the Colonial Secretary. Where the liberty of the subject was involved it became essential that no by-law could be made or enforced until the Governor-in-Council had had time to consider that by-law, and by his silence allowed it to be enforced. But no such reason exists or ever has existed in regard to rules of racing, or in regard to any conditions governing competitions which, of course, is only another phrase for rules of racing. A breach of a rule of racing involves no liability to the person who has committed the breach of proceedings before the court of summary jurisdiction. None at all. The only way in which a fine imposed by rule of racing can be recovered is either by voluntary payment by the offender, or, if he does not choose to pay, the exclusion of the offender from taking further part in competitions. In other words he is put on the forfeit list. Otherwise the offender gets off scot-free. So there is no possible comparison between rules of racing and by-laws, and the distinction between the two is so plainly marked that I marvel at the fact that the hon. member who introduced the Bill did not observe this absolutely vital difference. In the one case the Club is entitled to make by-laws which possibly could affect the liberty of the subject, only with the approval of the Governor in Council. But in the case of conditions governing competitions, rules, for instance, governing trotting, football, cricket, or any other sport, those in control can make their own conditions of competition, and there is required no sanction from anybody other than themselves in order that those conditions shall rule the sport. Those conditions would have to be accepted by all taking part in any of the sports. I draw the attention of the House to the fact that the granting of statutory power to make by-laws in no way diminished the power of the Club to make conditions of competition which are not by-laws, and which are not enforcable by action at law. That is the position to-day. The Turf Club has power to make conditions of competition which are only rules of racing, entirely at their own discretion, and subject only to the convincing force of public opinion. It remains only to point out that the Turf Club is not incorporated, and therefore there can be no suggestion that its powers to govern are to be found within and restricted by the four corners of the Act of 1892. On the contrary, under Section 42 of that Act, the club is specially exempt from being incorporated, and therefore the club continues to-day as a body in exactly the same position as it stood before the passing of the statute of 1892, except first of all as to the enjoyment and use of the lands which are set out in the statute, secondly as to procedure in the matter of actions at law to be brought against the Club or by the Club, and thirdly, and most important of all, the right to make by-laws under certain conditions. So again I point out that the Club has just as much right to-day to make conditions governing its competitions and which are generally described as rules of racing, as any other sporting body in the community has to make rules governing the particular sport it controls.

Hon. C. G. Latham: Should they extend beyond their own course?

Hon. N. KEENAN: Only by their own agreement, just as in football the rules govern the whole of that sport. I intend to show that in order to get conformity in racing the principal clubs in Australia have joined together and agreed to what are known as the Australian rules of racing. That again comes under another head of my argument. Lastly, the Turf Club, like other organisations is subject only in the matter of its activities to the rules of common law. It can indulge in any activity which it is not debarred from indulging in by the rules of common law, and therefore it can indulge in such activities, as those for the benefit of jockeys and apprentices. Lastly, the position is exactly the same as in Victoria and New South Wales, and I believe the

