

Mr. DAVY: I move an amendment—

That after "Act" in line 5 of Subclause 2, all words be struck out, and "except by leave of the Supreme Court or a judge" be inserted in lieu.

Mr. Kenneally: Should it not be "except by leave of a judge of the Supreme Court"?

Mr. DAVY: The words I propose in the amendment were the words used in the original Bill, a copy of which I have in my hand. I think the wording is perfectly safe.

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

Clause 5—Applications to determine rent:

Progress reported.

House adjourned at 9.38 p.m.

Legislative Council.

Wednesday, 11th September, 1929.

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

ADDRESS-IN-REPLY— PRESENTATION.

The PRESIDENT: I have to report that this morning I waited on His Excellency the Governor and presented to him the Address-in-reply, to which His Excellency has been pleased to make the following answer:—

Mr. President and hon. members of the Legislative Council, I thank you for your expressions of loyalty to His Most Gracious

Majesty the King and for your Address-in-reply to the Speech with which I opened Parliament. (Sgd.) W. R. Campion, Governor.

MINISTERIAL STATEMENT.

Inspection of Scaffolding.

The CHIEF SECRETARY: In response to a request by Mr. Lovekin, I am placing on the Table of the House the only information available to the Government with regard to accidents that have occurred recently through defective scaffolding which did not in any instance exceed a height of eight feet from the horizontal base. I may say that the instances quoted do not appear in the records of the department for the reason that such accidents were not notifiable in accordance with the provisions of the Act and inspectors have no power to make investigations into those accidents. They are not on the records of the department, but they have come within the knowledge of inspectors.

LEAVE OF ABSENCE.

On motion by Hon. E. Rose, leave of absence for six consecutive sittings granted to Hon. W. J. Mann (South West) on the ground of urgent private business.

MOTION—UNEMPLOYMENT.

HON. H. SEDDON (North-East) [4.36]:
I move—

That in view of the state of continued unemployment in Western Australia, this House is of the opinion that the Government should indicate what means have been adopted to remedy the evil, and what measures are proposed to minimise its future recurrence.

I need offer no apology for taking up the time of the House on this important question or for the request contained in the motion. The question of unemployment has been with us for a considerable time, and it has been dealt with in this House during the present session both on the Supply Bill and also during the Address-in-reply. Last year there were certain demonstrations associated with unemployment which brought the question very prominently before the public. This year such demonstrations have certainly been minimised, but I contend that they have

been minimised as a direct result of Government strategy, first of all by getting the men out of town very largely, and secondly by getting the leaders away in order that the men might be left more or less disorganised.

Hon. E. H. Harris: And some of them have been put in gaol.

Hon. H. SEDDON: Yes, I understand that some of them were sent to gaol for having created a disturbance. The figures contained in the answers to certain questions asked by me when the session opened indicate that unemployment has been steadily increasing during the last 12 months. In further support of that contention, I should like to direct the attention of members to the remarks of the Premier in another place during this session. He referred to the question of unemployment and pointed out that largely owing to the influx of men from the Eastern States, and also owing to the influx of foreign labour, the position had been rendered very acute. The Premier pointed out that during the December quarter of 1928, no fewer than 3,645 men had come here from the Eastern States in excess of departures, and the figures for the March quarter of this year were 5,110, making a total of 8,755 for the six months. He said, "I do not think that any foreigners are coming in from the Eastern States. I got those figures from the office." I should like to ask the Honorary Minister to make a note of that remark, because if I am not mistaken, during his speech on the Mines Regulation Act Amendment Bill last night, he stated that in his opinion some 50 per cent. of the foreigners who arrived in Western Australia had come from the Eastern States.

The Honorary Minister: I did not make that statement at all.

Hon. H. SEDDON: I think the reference was as I have stated it.

The Honorary Minister: I said that many of the foreigners coming into Australia came to Western Australia.

Hon. H. SEDDON: Then I stand corrected. It appeared to me that there was a conflict of statement between the Honorary Minister and the Premier, and I am glad to have the Honorary Minister's correction. I think it will be admitted on all sides that unemployment in Western Australia is steadily increasing. My reason for moving the motion is to be found in cer-

tain remarks made by both the Premier and the Honorary Minister this session. On the 30th July the Premier made some very disturbing statements. He said—

The position regarding unemployment is one over which no Government can have control in the circumstances existing in Australia to-day. The Government are doing all the work it is possible for them to do.

The Honorary Minister, speaking on the 21st August, said—

The biggest problem facing Australia to-day is unemployment. We cannot solve unemployment in Western Australia without co-operation from the Eastern States. The ramifications bringing about unemployment are much deeper than we in Western Australia can deal with. The State Government have produced all the work they can. The effect of bad seasons in the East and in several other ways which are beyond the control of the Government make the position such that we are unable to do more than we have done.

Those statements have led me to move this motion, and in view of the circumstances in which we find ourselves, members will agree that they are very disturbing statements. They are disturbing from several aspects—first of all from the standpoint that the Government have definitely admitted through their leader and one of their Ministers that they are not in a position to do any more than they have done, and secondly because a good many people in Western Australia regard the Government, being a Labour Government, as the authority or institution best fitted to cope with Labour's problems.

Hon. E. H. H. Hall: That does not necessarily follow.

Hon. H. SEDDON: No, but a good many people are of that opinion. Therefore I hold that those people have a right to expect some definite pronouncement from the Government as to how far they intend to follow the programme that has been advanced by the Labour Party from time to time, and to ask exactly how far the Labour policy and Labour ideals will go towards meeting this most prominent Labour difficulty. It is recognised on all hands that one of the most serious problems Labour has to contend with is that of unemployment, especially in a big State like Western Australia. Again and again we find that men are continually confronted with a cessation of work, and they go from one job to another, often travelling hundreds of

miles, with the result that they suffer serious impoverishment. The conditions of work are such that very often men are kept in a state of poverty simply because they cannot get constant and regular work. In those circumstances it is quite natural that any party or institution that offered, or pretended to offer, any solution of such a state of affairs would command a large amount of support. Again and again the argument has been advanced that if only the ideals of Labour were put into practice the bogey of unemployment would speedily disappear. Now I am asking the Government to deal with this important question and show us exactly how far the remarks made by the Premier and the Honorary Minister "that the Government can do no more" coincide with the utterances of the Labour Party on the question of unemployment. There is another reason why I ask the question at this juncture. Hon. members will recollect that last year, when the subject was brought up for discussion here, the Minister made a full explanation of the steps that had been taken by the Government to meet unemployment during the first six months of 1928. The hon. gentleman went to great pains to show how departments had been approached and how requests had been made for work to be put in hand so that the question might be dealt with capably and well. The idea was that work should be put in hand principally during the winter season. This year I have looked carefully through public utterances of members of the Government, and have been unable to find anything like so complete a statement of steps taken by them to meet the unemployment difficulty. In justice to themselves, as well as justice to the people, Ministers should make a more complete statement of what they have done, and of what further steps they intend to take in order to meet the trouble confronting the State. Another aspect of the case is, at any rate to me, most disturbing. It is generally admitted that we are passing through troubled financial times. I was indeed pleased to read the remarks of the Premier and other prominent members of the Government in another place relating to certain financial conditions with which they find themselves faced. They were references to and admissions of things which have been placed before the Government both in this Chamber and outside it on

many occasions by those who have studied the financial position of Australia and of Western Australia. We now find Ministers themselves making use of the very expressions that from time to time have been used by hon. members both here and elsewhere when sounding notes of warning. The fact remains that we are passing through a period of falling prices, that we are getting reduced returns for our principal export products, and that naturally there must be, to that extent, a reduced revenue. We also find that the London money market is exceptionally tight. Only the other day the Federal Government floated a 12 months' loan, or Treasury bills, at no greater price than £93 15s. for 6 per cent. interest. That is a rate of interest, as well as a rate of discount, not obtaining in connection with our finance since the years of the war or immediately after. In my opinion the rate of interest and the rate of discount are a sufficient indication of the state of affairs existing in the London market. May I be permitted here to make a reference to certain articles which appeared in a special banking issue of the "Manchester Guardian" last July. This journal draws attention to the fact that largely owing to the position of the United States, that country has become a creditor instead of a debtor nation. She has instituted a strong tariff wall, and at the same time insists on the European nations paying their indebtedness to her. Up to a year ago she provided foreign loans. At present she is not taking any steps in that direction. It is only by remittances of gold that the balance of trade has been anything like preserved between the United States and the various other countries. Regarding the internal position of Great Britain, an article makes one statement which has impressed itself strongly on my mind—that internally Great Britain has achieved balance, so far as her banking position is concerned, and has increased banking credit, only by reducing the ratio between cash and deposits. As hon. members are aware, it is the proportion of bullion behind the currency that maintains the currency in a more or less stable condition. Yet we find that stability in Great Britain was only attained by decreasing the amount of bullion which lay behind the currency. Hon. members know that such a state of affairs cannot continue in any large measure without

