

# Legislative Assembly,

Tuesday, 30th January, 1923.

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The SPEAKER took the Chair at 2.30 p.m., and read prayers.

## QUESTION—GENERAL POST OFFICE.

Mr. MANN asked the Premier: 1, Has his attention been drawn to the erection by the Federal authorities of a row of rookeries alongside the new General Post Office without plans having been submitted to the municipal authorities? 2, As these buildings are an eyesore to the people and a deliberate insult to the citizens of the metropolis, will he enter an emphatic protest against their erection? 3, Will he also request the Federal Government to have these buildings demolished and that all plans for Commonwealth buildings shall in future be submitted to the civic authorities?

The PREMIER replied: The Government have no knowledge of the arrangements made regarding these buildings, but representations in accordance with the hon. member's questions are being made to the Prime Minister.

## QUESTION—MIGRATION, INDIAN ARMY OFFICERS.

Mr. MANN asked the Premier: 1, Has he noticed that a considerable number of retired military officers from India are settling in Victoria? 2, Did he when Minister for Lands in a former Government send Mr. A. E. Southwell Keeley to India to inquire into the prospects of inducing such officers to migrate to Western Australia? 3, Did not Mr. Keeley's report indicate the great possibilities in this direction? 4, Will he consider the advisability of giving effect to suggestions contained in Mr. Keeley's report?

The PREMIER replied: 1, No. 2, Yes, in 1911. 3, The report dealt only with freights and assisted passages from India. 4, Yes.

## QUESTION—TRAMWAY EMPLOYEES.

Mr. MARSHALL asked the Minister for Railways: 1, Is it a fact that the tramway employees have been subjected to a reduction in wages to the extent of sixpence per day as from the 1st January, 1923? 2, On what grounds was this reduction (if any) made? 3, Did the salaried officers of the department, including the management suffer a proportional reduction? 4, If not, for what reason or reasons?

The MINISTER FOR RAILWAYS replied: 1 and 2, Yes, a reduction of sixpence per day was made by mutual agreement between the Commissioner of Railways and the Tramway Men's Union. 3, The industrial agreement of the Tramway Officers' Union does not admit of the question of a variation of rates of pay being raised until after April next. The salary of the General Manager of the Tramways is fixed by an agreement. 4, Replied to by No. 3.

## QUESTION—KESELL ROYAL COMMISSION.

Capt. CARTER asked the Premier: Is it the intention of the Government to have the report of the proceedings of the Royal Commission on the retirement of A. C. Kessell printed and laid on the Table of the House?

The PREMIER replied: The report has already been laid upon the Table of the House. It is not intended to have it printed.

## BILL—ROADS CLOSURE.

Read a third time and transmitted to the Council.

## BILL—ELECTORAL DISTRICTS.

As to recommitment.

The PREMIER: I move—

That the report of the Committee be adopted.

Hon. W. C. ANGWIN: I move an amendment—

That the Bill be recommitted for the purpose of further considering the schedule. The Premier: Why did you not tell me before?

Hon. W. C. ANGWIN: Members will agree that the schedule does not provide a fair distribution of the areas covered by the electoral districts of the State. I want to deal particularly with the first paragraph, the metropolitan area. This area should be limited. If the Bill is recommitted I intend to move that the area be defined so as to give a fairer distribution than at present exists. Districts are excluded from that area which should be included in it, because of their proximity to the seat of government.

The PREMIER: I cannot see why the hon. member should desire to recommit the Bill.

Hon. W. C. Angwin: I have told you why.

The PREMIER: We discussed the schedule at length on Friday.

Mr. Corboy: Only in connection with one particular district.

The PREMIER: We gave careful consideration to it and it was passed in its present form. It is certainly unusual to ask for the recommittal of a Bill without giving notice to the Minister in charge of it.

Hon. W. C. Angwin: Many unusual things have been done concerning this Bill.

The PREMIER: I do not agree to the recommittal of the Bill on the arguments so far put forward. It can be contended that the metropolitan area can extend to almost any distance. We have considered and determined what shall be the metropolitan area, the goldfields area, the agricultural area, and the mining area, and the hon. member now wants certain districts included in the metropolitan area and taken out of another. Members will agree with me that we have already given serious consideration to this question, and that it has been discussed at sufficient length.

Mr. CORBOY: It is easy to make a mistake in defining areas, as has been done in this schedule where certain electorates are named. In the Licensing Bill we had the spectacle of a certain motion being carried defining the licensing areas in which prohibition should apply on Sunday. It was then discovered that a mistake had been made, and that certain hotels close to Perth would be able to open on Sundays while others, some 40 miles away, would have to close. The method of determining the metropolitan area by outlining certain licensing or electoral district boundaries, is wrong and likely to lead to a false position being created. To drop the idea of defining certain electorates, and to declare that beyond a certain radius from the seat of government is outside the metropolitan area, would represent a much better method.

Mr. LAMBERT: I support the amendment to recommit. We should guide the commissioners in their work so far as it relates to means of communication, community of interest, and physical features. There is a conflict as to the boundaries of the metropolitan and the agricultural areas, and in this respect also we should afford the commission some guidance. The fact of a seat being at present represented by an agricultural member should not necessarily lead to its inclusion in the agricultural area under the Bill. Let us try to evolve a reasonably permanent system of electoral representation. Boundaries are defined under several less important enactments than this.

Mr. McCALLUM: The House has not yet given any close consideration to the schedule, which did not come before us until we had been sitting for 27 hours. The division taken referred to one seat only, and hinged on one vote. Therefore the schedule should be open to further consideration. Under the schedule

as it stands, an orchardist at Gosnells may have twice the voting strength of an orchardist at Spearwood, whereas the former is closer to the seat of government than the latter is.

The Premier: The commissioners will fix the boundaries, and then the House will deal with the whole question.

Mr. McCALLUM: There is not much chance of Parliament materially altering the decision of the commissioners, after having given them the lines to go upon. We can direct that all voters within a certain radius of the seat of government shall be on the same basis. The position of Swan relatively to South Fremantle under this Bill, is so striking as in itself to warrant amendment of the schedule. I would be better pleased if no directions at all were given to the commission, rather than the present directions. The commissioners will only be able to take into consideration the outer boundaries of the metropolitan area, though they might, for instance, add portion of the Swan electorate to the metropolitan area. The principle is laid down for the guidance of the commissioners that the electorates are to be as stated in the Bill. I would suggest a 20-mile radius from the Perth General Post Office as defining the metropolitan area—anything outside of that radius to be agricultural. That principle would remove such an anomaly as I have referred to between Gosnells and Spearwood. The existing boundaries constitute at present the governing principle.

Mr. SPEAKER: The amendment to recommit the Bill supersedes the original motion. The amendment is now the question.

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

Ayes	..	..	14
Noes	..	..	21
Majority against			7

#### AYES.

Mr. Angwin	Mr. Marshall
Mr. Corboy	Mr. McCallum
Mr. Chesson	Mr. Munsie
Mr. Cunningham	Mr. Troy
Mr. Heron	Mr. Willcock
Mr. Hughes	Mr. O'Loghlin
Mr. Lambert	(Teller.)
Mr. Lutey	

#### NOES.

Mr. Angelo	Mr. Pickering
Mr. Brown	Mr. Piesse
Mr. Carter	Mr. Sampson
Mr. Davies	Mr. Scaddan
Mr. Durack	Mr. J. H. Smith
Mr. George	Mr. Stubbs
Mr. Hickmott	Mr. Teesdale
Mr. Johnston	Mr. A. Thomson
Mr. C. C. Maley	Mr. Underwood
Mr. Mann	Mr. Mullany
Sir James Mitchell	(Teller.)

Amendment thus negatived.

Report of Committee adopted.

# **BILL—LAND TAX AND INCOME TAX ACT, 1922, AMENDMENT.**

Council's requested amendment.

An amendment requested by the Council was now considered.

In Committee.

Mr. Stubbs in the Chair; the Premier in charge of the Bill.

Council's requested amendment: Insert a new clause, to stand as Clause 2, as follows:—Section 2 of the principal Act is amended by striking out the word "and" in line seven, and by inserting after the figures "1921" in line eight the words "and the Land and Income Tax Assessment Amendment Act, 1922."

On motion by the Premier, Council's requested amendment was made.

Resolution reported, and a message accordingly transmitted to the Council.

# **BILL—JARNADUP-DENMARK RAILWAY.**

Council's amendments.

Schedule of five amendments made by the Council now considered.

In Committee.

Mr. Stubbs in the Chair; the Minister for Works in charge of the Bill.

No. 1. Clause 2.—Strike out all the words after "maintain," in line one, and insert the following:—"the sections described in paragraphs (a) and (b) of the Schedule to this Act of a proposed railway from Jarnadup to Denmark, with all necessary, proper, and usual works and conveniences in connection therewith along the lines described in the said Schedule."

The MINISTER FOR WORKS: Amendment No. 1 proposed by the Council—

Hon. W. C. Angwin: Not proposed by the Council; proposed by the Government.

The Premier: It is not.

Hon. W. C. Angwin: It is.

The MINISTER FOR WORKS: The Bill authorised the construction of the full length of line, but the Council propose to have the line built in sections.

Hon. W. C. Angwin: And leave the middle part unauthorised!

The MINISTER FOR WORKS: They want the work started at both ends, leaving in the middle a section unprovided for, at all events for the time being. Starting the line at both ends, as proposed by the Council, and building the two terminal sections, will enable us the more economically to carry out the remainder. I move—

That the amendment be agreed to.

Hon. W. C. ANGWIN: I hope the Committee will not agree to the amendment. The Government are playing ducks and drakes with the Assembly.

The Premier: No.

Hon. W. C. ANGWIN: They forced the Bill through here without amendment, and when it reached another place they got the Minister there to move a most important amendment.

The Premier: No.

Hon. W. C. ANGWIN: I say you did. This amendment was moved by the Minister for Education.

The Premier: That amendment was only to correct the effect of another amendment which had been carried.

Hon. W. C. ANGWIN: It was moved by the Minister for Education.

The Premier: The distances were wrong. It was to correct them.

Hon. W. C. ANGWIN: It is an amendment by the Minister for Education.

The Premier: It is not.

Hon. W. C. ANGWIN: It is almost identical, word for word, with that moved by the Minister for Education. Yet the Government would not agree to our doing that.

The Premier: I would not agree to it now if I could help it.

