

By the MINISTER FOR MINES: New regulations under Mineral Lands Act.
Ordered: To lie on the table.

ADJOURNMENT.

The House adjourned at three minutes past 11 o'clock, until the next day.

Legislative Council,

Wednesday, 12th November, 1902.

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

PRAYERS.

QUESTION—AGRICULTURAL SHOWS, MONEY GRANTS.

HON. G. RANDELL asked the Minister for Lands: 1, What amount of money has been granted by the Government in aid of agricultural shows during the past two years. 2, What amount it is proposed to expend for the same purpose during the present year (1st July, 1902, to 30th June, 1903).

THE MINISTER FOR LANDS replied: 1, 1900-1901, £935; 1901-1902, £1,040. 2, An amount of £2,000 has been provided on the Estimates for 1902-1903 for "Agricultural and Horticultural Societies."

QUESTION—EDUCATION, BEVERLEY AND PINGELLY.

HON. R. G. BURGESS asked the Minister for Lands: If the Government has made

any arrangement to provide education for those children residing between Beverley and Pingelly who are prevented by the late train arrangements from attending school.

THE MINISTER FOR LANDS replied: The Education Department had arranged that the teacher at Pingelly should give an extra hour a day to make up for time lost by children coming by train. The new time-table makes them lose the whole morning. They, therefore, only receive instruction for about 3½ hours a day. Applications for schools at Brookton and Mt. Kokeby have been received. There are 19 children of school age at the former place, and an item is placed on the Estimates to build a school. There are 18 children at Mt. Kokeby. There has been some difficulty in getting a school site, and no building is available. At Dale, near Mt. Kokeby, about 10 children need a school, and, if the settlers can provide a room, a teacher could, no doubt, be sent.

MUNICIPAL INSTITUTIONS ACT AMENDMENT BILL.

ALL STAGES.

Received from the Legislative Assembly, and read a first time.

Standing Orders suspended to allow Bill to be taken through remaining stages.

HON. M. L. MOSS (Minister), in moving the second reading, said: By Section 87 of the principal Act a returning officer was to be appointed by the municipal council for the purpose of conducting elections, such officer to be either the mayor or one of the councillors. At that point the section stopped short, without making provision for the appointment of the officer in the event of the council neglecting or failing to make the appointment. There had been difficulties in holding municipal elections where such an error had been made by municipalities, or where for some other reason a returning officer had not been provided. The Bill proposed that when from any cause a returning officer was not appointed, the Governor might nominate a returning officer. Some municipalities wished to take advantage of the Bill in view of the election to be held during this month.

Question put and passed.

Bill read a second time, and passed through remaining stages.

BREAD BILL.

Received from the Legislative Assembly, and, on motion by the MINISTER FOR LANDS, read a first time.

ROADS AND STREETS CLOSURE BILL.

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

MINES DEVELOPMENT BILL.

SECOND READING.

THE MINISTER FOR LANDS (Hon. A. Jameson): In moving the second reading of this Bill, entitled "An Act to subsidise and enable companies or miners to farther develop gold or other mines, and for other purposes," I may say the first object is, of course, to assist in the development of this State's mining industry. But there is another object, namely to give legal sanction to the work so efficiently done by the Minister for Mines in developing the industry. I may point out as a matter of interest to the House that the public batteries, which have already produced upwards of £400,000, are now, under the management of the Minister, yielding a very handsome return to the State; and this should give hon. members some confidence in the Minister by whom the Bill was first introduced to Parliament. I bring in this Bill not as I did a recent measure dealing with the agricultural interest, when I represented that the security for the moneys to be advanced by the State was a very sound and good security. This measure is intended not so much to gain for the State a sound security for moneys lent—though the security is guarded as far as possible, as I will presently show—but principally to stimulate and develop gold-mining, the greatest of all our industries; in fact all our mineral industries, but particularly the gold-mining industry. We do not look upon the security as a first-class one. I may say at once that any business man would not look on security of this kind as first class. If a mine was not a success the security would simply be a hole in the ground with the appliances round about it. But the Bill is not brought forward in view of the

security so much as in the interests of this great industry. This is a Bill, so to speak, to oil the hinges. We may not be able to get back the oil after the hinges have been oiled, but we wish to make the hinges work smoothly so that the industry will progress; for if the gold-mining industry progresses, so will every other industry in the State. This Bill is divided into four parts. In Part II. provision is made for advances for pioneer mining to any person or company to the extent of £1,000. I would like to draw the attention of members to the precautions which are taken in making the advances, and very similar provisions exist in regard to the other portions of the Bill. Clause 7 says:—

Every application shall be referred by the Minister to the Government Geologist, State Mining Engineer, or other professional officer for report.

That is the first precaution which is taken before any money is advanced at all. In paragraph (a) of Subclause 4 of Clause 8 it will be found that:—

For every pound to be advanced the borrower has, out of his own capital, previously, but since the date of the agreement, actually and properly expended in mining operations on the mine a like sum of one pound; and that the borrower has to expend pound for pound.

Under Clause 9 a company may have to execute a mortgage.

HON. R. G. BURGESS: How about reconstruction?

THE MINISTER FOR LANDS: It rests entirely with the Minister for Mines as to whether he will permit reconstruction to take place or not. There is no reason why reconstruction should not take place if it is properly guarded by agreement. The fourth provision will be found in Clause 10, namely the payment to the Minister shall form a first charge on the company's profits.

HON. R. G. BURGESS: Supposing there are no profits?

THE MINISTER FOR LANDS: Then, as I said before, there will be no returns. I have endeavoured to make it clear to the House that we do not put this forward as a first-class security. I do not maintain that the Bill provides a first-class security for the State; it is merely a Bill to assist the development of this great industry. But I would endeavour to impress on members what pre-

cautions have to be taken in the third part of the Bill. We find that advances may be made to miners for prospecting. There again the Government take the precaution of getting a report from the Government Geologist or State Mining Engineer, and no money can be paid to a miner until the Minister has received such report; the expenditure is to be pound for pound. Clause 18 says:—

Before making any advance the Minister shall enter into an agreement with the applicant, setting forth the terms of the advance and the mine on which the advance is to be expended, and shall take from the applicant such security for the payment thereof as to the Minister may seem fit.

Part IV. deals with the establishment of plant for crushing, ore dressing, cyaniding, or smelting. This is a very important branch of the work, and the precautions here again are of the same nature as before. A report is obtained from the State Mining Engineer, and the Minister fixes the rates to be charged. Then Part V. deals with assistance for boring, and it provides that the Minister may advance an amount not exceeding half of the total cost of the boring. Members will see that precautions are to be taken in this case to get a report from the professional advisers of the Government. There is an important provision in Subclause (b) of Clause 25, in which it is stated that the Minister may—

Grant, on such terms as he may think fit and with the approval of the Governor, a claim, gold-mining lease, mineral lease, or other holding, to any association or body of persons or person by whom the boring was undertaken, in priority to any other person.

This power I think is a very good one to give to the Minister in such a case. Members will find that in Part VI., miscellaneous, the Minister may provide moneys for proving any mine and the transport of miners to explore new country by means of camels. Members will also notice under Clause 28, and this is an important clause, that in the month of August each year the Minister shall prepare a report of all moneys advanced, granted, or expended for all or any of the purposes of this Act during the preceding financial year, with detailed statements of his accounts with any companies or persons, and lay the same before both Houses of Parliament as soon as practicable.

HON. T. F. O. BRIMAGE: That will have to be altered.

THE MINISTER FOR LANDS: It cannot be done sooner than practicable. The Government have power to make regulations. There is a balance of £7,000 which was granted by Parliament last year which will be expended under the Bill. Although last year there was no statutory authority, it lay in the power of the Minister to expend money in that direction. There was a sum granted last year for the purpose, of which £7,000 now remains, and on the Estimates of this year there is a sum of £20,000 set down for this purpose. As to batteries, as I said before a handsome profit has been made of over £1,000 for the first quarter of this year. This, I think, promises well for the future expenditure of money in this direction. The expenditure of the money will be in the careful hands of the Minister for Mines, who will see that all transactions are carried on in a purely business-like way. The principal object of the Bill is the development of the industry; we do not guarantee that the security is the best. Occasionally there may be losses, but seeing that the money is to be advanced out of current revenue, and not out of loan, I think the expenditure will be advisable. I hope hon. members will see no difficulty in supporting such a legitimate and desirable object.

HON. J. D. CONNOLLY (North-East): I intend to support the second reading of the Bill. It seems to be a very good measure as far as it goes, but to my mind it does not go nearly far enough. I anticipated when the Bill was introduced we should have a measure that would be of some use in developing the mines and assisting prospectors. The Bill certainly does tend to assist in the development of mines, but I fail to see anything in the measure which will assist the prospector; and, after all, if we do not encourage prospecting and assist the prospector we will not have mines in this country to develop.

THE MINISTER FOR LANDS: What about Part III.?