seriously endangering the currency position, and therefore necessarily the position of the whole of industry in a country. And Great Britain is the country to which Australia has to look for her finance. I have drawn attention to the high rates being paid in interest and the low prices obtained for the flotation of short-term loans. Australia's banking position is seriously affected by the position in Great Britain. The article in question stresses the fact that there has been a serious falling off since the war in the volume of savings in Great Britain. As hon. members are aware, it is the volume of savings that we largely depend upon to find the money for our loans. Australia's banking position is almost entirely controlled by the foreign trade of the Commonwealth. The greater part of the foreign trade of Australia is financed by the banks direct. These operations determine the supplies of bank credit in Australia. By financing imports and exports, the banks increase or decrease deposits in Australia. The exporter's bill entitles him to credit with the bank in Australia. The importer's cheque purchases his draft by reducing his bank balance in Australia. Overseas, naturally, the reverse process takes place. So we realise the importance of maintaining an excess of exports over imports if we are to maintain a position of free bank credits in Australia. At present, as is known to everybody, Australia's banking position is exceedingly tight. It is likely to become tighter. There is another factor which I think concerns a good many Western Australian workers, and that is the large number of employees shown to be maintained in Western Australia by Government works. Certain figures given last night show that no less than 23,664 Western Australian workers were engaged on the 31st March of this year in Government employment. In order to make a comparison I consulted with Mr. Reid, of the Government Statist's Department, and obtained from him a statement of the number of workers in industry in Western Australia. It is as follows:—

In response to your request I have calculated the approximate number of male and female wage and salary employees as at June, 1929. The actual information is not available and I have had to compile the figures from the information obtained at the census in 1921. In 1921 the number of wages and salary employees was as follows:—177,278

males; 155,454 females. According to the age groups these figures were made up as follows:—

	Males.	Females.
Under 20	12,135	6,519
20 and under 70 ..	63,573	12,596
70 and over ..	523	31
	<hr/> 76,533	<hr/> 19,146

I have assumed that the proportions of the population in 1929 which consisted of wages and salary employees were the same as they were in 1921, and that the distribution in the different age groups was also identical. On this assumption, the number of wages and salary employees at June, 1929, would be as follows:—

	Males.	Females.
Under 20	15,291	7,913
20 and under 70 ..	80,525	15,248
70 and over ..	656	37
	<hr/> 96,472	<hr/> 23,238

Taking the total of those figures and comparing it with the number of workers engaged by the Government, 23,664, we find that not less than 19.7 per cent. of the wages and salary earners of Western Australia were employed by the Western Australian Government in March of this year.

Hon. A. Lovekin: Pretty solid, that!

Hon. H. SEDDON: Yes. The importance of the figures in the present argument is that a large number of those employees were kept in employment by the expenditure of loan money. The rest of them, naturally would be maintained and paid for out of State revenue. I have instanced that owing to falling prices the amount of revenue available must necessarily become contracted, unless counterbalanced by an increased area of agricultural production and a larger yield of wool. This circumstance, taken in conjunction with the restriction of the London loan market, leads me to ask the Government just exactly what the position will be during the coming 12 months as regards the financing of the remuneration of those employees. I take it that if the 3,000 persons, roughly, who are being maintained out of loan expenditure by the Government are thrown on the labour market by reason of restriction of loan funds, the effort will be to intensify the very problem to which my motion has reference. I take it also that if revenue falls and the Government are faced with the same requirements, they will have to restrict employment in the Government

services. Thus there is another factor on which we ought to have a statement from the Government explaining how they propose to deal with a position of affairs which, in the ordinary course of events, we have reason to expect will arise in Western Australia. There is yet another factor, and one which has developed since I gave notice of this motion. I wish to keep my remarks as free as possible from the element of politics, but still I think it necessary to touch upon a certain development. The disturbance in Federal parliamentary circles must necessarily mean that at any rate for some time the Federal authorities will be in a condition of uncertainty. There is no denying the fact that Western Australia has benefited considerably, and that our Government finance has benefited very considerably, from the attitude of the Bruce Government towards this State. I wish hon. members to take into consideration what the position will be in the event of a return of the Bruce Government. After the elections they are bound to be embarrassed by the serious financial and industrial disturbances in the Eastern States. In the event of the Labour Party being returned to power, one has to take into consideration that party's attitude towards Western Australia. I hold that anyone who has studied the position in the Eastern States and knows the avowed attitude of the Labour Party towards Western Australia can come to only one conclusion, a definite conclusion that Western Australia's interests in that event, must necessarily be subordinated to interests in the Eastern States.

The Honorary Minister: That is a very strong statement to make.

Hon. H. SEDDON: I make it with a knowledge of the position in the Eastern States. My opinion is that the balance of power, so far as the Labour Party in the Eastern States are concerned, is undoubtedly centred in the industrial districts of those States. One can realise the condition that will arise when the control of Government is naturally directed from those centres, in the event of Labour being returned to power. There is another aspect of the unemployment position upon which I think we are entitled, and the people of Western Australia are entitled, to have a clear and definite statement from the Government. When speaking on the 7th August last, Mr. Kenneally made a most interesting state-

ment in referring to the question of unemployment and the reduction of hours, and on reading that speech we are entitled to assume that he was expressing the views of many thousands of Labourites. He said—

I said and repeat here that effective modern labour saving machinery means a reduced number of employees necessary in order to operate that machinery and that if a reduced number of employees is required in order to operate that machinery and if that labour saving machinery—which sometimes means a tremendous saving in labour—is to be extended, there is one method by which we have to deal with the question of unemployment and that is to give some benefit to the worker in the form of fewer hours in consequence of labour saving machinery.

That was Mr. Kenneally's statement. I would like to refer to certain figures quoted in this House by the Honorary Minister. He referred to certain statistics issued by the International Labour Office, showing the effect of labour-saving machinery in America. He pointed out that from 1919 to 1925 the total population of the United States increased 10 per cent., the total volume of manufactured products increased 25 per cent., the wages increased by 5 per cent., the workers decreased by 5 per cent., the output per head increased 32 per cent., and the wages per head of people employed increased 13 per cent. Quoting this as an instance, he said, "I say we are going to be confronted with a condition of more or less permanent unemployment." On that point I would like to quote the remarks made by the President of the State Arbitration Court. On the 29th June the president gave his decision with regard to the basic wage in Western Australia, and he made certain references with regard to the element of productivity as a factor in wage regulation by the court. I would like to refer to what he said, because I wish to make a contrast between productivity in Western Australia and the conditions quoted by the Honorary Minister. The President of the Arbitration Court said—

What is of value for our present purpose is a consideration of productivity from the point of view of quantity produced, the amount per head of population, and the amount per head per worker employed. It is not enough to show that the production is now worth a great deal more than it was some 15 years ago; the reduced purchasing power of money is sufficient to account for that. We must also see to what extent we have advanced in proportion to our increase

in population, and to what extent we have advanced relatively to the workers engaged in the industry.

He then quoted certain details and showed to what extent the workers' conditions have been improved as regards, at any rate, his wages, and he took the average "real" (not basic) wage equated to 1911 price levels. These were his figures—

Year.	Wage Index Numbers.	
	Western Australia.	Australia.
1911	.. .. 1,023	1,000
1914	.. .. 1,070	948
1923	.. .. 1,192	1,062
1924	.. .. 1,161	1,095
1926	.. .. 1,165	1,072
1927	.. .. 1,199	1,102

The percentage increase in wages from 1911 to 1927 in Western Australia was 17, and for Australia in the same period the figure was 10. In the same period the workers average weekly wage in Western Australia went up from £3 2s. 10d. in 1914, to £4 18s. 10d., in 1927. Referring to productivity, the president had these remarks to offer—

Taking the four pre-war years, 1911-1914, and comparing them with the last four years for which figures are given, namely, 1921-24, we find an increase of 4 per cent., but it is only just to remember that in the calculations no allowance is made for expenditure incurred in the equipment provided to bring about the increased production.

I would like to direct hon. member's attention to an interesting book entitled "The Prospects of Australia," written by Professor Benham of the Sydney University, who points out—

In the period 1908 to 1925 the manufacturing industry in Australia shows up pretty badly in this respect. While during this period the horsepower per person employed doubled, the productive efficiency increased by only 10 per cent. In the United States of America from 1913 to 1923 a gain in efficiency of 25 per cent. was recorded. In this case an increase of 17 per cent. in the horse power per wage earner was accompanied by an increase of 26 per cent. in the volume of production per wage earner.

