

pire between the fighting colliers and the challenging locomotive drivers. The three-months provision was inserted at the instigation of the then Commissioner of Railways, and that provision has continued ever since. I hope it will continue to remain in force. I hope that the affinity established between the Commissioner of Railways, the locomotive drivers, and the coal miners will continue for all time. I do not say that there should be an attempt to raise the price. There never has been. The locomotive drivers would refuse to discuss the matter if the question of price were ever introduced. They say to the miners, "You have the same court to go to as we. You have the Federal tribunal to go to. Having that tribunal, you can apply to it. We wash our hands of any idea of trying to put on pressure." Finally, as regards a Royal Commission you can let Miles have one and you can put Miles on as chairman of it so far as I am concerned.

Progress reported.

House adjourned at 9.56 p.m.

Legislative Council,

Tuesday, 7th October, 1930.

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

BILL—ANATOMY.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [4.35] in moving the second reading said: To the average person the thought

of anatomy and dissection suggests gruesome possibilities. Nevertheless, to provide proper training for medical and dental students, dissection is absolutely essential, and, in consequence, it is necessary to submit this Bill to authorise the practice of anatomy. When it is remembered that a qualified professional person must, in the course of his profession, dissect the live individual, it is obvious that, to enable him to do this safely and properly, he must have experience in dissection on the dead subject. A century ago all sorts of improper practices were carried on to enable this necessary training in dissection to be pursued, but in about 1870, Great Britain led the way by passing an Act to regulate the methods by which the necessary subjects might be secured, under proper conditions, for medical and dental schools, providing absolute safeguards against irregularities. At the present time, such Acts are in operation in most countries, and Western Australia is one of the very few places where such legislation does not exist.

It may be many years before a medical school is established in this State, but dental training has been pursued here for some time, and it has been the aim of the Dental Board to steadily raise the standard of training to a pitch where reciprocity with other States of Australia and with other countries of the world, may be secured. The opening of the Dental Hospital in 1927 marked a decided step forward, and the practice has now been established of all dental students receiving their practical tuition at the hospital. Efficient study of the head and neck, an accurate knowledge of which is essential to properly trained dentists, cannot be obtained without actual dissection. At the present time, the lack of an Anatomy Act makes dissection impossible, and unless the students can carry out a course of actual dissection, it is impossible to raise the standard of our course of training here. One of the first aims of the Dental Hospital is affiliation with the University of Western Australia, and this cannot be claimed until our standard of training is equal to that of similar institutions in the other States, and the ultimate desire for reciprocity, not only with the other States, but with other parts of the world, will never be granted until the foregoing aims have been achieved. Therefore, an Anatomy Act, giving dental students the right to undertake a proper course

of dissection, is one of the first essential steps in the advancement of dental education in this State. The time will come when a medical school is added to the University, and in anticipation of that, the British Medical Association has joined with the dental profession in asking that this Bill be introduced. The measure has been framed in consultation with members of both professions, and follows the lines of the Victorian statute on the subject, which has been proved to work in a thoroughly satisfactory manner. The various clauses of the Bill are, in the main, self-explanatory, but some of them are worthy of explanation. In the definition of "Person," set down in Clause 2, it is intended that such societies as the British Medical Association, or the Dental Association, whose will be the responsibility for the carrying out of the provisions of the Act, shall be similarly placed to an individual. Clause 3 provides that the Governor may grant licenses to persons approved by the Medical Board of Western Australia, or to students undergoing their training and who are attending any school of anatomy. Safeguards are provided, in that the application must be countersigned by the police, or resident, magistrate, or by the Principal Medical Officer, where it is certified that the applicant is about to carry on the practice of anatomy.

Hon. J. Nicholson: The Bill is not confined to the dental profession, but you are mentioning that only.

The MINISTER FOR COUNTRY WATER SUPPLIES: I have already said that it applies to the medical profession as well. By this means, assurance is provided that only persons with approved qualifications or having proper grounds shall be granted licenses.

Hon. A. Lovekin: By leave of the magistrate.

The MINISTER FOR COUNTRY WATER SUPPLIES: The next three clauses deal with the appointment and duties of inspectors; the necessity for inspectors to submit quarterly returns of anatomical examinations; and the inspection of places where anatomy is practised. Wherever anatomy is practised, the main sources of material are the unclaimed bodies of unknown persons who die in institutions, and Clause 7 permits the superintendents of such

institutions to hand over such bodies for the purpose of anatomical examination in any school of anatomy operating under this measure. That permission, however, can only be exercised under the authority of the Minister. It is also provided in the clause that any expressed desire of the deceased person, or of any relative, shall be given effect to in the event of there being an objection to such anatomical examination being made. By Clause 8 the executor of an estate of a deceased person is placed in the same position as the relatives referred to in the preceding clause, and, furthermore, it requires that the wishes of the deceased person's relatives are to be given effect to. The following clause provides that any person who desires his body to be used for anatomical purposes may so direct, and he may even nominate any person authorised under the Act to carry out the examination; and any person having lawful possession of the dead body shall direct such examination to be made. That clause directs that the wishes of any individual in this regard shall be given effect to, unless, of course, the relatives of the deceased person requires the body to be interred or cremated without anatomical examination being performed. In Clause 10, it is proposed that bodies must not be removed from the place of death until a specified time has elapsed. Also that bodies must not be removed until due notice has been given to the inspector or to the police or resident magistrate, or other authority as the case may be, and stipulates also that the person who certifies the cause of death, shall not be concerned in examining the body after removal. Under Clause 11 it shall be lawful for approved persons to receive bodies for anatomical examination. Clause 12 provides for the issue and transmission of certificates and the keeping of proper records in respect of any bodies which may be dealt with under the Act. In Clause 13 provision is made that notice is to be given to the Minister of places where anatomy is about to be practised. In the next clause, the provisions governing removal, examination, and subsequent interment, in proper manner, are laid down. The remaining clauses are self-explanatory and do not need describing. I move—

That the Bill be now read a second time.

On motion by Hon. A. Lovekin, debate adjourned.

BILL—STATE TRADING CONCERNS ACT AMENDMENT.

Second Reading.

Debate resumed from the 2nd October.

HON. E. H. HARRIS (North-East) [4.43]: A Bill to amend the State Trading Concerns Act recalls to our minds the establishment of State trading concerns, which, I understand, were inaugurated by the Labour Party in 1912. At that time they set out what were deemed to be excellent reasons why State trading should be established in Western Australia. The Labour Party claimed that the adoption of that system would be in the interests, and for the benefit, of the people generally, as against the private individuals who were trading in certain lines, and who, it was suggested, were engaged in profiteering. The trading concerns were established without the authority of Parliament, and subsequently a Liberal Government established some further concerns, which resulted in the original Act being brought into being in 1917. When the State sawmills were established by the Wilson Government, the opinion was expressed that the timber combine was profiteering by charging the Railway Department twice as much as should have been charged for sleepers. Subsequently the Labour Party established the State Shipping Service, which was said to be in the interests of the squatters in order that they might be able to market their commodities, and later on the Wyndham Meat Works were built, and I understand both parties were responsible for establishing them. The question raised by the Bill is whether the Government should have the power to dispose of State trading concerns without the authority of Parliament. Section 4 of the Act includes the following:—

(3) The expression "trading concern" means any concern carried on with the view to making profits, or producing revenue, or of competing with any trade or industry now or to be hereafter established, or of entering into any business beyond the usual functions of State government.

Turning to the schedule of the Act, I find that provision was made for sawmills, brickworks, implement and engineering works, quarries, shipping service, hotels, meat distribution, ferries and fish supply.

Hon. H. Stewart: Is not provision made for chips also?

Hon. E. H. HARRIS: No, apparently taxpayers had to buy their own chips. On referring to the Annual Estimates, I find that the trading concerns there mentioned are limited to brickworks, hotels, implement and engineering works, quarries, shipping service, sawmills and the Wyndham Meat Works. That list does not embody all those concerns contained in the schedule to the Act. I wish to know from the Leader of the House what has happened to the meat and fish shops? I understand they do not exist now.

The Minister for Country Water Supplies: They have been closed.

Hon. E. H. HARRIS: Those concerns were established with the authority of Parliament. Were they closed with the authority of Parliament? I have carefully read the debate that took place in both Houses. There seemed to be a pact between the Liberals and the Labour Party regarding the trading concerns. One said, "You shall not establish any further trading concerns"; and the other said, "You shall not dispose of the concerns that already exist." Reading between the lines, it seems that there was an agreement of that kind designed to safeguard both parties. Now I find that two of the concerns that appeared in the schedule are not recorded. It has been said that there would be a grave danger if we allowed the Government to sell any trading concern without the sanction of Parliament. I do not know whether any grave danger would arise from closing them, or whether we might overcome the difficulty by closing them, as was done with the fish shops.