HON. J. D. CONNOLLY: It is very good as far as it goes, but I think it does not go far enough. If the Minister was given a discretionary power in regard to prospecting, as in regard to boring, that would make the Bill a very good one. I

do think some authority should be given to the Minister to assist prospectors by giving them camels or in other ways, so that men may go out into unknown country. As the Minister has remarked, we may have failures, but one success in finding a good field would pay for hundreds of failures. Take the fields which now exist.

HON. J. W. HACKETT: They were not found by the Government.

HON. J. D. CONNOLLY: Anyone who has been through the Eastern Goldfields must know that there are just as big possibilities existing now in the new country beyond as there was before Kalgoorlie and Menzies were found. Take a place like Menzies. I suppose at the time Menzies went out not a hundred pounds had been spent when he dropped on the Menzies goldfield. There were not many shareholders in the syndicate, but a lot of good has been reaped by the country as a whole, and the farming industry has indirectly benefited; indeed every one in the State has benefited indirectly by the finding of the big gold mines. Therefore if the State send out prospectors and spend a few thousands of pounds, if success is met with the benefit to the State will be great.

HON. J. W. HACKETT: But all the fields were found by private prospectors.

HON. J. D. CONNOLLY: If the course that is suggested had been followed in the past, very likely the mines would have been found years before.

HON. J. W. HACKETT: But lots of Government parties were sent out which you never heard of.

HON. J. D. CONNOLLY: When we consider the vast territory from Kalgoorlie to the South Australian border and from Menzies to Kimberley, all auriferous country, it is pretty certain that there are many Kalgoorlies and Menzies existing in that country.

HON. J. W. HACKETT: But the Government will not find them.

HON. J. D. CONNOLLY: It will not take a great deal of money if the Government find the camels. The men will be satisfied with the reward. The Bill is good as far as it goes, but I regret it does not go farther and that it does not offer more assistance to prospectors, who have done so much for the benefit of the State in the past.

HON. A. G. JENKINS (North-East): I also would like to say that this Bill has my entire support, but, like Mr. Connolly, I think it might have gone a little farther. However we must be thankful that the Government of the day have at last seen fit to make a start in what I think is the right direction. This State has done little so far in the way of bonuses or grants to support the mining industry.

HON. R. G. BURGESS: There has been a reward offered for twenty years.

HON. A. G. JENKINS: There may have been rewards, but the other States have granted enormous sums of money in bonuses and in other ways to assist mining companies and prospectors to try and open up auriferous reefs. Quite recently Victoria wrote off one million pounds advanced for the encouragement of deep sinking, for which advance the State received no return whatever.

HON. J. W. HACKETT: That is the general complaint.

HON. A. G. JENKINS: It is a good complaint. If other States can advance a million, surely we can advance a few thousands. That million pounds provided work for many people, and tended to promote the general prosperity of the country. [HON. R. G. BURGESS: Indeed?] The hon. member seems to think that none but Bills brought in for the benefit of the farming industry should receive the general support of the House. [HON. R. G. BURGESS: Nothing of the kind.] If there is one industry which has benefited the farmers and pastoralists, it is the gold-mining industry; for had it not been for the influx of people drawn by our gold mines, the State would have been to-day in a very different position. Instead of carping at Bills of this sort, members ought to welcome them. I hope the Bill will be passed, and that now a start has been made the Government will see fit if possible to extend the operation of the measure. I think great credit is due to the present Minister for Mines (Hon. H. Gregory) for the manner in which he has developed the industry by means of public batteries, and I feel sure that if he be allowed a free hand he will establish a policy which every other Minister who wishes to tread the right path must follow. This State has been fortunate in its past and present Ministers.

for Mines, and I feel sure that so long as their policy is continued the gold-mining industry will progress.

HON. T. F. O. BRIMAGE (South): I think the Bill ought to be welcomed by this country. I trust the Minister for Mines will be careful in subsidising companies. In many instances the Government have subsidised mining operations which have not been profitable to the State. I shall briefly refer to the smelting works at Fremantle, to which I believe the Government paid a subsidy of £5,000; yet to-day our gold ores are shipped to Dapto and other places in New South Wales and in Queensland for treatment. I trust the Government will, when subsidising such plants, compel the recipients to keep their works in proper going order, so that when ores have to be treated they will be treated in this country, instead of being shipped abroad. I fully realise the value of subsidising batteries and smelting works; but if they are subsidised for the purpose of treating a certain tonnage only, as in the case I am quoting—say a thousand tons—as soon as they have earned the subsidy they cease working, with the result that the mining companies have to send their ores out of the country for treatment. I quite agree with Mr. Connolly regarding prospecting parties. No doubt there are many goldfields in Western Australia which require nothing but prospecting to be successful, and well-equipped parties sent to the interior will find good auriferous belts of country of great value to the State. Some of the clauses of the Bill providing for the subsidising of companies for deep boring are very good. It is generally known that in Victoria large sums of money have in this way been spent in boring for lodes at great depth; and I should support any Bill which would encourage deep boring for even artesian water, which I am sure would have the support of Mr. Burges also.

HON. R. G. BURGESS: That has nothing to do with mining.

HON. T. F. O. BRIMAGE: I think boring of any kind, whether in pastoral or in mining districts, is valuable to the State, for there are surely many parts of Western Australia where artesian water can be found; and in trying to find artesian water we shall probably find gold ores or copper ores, and if we fail,

we may find water. Anyhow the money is not wasted; we are testing the country by such expenditure, and there are plenty of companies which would willingly add pound for pound to a Government subsidy for the purpose of testing some of the outside districts. We have already seen the good results from State batteries which crush the ore brought them by prospectors. Very few small leaseholders can afford to erect machinery for treating their own stone; and now that public batteries are established, men who find a little gold can continue to prospect their leases and profit by their labour, because of the easy means afforded them of treating ore. In more extensive mining it is necessary to develop a large supply of ore before machinery can be erected, but with public batteries small prospectors are able to treat small parcels of stone and to continue development till the mine is fit for flotation. I trust our country friends will help us with this Bill, for the mining industry is undoubtedly the staple asset of this country. I am willing to admit the agricultural industry is lasting, and everything which will advance the industry I shall cordially support; but mining is the greatest asset of this State; it employs every branch of labour; and as this Bill is calculated to improve that industry, I do not think the Minister for Lands will ever have cause to regret the introduction of the measure.

HON. C. E. DEMPSTER (East): I cannot help thinking this Bill very dangerous. Of all the attempts of this sort which have come under my notice, very few have succeeded; and for the Government to advance large sums of money on the security of mines before the values are fully ascertained will be a very doubtful venture. I should like to see prospecting encouraged, for much good must result from a thorough examination of new country by men who are unable to undertake the task without assistance; but even there I fail to see how they are to return the money to the Government. The State will simply make advances to those who are considered reliable men, and by whose discoveries the country may be expected to benefit; but I fail to see the use of lending money to prospectors with a view to getting it back again. It would be highly undesirable for the Government to make such advances, and though I

should like to assist the industry by every method possible, I do not think we should pass the Bill. The mining industry has received fair and generous support in respect of public batteries; but the batteries have not so far paid their way, and we all know how they deteriorate in value every year. [HON. J. D. CONNOLLY: They are making a profit.] From what I saw on the goldfields I think few of them were paying, or getting sufficient work to keep them going all the year round. I fear they are not paying, though their existence may in other respects be desirable. I hope the House will be careful in dealing with this Bill.

SIR E. H. WITTENOOM: I have pleasure in supporting the Bill, because it is quite in accord with the policy I have thought desirable for years past in respect of our goldfields. In 1890—I think before gold was found in large quantities—I wrote to the newspapers urging the Government to spend any reasonable sum in the endeavour to have prospecting parties sent out to the east. And though I have since grown older, I have never seen cause to regret my action. I am not one of those who believe in Government subsidies to mining companies, but I do think every reasonable assistance should be given the prospector. And that policy I supported when a member of the Government, by taking the responsibility of urging Ministers to introduce public batteries. Such batteries are now working in different parts of the goldfields. At first they did not pay; and they were hardly expected to pay, having been erected to enable people to find out whether the stone in the district was worth exploiting. I am glad to hear, after a few years, that many batteries are paying. This shows the assistance given to gold-mining in the interest of the country was a proper policy, and one which has borne good fruit. We have heard mention made of the security not being good enough for the money to be advanced to prospectors. Well, I do not consider we should think of that at all. Even if we never get back a penny of the money, we should consider it a fair investment for the development of the country, a fair expenditure to find out what there is in those parts of our State which have not been well prospected. We are all aware of the advantage of

finding out a new goldfield; yet there is a certain amount of prejudice and a strong objection in the minds of many to assistance being rendered by the Government to prospectors for gold. I should object if the Government themselves undertook prospecting. But where they assist people who are willing to spend their time in the search, I think the Government should be encouraged. And even if not sixpence of the money ever comes back, and out of ten or twelve parties assisted one be fortunate enough to discover a good goldfield, we may count ourselves lucky. Under these circumstances, I think it is a good Bill, and I hope it will be supported. The hon. member stated that the smelting company had not been a success. That was not the fault of the company, who did all they could to make the affair a success, so that the refractory ores should not be sent out of the country; but, unfortunately, Western Australia could not provide the necessary fluxes. The company could not deal with the ores at the price they could be dealt with elsewhere. I was surprised at that, because I thought the mines at Northampton could supply copper and lead for fluxing purposes. Unfortunately there was not sufficient quantity. I congratulate the Government on bringing forward this Bill, and I hope members will see their way to support the Government in the action they have taken.