Hon. W. C. ANGWIN: When the Bill was here the member for Katanning was anxious to move this amendment, and I myself was prepared to move it. This House has a greater responsibility than has the Council; yet whenever an amendment is moved in the Council the Premier gives way, although he will not allow us to amend the Bill. Hon. members here agreed that the line should be constructed from Jarnadup to Denmark. This amendment prescribes that only a portion of the line shall be constructed. The Premier previously asserted it was necessary to have authority for the construction of the whole line, so as to enable him to settle all the country between Jarnadup and Denmark; admitting that it could not all be constructed at once, he pointed to the necessity for having authority for the whole line so as to give confidence to the settlers. Now the Government give way to the Council and say it is not necessary to have authority for the whole length, so long as authority be given for the construction of a certain section of the line. It is true that we on this side moved an amendment, but the Premier convinced us that it was necessary that the line should be built right through. The Government have shifted entirely from their original position. I had hoped that the Government would not agree to the amendment, and that they would convince another place of the necessity for the Bill going through as it was sent to them. Of course we all knew that the line could not be built all at once.

The Premier: And we said it would not be built all at once.

Hon. W. C. ANGWIN: I am not objecting to the Council's amendment so much as I am to the Government's change of front.

The PREMIER: I am astounded at the hon. member because it was he who begged me, when the Bill was before us, to accept some such proposal. He had such influence

over members in another place, that they adopted the suggestion he made to this House.

Hon. W. C. Angwin: I never spoke to a member about it.

Mr. Johnston: They read your speech.

The PREMIER: Why has the hon. member changed his ground? This was what he wanted, and now he says he does not want it. I ask the Committee to vote for the Council's amendment.

Mr. MUNSIE: I hope the Premier will not allow another place to dictate in matters of this kind. It seems to me that they are always amending the proposals of the Government. We should not accept their dictation in such matters. On this occasion, however, I am pleased that the Council has done a good turn to the State. But it has been done for one reason only. I object to this or any other Parliament pledging Parliaments for five or 10 years ahead. The amendment of the Council commits the State to all that the State can possibly do in the next five years.

Mr. PICKERING: We are deceiving the public and everyone concerned when we set out to limit the length of the construction of this line. We are merely throwing dust in the eyes of the people. The line must go through ultimately. Why give way? Why compromise on the matter? I have heard that a proposal such as that embodied in the Bill is likely to meet with support from that quarter where money is obtained, and if we restrict the construction of the line as suggested, that may make it difficult for us to obtain money with which to develop that part of the State. We should not be prepared to give way to the Council on every conceivable occasion.

The Premier: We do not; you do.

Mr. PICKERING: Any way I am not going to give way on this occasion.

Mr. A. THOMSON: I also am somewhat disappointed, but I hold that half a loaf is better than no bread. The Premier estimates that on every 10 miles of the route he will be able to settle about 800 people, and he has said that this expenditure would not be part of the six millions arranged for the immigration scheme, which would take the form of wheat development and group settlement. Yesterday's newspaper reports the British Prime Minister as stating—

The CHAIRMAN: I am afraid I cannot allow that. It has nothing whatever to do with the amendment.

Mr. A. THOMSON: I shall support the amendment of another place. Let us not take the responsibility of having the Bill thrown out.

The MINISTER FOR MINES: As member for a district to some extent concerned, I desire to correct the statement of the member for North-East Fremantle that the Government are responsible for this amendment. It was moved by a member of another Chamber who is not friendly to the Government, and the representative of the Govern-

ment strongly opposed it. It was carried by one vote, against the desire of the Government.

Question put and passed; the Council's amendment agreed to.

No. 2—Clause 9, add a new clause as follows:—"The construction of the whole or any section of the railway shall be carried out by contract after public tenders have been called:"

The MINISTER FOR WORKS: I intend to move modifications which will make the new clause read, "The construction of the whole or any section of the railway shall not be carried out unless and until public tenders have been called." Under the new clause as it comes from another place, the line could be built only by contract, and there might be a combination to put in big prices, of which matter the Public Works Department have already had experience. I move an amendment on the Council's amendment—

That after "shall," line 2, "not" be inserted.

Question put and passed; the amendment agreed to.

The MINISTER FOR WORKS: I now move a further amendment—

That the words "by contract after" be struck out, and "unless and until" inserted in lieu.

Mr. MUNSIE: These modifications, I understand, will give the Government power to carry out the construction of the railway by the Public Works Department if that course is found desirable.

The Minister for Works: Yes; that is the object.

Question put and passed; the amendment agreed to.

Mr. A. THOMSON: I desire the addition to this new clause of a proviso making the officer of the Public Works Department whose tender is accepted responsible for that tender. It is quite easy for an officer desirous of carrying out a work departmentally to call tenders, and submit a lower estimate, and then to carry out the work very differently from the plans and specifications submitted to private tenderers. Herdsman's Lake drainage is a case in point.

Mr. Munsie: Under contract that work would have been abandoned.

Mr. A. THOMSON: The cost of constructing the Transcontinental Railway exceeded by millions the original estimate. If the officers of the Public Works Department can do work more cheaply than it can be done by a private contractor, let them do it; but I want a check upon them. I want to be satisfied that the State is getting a fair deal. If responsible officers submit estimates for work to be done, Ministers, whether they are practical men or not, must of necessity accept those figures. Officers should be made to realise that they must stand or fall by their

estimates. If a man is giving good value to the State, and shows that he has saved hundreds of thousands of pounds, he should be compensated. In this way, we would give officers encouragement to do a fair thing. What encouragement has the State given to its engineers, to its architectural staff, or to the men in charge of the spending of money? They do not get a "thank you." In the case of some engineers—

The Minister for Works: We have sacked them and they have gone to the Eastern States where they have secured engagements at double the salary they were receiving here.

Mr. A. THOMSON: I will frame a proviso to meet the position I have indicated.

Mr. PICKERING: It is possible that the Public Works Department may put in estimates which are unduly low.

Hon. W. C. Angwin: How many estimates have you put in which have been overrun?

Mr. Johnston: His estimates have been remarkably satisfactory and accurate, to my knowledge.

Mr. PICKERING: I do not know that it is possible to make officers carry the responsibility when they exceed their estimates, but if at the time tenders were called, these officers had to put in the tenders on conditions such as have to be observed by contractors, the tenders could be submitted to the Railway Advisory Board to decide which tender should be accepted. That board is more or less familiar with the condition of our railways, and their construction. The Railway Advisory Board would represent an impartial body to decide on the acceptance or otherwise of tenders.

Mr. Munsie: Under your scheme, there would be no possible hope of the Public Works Department doing the work.

Mr. PICKERING: The member for Hannans is wholly and solely in favour of day work.

Mr. Munsie: I am not.

Mr. PICKERING: If the Railway Advisory Board were permitted to do this work, there would be a check on the Public Works Department.

The Minister for Mines: Have we not our tender board for this work?

Mr. PICKERING: The Minister for Mines has unlimited faith in his officers, just the same as has the Minister for Works. I am in favour of this work being carried out by contract, but I want some safeguard provided, so that the contractors will get a fair deal. The Minister has suggested collusion as between contractors. It is, therefore, right that that section of the community should have their position safeguarded.

The Minister for Works: There has always been fair treatment extended to contractors by the Public Works Department, and I have had 30 years' experience of the system.

Mr. PICKERING: I would not expect the Minister for Works to say anything else. The Government do not stand for the day-work principle, but for the contract system, and, therefore, should see that work wherever pos-

sible is carried out by contract. The member for Hannans suggested that the drainage of Herdsman's Lake would never have been carried out by contract. If that be so, I contend it would have been better for the State, because of the enormous cost with which we are confronted now in connection with that work. I have been told it is possible that, instead of having one lake there, we will have a string of lakes between the present Herdsman's Lake and the ocean.

The Minister for Works: Not at all.

Mr. PICKERING: After all the work that has been done, I have been informed that there is only a small difference in the level of the water. As to making officers responsible for keeping within their estimates, we might give them some incentive by way of a bonus to keep within their contracts.

The Minister for Mines: Do you not think that you and the member for Katanning are insulting our engineers by suggesting that they will not do good work unless they are paid a bonus?

Mr. PICKERING: No.

The CHAIRMAN: What point are you leading up to? I would be bound to rule out of order an amendment such as that you have referred to. The Bill is to authorise the construction of a railway line, and an amendment proposing compensation of officers is one I cannot accept. Such an amendment from a private member is against the Standing Orders.

Mr. PICKERING: I am afraid your ruling, Mr. Chairman, is correct. I will not dispute it. I believe the Minister for Works encourages his officers to keep within the four corners of their estimates, and if they are exceeded it is not the Minister's fault. I hope, however, in view of all the circumstances, that the interests of all will be safeguarded in the manner I have indicated.

The MINISTER FOR WORKS: During the last six and a half years, every work that could be let by tender has been dealt with in that way, even to £50 jobs. The only works that have not been let by contract have been small waterworks, some railways, and the drainage of Herdsman's Lake. Hon. members may rest assured that the Government have the situation well in hand and there will be no question but that all jobs will be looked into, and all concerned will be dealt with fairly. The reason why we cannot construct railways by contract as suggested, is that it would be absurd to let a length of railway, for the material might not be there. If we are to adopt the attitude with our officers that we are to hold them personally and pecuniarily responsible if they do not carry out the work within the estimates, what will be the position? We shall not get any officer to do the work. If I were embarking upon contracting work again I would not think of submitting a tender unless I had three months to go over the route with my responsible officers, so that we could look into various matters.

Capt. Carter: Then you admit that the Public Works Department's system is unsound. The MINISTER FOR WORKS: I do not. Nothing of the kind!

Capt. Carter: You infer it.

Hon. W. C. Angwin: We have smarter men in that department than there are in Parliament.

The MINISTER FOR WORKS: The officials are supposed to give an estimate which will not leave out a single thing. I have no doubt that our railway construction officers compare favourably with men engaged on similar work in any part of the world.

Mr. A. Thomson: I am not casting any reflection on them.

The MINISTER FOR WORKS: The Government cannot accept the hon. member's suggestion. The effect of my amendment would be that when tenders were received, they would be given careful consideration by the officers of the Government, and if in their opinion the tenders were fair, they would advise the Government accordingly. If they considered the tenders should not be accepted, it would be unwise of the Government to accept them. As to the idea that they might put in a low estimate which would not be approached by a tenderer because they desired to do the work by day labour, I am sorry that such a statement should be made. The officers are professional men with reputations and characters to maintain, and there has been nothing in their conduct to justify such an aspersion.

Mr. A. Thomson: I have not suggested such a thing.

The MINISTER FOR WORKS: This State was particularly fortunate 25 years ago, when trouble occurred in Victoria, in getting the absolute pick of the surveyors and engineers of Australasia. Some of them are still in the service—men of splendid reputation and men of whom the State might well be proud.

Mr. JOHNSTON: I am pleased to hear the Minister speak so highly of our professional officers. I agree with his remarks, and I suggest the desirableness of building some of the railways suggested on the routes they have recommended. All he has said in favour of the officers should spur him on particularly in connection with the Dwarda-Narrogin line.