The Honorary Minister quoted the United States; I quote Western Australia with regard to efficiency, and make comparisons between the two countries. I consider we should have from the Government a pronouncement as to whether they endorse the views of Mr. Kennecally that the solution of the question of unemployment is to be found by instituting decreased hours, and

I should like to know whether that will have a corresponding effect in the direction of decreasing unemployment in industry by the introduction of labour-saving machinery. The Honorary Minister did not make any statement on that particular aspect of the State, but the time has arrived when we should hear from the Government just exactly what their views are on the matter. It is a very important question. In the past the Government have adopted a principle of reducing hours. At the present time we have an unemployment difficulty that is greater than it was at that time, and if there is any truth in the contention that has been advanced, then we should expect to hear from the Government whether they intend to adhere to that principle. There are other remarks made by the President of the State Arbitration Court and also Mr. Somerville on the subject of wages. Mr. Somerville's views were expressed strongly. He pointed out that the statistics available to the court to determine the important question of productivity were not only meagre, but in many cases essential figures were not available at all, and to determine what labour contributed towards production, it would be necessary for these statistics to be made available. That is another aspect on which we should like to hear from the Government, the steps that are being taken in this direction. The President of the Court and Mr. Somerville emphasised the fact that this information is of vital importance to determine what proportion the worker is entitled to as his share towards production. I do not wish to pose as anything like an alarmist, nor do I wish to advance an attitude of pessimism. I am convinced, however, that the whole position, although disturbing, need cause no concern if handled firmly and wisely. There can be no question that the condition of unemployment existing at the present time can be directly traced, especially in a new country, to a violation of economic laws, and there is no doubt that in Western Australia it can be traced to that source. It may be that we are receiving an influx of young men from the Eastern States, but that in itself should be cause for congratulation rather than cause for concern to the people of Western Australia. We have to remember that there was such an influx many years ago which made for the advancement of Western Australia. I

have no doubt there are many in this House who came to the State at the time of the depression in the Eastern States, and who will now look back and realise that the step they then took proved to their advantage. In view of the outlook in Western Australia, why should we not take advantage of the advent of the young men who are coming from the Eastern States, and I say that if we studied the question of unemployment wisely and if we applied the remedies which are advanced in literature advocating the Labour point of view, we should not have the position that exists to-day. So I await with keen interest an official statement from the representatives of the Government in this House to reply to the questions I have raised. The position of uncertainty is not only disturbing, but is a condition that everyone must deplore. There is one thing that is needed and it is that there must be evidence of a clear head, sure hand and definite purpose at the helm to direct the destinies of the State, and the utmost confidence must be shown in meeting difficulties as they arise. I contend that the position has not been made clear and the evidence required by the people of the State has not been forthcoming. The present moment is opportune because we are at the beginning of the session and it is practically the commencement of the financial year. We have plenty of time in which to consider the position. I hope the House will support the motion, and that the Government will tell us exactly what they intend to do in dealing with the question.

On motion by the Honorary Minister, debate adjourned.

BILL—ROADS CLOSURE.

Received from the Assembly and read a first time.

BILL—AGRICULTURAL LANDS PURCHASE ACT AMENDMENT.

Read a third time and passed.

BILL—WATER BOARDS ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central—in reply) [5.16]: It seems to Mr. Lovekin that the Bill contains a bad

principle—a principle which should not be embodied in any statute—and he then refers to the farming population, and later on to farmers having to pay their rates. This Bill relates to water boards having control of town water supplies, and therefore rates are payable by the residents of towns. Possibly a few of the people living in Wagin, for instance, might be farmers but they would be decidedly in the minority. At the beginning of each financial year a water board levies a rate which they estimate to be sufficient to meet working expenses and pay interest and sinking fund, and it can be taken for granted that they would levy a rate not in excess of their actual administrative needs. After having done this the board may be confronted with the fact that machinery operating the plant may suddenly require extensive repairs involving an expenditure of a considerable sum of money. Unexpectedly heavy maintenance work might have to be incurred in connection with the water main. In such circumstances it is only right that a water board should have the power, after levying the original rate, to call upon the ratepayers to meet the unforeseen expenditure by levying a supplemental rate.

Hon. A. Lovekin: On the same principle, when there is a deficit, the Government should have the right to levy a second income tax.

THE CHIEF SECRETARY: So far as Wagin is concerned the position of course is that they gladly took over the control of a second scheme, knowing well that heavier financial responsibilities would have to be shouldered by the townspeople. Mr. Lovekin has made no case against the principle of giving authority to levy a supplemental rate. Mr. Stewart does not go quite so far as Mr. Lovekin, but he also doubts whether general authority should be given to water boards to levy supplemental rates. He refers to the income tax. There is no comparison. In the one case the supplemental rate would be levied only for a direct and specific service rendered, namely the supply of water to the people. An income tax is a different proposition. It is levied for the general purposes of Government. I think Mr. Miles asked the question, "Would you give the Treasurer power to impose a supplemental income tax?" My reply is "you certainly would not if by doing so you en-

abled him to add to the rate to any extent he desired." But if the Treasurer in his Budget Speech said:

"The maximum rate of Income Tax is now 2s. 8d. in the £. I cannot impose any higher rate than that, but I fancy this year I can get along with a lesser amount. In fact I think I can get along with 1s. 6d. I shall try to do with 1s. 6d. but perhaps I may not succeed in doing so. Now, what I want you to do is that if in the event of unforeseen and unavoidable expenditure I find later I cannot finance on the 1s. 6d. maximum, I want you to give me the power to impose a supplemental rate to meet my requirements so long as I do not go beyond the maximum which the Act provides at the present time."

I am sure not one member of the House would offer opposition to such a proposal. It would be welcomed with open arms.

Hon. A. Lovekin: You are not serious, are you?

The CHIEF SECRETARY: That is all the Bill asks. Water boards have already power to raise the rates up to the maximum of 3s. The rate may be only 1s. 9d. for one year, but the next year if the money was needed they could go up to 3s. There is nothing to prevent them from doing that. Say that through some accidental occurrence necessitating extensive repairs to the main, the board found, a few months after levying the rate, they were not able to balance the ledger for that year with the amount they would receive, why should they be prevented from imposing a supplemental rate to make up the deficiency?

Hon. J. J. Holmes: What have they done in the past?

The CHIEF SECRETARY: They have had to get Parliamentary authority.

Hon. J. J. Holmes: They can always do that again.

The CHIEF SECRETARY: What object could be served by postponing the evil day until the following year? Why not face the position at once and get rid of the liability?

Hon. J. Cornell: Only to provide interest charges.

The CHIEF SECRETARY: Some members have objected to the principle involved in a supplemental rate. But the principle has been recognised in the Road Districts Act. A similar provision appeared in the Roads Act of 1911, and it was inserted in the Act of 1919. It has had a trial of 18

years, and has given no trouble. The argument that the farmer would never know where he was if a supplemental rate could be imposed is shattered by the fact that the farmer has not for 18 years protested against the supplemental rate in its application to roads. He has never even hinted that it disturbed his finances. He has commonsense enough to recognise that a liability has to be met, and that no object is to be gained by postponing payment. Mr. Cornell put the case for the Bill logically and concisely. I am under the impression that he succeeded in satisfying many members as to the necessity for the principles contained in the Bill. A water board usually comprises members of the municipal council or road board elected by the people. Surely they can be trusted not to tax the people except on an amount sufficient to meet actual needs. There is no fair ground for opposition to the Bill. Members may ask why a Bill should not be brought down from time to time when the necessity for imposing a supplemental rate occurs. If this principle was recognised as good in 1911, and if during 18 years it has excited no adverse comment, has proved useful from time to time, and no strong objection has been taken to it by the Road Boards Association, it has surely justified its existence.

Hon. J. Cornell: These bodies know that in taxing others they tax themselves.

The CHIEF SECRETARY: Yes.

Hon. J. J. Holmes: Eighteen years ago they did not know what taxation was, but now every penny tells a story.

The CHIEF SECRETARY: The principle was approved 18 years ago, and there has been no protest against it.

Hon. A. Lovekin: The matter has never arisen.

The CHIEF SECRETARY: Water boards should have power to impose a supplemental rate to meet some unforeseen and non-recurring expenditure.

Question put and passed.

Bill read a second time.

In Committee.

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

Clause 1--agreed to.

Clause 2—Amendment of Section 98:

Hon. A. LOVEKIN: I move an amendment—

That all the words after the figure "2" be struck out and the following inserted in lieu:—"Notwithstanding anything in the principal Act contained, the Wagin Water Board may, for the year ending the 31st day of October, 1929, impose a supplemental rate: Provided that such rate, together with any rate already imposed, shall not exceed the rating limits of such Board as by law defined. Such supplemental rate, if any, shall be imposed, and the rate book altered and added to (but without obliterating existing entries) as may be deemed necessary, on or before the 30th day of June, 1930."