Hon. J. Nicholson: Did the Government sell the plant and stock?

Hon. E. H. HARRIS: I do not know; I hope the Minister will tell us.

Hon. A. Lovekin: The fish shops lost money heavily. Then the manager took them over and made £3,000 in the next year.

Hon. E. H. HARRIS: Were they disposed of in conformity with the Act that we are now asked to amend? We are asked to give the Government authority to sell without the sanction of Parliament, and some members contend that it would be dangerous to give the Government that power. Certainly a huge sum of money is involved, and it might be contended on

account of the huge sum involved that Parliament should first be consulted. The Minister told us that if any attempt were made to sell a trading concern, and we had to discuss the matter in the House, it would have a paralysing effect.

Hon. V. Hamersley: Would it be necessary to get the permission of the Arbitration Court to close them?

Hon. E. H. HARRIS: The statute makes no reference to the Arbitration Court. In this connection Parliament is the arbitration authority. Some members insist that Parliament should give its approval. Between the Minister and those members, we have to determine which is the correct course to adopt. I cannot see that there is any great difference between investing the Government with power to sell something worth half a million of money, and of the Government, during the recess, making an arrangement with some industrial organisation to concede long-service leave and give away half a million of public money. Parliament had no opportunity to discuss the granting of long service leave. An agreement was made and registered, and I believe it is still in existence.

Hon. H. Stewart: Long service leave after 10 years' service?

Hon. E. H. HARRIS: I believe some get it before giving 10 years' service.

Hon. H. Stewart: Ten weeks?

Hon. E. H. HARRIS: I believe it applies to those who had served 10 years prior to the making of the agreement, but I am not sure on the point. If the then Government, without the sanction of Parliament or by ignoring Parliament, could give away half a million of money, I think the Government might be trusted to sell a trading concern without the authority of Parliament. I cannot see that there is any great difference between the two matters. I should also like to know from the Minister which trading concerns the Government propose to sell. What constitutes a State trading concern? I have read the list of trading concerns, but on perusing the Estimates I find that a number of what might be termed trading concerns, such as railways, State batteries, abattoirs, etc., are regarded as public utilities. I want to know whether the proposal to sell will be limited to those mentioned as trading concerns, or whether the Government desire authority to sell public utilities also.

Hon. V. Hamersley: Limited to those in the schedule.

Hon. E. H. HARRIS: How would the hon. member like to see the country water supplies or the railway system disposed of? If he considers it desirable to move an amendment along those lines, he might receive some support. If he proposed to sell the railway system, he might get quite a lot of support. Judging by what we have read, and heard and what we want to know personally about the railway system, it might be infinitely better for the State if some private company undertook control of the system, and was subsidised by the Government for railways serving new agricultural areas that do not pay for some years. It is worth recalling that, when the original measure was before Parliament, strenuous opposition was offered to a proposal to give the Government authority to sell. The Hon. W. D. Johnson, in another place, moved to strike out the word "Parliament" and insert "Legislative Assembly." It was considered by members of the Labour Party that if "Parliament" appeared, it would not be possible to establish another trading concern, because "Parliament" would include the Legislative Council. The amendment was defeated. Subsequently, when the Bill reached this House, an attempt was made to give the authority to the Governor-in-Council instead of to Parliament. I mention these facts so that members may appreciate the hard fight that was necessary to get inserted in the measure the provision that the Minister is now seeking to delete. That was immediately prior to the 1917 elections, and it was argued by some members who still occupy seats in this Chamber that, as members were about to go to the people, if the electors endorsed the policy of State trading concerns, it might be deemed that they had a mandate from the people and the Government would be entitled to retain those concerns already established and to establish more. The then Government were defeated and, following the line of reason then adopted, we can say that the electors did not endorse the policy of State trading concerns. Mr. Gray and Mr. Kitson in particular have emphasised the danger of disposing of trading concerns without the authority of Parliament. They fear that the railways might be sold. Mr. Drew pointed out that certain propaganda had been used during the 1927 election regarding trading concerns affecting the North-

West. I have a circular issued under the authority of "Alex. McCallum, Campaign Director, Trades Hall, 1927." It states—

The State trading concerns were established by a Labour Government as a protection against those who were exploiting the people to build up private fortunes. The history of the State enterprises is one long record of service for the people because the State enterprises have checked the machinations of the monopolist and money grabber, and lessened their ill-gotten gains. It has been decreed that all the State trading concerns must be abolished.

I am not aware that the policy of the National Party in 1927 was to abolish the State trading concerns. I know that a large number of members did not approve of their existence and I am with them to that extent, but I think that some of the trading concerns the Government have anything to do with might be in the best interests of the State. Whether we should give this authority that is asked for will depend, so far as I am concerned, on the answer the Leader of the House will make when he is replying to the debate, that is to say, whether he will indicate what he considers are trading concerns. His answer will guide me as to whether or not I shall support the second reading. In the course of his remarks Mr. Drew asked what would happen to the proceeds of the sale of any of the trading concerns, and he told us that if the second reading were agreed to he would submit an amendment. I cordially support what the hon. member said with regard to what should be done with the revenue in the event of the disposal of any of the trading concerns.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter

—East—in reply) [5.4]: The hon. member who has just resumed his seat asked two questions with reference to the closing down of the meat works and the fish shops. All I can say is that the present Government are not aware of the actions of their predecessors and, in addition, I can add that the present Government do not intend to attempt to dispose of any of the trading concerns unless the disposal can be carried out in a business-like manner. Again, that can only be done by leaving entirely in the hands of the Government the question of leasing or disposal. Surely the Government can be trusted in this direction. It cannot possibly be expected that we should expose

the whole of the ramifications of a business for the enlightenment of all the people of the State.

Hon. W. H. Kitson: There is no necessity to do that.

The MINISTER FOR COUNTRY WATER SUPPLIES: There is. Anyone knows it is not possible to transact business of this description in any other way. Which of the concerns the Government intend to dispose of is rather a difficult question to answer at the present time. The Government are placed in the position that they must have an amendment of the Act so that they may have the power to either lease or dispose of any of the businesses. If the Bill be passed, the Government will then consider which of the concerns it is necessary to dispose of. I will say, however, that in respect of the railways, to which Mr. Harris referred, they are regarded as public utilities; I do not know of anyone who would class them as trading concerns.

Hon. E. H. Harris: Mr. Gray did.

The MINISTER FOR COUNTRY WATER SUPPLIES: Mr. Harris also referred to the State ships. I do not know that the Government have specially considered this service, but I do know that the vessels are providing a service for the people of the North similar to that which the railways are providing for the people of the South; that is the view that must be taken.

Hon. Sir Edward Wittenoom: You do not require such an expensive service as you have now.

The MINISTER FOR COUNTRY WATER SUPPLIES: Mr. Drew, in a fruitless effort to molest the Bill, reiterated some of my opening remarks and endeavoured to dress up queries for elucidation but I cannot console him by an admission that he succeeded in disclosing any unsoundness in my reasons for the Bill. In leaving the Bill to the decision of the House I believe that its enactment will be the first step in the necessary effort to rid the people and their industries of burdens that have proved injurious in recent years, and moreover, I am certain that it will make possible the very desirable restriction of governmental administration to legitimate activities. Hon. members who spoke in criticism of the Bill, did not adduce in their

declamations, any points of view to justify its rejection. As a matter of fact, the purposes of the proposed measure do not warrant serious opposition but, in adherence to their political views, a few members did not bless its sole, and, may I say, material aim. In pursuance of my responsibility I have searched their remarks for worthy points why the Bill should not pass but did not find anything to disturb the confidence of my request for the concurrence of the House. Those members who are in disagreement with me beckoned me into the wilderness of State trading but, as I stated when introducing the Bill, that is a subject quite apart from the object now before us, and for that very good reason and because it would not be helpful to those in favour or against, I refuse to wander off in my closing remarks into the maze of the parent question of State trading.

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

Ayes	..	..	..	21
Noes	..	..	..	4

Majority for .. 17

AYES.

Hon. F. W. Allsop	Hon. G. W. Miles
Hon. C. F. Baxter	Hon. Sir C. Nathan
Hon. J. Ewing	Hon. J. Nicholson
Hon. J. T. Franklin	Hon. E. Rose
Hon. E. H. H. Hall	Hon. H. Seddon
Hon. V. Hamersley	Hon. H. Stewart
Hon. E. H. Harris	Hon. C. H. Wittenoom
Hon. Sir W. Lathlain	Hon. Sir E. Wittenoom
Hon. A. Lovekin	Hon. H. J. Yelland
Hon. J. M. Macfarlane	Hon. G. A. Kempton
Hon. W. J. Mann	(Teller).

NOES.