Mr. A. THOMSON: I am not casting any reflection on the integrity or ability of our engineers but I wish to protect the interests of the State.

Hon. W. C. ANGWIN: Is not that a reflection? They are paid to do that.

Mr. A. THOMSON: If the hon. member chooses to regard it as a reflection he may do so, but that is not my intention. The State, however, may suffer through incompetence. I have every confidence in the administrative capacity of our engineers; yet someone was responsible for hauling three trucks of gravel from Pingelly, 100 miles or more, to a siding on the Nyabing line, although gravel

could have been obtained within a few hundred yards. The Minister said that unless time were given to officers to go over the route, the same as contractors did, we could not expect them to submit a fair estimate. If our officers are asked to submit an estimate, they should go over the route, and know it as thoroughly as a contractor.

The Minister for Works: They work on the information supplied by the engineers. A railway surveyor is not always a railway constructor, and one sees a thing differently from another.

Mr. A. THOMSON: On the information supplied by the engineers, tenders are called. Contractors go on the information contained in the specifications.

The Minister for Works: And supplemented by their own inquiries.

Mr. A. THOMSON: A contractor must tender for the work according to the plans and specifications.

The Minister for Works: You are speaking of ascertained quantities. I am speaking of the general outlay of the line.

Mr. A. THOMSON: That may account for the disparity between the estimates of the department and of contractors. The Minister said if tenders were submitted, his officers would go through them, and if they were satisfied the work could be done for less, they would be justified in asking that the department do the work.

The Minister for Works: That is not quite as I put it.

Mr. A. THOMSON: When tenders are called, the department should submit their tender at the same time as contractors submit their tenders, and if the department submit the lowest tender, the work should go to them. If their tender is higher, the lowest tenderer should get the job.

The Minister for Works: If they did not carry it out for the amount, the Government would still have to pay.

Mr. A. THOMSON: The Minister has admitted the possibility of the department submitting an estimate which is too low. If an officer cannot carry out a work for the price submitted, he should lose his job. An officer who saves a large sum to the State should be rewarded.

The Minister for Works: That would open the door to a lot of things.

Mr. A. THOMSON: Unfortunately the Minister has not the power to reward an officer for making a saving, but it is time we recognised this principle, which is recognised by private firms.

The Minister for Works: All legislation for centuries has aimed at getting away from that sort of thing.

Mr. A. THOMSON: I move a further amendment—

That the following words be added to the amendment as amended:—"And if the Public Works estimate for the work be accepted, the officer responsible for the same, if the estimate be exceeded, be dismissed,

and if it shows a considerable saving in the construction, he shall be given a substantial bonus."

The CHAIRMAN: I cannot accept that amendment.

Mr. A. THOMSON: Why not?

The CHAIRMAN: Because it is outside the scope of the Bill.

Mr. A. THOMSON: I would like to know your reasons. The Committee have accepted the principle that the work shall be done by contract.

Hon. W. C. Angwin: The Public Service Act for one thing is against you. There are regulations regarding dismissal.

The CHAIRMAN: The amendment would involve an appropriation of money and it is outside the scope of a private member to move it. If you think I am wrong you have your remedy.

Mr. A. Thomson: I must accept your ruling.

The CHAIRMAN: I do not say I am right. It is no use you and I having an argument. What do you propose to do?

Mr. A. Thomson: That is the end of the matter.

Question—put and passed; the Council's amendment, as amended, agreed to.

No. 3. Schedule.—Strike out all the words after "description of line of railway," and insert in lieu thereof the following:—(a) Commencing at a point in the Jarnadup Station Yard on the Bridgetown-Jarnadup Railway, and proceeding thence along the route of the Jarnadup-Pemberton Saw Mill Siding to Pemberton, about 16½ miles; thence in a generally South-Easterly direction for about 28 miles; as more particularly delineated and coloured red on a map marked "P.W.D., W.A. 22173," deposited pursuant to 2 Edward VII., No. 47, Sec. 96. Total length about 44½ miles. (b) commencing at a point in the Denmark Station Yard on the Albany-Denmark Railway, and proceeding in a generally Westerly direction for a distance of approximately 35 miles, as more particularly delineated and coloured red on the said map marked "P.W.D., W.A. 22173," deposited pursuant to 2 Edward VII., sec. 96. Total length about 35 miles.

The MINISTER FOR WORKS: This amendment will not interfere with the carrying on of the work. I move—

That the amendment be agreed to.

Question put and passed; the Council's amendment agreed to.

No. 4. Title.—After the words "Construction of" insert "sections of."

No. 5. Title.—Strike out "from" in line one, and insert "between"; and strike out "to" in line two, and insert "and."

On motions by the Minister for Works, the foregoing amendments were agreed to.

Resolutions reported, the report adopted, and a message accordingly returned to the Council.

## BILL—STATE TRADING CONCERNS ACT AMENDMENT.

Second Reading—Bill rejected.

Debate resumed from 25th October, 1922.

The COLONIAL SECRETARY (Hon. R. S. Sampson—Swan) [4.20]: I wish to indicate my position in regard to the State trading concerns.

Mr. Underwood: What about the position of the Government?

Mr. O'Loughlin: You are not divided, are you?

The COLONIAL SECRETARY: I support the Bill. The deletion of the proviso from the Act is essential, as it would be impossible for the Government to dispose of any of the State trading concerns if it remained in. The effect of the proviso is to prevent any sale. The Government should have power to deal with the matter fully. The proviso states—

That possession shall not be given to an intending purchaser or lessee under a contract of sale or agreement for lease until approval of Parliament has been obtained.

With that proviso in the Act it is hopeless to expect to find a purchaser. The principle of State trading is wrong. Whether the concern pays or not is not the main consideration. The Government have other functions to carry out. The work of trading can best be performed by those in business. I support the second reading.

Hon. W. C. ANGWIN (North-East Fremantle) [4.22]: I move an amendment—

That the word "now" be struck out and "this day six months" be inserted in lieu.

The Premier: That is a motion of want of confidence.

Hon. W. C. ANGWIN: But this is a private Bill.

The Premier: Want of confidence in the measure.

Hon. W. C. ANGWIN: That is so.

The PREMIER (Hon. Sir James Mitchell—Northam—on amendment) [4.23]: I hope the House will deal with the Bill on its merits. I do not know how members feel about it.

Mr. Underwood: Are you sure the Bill has any merits?

The PREMIER: One member has an amendment on the Notice Paper to be dealt with in Committee.

Hon. W. C. Angwin: You did not want to take up the time of the House, and I am obliging you.

The PREMIER: I am not going to discuss the merits of the Bill or State trading at this stage. I hope the House will take the

matter into consideration. If we had a discussion on State trading it would clear the atmosphere. I hope the amendment will not be agreed to.

Mr. A. THOMSON (Katanning—on amendment) [4.24]: I hope the amendment will not be accepted. If the House is in favour of the Bill, the public ought to know, and if otherwise the public still ought to know. I regret this amendment has been moved. Let us deal with the Bill on its merits.

Mr. UNDERWOOD (Pilbara—on amendment) [4.25]: When the Colonial Secretary spoke on this occasion 44 members here expected a statement as to the policy of the Government on this subject. Possibly the Government will even now make a statement as to their intentions.

The Premier: Wait until we have got rid of this amendment.

Mr. UNDERWOOD: It will be necessary for the Premier to make his statement on the amendment.

The SPEAKER: The Premier has already spoken to the amendment.

Mr. UNDERWOOD: I admit that two Ministers have opened their mouths, but they have not given any information concerning their policy.

The Premier: Get rid of the amendment first.

Mr. UNDERWOOD: I do not know why the Government have not explained their policy instead of merely putting up the Colonial Secretary to give his own views.

Mr. A. Thomson: You would not expect him to put up a policy with the Premier in the House.

Mr. UNDERWOOD: It was quite possible for the Colonial Secretary to have stood aside and for the Premier to have taken his place. It was unnecessary for him to speak if the Premier desired to explain his policy.

The Premier: I desire to speak as I wish on this Bill. I did not know the amendment was to be moved.

Mr. UNDERWOOD: The position the Premier has put members in is a false one.

The Premier: I am sorry.

Mr. UNDERWOOD: Before his subsidiary Minister spoke he should have let the House know what the Government intended.

The Premier: You have said that already. I thought I would have an opportunity of dealing with the matter in a minute.

Mr. UNDERWOOD: The Premier would not have had an opportunity if the amendment had been put. The member for North-East Fremantle (Hon. W. C. Angwin) has taken his only opportunity of giving the Premier a chance. Failing an explanation I shall vote for the amendment.

Mr. PICKERING (Sussex—on amendment) [4.28]: If the amendment is carried, no one will have an opportunity of discussing the measure.

Mr. O'Loughlen: Put it off for six months. The weather will be cooler then.

Mr. PICKERING: I shall oppose the amendment. I regret that we should not have opportunity for discussing it now. I should like to hear the policy of the Government in respect of State trading concerns, more particularly that of the Minister for Works, who has charge of those institutions. In the remote past, when the Minister was not occupying the important position he now is, he said, in reply to an interjection by the member for Boulder to the effect that the member for Murray-Wellington was stealing the policy of their party—"the difference really that existed between the Labour Party and the opposite party was that one favoured State enterprise while the other did not." We should at once seriously consider this question of State enterprise. The "West Australian" has declared that on the Wyndham freezers alone—

Mr. Underwood: That is not a State enterprise.

Mr. PICKERING: Well, a business undertaking. The "West Australian" declares that the loss on the Wyndham Meat Works amounted to £387,000.

Mr. MULLANY: On a point of order. I should like a ruling as to whether we are discussing the State trading concerns, or a motion that the Bill be read this day six months.

Mr. SPEAKER: The motion is that the Bill be now read a second time, to which an amendment has been moved that it should be read this day six months. Members will be in order in bringing up relative arguments why the Bill should be read now, or should be read this day six months. Reasons can be given for and against; but the whole ramifications of State trading concerns cannot be debated on this amendment.

Mr. PICKERING: I do not see how we can discuss the question without touching upon the position of the State trading concerns.

Mr. SPEAKER: Any argument embracing reasons for supporting either the motion or the amendment will be in order.

Mr. PICKERING: Then I take it I am in order in discussing the deplorable financial position of the State trading concerns.

Mr. Munsie: Suppose the motion be defeated; we shall have to go all over the thing again.

Mr. PICKERING: I cannot help that. I am afraid hon. member's opposite do not appreciate the position of the State trading concerns. The motion they are supporting will, if carried, have the effect of prolonging the life of the State trading concerns.

Mr. O'Loughlen: And the longer you speak, the better chance will we have.