The principle involved in the Bill is bad. People are taxed for income, land, vermin, amusements and everything else. If we are going to admit the principle that having functioned at the taxing period the Government can come again next month, the month after and so on, I do not know where we shall finish. The principle is one that ought not to be admitted. The object of the measure is to correct a mistake made by the Wagin Water Board. Let us do that and have done with it. Should another water board make a similar mistake, we can deal with that specifically later on. To suggest that we should place on the statute-book a provision that would enable any local governing authority to levy a supplemental rate because something unforeseen had happened, or a mistake had occurred, is wrong, and no Parliament should agree to such a proposition. The amendment will have the effect of remedying the mistake made by the Wagin Road Board, and that will leave the principle in abeyance and not fixed on the statute-book. Sir Edward Wittenoom pointed out that a similar provision already appeared in the Road Districts Act. I do not know that it is really the same thing, because provision is made in that measure whereby a local authority may impose an extra rate to meet unexpected expenditure such as might be caused by an earthquake, floods or other happenings to roads. At the same time, I regard the principle as bad. I also propose to give the Wagin Water Board an extra six months in which to levy the rate for this year, and that should be sufficient. The principle involved is an important one, and if we establish it, it might result in a Government, faced with a deficit, levying a supplemental income tax in order to raise additional funds.

The CHIEF SECRETARY: I object to Mr. Lovekin's introductory remarks. He suggested that people were taxed in all manner of ways, and created the impression that the Bill is a taxing measure.

Hon. J. J. Holmes: What is it, then?

The CHIEF SECRETARY: It is not a taxing measure at all. The Wagin people asked the Government to construct a water supply and said they would levy a rate of 3s. in the pound to meet interest and sinking fund charges. How can that be regarded as taxation? It is simply a payment for services rendered. The Government did not desire to embark upon the undertaking; the Wagin people asked them to do so. Hon. members should be fair and recognise that the Bill is not a taxing measure. Mr. Lovekin also suggested that a Government might impose a supplemental income tax. How could any Government do that without Parliamentary authority?

Hon. A. Lovekin: I merely referred to that to emphasise the principle underlying the proposal.

The CHIEF SECRETARY: No Parliament would agree to any Government being allowed to levy a supplementary income tax. In this instance it is the people themselves who are levying the tax in order to meet the liability involved in their undertaking to the Government.

Hon. J. J. HOLMES: I assume from his remarks that the Minister intends to accept the amendment because he dealt specifically with the Wagin Water Board, and that is all that is covered by the amendment. The Minister remarked that the Wagin people had agreed to tax themselves, and we wish to allow them to do so. The Minister desires to go further than that and allow others to have the same privilege.

Hon. E. H. HARRIS: I support the amendment for the reasons advanced by Mr. Holmes. While I am prepared to agree to the Wagin people having what they desire, I would not agree to other water boards having any such general power.

Hon. E. H. H. HALL: I oppose the amendment. The Chief Secretary's remarks appeal to me. In dealing with local governing authorities we must remember they are not school children but are elected by the people of the districts concerned. It is not right to interfere unduly with local authorities. When I was listening to their

remarks, I wondered if Mr. Lovekin, Mr. Holmes and Mr. Harris had ever given their time and services to the work of local government.

Hon. J. J. Holmes: Yes, for many years.

Hon. E. H. Harris: For a much longer period than you have.

Hon. E. H. H. HALL: I appeal to hon. members to give some latitude to the local governing authorities to conduct their own affairs.

Hon. G. W. MILES: If Mr. Hall had been in his place in the House when the Bill was debated at the second reading stage, he would not have advanced any such argument. The local governing authorities have never asked for this power. Mr. Hall, when he gets up to make speeches, in this House, generally lectures us about attending to our duties.

The CHAIRMAN: Order!

Hon. G. W. MILES: That has been so in past. In this instance, no one has asked for the powers outlined in the Bill except the Wagin Water Board, and we are prepared to give the board the powers sought. I support the amendment.

Hon. J. T. FRANKLIN: I support the amendment. We must give local governing authorities credit for the work they are doing. I am in accord with the extra rate that the Wagin people desire to levy, but I think the Bill should make provision for the Wagin Water Board only. When local authorities find their estimates are going to be exceeded by a considerable amount they should approach members of Parliament, who are fair and just men and will give them the same consideration as we are prepared to give the Wagin board. I am thoroughly in accord with the giving of the proposed authority to the Wagin board, but I do not think it is right to grant that authority all over the State. We should take the fence only when we come to it. I will support the amendment.

The CHIEF SECRETARY: There still seems to be a good deal of misapprehension regarding the measure. Mr. Harris appears to assume that we intend to force something on the water boards which they do not want. There is no attempt to force anything on anybody. It will rest with the local authorities to decide whether or not they will avail themselves of it. Even Mr.

Franklin seems to think the object of the legislation is to impose an extra rate.

Hon. J. T. FRANKLIN: On a point of explanation. I did not say it was the object of the Bill to impose an extra rate. I say it is for the board to decide what the rate shall be, and if it is to be exceeded it should be done only by the consent of Parliament.

The CHIEF SECRETARY: The whole thing is getting more and more involved as we go on. Parliament is not consulted at all in regard to the striking of a rate. It was consulted in the early stages and it then fixed the maximum rate at 3s. in the pound. When a water board decides to impose a rate, it does not consult the Legislature. A water board may impose a rate of 1s. 6d. in the pound and subsequently find that, owing to unforeseen circumstances, it is necessary to impose a supplementary rate of 3d., making a total of 1s. 9d. in the pound. Why should the board not be allowed to do that? Because if they liked to leave the adjustment till the following year they could then impose a rate of 2s. in the pound without any reference whatever to Parliament. But they would not be likely to adopt that course, for invariably the object of such a board is to administer the Act as economically as possible. They do that even to the extent of studying the expenditure of every penny. But perhaps through, say, the bursting of a main, they might be involved in unforeseen expenditure, and so find it necessary to strike a supplementary rate. The Bill will permit them to do that. Why should they have to wait until the following year, when without any parliamentary authority they could strike a sufficiently high rate to cover the commitments of both years?

Hon. H. A. STEPHENSON: What I cannot understand is why there should be put into the Bill something that is not required. In the present case the necessity arose because the Wagin board did something they ought not to have done. It was necessary because they had contracted with the Government to do a certain thing at a certain cost, and they failed to strike a sufficiently high rate to cover that cost. So it became necessary to strike a supplementary rate. Having done that—which was illegal—they asked the Government to bring in a Bill validating their action. We are prepared to support that by passing the Bill.

But why go further than that? Why not leave it at that? It is the first time such a position has arisen, and possibly it will be many years before it arises again. When it does we can deal with it in the way proposed by Mr. Lovekin's amendment. I am not in favour of the principle in the Bill, especially since it has not been asked for by anybody, notwithstanding what Mr. Hall has said. There is no necessity for us to go beyond the case of the Wagin board.

Hon. J. J. HOLMES: What I ask myself is, how is it these hard-headed, shewd. intelligent business men referred to by Mr. Hall, who act in an honorary capacity, get into difficulties as they do? Of course, if Mr. Hall himself is to be taken as a reflex of those men, I can quite understand how these difficulties occur. This is Western Australia's centenary year, which is being celebrated all over the State. Let us assume that one of these water boards decide to get off water and on to something more invigorating. They will say, "We may exceed our estimates, but under the amended Act we have a free hand to make a supplemental call on the ratepayers, and so we shall be all right. Why worry?" If they were to do that under the existing Act they would have to come to Parliament, and Parliament might say to them, "As you have had a centenary on your own, you, not the ratepayers, can pay for it." I will support the amendment.

Hon. A. LOVEKIN: The Chief Secretary, with his usual ingenuity and ability, has side-tracked the issue. Our income taxation is for services rendered, something supplied. All taxes have the same object. The income tax is merely a tax for the carrying on of governmental activities, whereas a water board rate is a tax for water supplied. If the Chief Secretary can get the principle contained in the Bill agreed to, the next time the Act governing the income tax comes along he will be able to say, "The principle is agreed to in the Road Districts Act and the Water Boards Act, and we want it inserted here so that, if necessary, we shall be able to levy a supplementary income tax during the year." Nobody would then know where he was. The present position is that the Wagin board is in difficulties. Let us get them out of their difficulties and leave the rest alone.

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

Ayes	..	..	..	12
Noes	..	..	..	7

Majority for 5

AYES.

Hon. C. F. Baxter	Hon. J. Nicholson
Hon. J. Ewing	Hon. E. Ross
Hon. J. T. Franklin	Hon. H. Seddon
Hon. E. H. Harris	Hon. H. Stewart
Hon. J. J. Holmes	Hon. H. A. Stephenson
Hon. A. Lovekin	(Teller.)
Hon. G. W. Miles	

NOES.