Hon. J. M. Drew	Hon. W. H. Kitson
Hon. E. H. Gray	Hon. G. Fraser
	(Teller).

Question thus passed.

Bill read a second time.

In Committee.

Hon. J. Nicholson in the Chair: the Minister for Country Water Supplies in charge of the Bill.

The CHAIRMAN: Before proceeding with the business now before the Committee, and as this is the first occasion on which a temporary Chairman of Committees has been called upon to discharge the present

duties of office, I desire on behalf of my colleagues, the Hon. Mr. Stewart and the Hon. Mr. Kitson and myself to express our acknowledgments to the Hon. the President for the confidence he has reposed in us in nominating us as temporary Chairmen, a confidence which we sincerely trust will be shared by each hon. member of this council. Speaking for my colleagues in office and myself we would like to say that we realise that only in one way can confidence in our occupancy of the office be properly earned, and that is by seeking to follow in the footsteps of those who have had the honour of filling the position of Chairman of Committees. We have each agreed to emulate the many examples which have been set in this respect, and to discharge the duties we may be required to fulfil with the utmost impartiality and to the best of our ability. We feel sure we may crave your indulgence, should this be requisite, until we have familiarised ourselves with our new duties. We desire also to express our regret that our Chairman of Committees is prevented through illness from being present with us, and no one will welcome him back more sincerely than your three temporary Chairmen.

Hon. A. LOVEKIN: I should like to congratulate you, Sir, and your colleagues upon your appointment as temporary chairmen of committees. I am sure you will carry out your duties with credit to yourselves and to the Committee. Clause 2 is really the whole of the Bill. The Minister said it was not intended to deal with the State Shipping Service as one of the trading concerns which the Government may lease or otherwise dispose of. The State Shipping Service has been a constant drain on the taxpayer. I agree, however, that it is fulfilling in the North the functions that the railways are performing in the South, and that we must continue some communication with the North. But we are running only a steamer or two per month, yet keeping a full department paid all the year round. There are in Fremantle at least two firms running steamers to the North at the rate of one or two weekly. I cannot see why some business arrangement could not be made with one of those companies to run our steamers on an agency basis, as occurs in other activities. For instance, the State Sawmills entered into an arrangement with other sawmills chiefly

for the maintenance of prices and the regulation of trade. At any rate, I think some steps should be taken by the Government to minimise the enormous loss on the State steamers. I remember that the State fish shops as a trading concern were losing very heavily, and so were dropped by the then Government. The curious part of it was that the man in charge of the fish shops when they were dropped took them over on lease, and although the State had made a heavy loss on them under his management, yet, in the following year he made for himself a profit of some £3,000. I made some inquiries as to the reason for this, and he explained to me that occasionally a trawler failed to come in on time, and consequently he had no fish for his waiting customers. When that happened to a private vendor in the market, all he had to do was to buy from other fishermen some baskets of fish with which to supply his own customers.

The CHAIRMAN: I take it the hon. member is explaining this with a view to moving an amendment.

Hon. A. LOVEKIN: No, I am endeavouring to show why some of these trading concerns should be dropped.

The CHAIRMAN: The question is whether Clause 2 should stand as printed.

Hon. A. LOVEKIN: Yes, the clause is the whole Bill, and so the question is whether we are to allow these State trading concerns to be disposed of.

The CHAIRMAN: Then the hon. member is speaking to the clause?

Hon. A. LOVEKIN: Yes. The ex-manager of the State fish shops told me that his difficulty had been that when a trawler failed to come in on time and he wanted to buy a basket or two of fish, he had to make requisition to the Chief Secretary's Department for permission to do so; and that by the time he had secured that permission, his customers had gone off to other people, and he could do nothing. That was why he had made a loss for the Government, whereas in the following year, when he was able to buy baskets of fish at his own will, he could make a profit. There is a lot of red tape about all these State trading concerns, and probably this is inimical to the best interests of the State, and prevents profits being made.

Hon. Sir WILLIAM LATHLAIN: I hope the Government will consider the ultimate

disposal of the State Shipping Service also. I can remember when we had just as good a service to the North-West under a private company as we have ever had under the State Shipping Service. During that period I went on a trip to the North-West in the "Koombana." She provided a very excellent service, and she was run upon sound commercial lines. Whether or not any of these State trading concerns are paying, I am opposed to all of them. Mr. Drew remarked about the handsome profits made by the State Sawmills. I am not concerned about that, but I am concerned about the commercial immorality of a Government entering into any State trading. I am just as strongly against the State Shipping Service as I am against the State hotels. It has been argued that the State vessels render a service in the North equal to that of the railways in the South. We have had experience of the State Shipping Service in the North-West, and of the contract system. We received from the Federal Government a certain amount which went a long way towards paying the necessary compensation. But in respect of a private company, we can make contracts for a service as frequently as may be desired, and at the same time penalties can be imposed for non-observance of the contract. Mr. Gray and Mr. Fraser spoke of the crews of the State steamers living at Fremantle. When Captain Rees was in command of the "Koombana," he lived at Fremantle, as did also his men. They were just as good residents of Fremantle as any men in the employment of the State Shipping Service. Another objection is to the over-increasing number of persons employed by the State. The Premier in the course of his Budget speech said that out of a total of £15,000,000 paid in wages in Western Australia, over £5,000,000 was paid by the Government. Surely it is time the taxpayers had some say in respect of these State trading concerns. If we are over-ridden by the votes of Government employees, we lose sight of what should be the will of the people. I am emphatically opposed to the State steamers, just as much as I am to the State hotels. The people of the North-West can be served just as well by private enterprise as by the State steamers.

Hon. E. H. HARRIS: I am indebted to Mr. Lovekin for his reason why this amend-

ment should be passed. He instanced the red tape that exists in the Government service, and I think it may safely be assumed that the same methods exist in the present State trading concerns as did in the State fish shops. It is said that certain State trading concerns have shown handsome profits. I have searched the accounts in an endeavour to find justification for that statement, and this is what I have discovered in the "Hansard" of 1928, when we had a Bill for the disposal of a State trading concern, the State Implement Works, and the establishment of another concern in the shape of a selling agency for implements. On that occasion, Sir James Mitchell said—

Thus it will be seen that the losses have been greater than the profits by £996,000, and thus with capital written down amounting to £739,000, we get a total loss of £1,735,000.

Mr. McCallum was Minister for Works at the time, and in reply he said that, taking the State trading concerns as a whole, there had not been a single financial loss. There we have two opposing authorities, and with the accounts put up as they are, it is very hard to say which is correct. If there be an undoubted justification for supporting the clause, I think Mr. Lovekin has supplied it.

Hon. J. M. DREW: In the first place I have to congratulate you, Sir, and through you those other members appointed temporary Chairmen of Committees. I feel confident you will each do justice to your position. I must protest against Mr. Lovekin's assertion that the State steamers have been losing heavily in recent years. It is true that for many years there was a substantial loss. That was when the "Bambra" and the "Eucla" were running. But the Collier Government, on coming into office, decided to have Diesel-engined ships built. In consequence of that decision the "Koolinda" and the "Kyhra" were constructed in England and sent out here. Since then the expenditure on the running of the State steamers has been considerably decreased. From month to month up to the time I left office the ships were picking up, and there is no doubt that in course of time they will pay well. Suppose the State steamers were sold. Immediately freights and fares to the North-West would be increased.

Hon. G. W. Miles: Not if we had a subsidised company with fixed freights and fares.

Hon. J. M. DREW: It would have to be a heavy subsidy. In 1925 the private companies increased their freights and fares, and approached the State Shipping Service with a request that it should put up its freights and fares by 15 per cent. and $4\frac{1}{2}$ per cent. respectively, but the management refused to do this. These freights and fares continued until last year, when they were brought down to the State rates. The freights and fares on this coast are lower than they are in any other part of Australia over similar distances. The North-West trade is proving profitable. Only the South-East trade is showing a loss. It would not be right to abandon the latter, in view of the great increase in agricultural operations down there. I was astonished to hear Mr. Lovekin's remarks about the fish supply. It never was necessary to buy fish when I was in charge of the State Shipping Department. Neither was there any heavy loss. I do not think it was more than £2,000 altogether. As a result of our operations it was possible to sell schnapper at about 8d. lb., but I think it is now up to about 1s. 6d.

Hon. A. LOVEKIN: At the time I spoke of there was no fish to be had, and there was a loss in that year. The works were established in order that fish might be kept for the people, but I do not know that they ever got any. Mr. Drew suggests there have been no losses in connection with the State Shipping Service, and that it is picking up. I have a return which shows that half a million pounds have been written off. I have also taken out the figures from the Budget that was introduced a few days ago. For the current year the estimated expenditure is £206,500, and the estimated receipts are £172,000. The estimated contribution to Consolidated Revenue will be nothing, and the actual contribution last year was also nothing. These figures seem to indicate some sort of loss.