Question put and passed.

Bill read a second time.

IN COMMITTEE.

Clauses 1 to 6, inclusive—agreed to.

Clause 7—Report on application by Government Geologist:

HON. J. W. HACKETT: Subclause (e) did not say how the information was to be prescribed. He moved that after "prescribed" the words "by regulation" be inserted.

Amendment passed, and the clause as amended agreed to.

Clause 8—agreed to.

Clause 9—Company to execute mortgage:

HON. R. G. BURGESS: There ought to be a similar clause in this Bill to that which was to be found in the Agricultural Bank Act, so that the money could be granted to the borrower without cost. If it was desired to be liberal, and as the

security was very small, it was no good adding to the cost by making the mortgagee pay for the execution of the mortgage. In this country hundreds of thousands of pounds had been spent, and then it was found that the mines were reconstructed. We should be very careful what we were doing.

HON. G. RANDELL: The only justification for the passage of a Bill of this description was the stringent regulations and safeguards in the measure, and this clause was one of the safeguards. It was well known that great risks were incurred under a Bill of this description. There were risks under the Agricultural Bank Bill, and under the system of public batteries; but there were greater risks in connection with this Bill, and members should not endeavour to eliminate a clause which would compel persons applying for money to give all possible securities. There were numbers of people who went about from country to country ready to exploit a Government; therefore it was necessary that the Government should provide every possible precaution to protect themselves against fraud, risk, and loss.

HON. A. G. JENKINS: Rather too much was left to the discretion of the Minister in this clause. One Minister might not pay as much attention to his duties as another. Before an advance was made a mortgage should be executed. It should not be left to the discretion of the Minister to say whether a mortgage should be executed or not. He moved that in line 2 the word "may" be struck out, and "shall" inserted in lieu.

HON. J. D. CONNOLLY: It was to be hoped the Committee would not agree to the amendment, but would trust the Minister to a certain extent. Take the Norseman district, where the mines were practically at a standstill. A shaft might be down 300 feet, and all the assets of the mine mortgaged; therefore, a mortgage could not be given to the Government over the mine. By sinking another 100 feet the mine might improve, which would give the whole district fresh life. The Minister should have the power to make advances in such a case without obtaining a mortgage. The Government Geologist or State Mining Engineer would advise whether the prospects in the mine were favourable.

THE MINISTER FOR LANDS: There might be difficulty if the clause was made mandatory, because a mortgage would have to be given over the whole mine. There were very few mines which were not encumbered.

SIR E. H. WITTENOOM: It was to be hoped the Government would be careful before advancing money to mines which were mortgaged up to the hilt. It would be only benefiting the mortgagor. The Bill was introduced more to assist the prospector in finding new fields; but it might be advisable to assist a mine to sink a shaft somewhat deeper. It was to be hoped money would not be advanced on mines which were heavily mortgaged.

HON. E. McLARTY supported the amendment. He did not pose as an expert in mining, but he looked on the Bill as one over which the country might lose a lot of money. It was the most risky Bill which had been before the House, and a great deal of care would have to be exercised so that the country did not lose money.

HON. W. MALEY: It was his intention to support the amendment, and any other amendment of the kind which would tend to reduce the risk run by the country in passing a measure of this nature. While wishing to support mining companies and prospectors, there were many avenues for the employment of capital besides the development of mines. Advances should be made legitimately and on proper security. When proper securities offered, they should be taken. While assisting pioneer mining, we should not make advances to weak and obsolete companies which ought to be wound up. Sir Edward Wittenoom had evidently not recognised that the Bill contemplated advances not for pioneer mining only, but for mining of a doubtful character. Nor must the opinion of the Government Geologist be relied on. The advances, whether taken from revenue or from loan, were of equal value to the State, and should be carefully disbursed.

HON. J. T. GLOWREY opposed the amendment. The Minister might safely be trusted to see that advances were as far as possible secured. To make good security compulsory might create difficulty, as in demanding a mortgage over all the plant and machinery for an

advance of £500. Members should look at the Bill liberally with a view to assisting the industry.

HON. A. G. JENKINS: The clause would subsequently be amended so that the whole property need not be mortgaged, but a part only. Some security should if possible be taken.

HON. J. D. CONNOLLY: The Minister could take whatever mortgage he chose; and Clause 7 provided that no advance should be made save on the recommendation of the Government Geologist and the State Mining Engineer. To look for the absolute security afforded by city property would be fatal to the object of the Bill, for mining securities fluctuated in value. There was a mine at Bulong with a 600-ft. shaft needing more capital for deeper sinking. A mortgage over the whole property could not be given, for it was already mortgaged. But the Government could reserve adjoining Crown lands and put in a drive and prove the lode, at the expense of a few hundred pounds. The amendment would prevent this. Surely the Government Geologist in advising the Minister would err on the side of safety.

HON. S. J. HAYNES supported the amendment. While desiring to encourage the pioneer, it was not well to grant from the State what should be obtained from private enterprise. Such legislation seemed to pauperise the people interested and to accustom them to spoon-feeding. The Bill ought not to authorise advances to pay off existing loans; and any money advanced to companies should be strongly safeguarded.

HON. G. RANDELL: If it were intended to make advances to mines such as those mentioned by Mr. Connolly, this part of the Bill should be struck out; but surely no Government would lend on such securities, for as only £1,000 could be advanced to one company, the assistance would be slight. All sympathised with the pioneer miner; but it was different to assist properties already heavily mortgaged for the purpose of farther sinking. The amendment would tie the Minister's hands; and rightly so if it were intended to make such advances.

HON. E. M. CLARKE supported the amendment, because the Minister had plainly stated the securities would be bad; therefore the least Parliament could

do was to get the best possible securities. All sympathised with the prospector, but why should advances be made on undoubtedly bad securities which no private person would take up? Clause 4 was a safeguard, providing that the moneys should be voted by Parliament. Were it not for that he would oppose the whole Bill, and was against advances on property already heavily mortgaged. The Bill contained no provision that a borrower who "struck oil," must pay the Government part of the profit. Such a covenant would undoubtedly be exacted by private money-lenders. But the Government would benefit only indirectly, by the discovery of a new goldfield. There was much in that; but the best security available should be taken.

SIR E. H. WITTENOOM: The whole question was whether the Minister was fit to administer the Bill. The clause was purely permissive. The borrower might be required to execute a mortgage. A prospector would have nothing to mortgage. The expenditure was experimental or speculative, therefore there must be some elements of chance, and amongst the chances was the question whether the Minister would wisely use his powers. Naturally the Minister would take a mortgage over a reef, but of what value was a mortgage over camels or prospecting outfits? As the Bill aimed at the discovery of new fields for investment and development, some trust should be reposed in the Minister, but the amendment would only hamper the Minister in assisting prospecting.

HON. W. MALEY: A mortgage had to be executed over the mine, not over camels. If Sir Edward Wittenoom would refer to Clause 14 he would find that the owner of a mine might receive advances for prospecting under certain conditions which were set forth. Part 3 of the Bill dealt with prospecting, and Part 2 with advances on mines.

HON. T. F. O. BRIMAGE: Members were showing want of confidence in the Minister in not passing the clause as it stood. The amendment would tie the Minister's hands.

HON. J. M. DREW: It would be monstrous and unbusiness-like to lend money with absolutely no security. He knew an instance in which the Minister had lent money on a mine and had not

got it back. If any business man was approached to lend money without security he would not do so. He would support the amendment.

HON. C. E. DEMPSTER: It was a novel idea for the Government to lend money without security for the development of mines. If it was likely that a reef of a payable nature would be discovered, money could be obtained from other sources than from the Government. He would support the amendment because it would strengthen the hands of the Minister, who would then be able to say that he could not recommend an advance unless the security was tangible. Mining was a more uncertain speculation than horse-racing.

HON. M. L. MOSS: If this were an ordinary business transaction he would be in accord with the expression of opinion which had fallen from many members, and in every case take a mortgage. But he did not look on the measure from the point of view that many members looked at it from. The Government wished to make provision before the necessity arose—for the demand was bound to come from the goldfields—for an annual grant for prospecting. In New Zealand there was an outcry every year for a large sum of money to be placed on the Estimates for prospecting. If it ever occurred in this country that the mining industry should languish, there would be an outcry for the Government to come forward and aid prospecting in every way. At present everyone benefited largely from the development of the mining industry, and there could be no doubt that if the industry went back business would go back also. In order to meet the demand which must arise later on, the Government proposed to aid mining in the way laid down in the Bill. He did not anticipate that the Government in all cases would get anything like good security. In the other States great aid had been given to prospecting, and no security taken at all. The clause which the Committee were dealing with only allowed an advance to be made up to a thousand pounds. It might not be possible for the owners of the mine to give a mortgage over the property. The discovery of one good gold mine would be of immense advantage to the State. We

ought to look at the matter from a liberal and broad-minded standpoint, and if we spent £20,000 in aiding prospecting, that would be more than compensated for if one good mine was discovered. If without this measure the Government proposed on the Estimates a vote of £20,000 to aid prospecting without providing any safeguards, both Houses would willingly grant the money.