other States of Australia. I have not had time to inquire further than New South Wales and Victoria. Both New South Wales and Victoria have been so far ahead in the sport of horse-racing that one would naturally expect to find them leading in all matters appertaining to it. Our statute of 1892 is almost identical with the statute of 1873, which was passed for the purpose of governing the institution known as the Australian Jockey Club. The provisions for making by-laws are absolutely identical; the penalties for breach of the by-laws are identical; the provisions that the by-laws are not to be enforceable unless they are submitted to the Governor in Council are identical; and the provisions that declare that the statute does not incorporate the Australian Jockey Club are also identical. In like manner the Australian Jockey Club, ever since 1873, has exercised its right to make its own conditions governing its own competitions, its own rules of racing. Its rules of racing are in force to-day. So, too, with the Victorian Racing Club, the South Australian Jockey Club, the Queensland Turf Club, and the Tasmanian Turf Club. No other procedure would be at all possible or workable. That leads me to the second reason why I object to the provisions of the Bill, namely that these provisions are not workable. Who imagines that all the multitudinous matters, all the enormous details that are dealt with under the rules of racing could or should be submitted to any Government authority in order that it may investigate them and determine upon them? Who imagines that in all other forms of sport it would be fitting for the Government to be called upon to examine the rules of competition, and determine whether they were applicable or not? It would not be workable for a moment. The mere suggestion of that inherent impossibility is sufficient to warrant the rejection of the measure. In addition, the utter impossibility of working under conditions suggested by the Bill is to be found in the fact that all the principal clubs of Australia, including the W.A.T.C., meet together in conference, and in order to promote uniformity in the rules governing the sport of horse racing in Australia, they adopt what are known as the Australian rules of racing. By rule 5 of the Australian rules of racing, these rules are made paramount and overrule any local rules. If there is any clash between the Australian rules of racing and any local rule that has been adopted in any State of Australia, the Australian rule of racing prevails. How would it be possible to secure that uniformity which is so essential for the proper government of the sport if every State had to submit its rules of racing to the Governor in Council in that State, whose views would probably vary in the different States, and so entirely prevent the achievement of that uniformity which is so necessary and desirable? That alone proves the unworkability of the proposals contained in the Bill.

Mr. Rodoreda: Do insurance matters come under the rules of racing?

Hon. N. KEENAN: At present I am dealing with the rules of racing proper, and later will deal with rules 81 to 84, which are the rules to which the hon. member refers, and which deal with insurance I object to the proposals contained in the Bill because they are neither necessary nor desirable. The rules of racing have existed more or less in their present form for 83 years.

Mr. Marshall: All the more reason why they should be amended. I do not know anything old that is much good, except yourself.

Hon. N. KEENAN: During that time no body of any standing in the public, no volume of public opinion of any importance, has criticised these rules, except in the ordinary form in which amendments have from time to time been suggested, and after proper investigation may have been given effect to. It is true Mr. Pilcher challenged the validity of certain rules included in the rules of racing, although they are not properly describable as the rules of racing, namely rules 81 to 84, dealing with insurance. They provide for the payment into a fund of all fines imposed on the occasion of any horse race and provide for the application of the fund so created for the purposes of either a benefit insurance fund, or a distressed or disabled jockeys' fund. This benefit insurance fund is further financed by rule 84, which compels every race club, including the W.A.T.C., to contribute to the fund seven guineas for every day's racing it conducts. It also compels every owner of every race horse taking part in the sport in Western Australia to contribute £2 a year to the fund, or any owner-

trainer of race horses which take part in the sport in Western Australia to contribute £1.

Mr. Rodoreda: Metropolitan clubs only or all clubs?

Hon. N. KEENAN: Every registered club that takes part in horse racing conducted under the rules of racing. If it is not a registered club it would not pay.

Hon. C. G. Latham: And it would apply to all horses.

Hon. N. KEENAN: It applies within the metropolitan area and the goldfields. It does not apply to certain small affairs The rule reads—

> Every registered club intending to hold a meeting within the metropolitan or goldfields areas.

By that means considerable revenue is obtained. The member for North-East Fremantle is wholly in error in imagining that jockeys and apprentices who take part in riding are covered by the Workers' Compensation Act in every case.

Mr. Sleeman: Apprentices ought to be.