Hon. J. M. Drew	Hon. C. B. Williams
Hon. G. Fraser	Hon. C. H. Wittenoom
Hon. E. H. Gray	Hon. E. H. H. Hall
Hon. W. H. Kitson	(Teller.)

PAIR.

AYE.	No.
Hon. V. Hamersley	Hon. J. R. Brown

Amendment thus passed.

Clause, as amended, agreed to.

Title—agreed to.

Bill reported with an amendment.

BILL—INSPECTION OF SCAFFOLDING ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. E. H. HARRIS (North-East) [6.2]: This Bill takes the memory back to the time when we had a lengthy debate on the measure that is now the parent Act on the statute-book, the object of which was to protect workmen engaged in the building industry. The chief point on which members differed then was whether a scaffolding liable to be inspected should be one starting from the surface or at some height from it and eventually, after a decisive vote, this House determined that the measure should apply only to scaffolding exceeding 8 feet above the horizontal base. The argument of the Chief Secretary has not convinced me that it is desirable to alter the decision arrived at on that occasion. If we agree that the inspection of scaffolding should start from the surface, there is no saying to what extent an inspector might interfere with people doing a little repair work or a small job of painting or paper-hanging. Perhaps during the course of the

debate some member might offer a stronger argument in support of the proposal in the Bill, but for the moment I am not disposed to agree to it. A good point the Chief Secretary made in favour of the Bill was that the Government intend to reduce the inspection charges authorised by the Act. I can only express the hope that if the charges are reduced, the person to benefit will be not the contractor but the owner of the premises. It is quite possible, however, that the contractor will be the one to reap the benefit. The Chief Secretary failed to make any reference whatever to Clause 4 which provides—

No person shall be employed or engaged on or in connection with any scaffolding or gear unless such person has a sufficient knowledge of the English language to enable him to speak such language intelligibly.

If the clause means anything, I should like to know what the meaning is. Section 42, Subsection 2, of the Mines Regulation Act provides that no person unable readily and intelligibly to speak the English language shall be employed underground in any mine, and in the past we have had complaints from legislators, union secretaries and others that that provision has been flagrantly abused because the phraseology was practically meaningless. Since then we have had appointed workmen's inspectors who have been present when the tests were made and have claimed that the provision was unsatisfactory. Last night the Honorary Minister, in moving the second reading of the Mines Regulation Act Amendment Bill, said there were hundreds of men employed in the mines who had not a proper understanding of the English language, and those men on occasions were a source of danger to other men working in the mines. If such men are a source of danger in the mines others engaged in the building industry might equally be a source of danger through inability to speak the language. It is suggested not that such men have been employed in the industry of building, but that some of them might be employed in connection with scaffolding or scaffolding gear. The clause, however, is as meaningless as the subsection in the Mines Regulation Act. On a cursory perusal of the principal Act, I was unable to find any penalty prescribed for a man who could not intelligibly speak the language, and there is no indication as to who would test him, how he would be tested or who

might be present at the test. The definition of "gear" is of considerable importance. I have some knowledge of machinery and have looked up the definition of "machinery" in the Inspection of Machinery Act. The definition is very comprehensive, covering as it does everything relating the fly-wheels, cranes and gear, including pulleys. I understand from the Chief Secretary's remarks that it is desired to exercise some control over pulley wheels used on buildings but not necessarily connected with the scaffolding. I submit that the department might well inquire whether pulleys do not come within the scope of "machinery" under the other Act. I know of no wheel used on a building where man power is employed to hoist the necessary material.

Hon. J. T. Franklin: Yes, gins are used.

Hon. E. H. HARRIS: I understand that in most instances electric hoists are used.

Hon. J. T. Franklin: Not in all instances.

Hon. E. H. HARRIS: Anyhow, it would be worth considering whether such gear is not covered by the Inspection of Machinery Act. Machinery inspectors go round the metropolitan area inspecting machinery in factories, and on buildings they have control of cranes. Consequently there is more or less duplication in that a scaffolding inspector covers much the same ground and in some instances, I believe, even the same work. I suggest that it would be possible for much of the inspection work to be done by an inspector of machinery who is, perhaps, more highly qualified than an inspector of scaffolding. The Chief Secretary said that gear would not be subject to inspection under the Act unless it was actually connected with the scaffolding as defined. I do not know whether the gear has actually to be fastened to the scaffolding, but I cannot see how it is possible for any gear to be used for building to any height unless it is secured to some part of the structure or of the scaffolding. However, those matters can be discussed in Committee and perhaps there we may more readily arrive at an understanding of what is necessary. I shall support the second reading, but reserve the right in Committee to vote against some of the clauses.

On motion by Hon. J. T. Franklin, debate adjourned.

Sitting suspended from 6.15 to 7.30 p.m.

BILL—EASTER.*Second Reading.*

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [7.32] in moving the second reading said: The reasons for this Bill may be briefly stated. A world-wide reformation of the calendar by having a fixed date for Easter Day was recommended by the League of Nations in August, 1926. A Bill for the stabilisation of Easter was introduced in the House of Commons on the 17th February, 1928, by the Secretary of State for the Home Department (Sir William Joynson-Hicks). In introducing the Bill, which passed the second reading without a division, and afterwards became law, Sir Joynson-Hicks said—and I think his words convey all the arguments for the measure—

I think it is entirely the view of the business world and their employees that Easter should be stabilised in order that everybody should know from year to year when Easter is likely to be, and all the inquiries which have been suggested would really delay that for which the business and the commercial world have asked. The League of Nations has dealt with the matter fully. The International Chamber of Commerce, an important body in Europe, has definitely consented to this change, and has passed resolutions as long ago as 1923 strongly supporting the view of the London Chambers of Commerce that it is desirable that Easter should be definitely fixed. There was a further congress in Brussels, in 1925, which endorsed the same view and passed a resolution in favour of some arrangement being arrived at to stabilise Easter. The League of Nations had made inquiries, and they give a great deal of information in the report issued by the League of Nations Committee on the Reform of the Calendar, which also dealt with this question of stabilising Easter. In that report they say that all the railway authorities in England, Great Britain, Germany, Spain, France, Greece, Hungary, Poland, Czechoslovakia and Switzerland have already decided in favour of this change. It is very important that we should have a united opinion to guide us, and all the railway authorities are practically agreed in regard to the need for this change. . . . The Association of British Chambers of Commerce, in 1920, called upon the Imperial Government to take such steps as may be necessary, in conjunction with the Dominions and foreign Governments, to bring about the adoption of a fixed date for Easter. The Chambers of Commerce of the British Empire met, in 1920, at a conference at which our Dominions and Colonies were represented. There were present representatives from Australia, Canada, New Zealand and South Africa, and that conference passed a similar resolution to the one I have alluded to, urging

the Government to fix a date for Easter. In February last further memorials were received at the Home Office from the Committee of the International Chambers of Commerce urging the Government to take the same course, and their views were supported by the British Chambers of Commerce, the National Association of Building Societies, the Federation of British Industries, the British Bankers' Association, the Chamber of Shipping, the Corporation of Lloyd's, and a large number of other commercial bodies. Therefore, I do not think it is necessary for the Government to make any further inquiries from that point of view, because we have already got a complete consensus of opinion which for some time has been drifting into the Home Office, and all this opinion is steadily pressing upon the Government department charged with responsibility in this matter to get something done. In March last, the Drapers' Chamber of Trade passed a resolution pressing upon the Government to make this change. I cannot see any better way of finding out the opinion of the commercial community than that of seeking the opinion of these great representative associations, who all appear to be unanimous in regard to this proposal.

At the Premiers' Conference in June, 1928, a resolution was passed that, upon legislation by the Imperial Parliament to fix the date of Easter becoming operative, it was desirable that the Governments of the Australian States should introduce legislation to fix a similar date. The following resolution was passed at the Premiers' Conference:—

The Honourable E. J. Hogan moved, "That upon legislation by the Imperial Parliament to fix the date of Easter becoming operative, it is desirable that the Governments of the States should introduce legislation to fix a similar date." Question put, and resolved in the affirmative.