Mr. PICKERING: When one takes into consideration the position of the Wyndham freezers—

Mr. UNDERWOOD: On a point of order. The Wyndham freezers are not included in the Schedule.

Mr. SPEAKER: I had that in view when the member for Sussex first referred to the



freezers, so I asked the Minister whether the Wyndham freezers were a State trading concern. I was informed that the Wyndham freezers did come within that category.

The Minister for Works: They are a State trading concern constituted under another Act, but they do not come within the scope of the Bill.

Mr. SPEAKER: Then the hon. member will not be in order in discussing them at any length. I do not wish to hamper the hon. member, but he must not ramble over the whole of the State trading concerns.

Mr. PICKERING: The attitude of some hon. members is, "Do not discuss the Wyndham freezers, because they will not bear discussion."

Mr. O'Loghlen: Get on to brick yards or sawmills. Why pick Wyndham?

Mr. PICKERING: We are not allowed to discuss the Wyndham freezers. Why should the member for Pilbara be protected?

Mr. SPEAKER: The hon. member must withdraw that. I am not protecting the member for Pilbara.

Mr. PICKERING: I did not suggest it, Sir, I am sorry you should have construed my remark in that way.

Mr. Clydesdale: Oh, try Como trams.

Mr. PICKERING: When the Bill creating the State Sawmills was passed, it was intended that it should be sawmills only; but owing to the progressive spirit of the Minister in control, the State Sawmills have gradually developed into a huge trading concern fulfilling the requirements of the whole of the building industry of the State. To-day the State Sawmills comprise State glass works, a State hardware emporium, State iron works, State everything; indeed, I look forward to the time when we shall be able to go to the State Sawmills and get anything we want, ranging from a needle to an anchor.

Mr. SPEAKER: Just now I gave a ruling in reference to the Wyndham Meat Works on information received from the Ministerial bench. I find that an Act assented to on the 13th June, 1918, has for its title, "An Act to authorise the establishment of the Wyndham Freezing, Canning and Meat Export Works as a trading concern." Although the works are not mentioned in the Bill under review, they certainly constitute a State trading concern. That will permit me to allow hon. members to go a little further in the discussion of the Wyndham freezers than I would otherwise have done.

Mr. PICKERING: I thank you for your later ruling. I am distressed at the zest with which hon. members seem to desire to place obstacles in my way. We have had more to do of late with the Wyndham Freezing Works than with any other of the State trading concerns. The report of the select committee appointed to deal with the Wyndham freezers points to the urgency for considering the motion before the Chamber.

Mr. Underwood: Or alternatively for selling the works.

Mr. PICKERING: Every one of the State trading concerns is in a parlous con-

dition. The Wyndham freezers is the worst of all, the State steamers being the next, with the State Implement Works a pretty good third. Although hon. members have been led to believe that the sawmills are paying handsomely, there is not that security about them which one would like to see. I do not think a proper audit has been made of the assets of the State trading concerns.

Mr. O'Loghlen: That is a serious reflection to make. What authority have you for saying that the audit is wrong?

Mr. Underwood: There is no authority. He is just doing it for oratorical purposes.

Mr. PICKERING: The system adopted in the valuation of the concerns is unduly liberal.

The Minister for Works: It is not.

Mr. PICKERING: I still have my opinion.

The Minister for Works: You do not know anything at all about it.

Mr. PICKERING: I am satisfied also that the system of appropriating alleged profits from the State Sawmills and utilising them for other purposes is not conducive to the success of that concern. During the 12 months 1920-21 the Wyndham freezers showed a loss of £147,500.

Mr. Marshall: Well, a year or so ago we lost half a million on our railways through supplying farmers with cheap freights.

Mr. PICKERING: We have to add to these losses on the freezers no less than £150,000 for depreciation which has never been announced. Adding that we find that there was a considerable loss on those works in the last year of operations. After the clean-up there will be a loss of approximately £6 per head on every bullock killed. The summary of operations contained in the select committee's report shows the losses to have been as follows:—in 1919, £48,973; in 1920, £136,454; and in 1921, £140,077, a total of £325,505.

The Minister for Works: What did you say the loss was on?

Mr. PICKERING: The Wyndham Meat Works.

The Minister for Works: You speak in such a low tone that I cannot hear you.

Mr. PICKERING: That loss, which is the operating loss, does not take into account depreciation and other amounts. It has been stated that a reasonable sum to be allowed for depreciation is 5 per cent. on buildings and 10 per cent. on machinery, and I understand on a low computation that would work out in the neighbourhood of £52,000 per annum. If we multiply that by three we get something like £156,000 to add to the total loss, which is thus brought to £470,000. Taking the report of the select committee right through, one cannot find a redeeming feature in connection with the Wyndham Meat Works. Bearing in mind the report and the views expressed by newspapers, we have evidence that not only the people who stand for State trading concerns, but those who are opposed to them as well, are satisfied that those concerns are unprofitable. The ques-

tion arises then, how long the State can go on maintaining those works which are unprofitable unless of course their capital is written down. We have already written down the capital of the State Implement Works to the extent, I believe I am right in saying, of over £120,000. This handicap will seriously prejudice the economic working of this trading concern and this fact has doubtless been fully appreciated by the Minister. But the fact of writing down does not relieve the State of the obligations belonging to the sum expended.

The Minister for Works: It is transferred to suspense account.

Mr. PICKERING: That does not improve the position. This writing down has been mainly on account of defective and inefficient plant and the wrong lay-out of the works.

Mr. SPEAKER: Order! Will the hon. member resume his seat. I draw his attention to the fact that the Bill has for its object the removal of a restriction in connection with the disposal of the trading concerns. The question therefore is whether it is wise to give the Government power to sell those trading concerns without approaching Parliament for permission. I do not think the question whether or not they are paying, whether they were wisely installed or properly laid out, or whether the machinery is good or bad, has anything to do with the subject. The principle of State trading concerns is established. The Bill seeks to give authority to the Government to sell the trading concerns without restriction. I have no desire to curb the hon. member, but he must recognise that we will get on much better if he confines his remarks to the subject matter of the Bill.

Mr. PICKERING: I shall endeavour as nearly as possible to keep out of the danger zone, but it will be difficult.

Mr. SPEAKER: The hon. member must not deal with the principle of the trading concerns. He must confine his remarks to whether they shall or shall not be sold without Parliamentary authority. I cannot allow too wide a debate.

Mr. PICKERING: I am always ready to listen to you, Mr. Speaker, and I will try to the best of my ability to keep within the four corners of your ruling. But it is distressing to me to hear subdued interjections all around me to this effect, "Keep it short," "Cut it down," "You are doing this," and "You are doing that." I am trying to do my duty to the State in conformity with your ruling. It is not fair for members to pester me when I am trying to do that which I have been returned to this Parliament to do. If I am to be narrowed to one particular point, well and good, but I wish to record my protest against the restriction.

Mr. SPEAKER: The hon. member may proceed. I will tell him when he is getting away from the subject.

Mr. PICKERING: I understand that the object of the Bill is to make it possible for

the disposal of the trading concerns without reference to Parliament, and that an amendment has been moved to read the Bill this day six months. The State trading concerns are in such a parlous condition as to make it advisable that the matter should be considered at once, and not as suggested by the member for North-East Fremantle. The comments of the select committee have been more than substantiated by the remarks of the Leader of another place made last week. Unfortunately owing to the long debate which took place in this Chamber a few nights ago, the close attention which members have had to give to their work, and the heavy labour cast upon "Hansard" and the Government Printing Office, it has not been possible for members to receive the official report of the proceedings. Had I that before me I would be able to quote definitely the figures used by the Minister for Education in another place. Those figures would prove that the condition of certain of our State enterprises is so bad as to be little short of criminal to carry a motion which would debar this Assembly from discussing the measure which has been submitted. I hope members will not be so short sighted as to shelve so important a matter. Hon. members opposite, discussing another matter last week asked for the widest possible latitude. They even begged members on this side to express their views.

Mr. SPEAKER: That has no bearing on the matter before the House.

Mr. PICKERING: It is common knowledge that people in Perth are awaiting the result of this small Bill with the greatest possible anxiety.

Mr. Munsie: De Bernales and a few others.

Mr. PICKERING: We have the spectacle of people travelling all over the country doing their best to boost the new enterprise, the woollen mills, but the success of that is being held back on account of the Bill we are now discussing, the fate of which is awaited.

Mr. SPEAKER: I do not wish to embarrass the hon. member. The principle of State enterprises has been adopted for some years, and an Act of Parliament sets out that those enterprises cannot be disposed of unless Parliament authorises that disposal. The object of the Bill before the House, I repeat for the hon. member's information, is to remove that restriction. Whether they pay or do not pay has nothing to do with the House at the present time. I have given the hon. member considerable latitude, but there is a limit to it, and if I allow the hon. member to talk all around the subject 48 other members will want to reply.

Mr. PICKERING: In referring to an extraneous subject, I had in view the absolute need for coming to an immediate decision. The amendment seeks to defer a decision for at least another six months. It is our earnest hope that more capital will be introduced into this State, thus relieving us from the need for importation from abroad and from the Eastern States. The existing conditions, which compel the Government to submit

proposals for the sale of any State trading concern, constitute a bar to any sale taking place. The Bill proposes to remove that bar. If we want the country to go ahead, we must get rid of the State trading concerns. New capital will be open to State taxation, which does not apply to State trading concerns. People will not come here with capital to invest unless we give them an assurance that the Government will not enter into competition with them. Deferring the subject for six months means that we shall not be able to discuss it until next session, which is more than six months distant. Therefore the carrying of the amendment would have a disastrous effect on the industries of the State. As suggested by the "West Australian" recently, we should take advantage of the tariff to start new enterprises. There is a possibility that that tariff may be changed.

Mr. SPEAKER: I am afraid I must ask the hon. member to confine himself to the amendment. The hon. member is now drifting into Federal politics.

Mr. PICKERING: I fear hon. members do not view this matter with the seriousness that I attach to it. Some seem to regard it as a Gilbert and Sullivan episode. It is absolutely essential that we should defeat the amendment. Anything that has been said by me has been uttered with an earnest desire to impress on the Chamber the necessity for rejecting the amendment of the member for North-East Fremantle.

The MINISTER FOR WORKS (Hon. W. J. George—Murray-Wellington) [5.5]: I regret very much that the amendment has been moved. My chief and I are entirely desirous of giving the House the fullest information regarding the State trading concerns, so that hon. members may have all necessary details before them on which to form their judgment. In speaking to the amendment I would not be justified in giving that information. I regard the amendment as a direct challenge to the House to declare whether the policy of State trading concerns shall continue or not. The merits or demerits of individual State trading concerns cannot well be discussed upon the amendment.