Hon. W. H. KITSON: It is not a question whether State trading concerns shall be sold or not, but whether they should be sold without reference to Parliament. The matter of profit or loss is not under consideration. There is a good and sound reason for the establishment of all our State trading concerns.

Hon. G. W. Miles: No.

Hon. W. H. KITSON: The fish shops were established to provide the people of the State with a supply of that commodity at a price lower than the then rates. That concern was not treated fairly. Had it been kept going it would have developed, and present-day prices would rule very much lower.

Hon. Sir William Lathlain: Have the implement works been given a fair go?

Hon. W. H. KITSON: Not by certain people. They were established to provide agricultural machinery to our farmers, at a price which would compete with that of the imported article. Many of the implements manufactured there have been the equal, if not the superior, of imported articles. I admit there have been failures in some of the machines because they were not up to the standard desired by certain people. That is not to say the machinery is not satisfactory to-day. Mr. Fraser said he understood the Government were removing the showroom from Murray-street to North Fremantle. That is another instance of not giving the works a fair go.

Hon. E. H. Harris: Is that a reason why the clause should not be passed?

The CHAIRMAN: That is not provided for under the clause.

Hon. W. H. KITSON: The Government are taking a course that would be detrimental to the implement works, and will prevent them from maintaining sales. They must, therefore, depreciate in value.

Hon. Sir William Lathlain: Is not an 18 years' trial a fair one?

Hon. W. H. KITSON: An unfair advantage is being given to the competitors of the works. If it was necessary to have a Bill passed by Parliament to authorise the establishment of State trading concerns, it is equally necessary to have one to authorise the sale of any of them.

Hon. A. LOVEKIN: Why did not Mr. Kitson object to the establishment of the State Insurance Office in the very teeth of the State Trading Concerns Act? That Act provides that no trading concern shall, unless expressly authorised by Parliament, be established or carried on by the Government, or by any person on behalf of the Government. The expression "trading concerns" means any concern carried on with a view to making profits or producing revenue, or competing with any trade or in-

dustry now or hereafter to be established, or one that enters into any business beyond the functions of State government. The Labour Government established the State Insurance Office, and we are told it is now trading at a profit by insuring at premiums about a quarter below those charged by private companies. Mr. Kitson now opposes the idea of giving the Government, under statute, the right to dispose of any of these State trading concerns. I cannot follow his logic.

Hon. W. H. KITSON: My sole objection is to giving the Government this right without reference to Parliament. The State Insurance Office was established without the consent of Parliament, and can be abolished by the Government without that consent. Sir William Lathlain has spoken of commercial immorality in connection with the State Sawmills. Has there been no such thing in the private sawmilling industry? Is it right that private companies should utilise the assets of the State as they think fit? The establishment of the State Sawmills was well justified.

Hon. Sir William Lathlain: Have they done any better than private companies have done?

Hon. W. H. KITSON: They have done as well.

Hon. Sir William Lathlain: By entering the combine.

Hon. W. H. KITSON: Although the State Sawmills have shown a profit, the private companies have done much better.

Hon. Sir William Lathlain: They cut 60 per cent. out of a tree.

Hon. W. H. KITSON: The assets of the State should not be utilised only by private people.

Hon. Sir William Lathlain: Does the State pay a royalty?

The CHAIRMAN: The hon. member is getting a little wide of the subject.

Hon. W. H. KITSON: The Government should not have the right without Parliamentary approval to dispose of these concerns.

Hon. E. H. GRAY: Members representing the North Province appear to have short memories. They were returned on the express understanding that there was to be an improvement in the State Shipping Service. In another place the member for Gascoyne was also returned on that specific understanding. Probably it is better for the

people that public money should be lost on the State Shipping Service than that a service should be run at a profit by a private company. A private company would employ Chinamen and Malays, instead of Britishers who maintain their families in Western Australia. Again, there is no comparison between the accommodation furnished by the State Shipping Service and that offered by private companies. As regards railways, I have painful memories of the accommodation furnished to the public where there was no competition in the Old Country—the Hull and Barnsley railway, for instance. Some of the coaches on that line were a positive disgrace. Wherever possible, private enterprise exploits the public. That is invariably so where there is no competition. I challenge any hon. member to name an instance where private enterprise, in the absence of competition, does not exploit the public mercilessly. By running State bakeries in Perth, apart from the red-tape of the Public Service, it would be possible to pay higher wages, give better conditions, and still reduce the price of bread. Mr. Drew and Mr. Kitson have advanced sound arguments for voting against the clause.

Hon. H. STEWART: I support the clause, notwithstanding Mr. Gray's vigorous speech against it. The hon. member thinks that Government action and State trading can prevent the penalisation of the public by private enterprise. With the price of wheat as it is to-day, Mr. Gray and his numerous following should be able so to organise the baking industry on a co-operative basis as to reduce the price of bread.

Hon. W. J. MANN: Does Mr. Gray know of a place called Russia? Russia is now wholly a State enterprise country, and Russians cannot call their souls their own. That is the effect of unrestricted State enterprise. Russian State enterprise makes it practically impossible for many of the Russian people to live. To-day's newspapers tell us that Russians who will not abandon their religious beliefs have to pay 21s. per lb. for butter and about 2s. per lb. for bread.

Hon. G. FRASER: Hon. members are discussing whether or not State trading should be carried on.

The CHAIRMAN: Fair latitude has been given, and I think we need not go over the question again. I should like the discussion now to be confined to the question before

the Chamber, whether the clause should or should not stand as printed.

Hon. G. FRASER: Members are discussing the clause from the point of view of State trading, and not from the aspect of the principle which the clause embodies. Some hon. members are inconsistent as regards co-operation on the one hand, and State trading on the other. I trust they will see the error of their ways and vote against the clause. The principle here involved is that concerns in which so much of the taxpayers' money is invested should not be disposed of by the Government without the prior consent of Parliament. My belief is that in this matter the Government are being pushed by their supporters to abolish State trading. I hope the clause will be rejected.

Hon. Sir EDWARD WITTENOOM: The idea seems to be that State trading concerns, so long as they are conducted according to the views of those who have spoken in support of them, will reduce costs.

Hon. E. H. Gray: And increase social comfort.

Hon. Sir EDWARD WITTENOOM: If the State trading concerns are done away with, competition among private persons will be much greater.

Hon. E. H. Gray: The State trading concern is a good policeman.

Hon. Sir EDWARD WITTENOOM: We do not want such a policeman. If the policeman of whom the hon. member is so enamoured were done away with, the competition of private enterprise would be much greater. Take the timber companies, the coal companies—

Hon. G. Fraser. Do not touch the coal companies!

Hon. Sir EDWARD WITTENOOM: There is opposition in the form of the Grif-fin coal company. In fact, there are half a dozen competing coal companies.

Hon. G. Fraser: What is the position in New South Wales with regard to privately-owned coal mines and Government-owned coal mines?

Hon. Sir EDWARD WITTENOOM: I have not been in New South Wales lately. The idea seems to be that the existence of State trading concerns cheapens articles. My idea is that if we do away with the State trading concerns, competitive private enterprise will step in all the more quickly.

Hon. W. H. Kitson: That has not been the experience with the fish supply.

Hon. G. Fraser: Fish is twice as dear to-day as when the State shops were in existence.

Hon. Sir EDWARD WITTENOOM: In 1902 there were eight companies operating in the timber industry, not one of which was making a cent. Then the companies formed themselves into what is now known as Millar's Timber and Trading Coy., and since then, fortunately, some profits have been made, and about 2,000 men are employed. Yet we have some people always referring to the timber combine as representing some concern that was endeavouring to take the public down. That is an example of what can be done by private enterprise carrying on instead of State enterprise.

Clause put and passed.

Hon. J. M. DREW: On a point of explanation, I should like to inform the Committee that I had intended to move an amendment to the Bill but, having given the matter some consideration, I came to the conclusion that the amendment I had in mind would not be relevant to the subject matter of the Bill, which deals with the sale of trading concerns. The amendment I proposed to submit dealt with the proceeds of such sales and how the proceeds should be applied. My amendment would have involved the alteration of Section 26, whereas the Bill itself amends Section 25. In those circumstances, it seemed to me that my amendment would not be relevant to the Bill.

Hon. G. W. Miles: Could we not have altered the Title?

Hon. J. M. DREW: No, not in view of the new Standing Order we adopted recently; the ground is cut from under our feet.

The Minister for Country Water Supplies: What was it the hon. member intended to deal with?

Hon. J. M. DREW: My amendment would have made provision for the proceeds from any such sales to be applied in reduction of the unfunded deficit.

The Minister for Country Water Supplies: That will be the position.