HON. G. RANDELL: The hon. member's argument would apply admirably to Part 3 of the Bill; but this clause dealt with advances to mining companies or owners of mines, and not prospectors. The Bill was so exceptional that members had a right to see that every precaution was taken. The amendment would not tie the hands of the Minister, it would assist in the administration of the Bill. He would support the amendment in common justice to the revenue of the country.

HON. A. G. JENKINS: On reading the debate which took place in another place he found that the Minister stated that it was intended to frame a regulation by which a lien might be taken over a mine. In order that some compromise might be arrived at he moved that progress be reported and leave given to sit again.

Motion (progress) put and negatived.

HON. W. T. LOTON: The object of the clause was not to lend money to farther develop a mine that had already been worked and perhaps mortgaged; but to lend money on a new mine that had not been exploited. If that was the object of the clause there could be no difficulty in mortgaging the mine. Before the Government lent any money, pound for pound had to be spent on the development of the mine. He would vote for the amendment.

HON. J. T. GLOWREY: It was possible even for a new mine to have the machinery or the lease mortgaged. Before the Government would advance any money, a report had to be obtained from responsible officers. If the amendment was carried it would spoil the effect of the Bill.

HON. J. D. CONNOLLY: If the amendment passed, the intention to assist mining would be defeated. What security could a pioneer mine offer? The advance would probably be required for food.

What would the mine be worth if it could not be sold or mortgaged to a bank? A lien over the property would be worthless. Subclause (a.) of Clause 8 provided that the prospectors must expend pound for pound; and thus they would be working for only half wages. If one property in a dozen were successful, the failures would not matter, as the State would then be well repaid.

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

Ayes	...	...	17
Noes	...	...	4

Majority for ... 13

AYES.
Hon. R. G. Burges
Hon. E. M. Clarke
Hon. C. E. Dempster
Hon. J. M. Drew
Hon. J. W. Hackett
Hon. S. J. Haynes
Hon. A. Jameson
Hon. A. G. Jenkins
Hon. W. T. Loton
Hon. W. Maley
Hon. M. L. Moss
Hon. C. A. Piesse
Hon. G. Randell
Hon. J. E. Richardson
Hon. J. A. Thomson
Hon. J. W. Wright
Hon. E. McLarty (Teller).

NOES.
Hon. J. D. Connolly
Hon. J. T. Glowrey
Hon. B. C. O'Brien
Hon. F. T. O. Brimage
(Teller).

Amendment thus passed.

HON. A. G. JENKINS moved that the words "be required to," in line 2, be struck out, and "shall" inserted in lieu.

Amendment passed.

HON. S. J. HAYNES moved that the word "first" be inserted between "a" and "mortgage" in line 3.

HON. J. D. CONNOLLY: The same arguments he had used earlier in the debate could be used against this amendment; but as Ministers voted against their own Bill, it was useless to waste time in discussion.

HON. M. L. MOSS: The position of the Government was clear. Ministers did not vote against the Bill. They voted that the word "may" stand part of the Bill, but were in a hopeless minority, and had then the alternative either of leaving a blank in the Bill, or of voting for the insertion of "shall." They had done their best to pass the clause as printed.

HON. J. D. CONNOLLY: When the question that the word "may" be struck out was carried on the voices, Ministers had not called for a division.

HON. M. L. MOSS: Of what use calling for a division when the Government were opposed by a large majority?

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

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

Majority for ... 6

AYES.
Hon. R. G. Burges
Hon. E. M. Clarke
Hon. C. E. Dempster
Hon. J. M. Drew
Hon. J. W. Hackett
Hon. S. J. Haynes
Hon. W. Maley
Hon. C. A. Piesse
Hon. G. Randell
Hon. J. E. Richardson
Hon. J. A. Thomson
Hon. J. W. Wright
Hon. E. McLarty
(Teller).

NOES.
Hon. T. F. O. Brimage
Hon. J. D. Connolly
Hon. J. T. Glowrey
Hon. A. Jameson
Hon. A. G. Jenkins
Hon. M. L. Moss
Hon. B. C. O'Brien
(Teller).

Amendment thus passed, and the clause as amended agreed to.

On motion by HON. J. W. HACKETT, progress reported and leave given to sit again.

At 6'35, the PRESIDENT left the Chair.
At 7'30, Chair resumed.

STAMP ACT AMENDMENT BILL. SECOND READING.

HON. M. L. MOSS (Minister): I rise to move the second reading of this Bill, and although it is a very short one it is a very important measure, because the Government are satisfied that a considerable portion of the revenue which the Government should be deriving from the Stamp Act of 1882 is not being collected. Personally I feel very strongly on the matter, and I think members who have been in the House during the last two sessions will recollect that on both occasions that I have spoken on the Address-in-reply I have strongly endeavoured to enforce on the Government the necessity of making the amendment of the law which this Bill intends to provide. I am in a large measure personally responsible for having impressed on the Government the advisability of bringing the Bill before Parliament. In perusing the expressions of opinion on this Bill in another place I find great unanimity of opinion there, and my opinion has been indorsed that the country is, and has been for years past, losing a considerable amount of revenue. There is no doubt that all are agreed on the principle that if any law on the statute-book imposes certain burdens on the people, it is

unfair that the duty should be paid by one portion of the community who are desirous of honourably obeying the law, and that another portion of the community should have an opportunity of evading the law and that evasion not easy of detection. The collection of duties under the Stamp Act at the present time is largely evaded, and it is almost an impossibility to detect the fraud. Nowhere else, I believe, where stamp duties are imposed and where different instruments are liable to duty does such a slipshod method of collecting the duty exist. In the old country and in the other Australian States where stamp duties are imposed on written documents, the duty is cast on some official to see that the documents bear the necessary amount of duty, and the cancellation of the deed is not left to the parties executing the document. It is left to some public functionary not only to see that the duty is affixed to the document, but that the stamps are properly cancelled and defaced so that they cannot be used again for any purpose. This Bill does two things. It abolishes the right of parties or witnesses to documents to cancel stamps. With the present method that system exists because no supervision is exercised, and the Government have no means of seeing that the duty is properly collected. The system in England is that a person buys the paper with an embossed stamp on it of the value for which the instrument has to pay duty. In some of the Australian States the document is submitted to an officer, but the system I know most about is that in vogue in New Zealand. There a person takes the document to the deputy commissioner of stamps and fills in a requisition to have the document stamped, the commissioner puts the stamp on the document, and cancels it by putting a rubber stamp, bearing the date, over the duty stamp. The duty stamp is so effectively cancelled or obliterated that it cannot be used again afterwards. The system of embossed stamps is of course the best one, and I believe it is the intention of the Government to adopt that system here later on; but it is impossible to adopt that system now because the stamps have to be obtained from England. The Bill before the House will enable the Government to collect a considerable amount of duty — it is stated in some

quarters as much as £40,000 or £50,000 in excess of what was obtained from the stamp duty last year. Those who have perused the Financial Statement of the Treasurer will have noticed that last year £40,000 was received from stamp duty, and the Treasurer anticipates that during the next financial year £55,000 will be collected as the result of the amendment of the law which I am now submitting for consideration. The failure to stamp a document at the present time makes that document inadmissible in evidence. As the parties or the witnesses to the document are entitled to cancel the stamp, it is seen how easily the law can be evaded. A party to a document pays the duty stamp on the document and places his initials on the stamp. It is perfectly well known to a large number of people, in fact the statement was made in another place, that one has only to go into a number of offices in the towns of this State to find safes full or nearly full of documents entirely unstamped.

HON. G. RANDELL: Exaggerated.