Hon. W. C. Angwin: The Bill is one thing, and the concerns are another. We are dealing with the Bill, and not with the State trading concerns. The Bill deals only with the powers of the Government.

The MINISTER FOR WORKS: As the law stands, the Government cannot dispose of a State trading concern without coming to Parliament for authority. If the Bill passes, the Government will be able to enter into negotiations for the sale of State trading concerns without first approaching Parliament. If the amendment is carried, the Bill will be laid aside and the present position will stand. Therefore I ask the House to vote against the amendment. By carrying the amendment the House will be settling

the question of State trading concerns without full argument and information.

Mr. SPEAKER: The hon. member is not quite right. He says the House is now voting as to whether State trading concerns shall or shall not exist. The question is whether a restriction now placed upon the Government by Act of Parliament shall be removed. That restriction compels the Government to come to Parliament for authority before selling a State trading concern. The House may say, "We will not trust the Government to sell," without expressing either a belief or a disbelief in the policy of State trading concerns. That point does not enter into the question.

The Minister for Works: I thought I had placed that view before the House.

Mr. J. H. SMITH (Nelson) [5.10]: I am opposed to the Bill, and therefore shall support the amendment. I require much more light before I shall be able to trust the Government to dispose of the State trading concerns. In my opinion the Government are insincere, seeing that they were not prepared to introduce this Bill off their own bat. The measure has been sent down from another place, and it is my belief that the hands of some big men in Perth forced the introduction of the measure. As the law stands to-day, we are protected, and Parliament has the right to say whether the Government shall dispose of a State trading concern or not. If the Bill passes, we shall be giving Ministers supreme power, irrespective of the wishes of Parliament. We shall then be responsible for the actions of the Government, and I am not prepared to trust the Government to that extent. We should trust the people, and therefore we should trust the whole of the 50 members of this Chamber. I regret that the Premier did not give us his views on State trading concerns.

The Minister for Works: He could not do it on this amendment.

Mr. J. H. SMITH: We wanted to hear the Premier on the question of principle. But for the State trading concerns we would not have that development which exists to-day.

Mr. SPEAKER: I cannot allow the hon. member to pursue that line.

Mr. J. H. SMITH: I thought, Sir, you would prevent me. I am perfectly sincere in this matter. Unlike other members on this side, I am prepared to give the Government genuine support, though not on this particular subject. Other members are prepared to adopt subterfuges, while supporting the Government on parochial questions. I am prepared to call a spade a spade on all occasions, and I will not call a State trading concern a public utility. Let every member be sincere.

Capt. CARTER (Leederville) [5.13]: Realising, Mr. Speaker, that your ruling has already forbidden other members to enter upon a discussion of the subject of State trading

concerns, I shall not follow the example of the last speaker. I oppose the amendment, and I am astonished to hear from the member for Nelson (Mr. J. H. Smith), who desires more light on the subject, that he will support the amendment. Desiring more light he votes for the gag.

Mr. J. H. Smith: I want more sincerity.

Capt. CARTER: Where is the sincerity in an attitude of that description? If the hon. member wants more information, where is he going to get it except from the people's representatives here?

Mr. J. H. Smith: From a Government Bill.

Capt. CARTER: I agree with the Minister that in voting for the amendment we shall be applying the gag as effectively as ever it has been applied in this Chamber.

Mr. MANN (Perth) [5.14]: I wish to make my position clear. I shall vote against the amendment because I am in favour of the Bill. I realise that I am not permitted to speak on the merits of the Bill at this juncture, and therefore I content myself with that declaration just now. If the second reading debate proceeds, I shall speak, and in no uncertain voice.

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

Ayes	..	..	..	..	18
Noes	..	..	..	..	17

Majority for .. 1

#### AYES.

Mr. Angwin	Mr. Munsie
Mr. Chesson	Mr. Richardson
Mr. Corboy	Mr. J. H. Smith
Mr. Cunningham	Mr. J. Thomson
Mr. Heron	Mr. Troy
Mr. Hughes	Mr. Underwood
Mr. Lambert	Mr. Willcock
Mr. Lutey	Mr. O'Leighen
Mr. Marshall	(Teller.)
Mr. McCallum	

#### NOES.

Mr. Angelo	Mr. James Mitchell
Mr. Broun	Mr. Pickering
Mr. Carter	Mr. Sampson
Mr. Davies	Mr. Scaddan
Mr. Durack	Mr. Stubbs
Mr. George	Mr. Teesdale
Mr. Hickmott	Mr. A. Thomson
Mr. C. C. Maley	Mr. Mullany
Mr. Mann	(Teller.)

#### PAIRS.

Ayes.	Noes.
Mr. Clydesdale	Mr. Piesse
Mr. Collier	Mr. H. K. Maley
Mr. Walker	Mr. Johnston
Mr. Wilson	Mr. Denton

Amendment thus passed.

The SPEAKER: The member for North-East Fremantle will now move for the inclusion of the words he desires.

Hon. W. C. ANGWIN: I move an amendment—

That "this day six months" be inserted in place of the words struck out.

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

Ayes	..	..	..	..	18
Noes	..	..	..	..	17

Majority for .. 1

#### AYES.

Mr. Angwin	Mr. Munsie
Mr. Chesson	Mr. Richardson
Mr. Corboy	Mr. J. H. Smith
Mr. Cunningham	Mr. J. Thomson
Mr. Heron	Mr. Troy
Mr. Hughes	Mr. Underwood
Mr. Lambert	Mr. Willcock
Mr. Lutey	Mr. O'Leighen
Mr. Marshall	
Mr. McCallum	(Teller.)

#### NOES.

Mr. Angelo	Mr. James Mitchell
Mr. Broun	Mr. Pickering
Mr. Carter	Mr. Sampson
Mr. Davies	Mr. Scaddan
Mr. Durack	Mr. Stubbs
Mr. George	Mr. Teesdale
Mr. Hickmott	Mr. A. Thomson
Mr. C. C. Maley	Mr. Mullany
Mr. Mann	(Teller.)

#### PAIRS.

Ayes.	Noes.
Mr. Clydesdale	Mr. Piesse
Mr. Collier	Mr. H. K. Maley
Mr. Walker	Mr. Johnston
Mr. Wilson	Mr. Denton

Amendment thus passed; the Bill rejected.

### BILL—MINING ACT AMENDMENT.

#### Second Reading.

Debate resumed from 24th October, 1922.

Mr. UNDERWOOD (Pilbara) [5.28]: I regret that the Leader of the Opposition is not present to continue the debate on the second reading of the Bill. The measure does not strike me as worth proposing. There may be just a trace of something in it regarding tributers that may be beneficial to mining generally in the State, but so far as oil prospecting is concerned, the Minister has not attempted to remedy any of those evils regarding excessive areas granted to prospectors, to which I thought I had drawn attention.

Mr. Marshall: The Minister has not struck oil.

Mr. UNDERWOOD: He has not. As a matter of fact, he might have struck oil. I am not making any suggestions.

Mr. Mann: Against whom?

[The Deputy Speaker took the Chair.]

Mr. UNDERWOOD: Against anyone. I would not make a suggestion against anyone. It is so long ago since the Bill was discussed that I cannot remember what the Minister said in introducing it. I have a faint recollection that I moved a motion regarding oil leases and I was told by the Minister he was introducing a Bill to deal with the matter. He introduced his Bill, but that is so long ago that it has left nothing more than a faint impression. I think the Minister referred to some personalities in which I had indulged, and he himself indulged in a few concerning me. Mark Twain said it is only the truth that hurts. If you say something about a man which is not true, it does not hurt him at all, but say something which is true and it does hurt. From what I can remember of the way the Minister went maggoty on me, I must have hurt him.

Mr. Munsie: That is not altogether Parliamentary.

The DEPUTY SPEAKER: It is not quite Parliamentary.

Mr. UNDERWOOD: I will let it go at that. The Bill deals mainly with oil. So far as I can recollect, the Minister's explanation did not meet the case. He spoke about the great areas in Kimberley and in that part of the State which has been practically unexplored, and which has since been explored by one or two parties, including Locke's. To this I take no exception, but in my part of the State the greatest area which has been permitted includes the whole of the inhabited part of my electorate and practically the whole of the inhabited part of the Roebourne district, contains 80,000 square miles—not acres—and is held by Mr. LeMesurier; and the Minister said nothing at all about that. He spoke about my failure to find mica in the Gascoyne. I do not mind saying that I "did in" my own money, and, to a limited extent, my health in looking for that mica, and I did not expect to get a sneer from the Minister. Had the session closed before Christmas I would have been out now prospecting for some minerals, and as soon as the session closes I shall be going out again. If that is something for the Minister to sneer at, I am quite prepared to accept his sneer, particularly as it comes from the Minister.

The Minister for Mines: It was your own personal reference that prompted it.

Mr. UNDERWOOD: The Bill is really not worth while. I do not understand much about tributing, but the member for Hannans will be able to speak about that.

Mr. Munsie: That is not in the Bill. It has to be put in by way of an amendment.

Mr. UNDERWOOD: Quite so. When I was moving my motion regarding oil leases, the Minister for Mines, although he was in the precincts of the House, did not do me the courtesy of listening to my remarks. He was engaged. There will come a time when he will not be engaged, but will be looking for an engagement.

The Minister for Mines: That is very clever.

The DEPUTY SPEAKER: The Minister for Mines is not included in the clauses of the Bill.

Mr. UNDERWOOD: I am trusting to my recollection of his speech which was delivered in almost the dead past. The position regarding oil is that certain people—not the oil magnates from Persia or Mesopotamia who wanted the whole of Western Australia—certain people, who never spent a pound except to dummy areas, have been given great leases. The Bill does not propose to prevent this dummifying. My attention has been directed to one other thing: The Freney Company have spent a fair sum of money and are entitled to every consideration. I am prepared to concede that, but there were three different plans marked on the litho. with regard to Freney's lease. The first one took in the actual coastline coming down from Cape Londonderry to about Swan Point. There were some people prepared to spend money to prospect in the islands north of that country. The litho. shows it was marked again, and the Freney lease widened out from the coastline to take in some of the islands. The company later applied for other islands outside of these again, and the latest map shows Freney's as taking in practically all the islands.

The Minister for Mines: That is a separate license and is not held by Freney's at all.

Mr. UNDERWOOD: It is not held by different people. The people I am referring to have twice been turned down. They could not get the islands which originally were not marked in Freney's chart.

The Minister for Mines: You are wrong.