Hon. J. M. DREW: Has the Minister ascertained whether the view I have expressed is correct, or whether an amendment can be made to the Bill?

The MINISTER FOR COUNTRY WATER SUPPLIES: No, it cannot be made. I would like to inform the Committee that following Mr. Drew's remarks during the second reading debate, I made inquiries and have been advised as follows:—

In any sale the capital provided from Loan Funds will be treated as loan repayments (see Section 4, Subsection 2, of the Financial Agreement) after first clearing any overdraft provided in the Treasury from Treasurer's Advance, and any capital provided from revenue will be credited to revenue under Section 4, Subsection 3, of the Financial Agreement.

For the information of the Committee I would point out that Section 5 of the Financial Agreement reads as follows:—

All Acts of the Parliament of Western Australia, whether passed before or after the commencement of this Act, so far as they relate to matters or things provided for, or contained in this Act or the said Agreement, shall be read and construed as subject to this Act and said Agreement, and shall, with such alterations, modifications, substitutions, additions, and omissions as are necessary, have effect accordingly.

Subsection (2) of Section 4 is the other pertinent part of the Agreement, and reads:—

Where Loan money has been advanced by the State under terms providing for the repayment of the principal money, repayments of principal received after the 30th day of June, 1927, shall be paid to a special trust account at the Treasury, and transferred to the General Loan Fund on the 30th day of June in each year, for appropriation by Parliament on the Estimates of the General Loan Fund.

Hon. J. M. DREW: What the Minister has read applies to the proceeds of sales that took place before the Financial Agreement was adopted, but since the adoption of that agreement, the proceeds of sales of property purchased or constructed out of loan funds go into a special account in connection with Consolidated Revenue. Then, if Parliament approves, that money will go to Consolidated Revenue. The point I had in mind was, that in view of the unfunded deficit, the State, if the deficit is not met, will have to pay 5 per cent. interest and an additional 4 per cent. for sinking fund purposes. That will be a

heavy burden. Consequently, when assets of the State are sold, and those assets were purchased out of Loan Funds, the proceeds of the sales should be applied in reduction of the unfunded deficit.

The CHAIRMAN: I think Mr. Drew was right, because it would have been impossible for me to accept the amendment he indicated. It would not have been in accordance with the Standing Order as amended, and accordingly I would have been obliged to rule the amendment out of order.

Title—agreed to.

Bill reported without amendment, and the report adopted.

BILL—INSPECTION OF SCAFFOLDING ACT AMENDMENT.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [6.10] in moving the second reading said: The main reasons for the introduction of the Bill can be set down under the following heads:—

(1) To reduce the fees at present charged for inspection of scaffolding. (2) To make clear the definition of "gear." (3) To make it clear that a person carrying out works in connection with his own premises by means of his own labour and free voluntary assistance, is not subject to the provisions of the Act. (4) To provide that on all buildings more than one storey in height, the workmen engaged thereon shall be capable of speaking intelligible English. (5) To bring the sinking of wells below a depth of 12 feet within the ambit of the Act. (6) To make it clear that workmen working under, or in the vicinity of, defective scaffolding, are to be protected, as well as workmen working off defective scaffolding. (7) To clear up a number of minor points, which it was no doubt intended should be covered by the original Bill, but which experience in the working of the Act has shown to be not provided for.

With reference to fees, I may explain that when the original Act was introduced, it was not intended that it should be used as a taxing medium, sufficient fees only being required to cover the cost of inspection and administration. The Act having operated for a number of years, it has been found that the fees chargeable have resulted in greater

revenue being raised than was necessary to cover the cost of inspection and administration. So that fees might be reduced as much as possible, and in view of the reduced amount being received in fees under the present charge, due to the limited extent building is being proceeded with, the administration of the Act has been transferred from the Chief Inspector of Factories to the Principal Architect. This re-organisation has resulted in a saving of £1,000 per annum in administration and inspection costs. At the present time the fees charged are at the rate of 5s. per £100 cost of the structure, no maximum fee being provided for. In order to give the building trade the greatest possible relief, provision has been made in the proposed amendment for a sliding scale of fees, starting at 4s. per £100 and finishing at 1s. per £100, with a maximum fee, no matter how large the structure, of £100. In addition, in the case of structures and lifts which in themselves are very costly, but the erection of which only necessitates the use of planks laid on the permanent frame work or structure, it is only proposed to charge fees on the cost of the labour involved in erecting them in position. At the present time the minimum fee that can be charged is 5s., no matter how small the work; the same fee being chargeable on works costing up to £100. Thus, small jobbing contractors and more particularly painters and decorators, whose individual works are mostly small, really pay at a much higher rate than a contractor in a big way. In order to relieve these small contractors, provision has been made to eliminate the levying of a fee on each work carried out, but to charge one fee each year at the rate of 4s. per £100 on the aggregate cost of all the works carried out by each contractor during such period. As regards the proposed amendment of the definition of "gear," the present definition is far too wide and leads to confusion between the Scaffolding Act and the Inspection of Machinery Act. The proposed amendment defines the responsibility of each of the authorities mentioned. It also brings within the Act, certain gear, such as concrete hoisting towers, which are not utilised for the support of workmen but which, if badly constructed, would, by collapsing, cause a serious accident.

Sitting suspended from 6.15 to 7.30 p.m.

The MINISTER FOR COUNTRY WATER SUPPLIES: In regard to persons carrying out works on their own property, the amendment of the definition of "gear" brings ladders and planks within the purview of the inspector, but as it was not desired to exercise supervision over a person carrying out work on his own premises by means of his own labour or that of friends assisting him without fee or reward, it is necessary to insert a clause making it perfectly clear that in such cases the provisions of the Act shall not apply. It has been contended that foreigners employed in company with Britisners should be able to speak intelligible English; otherwise those men would not be able to warn their fellow workmen of impending danger; neither would they be able to understand the instructions of the foreman or man in charge of the job as to the manner in which scaffolding or gear was to be used or operated, thus exposing themselves and other workers to danger. So as not to prevent foreigners from employing their own compatriots when erecting cottages for themselves, the proposed amendment has been made to apply only to buildings of more than one storey in height. The Act at present does not cover well-sinking, but it is thought that some reasonable supervision of such operations should be provided for, as several lives have been lost in the metropolitan area during the last few years due to faulty timbering of wells in course of construction or repair. If reasonable precautions had been taken, those lives undoubtedly would have been saved. At the same time it is not desired to impose any hardship or disability on people sinking shallow wells. Therefore provision has been made for the proposed amendment not to apply to wells under 12 feet in depth. As to workmen working in the vicinity of defective scaffolding, from the present wording of the Act it would appear that the inspector should take action only if he is of opinion that the scaffolding or gear is dangerous to the person working on or using it, but as scaffolding likely to collapse would be dangerous not only to those working on it, but also to those working underneath or in its immediate vicinity, the proposed amendment is submitted in order that the inspector's powers may be perfectly clear. I move—

That the Bill be now read a second time.

On motion by the Hon. E. H. Harris, debate adjourned.

BILL—VERMIN ACT AMENDMENT.

Second Reading.

Debate resumed from the 1st October.

HON. H. STEWART (South-East) [7.34]: Clause 6 deals with the amendment providing for the imposition of a tax of 1d. on the unimproved value of pastoral holdings, and $\frac{1}{2}$ d. on the unimproved value of agricultural holdings. It is proposed to delete Subsection 3. This amendment, however, should apply to the second proviso. It is a slight error that will need to be rectified. The provision for raising funds from the pastoralists and farmers for the destruction of vermin was not sought by the pastoralists and agriculturists to relieve the Government of the then-existing obligation to do their part for the safeguarding of these important primary industries. Yet in spite of the very serious position now confronting primary producers, this Bill proposes to take some of the funds to cover the cost of administration, which cost I contend should be borne by the Government. Subclause 3 provides—

All rates recovered under this section shall be paid to the credit of an account to be kept at the Treasury and shall, subject to regulation, be applied under the direction of the Minister in payment of (a) expenses incurred by boards or Government officers in connection with the transport to the Department of Agriculture of scalps or claws of vermin in respect of which a uniform bonus may be paid under paragraph (d) hereof.

Will the Minister inform us whether such expenses in the past have been paid out of the funds of the Department of Agriculture, or whether they have been paid from what might be termed the voluntary contribution made by those engaged in sheep raising when the industry was in a much better condition than it is to-day? The Act provides for an honorary advisory board consisting of a representative of the pastoralists, a representative of the farmers, and a Government officer, to control the funds subscribed by those engaged in sheep raising. Now it is proposed that out of the fund shall be paid travelling expenses and allowances of members of the advisory

board. Paragraph (c) provides that the rates shall be applied in payment of—

Wages or salaries of trappers employed by the said advisory board and expenses incurred in connection with measures taken by the board, as hereinafter authorised, for the destruction of vermin.