On the 2nd July, 1928 the Prime Minister of the Commonwealth communicated with the Premiers of the States and expressed the view that in the event of the Imperial Bill being passed by both Houses of the British Parliament it would seem advisable that similar legislation should be passed by the Commonwealth and the States so that the practice in regard to the observance of Easter in the Commonwealth and the States might be uniform and in accordance with the practice in the United Kingdom. The Premier replied that our Government was in accord with the proposal. The Imperial Act was passed on the 3rd August, 1928. It provided that the Act should not come into operation until a date to be fixed by Order-in-Council, and that, before mak-

ing such order, regard should be had to any opinion officially expressed by any church or other Christian body. On the 6th February, 1928, the draft of a Bill as prepared in New South Wales was received by the Premier, and instructions were issued to the Parliamentary Draftsman to prepare a Bill to be submitted to Parliament. If the Bill is passed the Act will not come into operation until proclaimed; and a proclamation will not be made until similar legislation has been passed by New South Wales and the other States. It is desirable, however, that the Bill should be enacted so that it may be proclaimed in due course concurrently with the other States so soon as similar legislation is passed.

Hon. G. W. Miles: Have any of the religious bodies in any part of the world objected to the measure?

The CHIEF SECRETARY: I am not aware of it if they have. There is no indication of it on our file, and from my reading I have not discovered any such objection.

Hon. J. Nicholson: Had there been any objection, it is likely that we should have heard of the fact.

The CHIEF SECRETARY: Yes; it would have been cabled long since, and there would have been Press criticism. I move—

That the Bill be now read a second time.

HON. H. STEWART (South-East) [7.40]: I wonder whether the Chief Secretary can state why the phraseology of the Bill is "the first Sunday after the second Saturday in April" instead of "the second Sunday." I am aware that it might occasionally be the second Sunday, and yet not the ninth day of the month. Still, it seems to me that there must be some other reason for the use of that phraseology, and one would be interested to hear it.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

BILL—PEARLING ACT AMENDMENT.

Second Reading.

THE HONORARY MINISTER (Hon. W. H. Kitson—West) [7.43] in moving the second reading said: The Bill proposes two amendments to the Pearling Act, amendments framed with the object of assisting the pearling industry. The first amendment has in view the permitting of the sale and purchase within the State of pearls which have been fished outside Western Australia. Our existing legislation provides that pearls fished outside Western Australian waters—for instance, at Darwin—may not lawfully be bought or sold at Broome or at any other Western Australian pearling centre. The Western Australian pearlers desire that the principal Act should be amended as proposed, in order that pearls fished at Darwin and other pearling centres outside Western Australia may be sold at Broome or any other Western Australian centre. In order to safeguard the position, the Bill provides that a sale or sales of pearls fished outside the State shall take place in the office of an inspector of fisheries. That is considered quite a sufficient safeguard. When in the North a little time ago, I met the Pearlers' Association Committee, the body which acts for our pearlers, and they pointed out to me that there are a number of pearls in the possession of the banks at Broome, and that these pearls, by reason of the nature of our legislation, cannot be legally disposed of. In fact, it would be utterly illegal to sell them. Further, it is contended that the amendment of the Act as proposed would render a centre like Broome far more attractive to pearl buyers, with the result that there would be more competition and possibly higher prices for pearls sold there. At the very least it would mean that more money would circulate in this State from the pearling industry than is now the case. The second amendment proposed refers to the Third Schedule, which deals with the licensing of boats. The schedule provides that the annual fee for a ship license shall be £10, irrespective of whether the ship is engine-pumped or hand-pumped. When the fee was fixed, the majority of the boats engaged in pearling were hand-pumped; but since then there has been an alteration in the type of boat, with the result that the majority of the boats to-day are engine-pumped and fish in deeper water than

hand-pumped boats used to do. They have two divers whereas in hand-pumped boats there is one diver. The hand-pumped boats were used in shallow waters and men were trained in them to become divers. Since engine boats have been engaged in the industry, fishing has taken place in much deeper waters and it has not been possible to train the required number of men for the work of diving. The result is that there is a scarcity, and at times a great difficulty, in securing competent divers. The amendment proposes that a license for a hand-pumped boat may be reduced at the discretion of the Minister, and pearlers engaged in the industry contend that if the fee were reduced it would be an inducement to put one or two more hand-pumped boats in commission and by that means it would be possible to train men in the work of diving. From the representations made, it appeared to me that these amendments were desirable in the interests of the industry. I hope the Bill will meet with the approval of the House. I move—

That the Bill be now read a second time.

HON. G. W. MILES (North) [7.48]: I desire to support the Bill and to thank the Minister for so promptly bringing it forward. I happened to be present when the Pearlers' Association waited on him at Broome and requested that these amendments should be made.

Question put and passed.

Bill read a second time.

In Committee etc.

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

BILL—LAND AGENTS.

Second Reading.

Debate resumed from the previous day.

HON. J. NICHOLSON (Metropolitan) [7.51]: The Bill, so far as one can gather from a perusal of it, follows somewhat closely the Act in force in South Australia. The Honorary Minister in the course of his second reading speech, explained that as a consequence of the Act in force in that State several of the class who might be described as undesirable had migrated to our shores,

apparently having been chased out of South Australia because of the strictness of the law there, and that those people were seeking to carry on their practices in Western Australia. We were also given to understand that the land agents themselves had asked for legislation of this description, but I am credibly informed that far from this particular legislation being a source of benefit and ensuring that protection which was intended, it will inflict a great hardship upon those persons who honestly and properly carrying on their business. It has been suggested by them that if the Government desire, as every citizen desires, to see that the undesirable people are not allowed to continue freely to carry on here the practices they have indulged in elsewhere, there is one method open to the Government and that is to tighten up some of the sections of the Criminal Code, or if need be add a few sections to it. Probably that would meet the case.

The Honorary Minister: I do not think so.

Hon. J. NICHOLSON: There is no doubt that we do not wish to encourage the type of individual referred to by the Minister, and the greater check we can put upon such people, the better will it be for the community at large. We have to consider whether the Bill will accomplish the object desired. I am rather inclined to doubt that it will. We have at the present time an Act in force which, I admit, is not as wide as the present Bill, but it is proposed by the Bill to incorporate many sections of the existing law into the Bill, and I notice that quite a number have been materially altered. We are sometimes guided in coming to a decision in these matters by what we see in other places, and I understand that recently a Bill of a similar nature was introduced in the Victorian Parliament but after consideration was rejected. We know there has been a good deal of land jobbing of questionable character carried on in this State for a good many years, and when in the course of the second reading speech one listened to what the Honorary Minister had to say, other members besides myself could not but recognise that there is considerable difficulty, when one introduces a measure of this nature, in providing all the protection that is essential to safeguard the unwary or even the stupid person from being taken down by the shark. In every walk of life,

whether it be in connection with the sale of land or the sale of any property or commodity—

Hon. G. W. Miles: Or shares.

Hon. J. NICHOLSON: It does not matter what it be, there is the risk that those who are unwary enough, and do not take the trouble to make inquiries, or even go to persons who might give them some suitable advice, allow themselves to be misled by probably flowery stories that may be narrated to them. We had an instance the other day recorded in the Press of a good lady who had been entrusting several hundreds of pounds to an apparently very smooth-tongued gentleman who was supposed to be betting on certain events happening. The gee-gees appeared to be her failing. In the course of time she was told that her capital was getting gradually larger and larger until it had reached the fabulous sum of something like £23,000. When she sought to recover the £23,000 she discovered it did not exist.

Hon. G. Fraser: She woke up then.

Hon. J. NICHOLSON: I do not know how we are going to achieve the desired end to provide legislation to deal with cases such as that, nor do I see how we are going to safeguard the unwary or the stupid persons as I would sometimes call them. There is an old maxim and a very true one which has been a guiding principle in connection with the law for many years, and that is *caveat emptor*—let the buyer beware! When entering into a transaction or contract the buyer is supposed to take notice. Let him beware of what is in the contract and let him also beware of the obligations embodied in the contract and the reservations and encumbrances which might affect any land he buys.

Hon. A. Lovekin: They do not understand the meaning of *caveat emptor*.

Hon. J. NICHOLSON: No. The maxim is a good one. People will buy land from another person without taking the ordinary precaution of making a search. It is simple enough for a layman to make investigations at the Land Titles Office. He gets the number of the title and knows the block of land he is buying. Before he completes the transaction he need not put up a penny until he is satisfied. He also has the protection afforded under the Land Transfer Act, if he finds the land is in the name of the vendor, of putting a caveat upon it so as to prevent

any dealings taking place with respect to it.

Hon. A. Lovekin: He also has the protection of the statute of frauds.

Hon. J. NICHOLSON: Safeguards are provided by the law in every way. If a man makes misrepresentations with regard to land, the civil remedy is always open to the injured party. If a man makes false representation, such as occurred recently in a land transaction, the Criminal Code is available to help the unwary person.

The Honorary Minister: All these remedies are available only after the damage is done.

Hon. H. A. Stephenson: They are available now.

Hon. J. NICHOLSON: The Honorary Minister's interjection would indicate that the Bill will prevent these things from happening.

The Honorary Minister: It will prevent many of them.