Mr. UNDERWOOD: I am right. We want to discuss not the Freney Company—after all Freney is only a name—but the right of the Freney Company to hold country 300 miles distant from where they are prospecting. Is there any right in that? Is there any amendment suggested in this Bill to prevent that sort of thing? None whatever. The Bill will only permit such people to get a greater hold on that country. Coming to my own electorate and the district of Roebourne, the whole of the inhabited part is marked out—80,000 square miles of it—and it is held by Le Mesurier and Neaves. The Act states that if the Minister has reason to believe—just as the famous section of the Health Act stated—that a lessee is not working his lease, he may order a warden to hear the case and if the lessee cannot prove that he is working it, it shall be forfeited. Under the Mining Act generally, a man applies for the forfeiture and, having obtained it, the applicant has the first right to so much of the forfeited lease as he wants. This Act differs from the Mining Act in so much as an oil lease can be forfeited if the Minister has reason to believe that it is not being worked. I called the Minister's attention to this lease of 80,000 square miles and, among several re-

plies, I received one as follows from the Secretary for Mines:—

I have to acknowledge receipt of your letter of the 17th inst. containing a complaint under Subsection 2 of Section 7 of the Mining Act Amendment Act, 1920, with reference to oil prospecting area 20H. As your complaint should be accompanied by a formal application for the whole or portion of the area as required, I am enclosing herewith application forms.

That area is too large for any one man to hold. I was not applying for its forfeiture; I was calling the attention of the Minister to a matter which might lead him to believe the lease was not being worked. Yet to do that, I am informed that I must apply for portion or the whole of the area. That is not in the Act. That is the Mines Department, not the Act.\* I do not want any of the area, but it is not being worked. I, knowing positively that there are at least two parties prepared to prospect in certain portions of the area, must, before I can be heard by the Minister or the Warden's Court, apply for some portion of it. What position is a man placed in? He has to apply for the whole or portion of the area. Suppose he applied for a portion of it and the application was refused. The shepherd would know the portion he had applied for, and the place to prospect in, and would get the benefit of the work of men who had possibly prospected for 30 years in that country. It is unreasonable. There is nothing in the Act to say that the Minister should not consider that question on its merits. Has this lease been worked or not under the Act? There is nothing provided in the Act to say that the applicant for forfeiture must apply for the whole or some portion of the area. Possibly the Minister, who so far as I can remember, contemptuously referred to me as "the oil expert," and as the only one in the country, can tell us why he cannot consider that question on its merits, as it refers to the whole area, and why he cannot, having forfeited it, cut it into a dozen areas or refuse to give a license over the lot? The Minister did not attempt to do that.

Mr. Mann: He can give a license under certain conditions.

Mr. UNDERWOOD: Not in my country, because it is all held by Le Mesurier and Neaves. There is an area of 80,000 square miles, almost as big as Victoria, held by people who, I claim, have not worked it. I have a faint recollection of a Mesopotamian Oil company being desirous of prospecting in Australia, refusing to do so unless they got the whole of Australia to prospect in. Surely no member wants to give anyone that right? In Canada where oil prospecting extends as far as Alaska, people are allowed four square miles, of country. In Queensland people are allowed 10,000 square miles, but in Western Australia the areas run up to 93,000 square miles in extent. In other countries it is provided that work has to be done on each area held. In Western Australia, particularly in the case of the Freney company, only one particular section of the area is worked, and they have no intention of doing a single tap on the remainder of their enormous area. They

have been allowed to sell the right to prospect within their territory, and have collected the money. I would welcome capitalists who were prepared to put money into searching for oil, but I will not admit that because people have put in capital and are searching in one small area only, they should be allowed to hold up the rest of it. I hope the Minister in his reply will not devote himself altogether to my failure to get commercial mica, or to my success in getting a life pass on the railways, but will come down to facts and tell us about this oil proposition.

The Minister for Mines: The advice you have tendered you might accept for yourself, in future. If you become personal you will get it back from me.

Mr. CHESSON (Cue) [5-53]: Enormous areas are held in Western Australia by speculators.

Mr. Underwood: And dummies.

Mr. CHESSON: They are only gambling on the prospects. The areas that have been given are altogether too large. The people concerned cannot possibly prospect them. Men like Le Mesurier and others took their first interest in mining ventures when they obtained these oil areas. They want to gamble on the prospects. People of this kind debar genuine prospectors from putting their money in. I know of cases where genuine people have applied for forfeitures because the mining conditions have not been carried out, and nothing has been done upon the area. People can hold these huge territories so long as they spend some money on geographical surveys, and do not require to fulfil any labour conditions. It is impossible to tell whether genuine work is being done or not. If the country were cut into smaller areas, great developmental work would be done, and there would be a better chance of finding something. I notice that the Bill gives the right to other than the owner, agent, or employer, or holder of the license, to obtain a percentage of the royalty in the event of his making any discovery. That is all right. I protest against people being able to hold such large territories when they are doing nothing with them. I am more concerned in this Bill about the provisions in connection with the tailings areas. Under the Bill the forfeiture of tailings areas can be applied for, and the applicant may be granted the use of the main shaft of the mine from which the tailings came. A tailings area covers a large amount of ground, and people cannot work it without the use of the main shaft. In Committee I intend to move an amendment providing for the inclusion of machinery areas. There are many abandoned leases, portion of which has been declared a machinery area. This is often the place where it is required to erect a winding engine or a battery, or vats for cyaniding purposes. In many cases there is a lot of obsolete machinery on these areas. Anyone who wishes to take up one after unwatering the shaft and erecting a winding engine, may require to put up a battery. He then has to get permission to remove the obsolete machinery, as that may be the only place where it is possible to erect the new machinery in order to work the proposition. Only a slight amendment is required to allow us to include a machinery area. That

amendment should be acceptable to the Minister. I am sure all the mining members will approve of it. On the Address-in-reply I instanced the Mt. Sir Samuel. Mr. Ford applied for the lease and it was granted to him, but he could do nothing with the proposition, because he had not access to the main shaft, neither could he get the obsolete machinery removed so as to put in a new plant.

Question put and passed.

Bill read a second time.

**BILL—PERPETUAL EXECUTORS, TRUSTEES, AND AGENCY COMPANY (W.A.), LTD. (PRIVATE).**

In Committee.

Mr. Stubbs in the Chair; Mr. Mann in charge of the Bill.

Clauses 1 to 6—agreed to.

Clause 7—Assets of company to be liable for proper administration of estates, and no bond to administer to be required when £5,000 is invested in the name of the Treasurer.

Hon. W. C. ANGWIN: Since insurance companies have to put up a deposit of £5,000 with the Treasurer, who has to pay them 4½ per cent. for the use of the money, I think similar provision should be made here.

Mr. Mann: Why do you prefer cash to securities?

Hon. W. C. ANGWIN: Securities have been known to vary in value. There is no better guarantee than the Government to those who do business with these companies. It would be better if a cash deposit were provided for.

Mr. MANN: The clause allows the Treasurer to decide what form of security he shall receive. There is the extra safeguard that the shares can only be called up to 12s., leaving 8s. in reserve. Again, no director can dispose of his shares. I do not see why there should be any differentiation between the treatment to be meted out to this company and that to another company of a similar nature.

Hon. W. C. Angwin: That was 30 years ago.

The PREMIER: Security must be put up and, in all probability, the Government will require the company to take Government bonds. I think the clause might be allowed to pass, because the company will certainly be required to give satisfactory securities.

Mr. LAMBERT: All these companies which by special legislation get semi exclusive rights to trade, ought to put up a deposit of £5,000. It would be better to put this company on all fours with the insurance companies in that respect.

Mr. Mann: I will agree to making it Government bonds.

*Sitting suspended from 6.15 to 7.30 p.m.*

[Mr. Angelo took the Chair.]

Hon. W. C. ANGWIN: When Parliament legislates it should not legislate in such a manner that any person will be able to upset that legislation. Parliament should be the only body to be able to set it aside. I propose to amend

the clause in several directions. I move an amendment—

That in lines 11 and 12 the words "or any municipal corporation in" be struck out.

The object is to compel the company to make its investments in bonds, debentures, treasury bills, or other securities issued by the Government. I do not mean to infer that the securities of local bodies are not good enough.

Amendment put and passed.

On motion by Hon. W. C. Angwin the clause was further amended by striking out all the words beginning "or upon fixed deposit" in line 12 down to "authorised" in lines 21 and 22; also by striking out in lines 25, 26, and 27 the words "but transferable to the company only upon the joint consent of the Treasurer and the company or upon the order of the court." Also in lines 27 and 28 by striking out the words "dividends, and annual income."

Clause, as amended, put and passed.

Clause 8—Company may be appointed trustee, receiver, committee or guardian of estate:

Hon. W. C. ANGWIN: Subclauses 2 and 4 appear to contradict each other. One says that the company may be appointed to act as sole trustee and the other says the company shall not be appointed to act as sole trustee.

Mr. MANN: The law provides that where there are two trustees it is necessary that both shall take action. In the case of a company, it is in a position to act by itself, where, if there were individual trustees, it would be necessary to have the authority of two.

Mr. JOHNSTON: The matter is quite clear. Under the first provision which the hon. member has quoted it is a case of a man leaving a will providing for two trustees, and in that case the company may act by itself. The second provision quoted refers to a case where a testator says, "I want a trustee in addition to the company," and in that case the company cannot act by itself.

Clause put and passed.

Clause 9—Company may hold property as joint tenants:

Hon. W. C. ANGWIN: What is the force of the words "where the company and an individual or the company and another body corporate become entitled to any property"?

Mr. MANN: The provision refers to where a testator appoints as trustees the company and a person jointly.

Hon. W. C. ANGWIN: There should be some explanation given. I want to be assured that under this clause the company will not be able to use its money in order to bolster up another company which may possibly be in an unfinancial position. The lawyer who drafted the Bill should have given every information to the member asked to introduce it.

Mr. MANN: I got information on all points with regard to which there was opposition at the second reading. There was no opposition with regard to this point.

Hon. W. C. Angwin: I think it would be as well to report progress.

The Premier: No; but it is stupid of the people concerned not to have given full information to the member in charge of the Bill.

Clause put and passed.

Clauses 10, 11, 12—agreed to.

Clause 13—Executors, administrators, trustees, receivers, committees, and guardians may, with consent of the court, appoint company to discharge duties for them:

Hon. W. C. ANGWIN: There is a trustee appointed under the Lunacy Act to deal with all property of lunatics. Does this clause mean that that trustee may, by way of getting rid of his responsibilities, transfer estates of lunatics to this company? Why should the business be handed over to this company? Are not the fees paid to the Government sufficient?

The Premier: This is a very useful clause, since the company will be properly equipped for the management of estates.

Mr. Mann: A similar provision to this appears in the other company's Act.

Clause put and passed.