I congratulate the Government on having included that provision, because it will meet the position to which Mr. Glasheen has directed attention. Often in a district a dog does hundreds of pounds' worth of damage in a very short time, and it might be worth a premium of £50, £100, or more to catch that dog promptly. Under the Act, there was no provision empowering the board to appoint expert trappers to deal with special cases in special districts. The amendment will prove beneficial and it is right that the payment should be a charge on the fund. Paragraph (d) provides that the fund shall also be applied in payment of—

Such uniform bonus for the destruction of wild dogs, foxes, wedge-tailed eagles and other vermin as may be prescribed.

I object to that enlargement of the scope at this stage—to the expenditure of funds on "other vermin as may be prescribed"—unless the Minister can satisfy the House that the pastoralists and agriculturists desire it. There are some members of this House who would advocate an extension of the scope covered by the expenditure to meet the emu menace; others would claim an extension to deal with the kangaroo. This Act was brought into operation to deal with what is specified in it—dogs, foxes and wedge-tailed eagles—and if the extension be made, we shall not be observing an honourable and legal understanding. Last year when a strong move was made on behalf of the northern areas to have emus included as vermin, the representative of the agricultural section and, I think, the representative of the pastoral section also, opposed the proposal on the ground that the fund would not stand the extra expense. Independently of this Act there is another vermin tax imposed by each road board to deal with rabbits. The position was met by the late Government by showing that the need for dealing with emus and kangaroos was more a local matter than dealing with other vermin. It was proved that settlers suffering from the depredations of emus in some districts were not taxing themselves as other settlers were being taxed through their road

boards to combat the rabbit menace. Some road boards were taxing their ratepayers considerably to combat vermin in their districts, but other road boards were not. The position was met by the Government of the day calling upon those boards to put up funds under that section of the Vermin Act dealing with local troubles, and a subsidy of pound for pound was given. In proposed new Subsection (4a) it is set out—

The Advisory Board may, with the approval of the Minister, from time to time employ trappers and take such measures as the board deems expedient for the destruction of wild dogs, foxes, wedge-tailed eagles, and other vermin.

The section in the Act was expressly passed to deal only with dogs, foxes and wedge-tailed eagles, and it should not now be extended to include other vermin unless there is the approval of agriculturists and pastoralists, through their associations. I am glad to see that in Clause 7 there is provision for the substitution of a new description of "vermin fence" instead of that contained in the present Act. I note that the distance apart of the strainers is put down at 100 yards. That is probably right enough, but when it comes to iron standards there is nothing said about strainers. I direct the Minister's attention to that. What is the proposition in connection with strainers where iron standards are used? I think that if 24 inches is a necessary depth in the ground to have in connection with posts 78 inches out of the ground, when it comes to iron standards that are 15 inches in the ground, the depth is not sufficient in comparison with the wooden posts of the same height. Another small matter to which I would draw the attention of the Minister is contained in the last few lines of the Bill, which says—

The fence to be topped with a barbed wire not less than 78 inches above the ground, and secured only to the posts and not in any way to the netting or other wires.

I do not know whether those words were inserted in that way in order to prohibit the attachment of the barbed wire to the top plain wire, or to the netting as the case may be. If there is a specific reason why barbed wire should be free, I should like to know what it is. If there is no reason, the object could be better secured by making the clause read—
—and secured to the posts.

I intend to support the second reading of the Bill, but as I have already explained, will oppose in Committee the extension I refer to, an extension which, I consider, is a breach of faith towards those who contributed funds to keep in check a menace to their industry when it was in a profitable position.

On motion by Hon. H. J. Yelland, debate adjourned.

BILL—INDUSTRIES ASSISTANCE ACT CONTINUANCE.

Second Reading.

Debate resumed from the 24th September.

HON. H. SEDDON (North-East) [7.50]: For many years this Bill have been considered by Parliament as a formal matter, but in view of the circumstances which exist at the present time, it is desirable that we should look into it, because we find that this is one of the avenues which make for serious losses. The affairs of the Industries Assistance Board were investigated by a select committee of the Legislative Assembly in 1922. Mr. Angwin was chairman of that committee, and it is interesting to note the comments that were made in that report, and to see how the suggestions of the committee have been fulfilled in the progress of events since that time. During the past few years the figures of the board indicate that it is steadily going back, and we have at the present time reached a position where we cannot continue without incurring great loss, and without having to draw on loan funds to a considerable extent. When we realise that there are such heavy demands on loan funds, we should take into consideration not only the recommendations of the committee of 1922, but the recommendations of the board itself made only last year with regard to finalising the activities. Most people are aware of the circumstances in connection with the starting of the board. It came into existence as a result of the 1914 drought. I have not the slightest doubt that at that time it was intended that the board should operate for not more than a year or two. The fact remains that it has been operating steadily ever since, and the circumstances which have involved the State in considerable loss show that matters have been

allowed to drift. Therefore, at the present time, we are justified in seeing that that drift is stopped. I wish to make reference to certain remarks in the reports of the board since its inception. In 1916 we find the following comment in the report—a report which, by the way, was the first issued by the board:—

Owing to the partial failure of the wheat crop of 1913-14, followed by the drought of the 1914-15 season, it became evident in September, 1914, that urgent action was necessary towards rendering assistance to a great number of wheat farmers. The majority of those farmers had only started to produce during the years 1909 and 1910, and unlike those who had the benefit of the good and normal seasons prior to that year, were not in a position to enable them to carry on without assistance, in consequence of the droughts and partial failures of crops from that season onwards. Storekeepers throughout their districts were carrying their limit of indebtedness to the farmers and were unable further to assist. It became necessary to provide the farmers with stores to enable them to keep on their holdings and continue their farming operations. Assistance for stores was quickly followed by requests for seed wheat, fodder and fertiliser.

I shall now refer to a paragraph contained in the 1918 report—

Some of the settlers have been content to keep their advances down to an absolute minimum with a view to recovering their position. But in other cases the direct opposite has been revealed, many of the settlers being under the impression that they have been only working for the board and consider they should be paid 9s. a day no matter how their account stands. In view of the poor harvest Cabinet reconsidered the position and fixed the following scale:—

Single men	5s. per day.
Married men without children ..	7s. "
Married men with children ..	9s. "

There have been numerous instances where the board has refused further assistance as it was considered useless to advance money to individuals who not only had no prospect of repaying the same, but who made no effort, or very little effort, to fulfil their obligations.

In the following year reference is made to the fact that returned soldiers came under the operations of the board—

Many of the board's clients who have returned from active service have returned to their farms, many of which were carried on by members whose wages were paid by the board. A large number of the men have decided in favour of the Soldiers' Settlement Scheme, and the number taking up cereal growing and mixed farming is considerable.

The Soldiers' Settlement Scheme advances up to £625; the Agricultural Bank on permanent improvements; and the L.A.B. advances all cropping costs. The Repatriation Department provides £1 for single and £1 10s. for married men for six months.

It will be seen that even at that stage of the operations of the board's activities a great deal of dissatisfaction was expressed at the attitude of many of the clients of the board. It was indicated that losses had been incurred, and that they were due to the fact that the men themselves had not appreciated what had been done for them. In 1922 the position had reached such a stage that Mr. Angwin secured the appointment of a select committee by the Legislative Assembly to inquire into the affairs of the Industries Assistance Board. I intend to refer to some of the evidence given before that select committee, and to the comments made by the committee, because they indicated at that time that the position had reached such a pass as to cause serious concern to all. Among other remarks contained in the select committee's report are the following:—

Your committee are of opinion that the amount of bad debts will be largely increased, as many of the clients who have drawn fairly heavily on the board have little security. According to the evidence of the Assistant Manager (Mr. Grogan) experience shows that when properties are put on the market for sale, there is little if any money left after the Agricultural Bank mortgage is paid.

The amount claimed as owing to private creditors by clients of the Board and lodged for payment was £678,228. The total payment to August, 1922, was £259,120, and withdrawn and compromised accounts represented £97,460, leaving a balance of £321,648 still owing. The creditors are of opinion that they are not receiving the consideration to which they are entitled regarding the payment of their claims. In the early stages of the board, payments to creditors exceeded considerably the amounts paid in latter years. This, no doubt, is due to the fact that 1,149 farmers have taken their clearances from the Board after paying all creditors in full.

In the opinion of your Committee a number of the accounts will not be paid for a considerable time, if ever, because of the large amount owing to the board. . . . The security depends almost entirely on the season and the effect of the season on the crop, and if the board had been harsh in its treatment, it would not have continued to advance money year after year as it has done, in the hope that the position of clients would improve. . . . Your committee finds that many of the clients are in a hopeless position. . . . If accounts are closed it will mean certain loss to the State; if the further assistance is

granted, there is a remote possibility of loans previously granted being reduced. It appears to your committee that to make further advances in some cases would be throwing good money after bad. . . . The board has been in existence for seven years, and during that period the farmers should have been able to make some recovery from the loss sustained during the 1914-15 drought.