HON. M. L. MOSS: It is not an exaggeration. This I will state, that in the case of documents that have to be submitted for registration at the Supreme Court or Titles Office the correct duty is paid, because the officials will not take the documents in unless they are properly stamped; but it requires no registration for deeds of partnership or deeds of covenant and such kinds of documents, all these being liable to stamp duty. In a large number of cases the duty stamp is not affixed. The duty stamp is frequently affixed just before the document is submitted for evidence in a court, and my experience, extending over 11 years in this State, shows that in cases where documents are submitted in evidence in court unstamped the Judges have the right to affix the amount of fine, and invariably the amount of fine is 2s. or 2s. 6d., or some such nominal amount. The result is that persons will run the risk of not paying the duty on account of the trivial fine imposed. It is grossly unfair to the country that whilst a certain amount of revenue should be derived on all transactions mentioned in the schedules to the Stamp Act, one section of the public honourably pay the duty and another section of the

community can easily evade and do evade the law. I make that statement knowing what I am saying is an absolute fact. It is not intended by the Bill to take away the right of cancellation with regard to certain documents. Even in England and in several of the other States, particularly New Zealand, which country I know most about, the law does not take away from the parties the right to cancel the stamp on a receipt or on promissory notes or policies of insurance. This Bill does not deal with the right in regard to issuing policies of insurance, but I intend when the Bill is in Committee to move an amendment in that direction so as to deal with that class of cases. In reference to promissory notes, I do not think it will be found that there is a provision which enables a banker when a Bill is placed in a bank for discount or for collection, if unstamped, to place the proper duty stamp on and collect it. This is what has been going on in this State, largely in connection with land bills and bills in mercantile transactions, which have been received under a promise or term of a contract that there should be given a right of renewal. People never put the stamps on at all, because they know that when they put the bills into the bank the banker may cancel the stamps. A man may hold ten thousand pounds worth of land bills which are not stamped; and the purchaser of the land will probably lift the bills without their going into the bank, because we know that in the large majority of instances banks will not discount paper taken in payment for land. The result is scores of such bills never bear the proper stamp duty, and the State loses its revenue. Section 14 of the original Act provides that the banker may, on presentation of the bill either for discount or collection, put on the necessary amount of stamp duty and cancel the stamps. Now we are altogether taking away that right, and the stamp will be put on and cancelled by the maker of the promissory-note or the acceptor of the bill of exchange. The section provides that every banker into whose hands any bill of exchange or promissory-note comes, other than such as are payable on demand—and these are liable to only a penny stamp duty—may, before he pays or negotiates the bill or note, affix thereto

proper adhesive stamps and cancel every stamp affixed thereto, and may, upon so doing, pay the sum in the bill or note mentioned, and charge the duty in account against the person from whom he receives such bill or note, or deduct it from the amount paid. We propose to repeal that section, which I think a blot on our Stamp Act. I am perfectly satisfied an enormous revenue has, since 1882 when the Stamp Act was passed, been lost to the State; and it is fair that the statute should be administered. If we think evasions of the law are going on, as we know they have been for years past, we must devise a better scheme for collecting the duty. It is unfair to those who pay the duty that there should be others who are able so easily to escape, and it is unfair to the country, because this is a very fair way of raising revenue. Clause 9 of the Bill will enable the Government after certain notices have appeared in the *Gazette*, to provide that all duties, fees, fines and penalties shall be paid by stamps instead of in money. I think this is about the only Australian State which permits the payment of court fees in money. In the old country and throughout the rest of Australasia all these fees are paid in stamps, and I am sure as a matter of general administration of public departments members will see that the fewer persons who have the right to handle the cash, the better in the interests of the community. Let there be one place, the Treasury for instance, which receives the whole of the fees and sells stamps as vouchers for the money; and when the Government auditor visits the other departments, the documents submitted to him must bear the requisite stamp duty, the stamps being properly and effectually cancelled so that they may not be used again on other documents. In New Zealand the stamp is cancelled by being obliterated with a die, half of which is impressed on the stamp and half on the paper, and by that means the possibility of public servants committing embezzlement is considerably minimised. We know that in various departments of the public service embezzlements have been more or less rife. Had this system been in force there would have been an additional check on certain clerks in wardens' and

local courts; and I believe that if the Bill pass the Government will not hesitate to have the requisite notice gazetted, so that the fees may be collected by means of stamps, and not as at present in cash. Some eight or nine years ago, when I was a much younger politician than I am to-day, I endeavoured to impress on Sir John Forrest and Mr. Burt the necessity for making this change; but, although they agreed that it was worthy of consideration, the reform seems to have been postponed. I believe the alteration would make for the good administration of many public departments. We propose instead of allowing cancellation to be effected in the method adopted since 1882, to introduce the new method set forth in Subclause 2 of Clause 3. The Colonial Treasurer, the Under-Treasurer, and the Registrar of Titles are the only persons authorised to cancel stamps; except that if the amount of stamp duty does not exceed £20, the cancellation may be effected by any person appointed by the Governor to cancel stamps. The Governor will appoint public officers in various parts of the State to cancel stamps, and their duty will be also to determine the correct value of the stamps to be placed on the instrument. That is important. Any document which bears a stamp duty of more than £20 must be sent to Perth to have the duty stamps affixed. I suppose there is not one document in 10,000 on which the duty exceeds £20, and in the case of all other documents there will be a sufficient number of persons appointed in every portion of the State, and they will all be Government officers, who will see that the requisite stamp duty is placed on each dutiable instrument, and who will cancel the stamps in the manner prescribed by the Governor. At present those who comply with the law by affixing duty stamps when the instrument is executed, and who cancel the stamp, are unfairly handicapped as contrasted with those who evade the Act. It will be necessary also to alter the law so that other persons than witnesses or parties to the documents may cancel the stamps.

HON. T. F. O. BRIMAGE: Does one of the parties cancel?

HON. M. L. MOSS: No; except in the circumstances I have mentioned, namely in case of receipts, promissory notes,

bills of exchange, notarial acts, and policies of insurance. As to other documents, if they are executed within Western Australia there is allowed a period of 28 days after execution, and that is a pretty liberal provision. If a document be executed to-day a person has 28 days within which to go to the officer appointed in his district to get the stamps cancelled. If executed outside Western Australia a period of 28 days is allowed after the document arrives in the State. With regard to receipts, promissory notes, notarial acts, and policies of insurance, it would be impossible to apply these new provisions: in fact, in dealing with this aspect of the question in New Zealand it was found necessary to provide special exemptions from the general method of cancellation of instruments there laid down; and agreements, bills of lading, bonds, debentures, charter parties, certificates under the Transfer of Land Act, leases, and policies of sea insurance—there is no duty in New Zealand on fire policies—receipts, settlements, and transfers of shares are all excluded. However, for our purposes, in view of the schedule to the Act of 1882 we exclude receipts, promissory notes, notarial acts and policies of insurance; therefore I think the general public will not by this alteration of the law suffer even the slightest inconvenience. If the Bill be passed, the maker of the note or the acceptor of the bill must cancel the stamp at the time he signs the bill or the note. It is not permitted to take such a document to the public officer, nor is a bank manager permitted to cancel it; because I and all others who know anything about the matter are satisfied that the country has been losing enormous revenue through this cause. In another place the comments and criticisms on this Bill were characterised by a wonderful unanimity. All members agreed; and I think I am not drawing the long bow when I say that the method adopted in our existing Stamp Act of collecting the duty is the laughing-stock of every person who knows how these duties are collected elsewhere. If an officer were asked to draw a statute which would leave a number of loopholes enabling people to evade the duty which the law imposes on those who become parties to certain instruments, I do not think such officer could succeed

better than by following the lines of the Stamp Act of 1882. That I have long recognised; and I believe this amended Bill will be beneficial to the State at large, and certainly will not allow the man who evades payment of the duty to be in a better position than he who complies with the law.

HON. S. J. HAYNES (South-East): I have pleasure in supporting the Bill. There is certainly room for improvement in the present statute, although I am perfectly satisfied that the statement made by Mr. Moss as to the amount of revenue of which the State is robbed has been exaggerated; whilst saying that I am perfectly satisfied that in numerous instances the stamp duties have been deliberately and to a large extent evaded. Instead of the proposed system, I should like to see an embossed stamp used; but the Minister has pointed out that such a system cannot be initiated at the present time. However, it is to be ultimately adopted. The Minister has explained the Bill in a very clear manner. I do not know if the exemptions are disclosed in the Bill before the House. I do not know if marine policies are exempted.

HON. M. L. MOSS: I intend to move an amendment in Committee.

HON. S. J. HAYNES: I wish simply to draw the attention of the Minister in charge of the Bill to marine policies, and I hope the clause he proposes to bring in will meet transactions of that kind. It is absolutely necessary to have marine policies in readiness often, so as to be sent away by mail or by certain boats, and if documents are not ready, it will be almost impossible at times to get the officers, as provided by the Bill, to cancel the duty stamp. If some provision is not made to provide for marine policies, the effect will be that policies or agreements will be drawn as if entered into in another country outside the State, and there will be a considerable loss of revenue on documents of that class. Insurers would accept such a document from respectable firms in this State, on the condition that if claims arise here they would be paid. If provision is not made for stamping such documents here, there will be loss of revenue to the State. I think the Bill will supply a want that has been felt, and I hope

that those who have evaded the stamp duty in the past will now be compelled to obey the law. If such is the case, the revenue will be considerably increased. I do not know whether inconvenience will be caused to the public by stamps not being provided above the value of £20; but I think that officers in certain centres should be provided with stamps so as to enable them to stamp documents under £20. With respect to the fees in the courts in respect of documents, inconvenience may arise in isolated places, but some provision may be made to meet these cases by getting officials in outlying districts to keep a certain amount of stamps. At present, those who desire to carry out the law in some places cannot do so. Documents are sent into the country to be executed by persons, and I do not know whether these persons would be able to carry out the law, for stamps would not be available at such places. There is no doubt that under the present Bill those who can carry out the provisions will do so.

Question put and passed.

Bill read a second time.

IN COMMITTEE.

Clauses 1, 2—agreed to.

Clause 3—Cancellation of adhesive stamps:

HON. M. L. MOSS moved that after "Act" in line 13, the words "or in this Act" be inserted.