Clause 16—Company to be paid a commission on moneys received:

Hon. W. C. ANGWIN: The clause provides that the commission payable to the company shall not exceed 2½ per cent. in respect of capital, or 5 per cent. in respect of income. Then there is power to appeal to the court in the event of an excessive charge having been made. I do not think the court would agree to review any commission charged in accordance with this measure. But the clause contains the following proviso—

Provided also that the commission charged by the company against any estate shall not exceed the amount of the published scale of charges of the company at the time when the administration of such estate was committed to the company.

The company, knowing of a large estate coming into their hands, might, on the day before the estate was committed to them, publish a scale of charges and debit the estate accordingly.

The Premier: You are wrong.

Hon. W. C. ANGWIN: No, it is provided in the Bill. That knocks the court out of the argument.

Mr. Mann: No, it strengthens their position.

Hon. W. C. ANGWIN: No; if higher charges were made and advertised, the court would have no jurisdiction.

The Premier: Surely the court cannot make charges higher than those imposed by the company itself?

Hon. W. C. ANGWIN: Is this a Government measure or a private Bill?

The Premier: As a member of the House, I am giving you information.

Hon. W. C. ANGWIN: I desire information from the private member who is in charge of the Bill.

Mr. Mann: There is a similar clause in the Bill controlling the W.A. Trustee, Executor and Agency Co. That clause is on all fours with the one under discussion.

The Premier: The clause fixes a limitation of 2½ per cent. and consequently there is a limitation to the scale of charges published by the company. If the charges made are lower

than the maximum which can be charged by the company, that means that the company cannot increase the charges during the administration of the estate beyond those advertised at the time the administration of the estate was taken in hand.

Hon. W. C. ANGWIN: There cannot be a reduction either.

The Premier: Yes; the proviso says that the commission charged by the company shall not exceed the amount of the published scale of charges. The Bill is quite safe with the inclusion of that proviso.

Mr. MUNSIE: I am not satisfied with the explanation that has been given. The latter part of the second proviso shows that the company is not limited to the published scale of charges as suggested by the Premier.

The Premier: The maximum charge is provided in the Bill and the Company can make charges within that limitation.

Mr. Mann: You do not suggest that companies always charge the maximum?

Mr. MUNSIE: No, but I want information to show where the Company is limited to those charges.

Mr. MANN: The clause says that the commission "shall not exceed the amount of the published scale of charges of the company at the time when the administration of such estate was committed to the company."

Mr. MUNSIE: The clause provides for the maximum charges that can be levied.

The Premier: Yes. The scale is fixed at £2 10s. for every £100 of the capital value of the estate, and £5 for every £100 of income from the estate.

Mr. MUNSIE: If the Company cannot go beyond the maximum, why the necessity for the proviso?

Mr. Johnston: Because if they advertise lower prices, they are bound by them. That is what it means.

Mr. MUNSIE: I want an explanation of the second portion of the second proviso.

The Premier: There is competition between companies, and an arrangement may be made between the testator and the company for the work of administration to be carried out at a certain rate of commission. There is nothing to prevent that being done. If there were such an agreement, the proviso would cover it, but if there is no such agreement fixing a special charge, a limitation is provided in the clause itself.

Hon. W. C. ANGWIN: The Premier has borne out my contention. The company may agree to administer an estate at a lower charge than their advertised scale. The relatives may be under the impression that, according to the will, an arrangement has been made for the administration of the estate by the company at a certain rate. The company, a few days before the estate is committed to their charge, advertise a slightly higher rate, and I contend the Court would be bound to award that commission. The member for Perth said it was done 30 years ago. That is no reason for adopting it now. This will be a very good clause for the company.

Clause put and passed.

Clauses 17 to 21—agreed to.



Clause 22—Moneys remaining unclaimed for five years to be paid into the Treasury.

Hon. W. C. ANGWIN: I move an amendment—

That in line 5 the word "five" be struck out and "three" inserted in lieu.

Mr. Teesdale: I would not mind that if it would not rob the relatives.

Hon. W. C. ANGWIN: It would not rob the relatives if it went into the Treasury.

Mr. Mann: It might involve a lot of law costs to recover it.

Hon. W. C. ANGWIN: I have more confidence in the Government than in any company.

Mr. Teesdale: Even in the present Government?

Hon. W. C. ANGWIN: Yes. If any money remained unclaimed for three years, it should not be left in the hands of the company. Probably the whole of the money would be eaten up by administration costs. The Government would have the use of the money and there would be no cost.

The Premier: The Government would have to pay interest on it.

Hon. W. C. ANGWIN: But only interest. All unclaimed moneys in the hands of these companies should be handed to the Government.

Mr. MANN: I hope the amendment will not be carried as it may hamper the company in the investment of funds. If there was an estate in which four participants were interested and the company desired to invest the money, the fact of the whereabouts of one of the beneficiaries being unknown would make it impossible to invest the money to advantage.

Hon. W. C. Angwin: That is rubbish; there would be only one-fourth unclaimed.

Mr. MANN: The amendment would operate disadvantageously in regard to many estates placed in the hands of the company. No one would suffer loss if the term of five years were retained. The money invested by the company would earn greater interest than if handed to the Treasury and there is no question that in the hands of the company it would be quite safe. A period of five years is little enough.

Mr. TEESDALE: It would be scarcely fair to handicap the new company as against the old company. The conditions should be made as uniform as possible to enable the new company to successfully compete with the other.

Mr. LAMBERT: The member for Perth did not explain how the shorter term would handicap the new company. I hold most uncompromising views on the transmission of wealth.

The Premier: Do not give them to-night.

Mr. LAMBERT: After a period of years I would forfeit all unclaimed moneys to the Crown.

The Premier: Is it to be three years or five years?

Mr. LAMBERT: It is a matter of tightening up control in the public interest.

The PREMIER: The public interest is not in question. The money would be perfectly safe with the company even if the person were away from the State. At the end of five years the unclaimed money should be paid to the Treasury, where it would be held in trust. If there were any question as to the stability of the company, it would be another matter. Five years is little

enough. Why should the Government be bothered with these unclaimed moneys? If the claimant turned up after the money had been handed over to the Treasury, it would have to be paid to the claimant. It would be of no advantage to the State to have comparatively small sums handed over for short periods. Advantage would be derived only if the moneys were never claimed and it reverted to the Crown.

Mr. LAMBERT: If money is lying unclaimed for years, there is a temptation for a company to spend large sums advertising all over the world for those entitled to it. When a sum of money has been lying unclaimed for three years it is not likely to be claimed. If it is handed to the Treasury to invest it is in good hands.

Mr. Mann: And you would relieve the company of their responsibility?

Mr. LAMBERT: Yes, but I would not search a day. It should not be the function of the company to search for a distant claimant for a sum of money.

Mr. Davies: The other company has five years.

Mr. LAMBERT: We cannot be guided altogether by any other Act of Parliament.

Mr. Davies: But the company will have a disadvantage over the other.

Mr. LAMBERT: We must do what is right and proper to protect the public estate.

The Premier: Five years is little enough. Leave it at that.

Mr. LAMBERT: I do not know that matters, but it is a temptation for the company to continue searching the world over for claimants.

Mr. Clydesdale: This company would be at disadvantage as compared with the other.

Mr. Mann: And those interested in the estate would also be at a disadvantage.

The CHAIRMAN: Order!

Mr. LAMBERT: I hope the Committee will accept the amendment.

The COLONIAL SECRETARY: The subject has been treated in too flippant a manner. Five years is the usual period in the case of savings banks and other institutions where unclaimed balances remain.

Hon. W. C. Angwin: What will you bet?

The COLONIAL SECRETARY: It is not a matter of bet. I am speaking of the South Australian Savings Bank Act. Anything less than five years is an unreasonably short period. If the amendment were carried it would lead to an unnecessary amount of book-keeping as between the company and the Treasury.

Hon. W. C. ANGWIN: The Colonial Secretary has evidently not read the Bill. The companies have to make a return every six months, and every five years, and have to state the amount of money held unclaimed and how long it has been unclaimed. The point is whether they should retain the money for longer than three years and hand it to the Government. It makes no difference to the book-keeping, for that has to be done under a penalty of £5 per day. The member for Perth said that if there were four of them and only three could be found, the money could not be invested. As a matter of fact this is money, not an estate.

Mr. Mann: An estate may consist of money

Hon. W. C. ANGWIN: This is money, as distinguished from an estate. In either case the inability to find the fourth would make no difference to the investment. Again, he asks why should this company be treated differently from another? It would be as reasonable to ask why the Westralian Farmers Ltd. should have been called upon to pay a deposit, since in years gone by other companies had not been asked to do the same. If a company holds unclaimed money for three years, that money should be deposited with the Treasurer.

Mr. Pickering: And that is the end of it.

Hon. W. C. ANGWIN: It is not, but even if it were it had better be the end of it with the Treasurer than the end of it with the company. The principle of paying it over to the Treasurer is already acknowledged in the Bill. While the money is in the company's hands, the claimant will have to pay commission for its administration. In some of the small accounts a large proportion will go in commission.

Mr. Mann: Only 2½ per cent.

Hon. W. C. ANGWIN: The member for Collie during this session instanced a soldiers' fund which had been absorbed in bank charges. The same thing may occur with this company. If the company cannot find the owner of unclaimed money within three years, the money ought to be handed to the Treasurer. Why should the company have the use of that money after three years?

Mr. Mann: The company is directed what to do with it.

Hon. W. C. ANGWIN: The company may evade those directions. I hope hon. members will not support the five years' period because that length of time was given to another company 30 years ago.

Mr. PICKERING: Once money gets into the hands of the Treasurer it is almost impossible to recover it. Both these companies should be put on the one footing. If this money be transferred to the Government, the difficulties of the claimant will be greatly increased. Moreover, the money will be better invested by the company than by any Government. The period of five years is short enough, in my opinion too short.

[Mr. Stubbs resumed the Chair.]

Mr. LAMBERT: It is deplorable that some hon. members will not keep an eye on the public welfare. Whether the unclaimed money be in the hands of an insurance company, of a bank, or of a trustee company, after it has lain unclaimed for a reasonable period, it should be handed over to the Treasurer. Three years is plenty long enough; indeed I would make it two years. In the bad old past these companies, and banks also, stuck to all unclaimed moneys by the simple process of cutting them out in keeping fees. If there be no claimant within three years, there is not likely to be one within five years. If the member for Perth is not to be guided by reason in conducting the Bill through the House, I can promise him that from this time onwards the Bill will have a stormy passage.

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

Ayes	...	...	...	11
Noes	...	...	...	23
Majority against				12

#### AYES.

Mr. Angwin	Mr. Lutey
Mr. Chesson	Mr. O'Loughlin
Mr. Corboy	Mr. Troy
Mr. Cunningham	Mr. Willcock
Mr. Heron	Mr. Munzie
Mr. Lambert	(Teller.)