Answers to questions in the course of the evidence will be found illuminating, for they all bear in the same direction and show the fact that many of the clients of the board have not appreciated what was being done for them. I will quote a few extracts from answers to questions as follows:—

The security of the board is held under the power of Section 3 of the 1919 amending Act and constitutes a general lien over the crop, stock, machinery and chattels as set out in the inventory covered by a sworn declaration. . . . The administration costs are met out of the difference between interest charge, namely 5.22 per cent., to the board and that charge to clients, namely 7 per cent. plus any commissions. Obviously the department which has found such funds insufficient should now stop. . . . We pay current rates, etc. Besides the 9s. per day, a man will have his house rent as against a city man, his wood and water free, his gristing, and any pigs or sheep provided he uses them for his household. Then he has fowls and we supply a cow if required. Hence he has cream and butter.

Another most significant answer to a question is this—

If we had from all our farmers a 6-bushel average we should not have a bad account on our books to-day. If we cleaned up everything, we might lose £200,000. The best properties have cleared themselves, and we are left with the poorer. We have no security over the crop in the Agricultural Bank Act. The country storekeeper in 1916 was owed £678,221 and the present amount (1922) is £320,000. The funds of the board are provided from loan and are indicated under the loan item "Assistance to settlers."

I have quoted those extracts because I think they will be illuminating to the House as to what the impression was in 1922. Even at that time very grave doubts were expressed as to the desirability of continuing the operations of this board. Remembering, too, the conditions under which men are placed on the land in Western Australia, one cannot help thinking that the words of the report are only too true in that every assistance has been given to men many of whom started with no idea of farming, and everything possible was done to enable those men to

make a success of their holdings. Now in 1930 we find that there are 208 clients still on the board, 59 of whom must have been on the board in 1918. It might be noted that in 1918 a decision was arrived at that no new clients would be taken on, none except returned soldiers. So, as I say those 59 men must have been on the board in 1918 and have not succeeded in getting off it in 1930. If, although placed in the position of receiving generous assistance they could not make a success of their work during past years when we have had such good prices for our crops, I cannot see how it is possible that they are ever going to make a success of it in the future. I consider that all this indicates that the time has arrived for the House to give very careful consideration to the question of extending the activities of the board. While there were 3,510 settlers being assisted in 1916, the total number at the present time comprises 1,478 of whom 1,270 have had their accounts either stopped or funded. There are only 208 being carried at the present time. In regard to the proposed continued carriage of those 208, I ask the House to consider the matter very deeply. For when we look at the figures and see the progress of the board, we note to what a grave extent the board is slipping back in its finances year by year. I should like also to refer to the treatment the farmers receive from the Government of Western Australia. I quoted just now from answers to questions put by the select committee and showed how the board was not only carrying a man and giving him every assistance, but that the conditions under which he was living were such that almost everything was found for him. Now I should like to ask in what other walk of life in Western Australia is assistance extended to as great a degree as it is in the agricultural industry. In those circumstances I consider that if these men are not able to make good, the sooner we close down their accounts the better for the State and the more likely will those men be—by being thrown on their own resources—to make a success of their holdings or to get out of an avocation to which obviously they are not suited.

Hon. H. Stewart: Are you sure they are not returned soldiers?

Hon. H. SEDDON: Only 149 of them are returned soldiers.

Hon. H. Stewart: If this is to stop, what are you going to do with those people at

present on the board; feed them in Black-boy?

Hon. H. SEDDON: The position at present is that a large number of men are being discharged from our Government departments. We are not worrying about what is to be done with those men; yet here we are with the State making heavy losses year after year carrying these I.A.B. men under the protection of the board. They are being nursed year after year and apparently are making no headway. If we are going to discriminate in that fashion, we are going to set up in the community a great deal of discontent and lay ourselves open to the accusation that we are protecting some people while others are forced to take their chances in the world.

Hon. E. H. H. Hall: I think the hon. member will find that the trustees have already arrived at that decision.

Hon. H. SEDDON: Yes, I am going to quote from further reports to show that from time to time the board have drawn attention to this matter and have repeatedly stressed the necessity for finalising these accounts. It appears to me the board have done their duty year by year in this respect, but successive Governments have not backed up the board by taking necessary steps. It is through the lack of resolute action that the State has been plunged into losses that could have been avoided if the responsible Minister for the time being had taken the necessary action. At any rate, the present Government, faced as they are by the financial stringency, should be perfectly ready to listen to the board's suggestion that these accounts should be finalised.

Hon. E. H. H. Hall: It is a very inconvenient time to come to such a decision.

Hon. H. SEDDON: That is the point I am going to refer to. It is simply an argument for the discontinuance of the board, because many settlers in serious circumstances at present cannot obtain the protection of the board.

Hon. E. H. H. Hall: They are not getting any assistance.

Hon. H. SEDDON: Yes, efforts are being made to deal with those men, and I understand that at a recent meeting it was indicated that action might be taken by the Government in the way of arranging for public trustees, and for the accounts to be sympathetically dealt with. Under that proposed arrangement those men may be placed in a

position where they can be handled by the Government and satisfactorily protected. But here is the point: We have under the protection of this board men who are in no worse a position than other farmers outside the board. Are we going to continue this board and allow the I.A.B. clients to obtain the protection of the board while we leave other farmers not under the board to take pot luck? That would be another case of discrimination.

Hon. H. Stewart: Have not the board power to close accounts, taking each case on its merits?

Hon. H. SEDDON: They have exercised that power up to a certain extent. In their report for 1929, we get this—

The board's policy of accepting no new applicants for assistance has been continued, and further progress has been made in capitalising the accounts of settlers and placing them under instalment mortgages, the terms of repayment ranging up to 20 years according to the circumstances of the individual case. In pursuance of this policy, the board proposes to fund the debts of the majority of settlers at present receiving assistance after the coming harvest. The number then remaining will be negligible, consequently it is recommended that the board's active operations cease as from 31st March, 1930, and those settlers whose accounts have not been funded by that date be placed under instalment mortgage liability. This action is considered necessary owing to the board's inability effectively to control crop proceeds. A tremendous benefit has accrued to settlers and the State from the operations of the board, but unfortunately its assistance has, in some cases, tended to demoralise rather than stimulate the spirit of self-reliance. It is therefore considered that the remaining settlers, as well as the public interest, will be better served by a discontinuance of advances under the Act. In the event of its being necessary again to grant special relief to settlers in distressed circumstances owing to crop failures, the board consider that such assistance should be limited to one year only and that the advances should be made a first charge against the following crop or crops.

Last year the board made the recommendation that its operations should cease. Consequently one is inclined to ask why, in view of that recommendation the Government have brought down this Bill to continue the operations of the board.

Hon. E. H. H. Hall: Since that report was issued, the trustees have taken action to control the results of cropping.

Hon. H. SEDDON: I find on consulting with the members of the board that they have definitely stopped assistance. It ap-

pears to me that action should be followed up; that by discontinuing the operations of the Industries Assistance Board and possibly by bringing in an amendment of the Agricultural Bank Act whereby securities will be protected, we should stop the operations of the Industries Assistance Board and thereby prevent the State from being involved in further losses. I pointed out in regard to their finances the board were steadily losing ground. In that connection I have taken out a statement showing the progress, down the years, of the Industries Assistance Board. The position at present is that loan funds have been drawn from the Treasury amounting to £2,424,306. The original amount drawn from loan in 1916 was £801,633. No less than £1,600,000 has been drawn since with which to enable the board to carry on. During 1929 the sum of £130,967 was drawn from loan funds, and last year £150,892 was taken from that source. Down to the year 1924 advances had to be drawn from loan funds from time to time, but from 1924 to 1928 no further advances from loans were made. The board were able to carry on with the funds in hand. In 1929 and 1930 demands were again being made on loan funds, and even in the present year there is a great probability that further loans will be required if the board are to continue their operations. The amount outstanding has increased from £1,005,000 in 1916 to £1,731,000 in 1930. During that period the accumulated loss has amounted to £767,448. Owing to the fact that the board have been able to draw about £100,000 on account of soldier settlement losses, the actual outstanding accumulated loss at present is £600,000. That is the only money which has been reimbursed to the board from the soldier settlement reserve fund. We now come to the question of the net loss. From the year 1920 the board have made annual losses. During recent years the losses have been very much greater. In 1929 the loss was £79,429; in 1926 it was £128,436; in 1927 it was £84,976; in 1928 it was £110,516; in 1929 it was £102,901; and in 1930 it was £112,898. The loss has been more or less progressive during the last five years. Now we come to the question of administration. The administrative expenditure of the board is borne half by the board and half by the Agricultural Bank. The reason for that is that the inspectors