Hon. N. KEENAN: Neither the jockey nor the apprentice who rides in a race is covered by the Workers' Compensation Act unless he is employed by a person whose business is racing. It happens only rarely that the person who owns the horse is engaged absolutely in the business of horse racing. In nine cases out of ten the owners are engaged in some other business, and they indulge in horse racing as a kind of luxury or pleasure. Take the winner of the Caulfield Cup. Had an accident happened to the jockey riding the horse, the owner would not have been liable under the Workers' Compensation Act either of Western Australia or Victoria, because I understand that by trade he is a hairdresser or barber. He owns or leases one horse, and indulges in the sport to a moderate extent. He would not have been liable had the jockey met with an injury during the race. The same thing would apply to the owners of Marabou, the winner of the Melbourne Cup. If anyone looks at our programmes and examines the names contained therein he will find that in the majority of cases if the owner engaged a jockey or an apprentice to ride for him, he would not be liable under the Workers' Compensation Act if any injury occurred to the boy. By far the greater number of injuries incurred by jockeys or apprentices are sustained in the course of riding races. It is not in the ordinary working of a horse that a boy runs a risk which so often means considerable injury to him, but it happens in the course of riding races, particularly when the races are over fences. Even in the case of flat racing the boy runs a considerable risk from injury every time he rides, either from another horse in the race or possibly as a result of his own blunder. It must be understood, however, that the owner is not liable unless he is a professional owner whose business is that of horse-racing. This covers only a small class. I can recall many unfortunate accidents which have happened on racecourses here, but I cannot recall an instance where the circumstances of the case would have made the owner or trainer of the horse liable. By the rules framed by the Turf Club, it is immaterial whether a jockey is entitled at law to compensation or not. The committee have power to apply the money which has been collected as I have described, whether the jockey is entitled to compensation at law or not, and they invariably do so. I do not know of any man experienced in racing who cannot recall many instances where jockeys have received compensation from the fund when they have no right to it in law. I know of two jockeys who unfortunately recently received injuries and obtained compensation at the full amount provided, I think £3 a week. One of these is the son of a man who was once a member of this Parliament. He met with a severe accident which put him on the sick list for a whole year. He received compensation from the fund, but otherwise he would not have had a penny except from charity. That is the reason why the fund is formed in this manner. The reason why it was tacked on to the rules of racing is to enable the fund to get in this money. If a registered club does not pay seven guineas it does not get its dates and would be left hung up. It has no choice but to pay the seven guineas. If an owner or trainer does not pay the money prescribed under the rules he cannot start his horse. Before he could start a horse in any race the matter of discharging his liability under the rules has to be ascertained. The fund is brought into the rules of racing so that this money, which is so essential, shall be raised. The amount comes

to about £700 a year. That is why the benefit fund is tacked on to the rules of racing. The hon. member suggests that owners and trainers are opposed to the scheme. That is not so. They met a committee of the Turf Club in conference some time ago, to discuss the exact details and management of the scheme, which provides a different rate for different persons. The owner putting in one horse may object to paying £2 a year, when the trainer who may be putting in six horses pays only £1. And so these matters were discussed between the owners and trainers and the representatives of the Turf Club. There was no question whatever that the various parties did approve of the scheme, although perhaps they would have liked it somewhat different in detail. There was no question about the scheme not being a good one, although some might have thought, possibly, that the imposition of the charges might have been changed. Then, again, exactly the same class of scheme prevails in Victoria and New South Wales, and no one there has challenged the fact that they are both beneficent schemes. It is true that Mr. Pilcher challenged the validity of these rules in certain proceedings that he launched. He alleged that they were ultra vires, and that the club had no power to engage in business that these rules required the club to participate in. It is sufficient to say that the court did not accept this contention, and ruled that these provisions were entirely within the powers of the committees and the club. Lastly I want to repeat that there is no complaint, and has been no complaint, regarding the administration of this fund. Those who have some slight knowledge of racing can with ease recall instances of jockeys and apprentices who would not have received a single penny at law, and yet were compensated from this fund when they sustained injuries. I ask members what would be the effect if the Bill became law, and the rules of racing were compelled to be approved in the same way and were subject to the same conditions as by-laws under the Act of 1892? In the first place, it would be a most unjust and improper interference with the rights of individuals associated together in forming a club, to frame their own conditions of competitions. It would be just as wrong to do that in the case of horse racing as it would be if we interfered with football, cricket, yachting, trotting, or any other form of competition. In addition, it would be totally unworkable as I have indicated. Then, again, it is totally undesirable, because there is no real complaint, nor has there been any such complaint, regarding the administration of these rules. If we insist that Rules 82, 83 and 84, which are the only ones that are not strictly racing rules, shall be subject to approval in the same way as are the by-laws, what would be the effect? Either the Executive Council would approve of them or would disapprove of them. If they approved of them, the position would be exactly as it is to-day. On the other hand, if the Executive Council disapproved of them, the scheme would, in all probability, be dropped. If the latter course had to be adopted, what result do members suggest would be achieved? Would that result be anything to be proud of? It would mean leaving jockey boys and apprentices without the protection they have to-day. That protection is obtained for them by the imposition of a burden that I regard as quite legitimate on those who take part in this sport. And so I hope that this most undesirable Bill will be dropped.