#### NOES.

Mr. Angelo	Sir James Mitchell
Mr. Broun	Mr. Pickering
Mr. Carter	Mr. Plesse
Mr. Davies	Mr. Richardson
Mr. Denton	Mr. Sampson
Mr. Durack	Mr. Scaddan
Mr. George	Mr. J. H. Smith
Mr. Gibson	Mr. Teeddale
Mr. Hickmott	Mr. A. Thomson
Mr. Johnston	Mr. J. Thomson
Mr. C. C. Matey	Mr. Mullany
Mr. Mann	(Teller.)

Amendment thus negatived.

Clause put and passed.

Clause 23—Persons entitled to moneys in testamentary and trust funds may apply to court within six years:

Hon. W. C. ANGWIN: I consider the inclusion of this clause in the Bill is an act of impertinence on the part of the company. It provides that no person shall be entitled to make application after the expiration of six years from the time when such moneys were paid to the Treasurer. The clause is too stringent and should never have been included in the Bill. I intend to move an amendment, but as I am not in a position to draft it at the moment, I move—

That the further consideration of the clause be postponed.

Motion put and passed.

Clauses 24 to 28—agreed to.

Clause 29—Company may invest trust moneys as one fund in one or several securities:

Mr. MANN: On the second reading of the Bill I promised that I would withdraw this clause. It is my intention to vote against it.

[Mr. Munzie took the Chair.]

Mr. LAMBERT: This clause refers only to small estates, and its deletion might work hardship in many instances. It is intended to enable tail-ends of estates to be advantageously invested, to the number of six or eight together. The aggregate amount might be limited.

Hon. W. C. Angwin: Small amounts could be invested in the Savings Bank.

Mr. ANGELO: The retention of the clause would be an advantage not only to the company but also, and very especially, to the company's clients. In my experience as a banker I always understood that a mortgage on one large building

was a better security than a number of mortgages on small buildings, because of these involving considerable expense in the way of overhead charges. Therefore it is an advantage for smaller estates to join together in one large mortgage.

Mr. LAMBERT: The select committee understood this clause to be dangerous, and liable to abuse. Its operation should be limited to estates not exceeding, say, £500. The only justification for the clause is its application to fag-ends of estates, which thus might obtain a return of five or six per cent. instead of the  $3\frac{1}{2}$  per cent. paid by the Savings Bank. If the clause is not limited, the company could carry on almost like a bank under it.

Mr. Mann: I have expressed my opinion. Hon. members can vote against the clause.

Mr. LAMBERT: We should consider not only the company, but also the small estates. This provision is not found in any trustee company Act except one in South Australia.

Mr. A. THOMSON: The clause should be retained, as it is very much to the interest of small estates.

Hon. W. C. ANGWIN: The hon. member is mistaken. His money might be put with mine by a trustee company, and then if he wanted his money he might not be able to get it. He could realise on a mortgage, but not on a joint mortgage. In the absence of the clause, there might be a loss of one per cent. interest by reason of investment in Treasury bonds or in the Savings Bank instead of on mortgage. The member for Perth is right in abiding by the select committee's recommendation.

Mr. MANN: The members of the select committee were divided on the clause and it was decided that it should be left to be dealt with by the Committee. During the debate on the second reading, several members took exception to it and I then agreed to withdraw it. I have consulted the company and they do not press it, because it was inserted merely in the interests of their clients and it did not really concern them. I will vote against the clause.

Clause put and negatived.

Clauses 30 to 32—agreed to.

Schedule—agreed to.

Postponed Clause 23—Persons entitled to moneys in testamentary and trust funds may apply to court within six years:

Hon. W. C. ANGWIN: I move an amendment—

That in line 9 "six" be struck out and "twelve" inserted in lieu.

Mr. ANGELO: In the preceding clause provision is made for the company to hold the money for five years and then in Clause 23 the Treasury are permitted to hold it for a further six years. That makes 11 years in all and surely that is sufficient time within which any claimant may come forward to claim the money.

The Premier: No Treasurer would refuse to pay money so held whatever the time was.

Mr. ANGELO: I am certain of that. Any respectable Government in power 50 years hence would pay over money if a man could show he was entitled to it.

Hon. W. C. ANGWIN: The member for Gascoyne and also the Premier have overlooked

one point. I do not believe that any Government would refuse to pay back money but the owner has to prove that he is rightfully entitled to it.

The Premier: The Government would not pay money over to anyone else.

Hon. W. C. ANGWIN: If the clause remains with provision for six years, there is no power for a rightful owner to apply to the court for the money after that period has elapsed.

The Premier: If you don't say another word we will make it 12 years.

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

Preamble, Title—agreed to.

Bill proposed with amendments.

## BILL—HOSPITAL TAX.

### Second Reading.

The COLONIAL SECRETARY (Hon. R. S. Sampson—Swan) [9.21] in moving the second reading said: The Bill is a small and formal measure. The Hospitals Bill, which we passed recently, provided for the imposition of a tax not to exceed one penny in the pound. Under the Constitution Act Amendment Act of last year it was set out that a separate Act was needed to impose a tax. That is the object of the Bill. I move—

That the Bill be now read a second time.

Hon. W. C. ANGWIN: I move—

That the debate be adjourned.

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

Ayes	...	...	...	13
Noes	...	...	...	22
Majority against				9

### AYES.

Mr. Angwin	Mr. Munsie
Mr. Chesson	Mr. O'Loghlin
Mr. Clydesdale	Mr. Troy
Mr. Cunningham	Mr. Willcock
Mr. Heron	Mr. Wilson
Mr. Lutey	Mr. Corboy
Mr. Marshall	(Teller.)

### NOES.

Mr. Angelo	Mr. Latham
Mr. Broun	Mr. Mann
Mr. Carter	Sir James Mitchell
Mr. Davies	Mr. Money
Mr. Denton	Mr. Pickering
Mr. Durack	Mr. Picase
Mr. George	Mr. Sampson
Mr. Gibson	Mr. Scaddan
Mr. Harrison	Mr. Teesdale
Mr. Hickmott	Mr. A. Thomson
Mr. Johnston	Mr. Mullany
	(Teller.)

Motion thus negatived.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Angelo in the Chair; the Colonial Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Imposition of tax:

Mr. CHESSON: The clause says that every person in receipt of income, salary or wages shall pay the tax. It was decided under the Hospitals measure that anyone in receipt of less than £1 per week should be exempt from the tax.

The COLONIAL SECRETARY: The clause is subject to the main Bill. The exemptions therein provided must prevail.

Mr. Corboy: This Bill imposes the tax.

The COLONIAL SECRETARY: It would be quite wrong to include any further provision in this Bill, which merely imposes the tax.

Mr. MUNSIE: If the Colonial Secretary will give an assurance that the tax will not be imposed on anyone receiving £1 a week or less, I shall accept his word.

The COLONIAL SECRETARY: I give an assurance that the tax as set out in the main Bill will be observed. That is, no tax will be chargeable on any income of less than £1 per week.

Hon. W. C. ANGWIN: The Minister's assurance is worth nothing, as this will depend entirely on the Taxation Commissioner, and we have had experience of him before. Clause 2 of the Land and Income Tax Assessment Bill fixes the terms on which the Land and Income Tax are imposed and the Land Tax and Income Tax Bill contained the words "in accordance with the Assessment Act."

The CHAIRMAN: The title says, "under the Hospitals Act."

Hon. W. C. ANGWIN: It is the clause which imposes the tax, not the title. The clause provides that "every" person in receipt of income, salary or wages shall pay. This Bill is not in accordance with the Hospitals measure. Words should be inserted to make it clear that the Hospitals measure will apply.

The CHAIRMAN: Under the Constitution Act Amendment Act, 1921, Subsection 7 of Section 2 provides that Bills imposing taxation shall deal only with the imposition of taxation, and any provision otherwise shall be of no effect. This is a Bill for an Act to enact the rate of contributions.

Mr. CORBOY: It should be made clear on what salaries and wages the tax is being levied. I move an amendment—

That after "wages" in line 2 the words "in excess of £1 per week" be inserted.

The Premier: That is already provided for.

The COLONIAL SECRETARY: There is no need for the amendment, as that is set out in the Hospitals measure. This clause does no more than authorise the tax.

Mr. Corboy: You have got to get the Commissioner of Taxation to believe that.

Hon. W. C. ANGWIN: The section of the Constitution Act has no bearing on the matter. It might have had a bearing on the other measure, but where a tax is struck, it is necessary to strike it under the Assessment Act. This tax is being levied not under the Land and Income Tax Assessment Act, but under the Hospitals Act and that

should have been stated in this Bill. Instead of that it stipulates that every person in receipt of income, salary or wages shall pay the tax. The Hospitals measure says every person who earns a wage exceeding £1 per week shall pay the tax.

The Premier: It has to be read as one with the Hospitals measure.

Hon. W. C. ANGWIN: This Bill cannot be incorporated with the Hospitals measure as the Constitution states that any Bill imposing the tax must not include other conditions.

The Colonial Secretary: It must prove relationship.

Hon. W. C. ANGWIN: The procedure under the Land and Income Tax Assessment Act should be followed.

The Premier: The other Act sets up the machinery.

Mr. LATHAM: The clause is perfectly clear. Under the Hospitals measure there is no contribution for anyone receiving less than £1 per week.

Mr. CORBOY: Why does the Minister object to the amendment? It will merely make quite clear that people in receipt of less than £1 shall not contribute. We have had experience of the Taxation Commissioner taking advantage of loopholes to get at the taxpayer. The amendment will not rob the Government of any anticipated revenue.

The Colonial Secretary: The words are redundant.

Hon. W. C. ANGWIN: The Bill will be ruled out in another place for the same reason that the Closer Settlement Bill was ruled out here.

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

Ayes	...	...	...	15
Noes	...	...	...	18
Majority against				3

AYES.

Mr. Angwin	Mr. Lutey
Mr. Chesson	Mr. Marshall
Mr. Clydesdale	Mr. Troy
Mr. Corboy	Mr. Underwood
Mr. Cunningham	Mr. Willcock
Mr. Heron	Mr. Wilson
Mr. Johnston	Mr. Munsie
Mr. Lambert	(Teller.)

NOES.

Mr. Broun	Mr. Money
Mr. Carter	Mr. Pickering
Mr. Denton	Mr. Piesse
Mr. Durack	Mr. Sampson
Mr. George	Mr. Scaddan
Mr. Gibson	Mr. Teesdale
Mr. Harrison	Mr. A. Thomson
Mr. Hickmott	Mr. Mullany
Mr. Latham	(Teller.)
Sir James Mitchell	

Amendment thus negatived.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

House adjourned at 10.6 p.m.