Amendment passed.

HON. J. M. DREW: Were receipts excluded as well as bills of exchange?

HON. M. L. MOSS: Receipts were specifically dealt with in the principal Act.

HON. A. G. JENKINS moved that at the end of Subclause (a.) the words "by any person appointed by the Governor to cancel stamps" be added. There was no reason why it should be necessary, where the amount of stamp duty exceeded £20, that documents should be sent to Perth to be executed. The Government should appoint officers in the main centres of the State, as well as in Perth to execute documents. The commercial community should not be put to the trouble of sending documents hundreds of miles to have the stamps cancelled.

HON. M. L. MOSS: To achieve the object which Mr. Jenkins had in view, an amendment would have to be moved to strike out paragraph (b) of Subclause 2; but he hoped the Committee would not agree to the amendment. He was not exaggerating when he said that there was not one document in 10,000 which carried duty over £20. A transaction in land to the amount of £1,000 would pay £5 duty. In the case of mortgages the duty was one-eighth per cent., which meant 2s. 6d. per £100. He did not believe, taking all the instruments which were liable to duty, that there was one in 10,000 which carried duty over £20. But assuming there were more, if members looked at Clause 4, they would see that the object of the Government was to throw on the Treasurer, the Under Treasurer, the Registrar of Titles, or some responsible person, the duty of determining whether the correct duty was paid in respect to a document. In dealing with an amount of duty exceeding £20, it was fair that the documents should go before a person who understood what had to be paid, so that no mistake would be made. That could best be done by letting the document go to the Treasurer.

HON. T. F. O. BRIMAGE: On a transfer of a mining property the stamp duty frequently exceeded £20, and there would be delay in executing the deed.

HON. M. L. MOSS: No. The document when signed was valid and binding, and the stamps could be affixed within 28 days. In the absence of stamps the document, though binding, would be inadmissible in evidence.

HON. A. G. JENKINS: Surely among resident magistrates men could be found sufficiently intelligent to decide on stamp duties. Why should the power of cancellation be limited?

HON. C. E. DEMPSTER: Transactions should be quickly closed, without waiting to send documents to a distance. Would duty stamps be procurable in every township? In some there was difficulty in getting even a shilling stamp.

HON. T. F. O. BRIMAGE: Cancellation should be effected without sending documents to Perth.

HON. W. MALEY supported the amendment. He was opposed to the centralisation policy; and hoped the large number of country members present

would prevent the realisation of the desire of the Government.

Amendment passed.

HON. A. G. JENKINS moved that paragraph (b) be struck out.

Amendment passed, and the paragraph struck out.

HON. T. F. O. BRIMAGE: How would promissory notes be signed?

HON. M. L. MOSS: As in the past.

HON. R. G. BURGESS: The maker or the acceptor ought to cancel. Frequently drawers sent out unstamped bills for acceptance, thus putting country residents to great inconvenience in getting stamps.

HON. M. L. MOSS: In the principal Act the maker or the acceptor and the banker had a right to cancel. The only alteration proposed was to deprive the banker of that right. Forms of bills and promissory notes with embossed stamps would be provided.

HON. T. F. O. BRIMAGE: Any payee of a bill should have the right to make the instrument legal by affixing and cancelling stamps.

HON. S. J. HAYNES: That right was reserved, though the Bill would make it the duty of the maker or the acceptor to cancel, providing a penalty for non-cancellation by either; but any holder could cancel the instrument.

HON. M. L. MOSS: True; the only alteration was the taking away from the banker of the right to cancel. At present the maker, the payee, the acceptor, the drawer, or any holder might cancel. By the Bill, if the maker or the acceptor omitted to cancel, he was liable to prosecution; but any holder might cancel, thus making the document valid. The object of compelling the maker or the acceptor to cancel was to prevent the bill being held until renewed, and never stamped.

HON. G. RANDELL: Apparently Mr. Burgess wished the drawer to stamp the bill.

HON. R. G. BURGESS: The person sending out the document for signature should stamp it so that the recipient might not have trouble in procuring a stamp. To do this some country residents must travel many miles.

HON. J. D. CONNOLLY: It would be much better if the cancellation of the stamp was effected by the maker of the note only.

HON. M. L. MOSS: The difficulty would be overcome when promissory notes with embossed stamps on them were procurable at stationers' shops.

HON. J. E. RICHARDSON: If a man bought £500 worth of sheep on a station and desired to give a promissory note for three months would the purchaser be obliged to put the stamp on at once? He might not have the stamp with him.

HON. A. G. JENKINS: The Bill ought to provide for the case of promissory notes. It was preferable for the maker of a note always to cancel the stamp, and in Victoria it was the law that unless the stamp had the initials of the maker on it, the bill was void.

HON. T. F. O. BRIMAGE: Could not the acceptor of the Bill make it valid?

HON. A. G. JENKINS: No.

HON. T. F. O. BRIMAGE: If a bill not valid came into the possession of a person, should not that person have the right to make it valid?

HON. S. J. HAYNES: A squatter in the far North might desire to send a promissory note to a person hundreds of miles away. The squatter could not get stamps where he was. There should be some provision that certain authorised persons should keep stamps.

HON. J. A. THOMSON: If at any time a person desired to make a promissory note, he ought to be in a position to do so, and should keep the stamps for the purpose just the same as he kept his cheques already stamped.

On motion by HON. C. SOMMERS, progress reported and leave given to sit again.

LAND ACT AMENDMENT BILL.

SECOND READING.

THE MINISTER FOR LANDS (Hon. A. Jameson): In moving the second reading of this Bill I would like to point out that originally when this measure was brought forward in another place the object was to amend certain titles in regard to residential leases at Boulder, so as to give a title in fee simple to certain holders. In another place this provision was struck out, therefore the actual object of the Bill to a large measure has disappeared, and the amendments now contained in the measure are merely amendments consequential on the passing of the Act of 1892, and a few amend-

ments in regard to timber interests. Most of the amendments are to safeguard the timber interests, nine or ten clauses being for that purpose. The other clauses contain slight amendments, for the most part consequential on the amending Act of last year. I wish to draw the attention of members to the various clauses. Clause 2 makes it clear that the Minister may refuse to grant an application whether it is a prior application or not. At present there is some little doubt in the minds of persons whether the Minister can refuse applications, or whether he must abide by the priority provision in the principal Act. By this clause the Minister may refuse to grant an application whether prior or not. In Committee I shall be prepared to explain the matter more fully. Clause 3 contains merely verbal alterations rendered necessary by the amending Act of last session, which provided for more than two grazing leases being held by one person. Under Clause 4 we make a provision that sandalwood licenses must be subject to the provisions of the Sandalwood Act of 1891 and all amendments. This is to preserve the sandalwood areas. At the present time the young trees are being cut out, and we must make it clear that under the Sandalwood Act certain portions of the State are closed against cutting altogether. We wish to safeguard the young sandalwood. Clause 5 provides a fee to be charged for the sale of palm wool. This has been suggested on several occasions, but it was not thought desirable. Now the gathering of palm wool has become an important industry, and a small fee is to be charged to the gatherer, which is provided under Clause 15; the fee is five shillings. Clauses 6, 7, and 8 contain merely verbal amendments preventing the cutting of timber under the standard size. At the present time timber is being cut under the standard size, and in order to prevent that being done these verbal alterations are being made. Clause 9 is inserted with a view of securing rent. At the present time supposing a timber lessee does not pay his rent for three months after the time it becomes due, we simply fine him a certain amount. It is true it is a heavy fine, but we simply fine him. It has been found in several places where

timber leases are becoming cut out the lessee has gone on cutting for the three months and then has left the lease, and neither pays the fine or the rent. Therefore we think a month beyond the time for which the rent is being paid is quite enough to give. Clause 10 provides that the certificate of the Minister in regard to improvements is sufficient. In cases where land has been resumed for agricultural purposes, it is necessary that the Minister should give his certificate as to the improvements. It is thought that it is necessary for the Minister to be present in court to give evidence, and this has created a great deal of inconvenience because the Minister for Lands administering a State like this does not want to be called away to certain portions of the State to give evidence, and this clause provides that his presence is unnecessary, and that his certificate shall be sufficient evidence. Under Clause 13 we provide for a royalty being charged as well as a license. Timber can then be cut on paying a royalty. Under Clause 14 we have the granting of leases on reserves. It is thought it may be possible for the Government to do that now; but to make it more certain we provide this special clause. All these are more or less formal, verbal, and consequential amendments on the Amending Act of last year, and are rather for consideration in Committee than for a second-reading discussion; so I have merely brought them before the House that members may have time to consider the various points, and to be prepared for their discussion in Committee. I move the second reading.