On motion by Mr. Hegney, debate adjourned.

BILL—NATIVE FLORA PROTECTION.

In Committee.

Resumed from the 23rd October. Mr. Sleeman in the Chair; Mr. Sampson in charge of the Bill.

Clause 6—Selling of protected flower, etc., forbidden; Defence:

Hon. C. G. LATHAM: I move an amendment—

That paragraph (a) of Subclause 2 be struck out.

It is to be regarded as a sufficient defence if the person charged can prove that the wildflower in respect of which he was being prosecuted "had been growing on private land and was picked with the written consent of the owner or lessee of that land." It should be unnecessary to pass such a provision requiring the written consent of the owner of the land to be secured before a few wildflowers could be picked on his property.

Mr. SAMPSON: It is important that wildflowers growing on private property shall be protected. Surely the owner has

some rights. This provision is contained in the Acts of New South Wales and Victoria.

Mr. RAPHAEL: In my opinion the whole clause is ridiculous. The member for Swan must realise that the conditions in New South Wales and Victoria in respect of wildflowers and their protection cannot be compared with those obtaining in Western Australia with its miles of undeveloped country.

Hon. P. D. FERGUSON: I hope the amendment will be rejected. In common fairness to any man who may be charged with a breach of the Act, it should be regarded as a sufficient defence that he can produce the written consent of the owner of the property to his picking the flowers. I cannot understand the attitude of the Leader of the Opposition.

Mr. WANSBROUGH: I hope the amendment will be agreed to. I have boronia growing in my garden at Albany. If anyone should ask me for a buttonhole, must I give him my written consent so that he can have it in his possession when he wears the sprig of boronia? It is ridiculous. I might be charged if I were to go out with a piece of boronia in my buttonhole.

Mr. Marshall: But surely you could write out your own permit.

Mr. WANSBROUGH: It would be ridiculous.

Mr. J. H. SMITH: I thought the member for Swan would accept the amendment without raising any difficulty. I thought he was looking for support for his Bill, but now apparently he wants to go the whole hog again. The measure almost received its death knock on the first reading. Such a provision as that embodied in the clause will make us the laughing stock of the country.

Mr. McDONALD: The paragraph should remain in the Bill, but it would be improved if the word "written" were deleted. If the person were required to have merely the consent of the owner of the property, that would maintain the distinction the Bill provides with regard to private land.

Mr. MARSHALL: The Committee should be careful. The Bill itself is premature, but there is danger in the amendment. It might lead to collusion. The owner of a property could give another individual written consent to pluck wildflowers, ostensibly on his property but actually on condition that he picked the flowers on Crown lands. If the Committee agree to the amendment, the clause will have little or no value.

Hon. C. G. LATHAM: The member for West Perth probably does not realise my idea. This clause provides that if any person who offers for sale wildflowers is prosecuted it shall be a sufficient defence to the prosecution to show that the wildflowers had been growing on private land and were picked with the written consent of the owner of the land. I do not want the Committee to legislate as to a person's private property. The principle is quite unsound. I would give all necessary authority in respect to Crown lands, but the Bill should not apply to private property. It should be sufficient to provide that the wildflowers were picked in a place not included in any proclamation.