Hon. J. NICHOLSON: It will not do so. Were the Government to introduce a Bill to prevent these things from happening, something would be achieved. We would be able to protect this type of person in the bargains he makes, but the Government would be carrying out a very laborious task if they undertook that. The only way they could provide any safeguards of the kind would be to cause all documents to pass the censorship of some Crown Law assessor or other official.

Hon. A. Lovekin: Even that would not prevent fraud.

Hon. J. NICHOLSON: No. The man who is determined to commit fraud will do so in the teeth of all restrictive legislation.

Hon. E. H. Gray: But that makes it very much harder for him.

Hon. J. NICHOLSON: It would make no difference to him. It is said that a fool is born practically every minute.

Hon. G. Fraser: And a rogue is born every minute to rob him.

Hon. J. NICHOLSON: There is a fairly easy balance between the fool and the rogue.

The Honorary Minister: You do not suggest that the fool is not honest.

Hon. J. NICHOLSON: No, but he is a fool to himself, and food for the rogue or enter person. In Victoria, where there are many smart men, the authorities have recognised that such a Bill will not be an aid

in the direction indicated, and which the Government are desirous of accomplishing. However willing we may be to afford this protection, I see great difficulty in putting it into practice. Boiled down, the main purpose of the Bill is to get at the man who is the real cause of these frauds. It was sufficiently elaborated upon by the Honorary Minister when he indicated that this man was the salesman type who hawked about blocks for sale amongst people either in the country or suburbs, or anywhere that offered a ready victim. When he finds a person stupid enough to listen to him, and not careful enough to exercise the ordinary precautions in business affairs, something unfortunate occurs, and the unwitting person loses his money while the other fellow decamps. Clauses 1 to 30 deal entirely with land agents and the licensing thereof. Clauses 31 to 38 deal with other matters. Clause 31 contains a reference to the recovery of commission on sales. A prohibition is indicated in Clause 32 as it affects unlicensed persons suing for commission. That is all a restraint upon the unlicensed land agent and it probably is a safeguard, but we have all that already in the existing Act. I am told by land agents that there is sufficient protection already in existing legislation. They would be quite pleased to see some legislation introduced, and when they approached the Minister for Justice some time ago their desire was to assist him in framing legislation that would prevent undesirable persons from coming here and carrying on practices in which they had been indulging elsewhere. The other clauses deal with further transactions by licensed land agents. In Clause 33 certain penalties for offences in connection with subdivided land have been added. One clause to which strong exception is taken is No. 36.

Hon. A. Lovekin: Is there not something in the Town Planning Act dealing with the points covered by Clause 35?

Hon. J. NICHOLSON: That Act does refer to subdivisions, but I cannot recall what the reference is.

The Honorary Minister: Why do land agents object to Clause 36?

Hon. J. NICHOLSON: It provides that any contract for the sale of any subdivided land, or in respect of any such land, made after the commencement of this Act shall be void at the option of the purchaser at any time within six months from the making

thereof, unless such contract complies with certain requirements. The clause then proceeds to set out those requirements. It is urged by those interested that any clerk may omit to specify one or other of the items referred to, as the result of which the transaction would not be deemed to be concluded until six months afterwards. It would be competent for the purchaser within six months to seek to set aside the transaction. That is a wholly unreasonable position. It would operate in a detrimental way in respect of all dealings in land. It might be urged that if such a provision is necessary in land transactions, the purchaser in ordinary transactions should be protected in the same way. Whether it was in connection with the sale of goods, hats, clothing, haberdashery, or anything else, why should not the purchaser be protected just as is attempted to be done in the case of the sale of land? Clause 37 contains a prohibition against contracting out of any of the provisions of the Act. Any contracting out would be void. Clause 38 is another important one. It says—

In any action, if it is shown that any false representation was made and that any person was induced by such representation to enter into a contract to purchase subdivided land or any interest in such land, the person making such representation shall be deemed to have made the same with knowledge of its falsity unless it is proved that he had reasonable ground to believe and did believe that such representation was true.

That shifts the onus absolutely and entirely, and involves something that is unfair to anyone engaged in a calling such as that of a land agent.

Hon. G. Fraser: Should not the man who sells the land be required to be sure of his ground before making any such representations? That is all the clause stipulates.

Hon. J. NICHOLSON: No; I think the hon. member is looking at it from the wrong standpoint. If a charge of false representation is lodged, which is frequently a criminal matter, then the onus is on the person making the charge to prove the false representations. It is the same when the claim is made by way of a civil action. It is incumbent upon the person bringing the action to prove his case. In the clause, however, the onus is shifted, and it may be that an innocent land agent will have to prove his innocence, thus reversing entirely the position. That is not in accord with the spirit of justice. For that reason I

think the Bill, which contains provisions of this description, should be viewed with a greater degree of seriousness than, I think, has been evidenced so far.

The Honorary Minister: Do you know that this Bill was submitted to a select committee in another place?

Hon. J. NICHOLSON: Yes, and when speaking earlier I mentioned that when making representations before the select committee, the land agents' desire was not to make their position more onerous, but to assist the Government to find means whereby the illicit land dealer could be prevented from inflicting his presence on the unwary in the community. Under the Land Agents Act, land agents have placed upon them certain obligations and they are denied the right to exact commissions unless they are licensed. They cannot carry on their avocation unless they are licensed. The latter clauses of the Bill, practically all from Clause 39 to the end, deal with land salesmen, and these are really the men whom it is desired to hobble, and to secure in one way or another. It is suggested that these men can be secured by means of an amendment of the Criminal Code. I would draw attention to the fact that while the Bill provides that a land agent must find security for the sum of £200 in cash or by means of a fidelity guarantee bond, in addition to which he has to submit evidence as to his character, the land salesmen can be licensed as such without having to find security for one penny. Surely if the object of the Government is to control the activities of the illicit land dealers, whose transactions have caused all the trouble in the past, those land dealers should be required to find a sufficient deposit or security before being allowed to carry out the work upon which they have been engaged.

The Honorary Minister: But they are merely the employees of the land agents.

Hon. J. NICHOLSON: No. They are land salesman, and are not always employed by land agents. As a matter of fact, at the present time there are men travelling about the country selling land on their own account and not as employees.

The Honorary Minister: Are they not land agents?

Hon. J. NICHOLSON: They may call themselves land agents and go about selling land, but they are not licensed.

Hon. A. Lovekin: Those men are land jobbers!

The Honorary Minister: Under the provisions of the Bill they will not be able to do that.

Hon. J. NICHOLSON: They will be able to continue doing it without any trouble whatever; despite the Bill, they will go ahead in the same happy-go-lucky way they do at present. If there were imposed upon those men the necessity not only to procure a license but to provide a substantial sum by way of security, that would prevent many being licensed who are to-day a menace to the community. If some such action as that were taken, it would help to protect the unwary amongst the public, and save them from being duped. In Clause 39 there is absolutely no provision that will prohibit these illicit land salesmen from continuing their avocation. It contemplates only land salesmen who are the employees or servants of others. When I mention that point, I again draw the attention of the Honorary Minister to the fact that there are men going about the State to-day who are not in the employment of any land agent, but who have secured certain blocks for sale and endeavour to dispose of them at whatever profit they can make from the unwary.

The Honorary Minister: Under the provisions of the Bill, those men will be classed as land agents.

Hon. J. NICHOLSON: I do not believe for one moment that they will be so classed. On the other hand, if the Bill provided that such men would have to deposit a sum as large as possible by way of deposit or to provide an adequate fidelity guarantee bond, then those men would not be able to carry out the work upon which they are not engaged. I would also provide punishment for any person found contravening such a provision, severe enough to act as a deterrent to others.

The Honorary Minister: Do you suggest that the staffs employed by the land agents should find the security you speak of?

Hon. J. NICHOLSON: I think they should. A land agent who is carrying on his business in an ordinary, decent way and does not seek to impose on the public, would employ only men upon whom he could rely. Having employed such men, there would be no difficulty in finding the neces-

sary security. That difficulty would be easily overcome.

Hon. G. Fraser: Of course they are all reliable until they are found to be unreliable!

Hon. J. NICHOLSON: Probably; but at the same time a safeguard would be furnished, such as would stop the illicit dealer in land from imposing upon the public. I wish to refer again for a moment to Clause 3 of the Bill. Under the existing law, as set out in the Land Agents Act of 1922, we find the definition of "land agent" is as follows:—

"Land agent" means a person whose business either alone or as part of or in connection with any other business, is to sell or otherwise dispose of land or any interest in land on commission otherwise than by auction; but does not include public accountants acting in the discharge of their duties as trustees, liquidators, or receivers.