HON. C. A. PIESSE (South-East) : I know the feeling in this House that the Land Act should not be interfered with; and expressions of opinion to that effect were recently pretty general. But at all events, the Government of the day have brought in numerous amendments, and I think this a good opportunity for a farther amendment. The Minister knows full well that for a considerable time the country has been calling for an amendment of Section 68 of the Act, so as to reduce to 500 acres the minimum area of second-class or third-class land allowed to be selected, when such land does not adjoin the selector's holding. When it does adjoin the holding, the applicant can take 300 acres; so we perceive the advan-

tage gained by the man who has such land adjoining his holding over the man who has none; for the latter is by the Act forced to take 1,000 acres if he take any. People have frequently asked that the minimum shall be 500 acres when the land does not adjoin the holding, and that 500 acre minimum will give satisfaction, nor do I see why the Minister should not consent to the reduction. This is the only point on which I shall touch, though numerous other amendments of the Act are required; but it is thought that as a general election is supposed to be imminent, it will be fairer to leave such important matters till then. Just now many small settlers are suffering through their inability to take up second-class or third-class land, or through their being forced to take up an area larger than they desire; and there is no reason why this should not be reduced. Promises were given that the area would be reduced to even 300 acres, and this reduction has been made where the land adjoins a man's holding. I will submit an amendment that where the land does not adjoin the holding, the minimum be 500 acres. Clause 5 of the Bill comes to me as a great surprise, providing as it does for a zamia palm wool license. Now if there be one thing we wish to wipe out of existence it is this palm wool; yet the license will have the effect of discouraging the people who kill the palm, which grows throughout the South-Western portion of the country, and along the Eastern Railway towards the goldfields. It is a very pretty plant, but highly dangerous to cattle; and here are the Government actually bringing in a clause to tax the poor fellows who make very ordinary wages at this poor occupation. There is to be a fee of 5s., although the men should be encouraged to kill the plant. I think Mr. McLarty can give some information as to the dangers of this palm; and for the life of me I cannot see any reason for the license.

HON. W. MALEY (South-East) : I shall have something to say in connection with any amendment of the Land Act. I am not satisfied with the present land laws, with the regulations, nor with the administration. Mr. Piesse has drawn attention to the method by which the Minister considers it expedient, and I may use the word decent, to deal with the poor

people who are eking out a miserable existence by gathering palm wool. It is proposed to inflict a tax or penalty of 5s. per annum. I do not care how small the tax may be. If a man, a woman, or a child has to gather this palm, that is a proof that the gatherer must be in pretty sore need of some means of livelihood; and if there be a license fee of 5s. there is more reason than meets the eye for the distress in our streets, and for men accosting one by day or by night to ask for the price of a bed. I do not walk far through Perth to get to this House, but in the half mile of the city I traverse, I am frequently accosted by men out of work and in distress. And it does not matter how much distress we have, or what be the conditions or the life of the people, it appears to me the Government are determined to get all they can in the shape of revenue from the pockets of the people, whether the people can or cannot afford the contribution.

HON. R. G. BURGESS: That is the whole policy of the present Government.

HON. W. MALEY: And then they will say, as they told us about the stamp duty, that it is only revenue; that the money can be squandered in mining, on securities which, as the Minister for Lands says, are bad securities.

HON. M. L. MOSS: What has this to do with the Bill?

HON. W. MALEY: Money can be raised by this particular clause, and can be expended in such ways as have been referred to by the Minister for Lands.

THE MINISTER FOR LANDS: Is the hon. member in order in dealing with another Bill on the second reading of this Bill?

THE PRESIDENT: The hon. member must confine his remarks to the Bill now under consideration.

HON. W. MALEY: I think I was confining myself to the Bill, and in so doing wished to show what was done with the revenue derived. Under Clause 14 it is proposed to deal with pastoral and grazing leases. In so doing every care should be exercised. In our pastoral lands we have a big asset, which so far is scarcely touched; and if we had good administration, we should with the present legislation probably bring about more settlement than we have to-day. But we find that the Government, instead

of encouraging settlement, are by their administration preventing it on those lands. By Clause 14, pastoral lands and grazing leases may be granted temporarily on certain reserves. It appears by the clause the Government are anxious to dispose for pastoral purposes of some of the reserves of the State, from year to year or for any shorter term. That may in some instances be desirable, but I am not satisfied with the way in which grazing leases are given over reserves in some parts of the State. I know of one instance where the Government are receiving the magnificent sum of £5 a year for a station with tanks and every other convenience, which station contains the only water supply of a vast region in the Eucla district. Now I should like to see grazing leases, especially those on which are found buildings and other improvements, put up at auction, and not let privately without competition to the first applicant who can satisfy the Minister for the time being. When we come to Clause 14 I shall oppose it on those grounds. Much could be said in regard to the Bill, and the reasons for amending the principal Act. I do not think the Bill is called for; and if any amendment is to be made in the principal Act, a select committee should deal with the whole question.

HON. A. G. JENKINS (North-East): The Minister for Lands informed the House that the main reason for introducing this Bill in another place was to endeavour to validate certain titles, and to give rights to certain people who the present Government thought had justly acquired those rights. For some reason Clause 12 of the Bill, as introduced in another place, read:—

Notwithstanding anything contained in Section 14 of the Land Act Amendment Act 1900, the lands of which the residential leases described in the schedule to this Act have been granted may, subject to the provisions of the principal Act, be granted in fee simple to the lessees thereof.

After some discussion, in which the Premier took the leading part, that clause was struck out. I intend to put on the Notice Paper for consideration in Committee of this House a somewhat similar clause, and will ask for its insertion in the Bill; and I shall now shortly detail the reasons why I intend to do so, as they

have been supplied to me by a gentleman fully conversant of the facts of the case. Upon representations made to the Boulder Town Council in 1898, certain land known as the Town Extension Land was divided into 33ft. allotments by the Government. The lots were advertised open under the regulations dated April 8th, 1898. All applications were required to be in by a certain date in December, 1898. In answer to representations which were made by the Boulder council, the Minister ordered a telegram to be sent, signed by the Under Secretary, stating that these blocks would be available under certain conditions. Subsequently in the Act of 1900 a retrospective provision was inserted that took away the rights these people would have acquired under the regulations of 1898. Clause 12, as this Bill was introduced in another place, gave these people back any rights they might have acquired, but for some reason or other the clause was rejected. I will, with the leave of the House, read the correspondence which has taken place between the mayor of Boulder and the Under Secretary for Lands, showing that the people who took up the blocks undoubtedly had certain rights, and it does not seem fair that these rights should be taken away from them in this arbitrary manner. On the 9th December, 1898, the mayor of Boulder wired to the Under Secretary for Lands as follows:—

Re your suggestion re town extension residence areas appears satisfactory; kindly expedite the same.

On the 7th December another wire was sent as follows:—

When will Boulder town extension be available for residence area; council meets to-night.

In reply to that telegram the Under Secretary for Lands sent the following telegram to the mayor of Boulder:—

In reply to your wire to-day, I have held the matter over in hope of being able to advise some scheme by which your wishes could be met, but find it impossible arrange for sale of lots without going to auction. Lots cannot be dealt with as residence areas under Goldfields Act, because they are not goldfields. Therefore I can see nothing but to deal with them as residential lots under regulations gazetted 8th April last, copy of which was sent in my letter 7th October, with some modifications following. Holder to put his lot up to auction, with value of improvements added, at any time during currency of his

holding. If this will suit, the matter can be fixed up immediately.

That was the telegram sent to the mayor of Boulder, and on that the people who have taken up blocks contend they have acquired certain rights, and I think members looking at that telegram will undoubtedly agree that such a telegram coming from the Under Secretary for Lands would be sufficient for any business man or any ordinary individual to make him think he had some rights.

HON. G. RANDELL: Did they accept?

HON. A. G. JENKINS: Yes. All the land was taken up under that system and under the regulations, but in 1900 a retrospective clause was introduced into the Land Act, taking away all the rights which the telegram gave to these people. It is not desired to give a free title of the land to these people, but to follow the usual course of putting the land up to auction at an upset price fixed by the Government, and that is what the people who have taken up the land desire. They do not ask for a free title, but that the upset price should be fixed, the improvements allowed for, and the usual course followed. Certain correspondence has taken place and the following minutes are also on the file, therefore there is no harm in reading them, as the papers have been laid on the table. A minute by the Under Secretary for Lands, addressed to the Commissioner of Crown Lands in 1898, says:—

At the request of the Boulder people some small blocks have been laid out as shown in "blue" on the litho. on page 1A hereunder. The mayor has written and also interviewed me on more than one occasion respecting the terms under which these blocks should be available for selection; these terms are mentioned in Mr. Hopkins' letter on page 4, and again with some modifications on page 21. There are difficulties in the way of meeting their wishes, especially in the matter of allowing the purchase at a fixed price; the lots cannot be thrown open under the goldfields regulations, as they are within the townsite, and not under the jurisdiction of the warden, and under the Land Regulations we have no power to sell town lots except by auction. What occurs to me as being the best plan for dealing with these blocks is to hold them over until after the 1st January, then call them suburban lots, and deal with them under Section 88 of the Land Act as working men's blocks.

On the 24th November, 1898, the Minis-

ter for Lands (Mr. Throssell) indorsed the minute as follows :—

I do not like the idea of commencing the operation of working men's blocks on the gold-fields. I should think the principle of the free areas (residential leases) should be liberal enough up there on our simplifying the system of transfer and lowering the annual fee, and confining its privileges to those who do not already hold land. If you deem it desirable, they should be submitted to auction at any time the resident requires, at a fixed upset price to be arranged before settlement.