Mr. SAMPSON: If paragraph (a) be struck out, the clause will become much more serious. I want to see the paragraph remain, because it provides that it shall be a sufficient defence to a prosecution if it be shown that the flowers were picked with the consent of the owner of the land.

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

Ayes	21
Noes	12
Majority for	9

AYES.

Mr. Brockman	Mr. Rodoreda
Mr. Clothier	Mr. F. C. L. Smith
Mr. Coverley	Mr. J. H. Smith
Mr. Cross	Mr. Troy
Mr. Hegney	Mr. Wansbrough
Mr. Marshall	Mr. Willcock
Mr. Millington	Mr. Wilson
Mr. Needham	Mr. Wise
Mr. Nulsen	Mr. Withers
Mr. Patrick	Mr. Lambert
Mr. Raphael	(*Teller.*)

NOES.

Mr. Boyle	Mr. North
Mr. Ferguson	Mr. Sampson
Mr. Keenan	Mr. Thorn
Mr. McDonald	Mr. Watts
Mr. McLarty	Mr. Welsh
Mr. Mann	Mr. Doney
	(*Teller.*)

Amendment thus passed.

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

Ayes	29
Noes	4
Majority for	25

AYES.

Mr. Boyle	Mr. Rodoreda
Mr. Brockman	Mr. Sampson
Mr. Coverley	Mr. F. C. L. Smith
Mr. Cross	Mr. J. H. Smith
Mr. Doney	Mr. Thorn
Mr. Ferguson	Mr. Troy
Mr. Keenan	Mr. Wansbrough
Mr. McDonald	Mr. Watts
Mr. McLarty	Mr. Welsh
Mr. Mann	Mr. Willcock
Mr. Millington	Mr. Wilson
Mr. Needham	Mr. Wise
Mr. North	Mr. Withers
Mr. Nulsen	Mr. Lambert
Mr. Patrick	(*Teller.*)

NOES.

Mr. Hegney	Mr. Raphael
Mr. Marshall	Mr. Clothier
	(*Teller.*)

Clause, as amended, thus passed.

Clause 7—Plant not to be mutilated or destroyed:

Hon. C. G. LATHAM: I move an amendment—

That paragraph (c) be struck out.

We should confine the measure to the property of the Crown and not make it apply to the land of private individuals.

Mr. McDONALD: I support the amendment in view of the fact that we have passed a similar amendment to the preceding clause, but I think the effect of deleting those subclauses will be to permit of issuing proclamations to prevent people from picking wildflowers on their own land.

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

Clauses 8 to 11—agreed to.

Clause 12—Suspected person to give name and address to police officer, inspector, etc.:

Hon. P. D. FERGUSON: I move an amendment—

That the following subclause be added:—"(3.) Any member of the police force, forest officer, or honorary inspector may, on reasonable suspicion that native plants or wildflowers obtained in contravention of this Act are therein or thereon, enter into or upon any land, premises, house, shop, structure, vessel, or wharf and may thoroughly inspect the same and everything therein or thereon for the purpose of detecting any violation of the provisions of this Act, and may for such purpose open packages and do all such things (whether of the same nature as anything hereinbefore mentioned or not) as he may deem necessary or expedient, and may seize and detain any native plants or wildflowers showing evidence of having been obtained in contravention of this Act, and any person refusing to admit or delaying or obstructing any member of the police force, forest officer, or honorary inspector acting under this subsection shall be guilty of an offence."

There is quite a big trade in the export of our wildflowers and unless ample opportunity is given to inspectors, there will be no possibility of effectively policing the measure. Without effective policing, we might as well be without the legislation.

Mr. RAPHAEL: I move—

That the Chairman do now leave the Chair.

The Bill is being carried from the sublime to the ridiculous.

The CHAIRMAN: The motion moved by the hon. member cannot be debated.

Motion put and negatived.