We know that men engaged in that work as trustees, liquidators or receivers for companies are usually accountants. In the Act they were specifically excluded, but that exclusion has not been continued in the Bill now before us. On the other hand, the Bill makes provision for the exclusion of legal practitioners who "act as agents in respect of the sale or purchase or other disposal or acquisition of land or of interests in land." The man who most frequently acts in that capacity is an accountant, but from time to time solicitors are called upon to handle such transactions.

Hon. G. W. Miles: Do you not think they should put up a bond, too?

Hon. J. NICHOLSON: They have to do so in other ways, but there would be no harm in providing that they should do so if they acted as land agents. I should like also to call attention to a further definition in respect of land agents which reads as follows:—"The term 'land agent' also includes any person whose business is the selling, as owner or otherwise, of land in allotments." That does not appear in the existing Act, and I should be very much surprised to see it carried into law. It simply means that every owner of land—perhaps the Minister owns a piece of land—who subdivided it and tried to sell it would be in the unfortunate position of committing an offence under the Bill. The words "carrying on business" have received a legal interpretation from time to time, but the words

"whose business is the selling, whether as owner or otherwise" is a new form of phraseology and probably would need a new legal interpretation. In a case like that the question would arise whether the owner who had subdivided some land was carrying on business as a land agent. Certainly he would have made it his business for the time being, although in the ordinary course he would not be carrying on business as a land agent. If the words were "carrying on business as a land agent" that would be his business. But under the wording as it is here, any person who happens to be the owner of land and subdivides that land and tries to sell the blocks would certainly be making it his business for the time being, and would then become subject to the pains and penalties of this measure. Indeed it is a question whether he would not be required to be licensed. Because in this definition we have it "The term 'land agents' includes any person whose business is the selling as owner or otherwise."

Hon. H. A. Stephenson: That is plain enough.

Hon. J. NICHOLSON: A very wide definition. I call attention to it so that the Minister may have opportunity to make further inquiries into the matter.

The Honorary Minister: Would not the definition of "land agents" in Clause 3 cover the man of whom you are speaking?

Hon. J. NICHOLSON: It all depends upon how he acquired the land. Some of these land agents are possessed of a little money. They may purchase land on a reasonable deposit and then seek to sell the land on terms. If such a man were going about the country acquiring subdivided estates from the owners, and being authorised by them to sell the land, he would be a land agent. But whether on the other hand a person who actually purchases an area of land under an agreement, subdivides it, and then goes prowling about the country trying to get rid of the blocks at the highest price he can—

Hon. J. J. Holmes: What is to stop him?

The Honorary Minister: But does not that clause cover him as a land agent?

Hon. J. NICHOLSON: It would cover the man who is employed by the owner of the land to act as his agent in selling it, but not otherwise.

The Honorary Minister: Read those words again.

Hon. J. NICHOLSON: Suppose you or I desire to cut up a block of land. Have we to be made subject to this measure? Because under this we would become land agents. I do not think the Honorary Minister would seek to allege that he is a land agent. Nor would I say I was a land agent if I had an area of land and subdivided it into several blocks with a view to selling it. Yet under this definition of land agent I would virtually become a land agent and be subject to the penalties provided in the Bill. In Clause 5 we find that no person shall carry on business as a land agent unless he is the holder of a license under this Act. Have I, because I have cut up an acre of land and proceeded to sell it, to be licensed under the Act?

Hon. E. H. H. Hall: No, you are the land owner according to that.

Hon. J. NICHOLSON: I am afraid the hon. member has not looked at the definition given here.

The Honorary Minister: The hon. member is putting a wrong construction on the definition.

Hon. J. NICHOLSON: I do not wish to put a wrong construction on it. The term "land agent" also includes any person whose business is the selling of land. If I cut up an acre of land into quarter acre blocks and make it my business to sell those blocks—

Hon. E. H. H. Hall: That is not your business; it is only a pastime.

Hon. J. NICHOLSON: Does not the selling of that land become my business? Whose business is it?

Hon. E. H. H. Hall: It is not your regular business.

The Honorary Minister: It can be argued both ways.

Hon. J. NICHOLSON: The definition I believe is intended to reach the man who carries on the business of selling land, who makes the selling of land his means of livelihood, but it does not express it in that way.

Hon. J. J. Holmes: Can we not make it more expressive in Committee?

Hon. J. NICHOLSON: That would require to be done.

Hon. G. Fraser: A loophole has been left there for lawyers.

Hon. J. NICHOLSON: I suggest to the Minister that he should reconsider the Bill because of the onerous nature of the provisions introduced here and directed against

the well-doing land agent who is already carrying on his business under a law in force, which I believe has been found to be reasonably satisfactory.

The Honorary Minister: The hon. member can hardly say that when we have had so many cases recently.

Hon. J. NICHOLSON: They are the cases of men who really have been committing fraud. The Government will never get at that type of man by this Bill.

Hon. J. J. Holmes: How will they get at him?

Hon. J. NICHOLSON: Only through the Criminal Code. There is only one place to deal with a man of the type to which we have been referring, and that is to get him within the four walls of a gaol. It is the only safe place for him. Everyone is desirous of seeing that sort of thing put down.

The Honorary Minister: I agree with that.

Hon. J. NICHOLSON: I do not think the Bill will accomplish it; I think there should be greater restrictions placed upon the qualifications of land salesmen.

The Honorary Minister: Do the land agents think that?

Hon. J. NICHOLSON: I did not answer for any of the land agents to whom I have spoken when I expressed the view I have regarding land salesmen. The Minister should understand that these are views I formulated when going through the Bill. It occurred to me when I saw that the land agent had to deposit a sum by way of security for his bona fides, and the land salesman, who is the cause of the trouble, had to deposit nothing. I believe that one means of seeking to try to protect the public would be to make the land salesman also provide some surety.

The Honorary Minister: It would have a beneficial effect, but would impose a hardship on hundreds of very estimable people engaged to-day as land salesmen.

Hon. J. NICHOLSON: I think you would get a better type of man engaged in the business.

Hon. G. W. Miles: Is the possession of money going to make a man better?

Hon. J. NICHOLSON: No, but it would tend to bring in a better type of man. However, it can be considered. I do not think it necessary for me to stress any of these clauses any further. I advise the Minister

that he should consider the suggestion which has been made to amend the Criminal Code, or alternatively to so amend the Bill as to tighten it up in respect of land salesmen or, those who, as I believe, are termed "go-getters." Exactly what it means, I do not know. There is a type that it is desirable to reach, and I certainly feel that the most effective way to reach that type would be through the Criminal Code.

Hon. G. W. Miles: What is a go-getter?

Hon. J. NICHOLSON: I have heard the expression and I must acknowledge that I omitted to ask exactly what it meant, but apparently it is a term used to describe a swift-dealing gentleman.

Hon. J. J. Holmes: He goes out and gets the other fellow.

Hon. E. H. Gray: He gets him all right.

Hon. J. NICHOLSON: If the Honorary Minister examines the Bill closely, I think he will realise that a lot of the clauses require further consideration. One provision I omitted to refer to was Subclause 2 of Clause 39 which states—

After the 31st day of March, 1930, no person shall employ any other person as land salesman unless such other person holds a certificate of registration as a land salesman under this Act which certificate is for the time being in force.

The effect of that would be that before a landowner could put land into anyone's hands for sale, the onus would be on him to make sure that the man into whose hands the land had been put held a certificate of registration as a land salesman.

Hon. E. H. Gray: That would not be very difficult, would it?

Hon. J. NICHOLSON: How many people would be conscious of the obligation? There would be very few who would know they were under liability, before placing their property in the hands of another person for sale, to ensure that that person held a certificate of registration. If a landowner unwittingly placed his property in the hands of another person who did not hold a certificate, the owner would be guilty of an offence and liable to a penalty not exceeding £50.

Hon. G. W. Miles: Are you going to amend all those things in Committee?

Hon. J. NICHOLSON: I suggest that the Honorary Minister should consider the Bill

in its entirety, and if necessary introduce a measure to amend the Criminal Code.

The Honorary Minister: It is the same old argument—we should do something but this is not the kind of thing we should do. Suggest what you think we ought to do.

Hon. J. NICHOLSON: I have suggested that the Honorary Minister should reconsider the Bill. At this stage I withhold any expression of opinion whether I shall or shall not support the second reading. It is only fair that members should have an opportunity to consider the Bill in its entirety. If the second reading be passed, I shall undoubtedly take action in Committee regarding several of the clauses to which I have referred. I shall certainly move to strike out Clause 36 and to amend Clause 38 as well as other clauses, to some of which I have alluded.

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

ADJOURNMENT—STATE OF BUSINESS.

THE HONORARY MINISTER (Hon. W. H. Kitson—West) [8.49]: In view of the state of the Notice Paper, I move—

That the House at its rising adjourn till Tuesday, the 17th September, at 4.30 p.m.

Question put and passed.

House adjourned at 8.50 p.m.