That is only what Clause 12 in the original Bill did. They wanted the upset price to be fixed, and to be given a fee simple.

HON. M. L. MOSS : That is not how I understand the minute.

HON. A. G. JENKINS : What I understand is that the lots should be sold at a fixed upset price, and the purchaser, whoever he may be, should get his title. The Under Secretary farther says, in a minute dated 21st October last :—

With reference to Clause 12 of the Land Act Amendment Bill, I understand that some members in speaking on the second reading of the Bill referred to a telegram respecting the right to purchase certain residential lots at Boulder as having been sent by me in error. If so, I should like to call your attention to the fact that no error was made so far as I am aware ; the matter was duly considered and the promise to allow the lots to be put up to auction was made with the approval of the Minister of the day. Although subsequent to this the Government took a strong stand against the selling of residential leases, and introduced a clause into the amending Bill of 1900 (Section 14, Land Act Amendment Act, 1900), prohibiting the sale of land so held, there was at this time, December, 1898, no such strong feeling against the sale of residential lots, and I do not quite see why it is sought to show that a mistake was made, and to throw the blame on me.

That is practically the correspondence on the matter, and when the Bill is in Committee I propose to ask members to insert a clause giving to these people the title which I personally think they have every right to and in justice should be given.

HON. T. F. O. BRIMAGE (South) : I fully indorse all that has been said by Mr. Jenkins regarding the free residence areas on the goldfields, and I trust the House will pass the clause which that member intends to propose in Committee. In the early stages of Kalgoorlie and Boulder it was impossible to obtain land for residence areas, and in consequence a

lot of miners, residents of the district, squatted all over the leases. Subsequently Mr. Throssell, then Commissioner of Crown Lands, had a number of free residence areas thrown open, and the occupants of the areas never had a proper title to their ground, but they resided on the land and some of them built houses costing as much as £500 and some over £500. These persons are now desirous of getting a title to their ground with a view of calling it their own. The rules and regulations in regard to free areas are that a person who wants to go away has to get exemption for a certain time and after that period, I think six months is the maximum, he has to re-apply for exemption so as to keep his title good. What is sought by the applicants is that the ground should be put up to auction and their improvements allowed for. I hope the Minister will be able to accept the amendment which is to be moved by Mr. Jenkins, so as to give power to do what is desired in these deserving cases.

HON. E. McLARTY (South-West) : I desire to make a suggestion with reference to Clause 5 of the Bill, as I may not have an opportunity of being present when the measure is in Committee. I want to draw the attention of the Minister to a matter of great importance—the gathering of palm wool. I have been a considerable sufferer from disease in cattle known as rickets, and there is nothing so likely to cause stock to contract that disease as these wool gatherers going about on the runs. This matter was discussed at the Producers' Conference on two or three occasions, and although I do not think it important that the Government should charge these palm wool gatherers 5s. for their licenses, it is very important that there should be a proviso inserted to either burn or bury the palm after extracting the wool. Scores and scores of cattle have been lost to the country through palm gatherers going about. I can assure the Minister that we farmers in the country have had terrible experience in regard to this, and it is most important that the palm should be buried. I have had the palm grubbed in my paddocks, and I would not allow it to dry on top of the ground. I have known many instances in which persons not acquainted with the results following from allowing the palm wool to lie about

paddocks have seen their cattle eat the palm and their beasts go down with rickets. If I am here I shall move an amendment, but if I am not I ask that an amendment be inserted providing that the palm gatherers destroy the palm after they have taken the wool away. I have abundant proof that the palm has been the cause of cattle dying, and one can scarcely calculate the loss to settlers in the country districts. As to the licenses, I would encourage people to destroy the palm, and I advocate that it be regarded as an improvement on the land. I know nothing that one can do on the run where the palm wool is growing of so much advantage as destroying it. I know that some farmers send men round about the paddock piercing the palms, which in time kills them. I think we should insert an amendment that the inspectors of conditional purchases should regard the destruction of the palm as an improvement.

HON. R. G. BURGESS: To stop rickets?

HON. E. McLARTY: Yes.

HON. R. G. BURGESS: It has never been proved yet that it causes rickets. I can disprove it.

HON. E. McLARTY: I do not want the hon. member to talk to me about rickets. Unfortunately, through rickets I have lost more money than would build a church. I know one gentleman who ran a division fence through his paddock to fence off a part which contained a few palms. Unfortunately there were a few left outside the fence, and he had them grubbed up and thrown amongst the palms which were fenced off. In the course of a few weeks some small cattle got through the wires at the palms which had been thrown out and ate of them, and the whole of those cattle at once became affected with rickets. I have had years of experience with rickets, so it is no use Mr. Burgess telling me they are not caused by the palm, for he knows nothing of the subject if he says so. I hope something will be done to eradicate these palms.

HON. R. G. BURGESS (East): As I am challenged in reference to this palm, I shall give a little information about rickets. In my part of the country also there has been trouble with rickets in stock; yet there we have no palm. I have many paddocks, and in them I do

not believe the hon. member could have found a palm within the last 30 years. That rickets are caused by eating the palm has never been proved. How can the hon. member explain the fact that sheep get rickets where there is no palm? The connection has not been satisfactorily proved. Late in one season I lost 14 sheep within a few days, and I have since lost odd sheep every year.

HON. J. W. HACKETT: Rickets may result from several causes.

HON. R. G. BURGESS: That is so. There is no proof that the sole cause is the palm. Certain small weeds growing in our fallow land, and even in cultivated land, will poison stock outright. Whether these have been analysed I do not know; but I know for a fact that I have had rickets in my sheep during the last three years, and for their presence I cannot account. Until in Committee I do not think it much use going into the Bill. We are everlastingly amending the Land Act, and I think the Committee stage should be postponed for a day or two so that members may come together and compare the principal Act with the Bill, in order to see what alterations are made. I do not think anyone has yet looked into the measure, and it is useless to speak to such a Bill without looking up the principal Act; because, though the amendments may appear of minor importance, they may be rather serious.

HON. C. E. DEMPSTER (East): Naturally any Bill or any enactment for the purpose of amending the land regulations always causes much discussion, and such amendments often clash with rights given under previous regulations. That is the case with the amendments made last year, which clash with former regulations and affect some people rather seriously. I am not quite sure how we shall be affected by the present amendments, but I take it for granted that the Minister for Lands is sincere when he says they will not affect any interests touched last year, and that we shall have full opportunity in Committee of examining this Bill in order to make this certain. Mr. Piesse referred to a certain amendment for which he voted last year, and which I think highly desirable. I shall certainly support him if he bring it forward. I do not see any necessity for a holder taking up a thousand

acres when he does not require more than 300, 400, or 500; and in many instances there is not more than a few hundred acres available round his holding.

HON. C. A. PIESSE: That is provided for.

HON. C. E. DEMPSTER: And if he require only 500 away from his holding, why should he be obliged to take up a thousand? I consider the area may well be reduced.

Question put and passed.

Bill read a second time.

THE MINISTER FOR LANDS: Any proposed amendments which may be placed on the Notice Paper will receive careful consideration from the Government.

THE PRESIDENT: Hon. members who have amendments will kindly hand them to the clerk, so that they may appear on the Notice Paper.

DROVING BILL.

IN COMMITTEE.

Resumed from the previous sitting; the MINISTER FOR LANDS in charge.

First Schedule:

HON. R. G. BURGESS: The form of waybill was identical with that in the original Act. There was a column headed "Brands and marks of stock." If a man bought several lots of sheep in different places, must he specify the brands or marks on each animal or be prosecuted under Clause 18?

Question passed.

Second and Third Schedules—agreed to.

Preamble, Title—agreed to.

Bill reported with an amendment.

RECOMMITTAL.

On motion by HON. R. G. BURGESS, Bill recommitted for amendment of Clause 3.

Clause 3—Interpretation:

HON. R. G. BURGESS moved that the definition of "travelling stock" be struck out, and the following inserted: "Any stock taken or driven, or about to be taken or driven, to any place more than 40 miles from the run on which such stock were depastured previous to starting." The present definition would mean that a man moving even one animal for a mile would have to brand it with the

letter T, and the amendment embodied the definition in the original Act.

HON. J. W. HACKETT: The hon. member would have to add the words "but does not include stock in actual work."

HON. R. G. BURGESS: That was provided for.

Amendment passed, and the clause as amended agreed to.

Clause 4—Proprietor of travelling stock to provide himself with waybill:

HON. C. E. RICHARDSON moved that in line 2 of Subclause (b) the words "registered" be struck out.

Amendment passed, and the clause as amended agreed to.

On motion by HON. R. G. BURGESS progress reported and leave given to sit again on receipt of message from the Assembly.

ADJOURNMENT.

The House adjourned at 9:35 o'clock until the next day.

Legislative Assembly, Wednesday, 12th November, 1902.

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THE DEPUTY SPEAKER took the Chair at 2:30 o'clock, p.m.

PRAYERS.