The MINISTER FOR AGRICULTURE: The amendment goes much too far, but it would be unwise to kill the measure. It would be unreasonable to invest an honorary inspector with such drastic powers. Under the amendment an inspector could search the luggage of a passenger.

Hon. P. D. FERGUSON: Would the amendment appeal to the Minister if I deleted the reference to honorary inspector?

The Minister for Agriculture: No.

Mr. HEGNEY: From other clauses we have deleted references to picking wildflowers on private property and therefore the latter portion of Subclause 1 should be deleted.

Mr. Sampson: No, it is not consequential.

Amendment put and negatived.

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

Ayes	13
Noes	20
Majority against ..	7

AYES.

Mr. Boyle	Mr. Sampson
Mr. Ferguson	Mr. Thorn
Mr. Keenan	Mr. Troy
Mr. McDonald	Mr. Watts
Mr. Mann	Mr. Willcock
Mr. Marshall	Mr. Doney
Mr. Nulsen	(*Teller.*)

NOES.

Mr. Brockman	Mr. Patrick
Mr. Clothier	Mr. Rodoreda
Mr. Coverley	Mr. F. C. L. Smith
Mr. Cross	Mr. J. H. Smith
Mr. Fox	Mr. Wansbrough
Mr. Hegney	Mr. Welsh
Mr. Lambert	Mr. Wilson
Mr. Millington	Mr. Wise
Mr. Needham	Mr. Withers
Mr. North	Mr. Raphael
	(*Teller.*)

Clause thus negatived.

Clauses 13 to 15—agreed to.

New Clause:

The MINISTER FOR AGRICULTURE: I move:—

That a new clause be inserted to stand as Clause 3 as follows:—"Nothing in this Act shall affect or be construed to derogate from the operation of the Forests Act, 1918-31."

New clause put and passed.

New clause:

Mr. SAMPSON: I move:—

That a new clause be inserted to stand as Clause 5 as follows:—Any person who, in any locality, area, or part of the State specified in a proclamation under section four, wilfully picks, during the protected period mentioned in the proclamation, any protected wild flower or protected native plant to which the proclamation relates, commits an offence; provided that this subsection shall not apply where such wild flower or native plant is picked on any private land with the consent of the owner, lessee, or licensee thereof.

Hon. C. G. LATHAM: I move an amendment:—

That the words "with the consent of the owner, lessee or licensee thereof" be struck out.

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

Schedule:

Mr. HEGNEY: I am not clear whether the schedule contains the names of the only plants that are to be proclaimed.

Mr. RAPHAEL: I move:—

That progress be reported.

Motion put and negatived.

Schedule put and passed.

Title—agreed to.

Bill reported with amendments.

House adjourned at 9.43 p.m.

Legislative Council,

Thursday, 7th November, 1935.

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

QUESTION—JUDICIAL AND ANALOGOUS POSITIONS.

Hon. W. J. MANN asked the Chief Secretary: Will he supply a return showing—(i) The names of all persons holding judicial positions, commissions, or membership on statutory boards or commissions in Western Australia; (ii) the following information in respect to each of such persons—(a) designation of position held; (b) age; (c) date of appointment; (d) remuneration; (e) other allowances, gratuities, or emoluments; (f) privileges and immunities enjoyed, and (g) travelling expenses actually drawn during the three years preceding 30th June, 1935?

The CHIEF SECRETARY replied: The preparation of such a return would involve infinite research, considerable loss of time and great expense. Therefore, it is regretted that this information cannot be supplied without the strongest justification. Perhaps the hon. member would be as well served by compressing his requirements into a much narrower compass. And may I suggest to the hon. member that if this information, involving important matters, is required, he should move for a return, and give reasons?

QUESTION—HOSPITAL TAX AND BUDGET.

Hon. H. SEDDON asked the Chief Secretary: 1, Under what heading of revenue in the annual financial returns submitted to Parliament with the Budget does the item of hospital tax appear? 2, Will the Government arrange to have this item separately shown on the revenue page of the quarterly financial returns published with the "Government Gazette"?