employed by the board have to undertake dual duties. They have to look after bank work and also after the clients of the board. The duties of the inspectors are also of an advisory nature. They have to exercise close supervision over some of the clients of the board, because those clients have not come out too well. We know of instances where men are not giving to the board anything like a fair return from the proceeds of their farms. We have other instances where the board have taken definite action against clients because it was found those clients were not giving the board a fair deal. On the winding up of some of the estates, whereas the client had been supplied at the outset with first-class machinery, when the assets were taken possession of, it was quite obvious the machinery was old. In many respects the board have found it impossible to keep track of the machinery issued and guard against that sort of thing. The position became impossible. A great deal of responsibility was thrown upon the inspectors, who were harassed by the fact that they had this class of man to deal with. Many of these accounts have now been stopped. I have no desire to reflect on the remaining clients of the board. The only statement I have to make is that if they have not been able to make good in the last 12 years, I see little chance of their doing so in the next few years to follow. The administration in 1916 cost the board £20,483, and in 1930 it cost £41,281. The administrative costs have steadily increased throughout the years. If £41,281 represents half the cost of the administration, it is obvious that the Agricultural Bank must be incurring also a large amount of expense in connection with inspectors. Whilst the cost is being borne by both bodies, it is obvious that a curtailment of the duties of the Industries Assistance Board may result in economies owing to the fact that so many inspectors may not be required. Another item I wish to deal with is that of interest. Interest was charged to the board by the Treasury at the rate of 5.22 per cent., and interest was charged by the board to its clients at 7 per cent. Down to the year 1925 the interest accruing to the board from clients exceeded the amount of interest which was being charged by the Treasury to the board. From the year 1926 the interest which was being charged by the Treasury exceeded the interest which was being

repaid by the board's clients. That difference has been increasing ever since.

Hon. H. Stewart: The cost of administration came out of the difference in interest.

Hon. H. SEDDON: One of the items in the net loss each year has been the difference in the interest which I have quoted, and the fact that the board's returns have not been sufficient to meet the cost of administration. There is first the loss of interest which has resulted in the net loss increasing so rapidly from year to year. To show the interest losses during the years, I would like to point out that in 1925 the board had £9,000 of interest accruing to it more than was being charged by the Treasury. In 1926 the account was on the other side of the ledger. In that year the board had accruing to it £4,000 less than the Treasury was charging for its loan money. In 1927 the account was £5,000 to the bad.

Hon. H. Stewart: Then the Treasury put up the rate of interest to the Industries Assistance Board?

Hon. H. SEDDON: There is another reason for that. In 1928 the interest account went to the bad at the rate of £13,000. In 1929 the loss on interest account was £25,000, and in 1930 the loss from interest alone was £22,000. Mr. Stewart has asked about the charge for interest made by the Treasury.

Hon. H. Stewart: It was 5.22 in 1925.

Hon. H. SEDDON: The board have repeatedly drawn attention to the question of interest. They point out that, whereas they have had accumulated losses increasing each year until these have amounted to £776,000, they are still being charged interest on money which should be written off by the Treasury. Although they have no hope of recovering this money from their clients, the Treasury is still charging them up for the money.

Hon. H. Stewart: And crediting it to Consolidated Revenue as interest received.

Hon. H. SEDDON: I am only stating facts. The board had drawn attention to this matter, which has not yet been put in order.

Hon. J. Nicholson: It is a mere book entry.

Hon. H. SEDDON: The losses that are being charged up against the board are quite justifiable from the board's point of view. Losses are being incurred, and will have to be written off. It is not fair to charge

interest against money that has been lost, and is not recoverable.

Hon. E. H. Harris: Does that come under the heading of frenzied finance?

Hon. H. SEDDON: The hon. member can deal with that aspect of the question himself. I have another series of figures to which I desire to draw attention. Down the years a certain amount of money has been paid by the board to Government departments, which have benefited considerably by these disbursements. It may be contended that owing to the fact that loan moneys have been provided for the operations of the board, loan moneys are undoubtedly being used to bolster up the revenue account. I would draw attention to the fact that land rent, Agricultural Bank interest on behalf of the ordinary settlers as well as soldier settlers, water rates, land tax, vermin tax, Federal and State income tax, road board rates, and wire netting payments, have all been paid by the Industries Assistance Board on behalf of their clients. It will thus be seen to what a large extent Government revenue has benefited by the continued operations of the board. Down to the year ended 30th June, 1929, no less than £2,074,633 has been paid on account of the expenditure of various Government and local authorities. At the present time the board are responsible for loan funds to the extent of £2,424,000, and at the end of the financial year 1930 the Government in the various payments to which I have referred benefited to the extent of £2,115,000.

Hon. Sir William Lathlain: They got nearly the lot.

Hon. H. SEDDON: The term "land rent" is a misnomer. It is not land rent at all, but purchase instalments. The land has been purchased by these people, and the Government are finding the money through the Industries Assistance Board to enable their clients to make their land freehold.

Hon. H. Stewart: It is called a developing asset.

Hon. H. SEDDON: When these men pay off their indebtedness they will be free. In the meantime they have been carried on with respect to their instalments.

Hon. H. Stewart: They will have paid it all off, or it will be due from the estate as a mortgage.

Hon. H. SEDDON: In the present times of depression requests have been made to the Government that they should assist city people who have been thrown out of employment to meet instalments on the payment of their houses. Whilst the Government are prepared to assist people on the land to pay off their instalments and make their properties freehold, they are not prepared to consider the requests from distressed persons who are endeavouring by thrift to purchase their homes, and assist them to pay off the purchase instalments. They say they have not the money with which to do it. Purchase instalments are being paid through the Industries Assistance Board, but the Government refuse to pay the purchase instalments on city properties belonging to people who are out of work, and are thus in danger of losing their homes. Australia has entirely ignored the question of efficiency in primary as well as secondary industries. Until we get down to the fact that we have to earn every penny we receive in wages or income, we will continue to flounder in the morass of depression. When it comes to a question of service, the man who is working honestly is doing just as much to produce wealth as the man on the land, and is entitled to just as much consideration.

Hon. J. Nicholson: You agree, then, that lands rents strictly are not revenue?

Hon. H. SEDDON: They are taken into revenue.

Hon. J. Nicholson: But they should not be taken into revenue. They are really part of the purchase price.

Hon. H. SEDDON: Yes. If hon. members will look up the Public Accounts they will find under the heading "Territorial" that these land rents are taken into account as Government revenue, although they are really on account of the purchase of land. Therefore I say the revenue has benefited considerably by the operation of the Industries Assistance Board. If it continues to benefit, it will mean borrowing money on the one hand and putting it into revenue on the other. That, as Mr. Harris has said, is frenzied finance. At the beginning of the session Mr. Lovekin suggested that the whole question of public finance should be gone into. When one comes across instances of this sort, it is plain that the time for such an investigation is long overdue.

The sooner we get the whole question of public finance investigated, and some of the anomalies and expedients adopted in the past rectified by being brought to public view, the better chance shall we have of balancing our finances. Now I wish to make a contrast between losses incurred in 1928 and those incurred in 1930. In 1928 the loss amounted to £551,650. In 1930 it was £767,448, an increase of £215,798 in two years, or an increase of 39 per cent. Hon. members will see that we are progressing in the matter of losses to such an extent that very soon we shall have lost a million sterling on the operations of the board. In 1928 the sum of £551,650 was made up as follows: Initial loss carried down from the first year's operation amounted to £25,244. Bad debts in the year 1928 amounted to £344,548; cancelled debts stood at £51,524, and administration and interest losses totalled £130,334. Taking the same figures for the year 1930, we find the initial loss again standing at £25,244; bad debts increased to £413,185, an increase of £68,637, or 20 per cent.; cancelled debts had increased to £86,623, an increase of £35,099, or 68 per cent., while administration and interest losses had risen to £242,396, an increase of £112,062, or 86 per cent. Hon. members will see the way in which those adverse factors are operating, and the rapid manner in which some of them are increasing, especially administration and interest losses. I think that exposition covers the ground pretty well as regards the operations of the board. I have quoted those figures simply because I consider them a strong reason for bringing the board's operations to a close. While I realise that the question of Government securities will have to be safeguarded, I contend that that can be done by getting the securities provision of this Act embodied in the Agricultural Bank Act. I see serious trouble ahead for the State if the Industries Assistance Board are allowed to remain in existence, and if we have pressure brought to bear on the Government to expend funds in the years to come, years in which the farming industry will, like other industries in the State, have to stand on its own feet. If there is one fact sticking out more than another, it is that the next few years will be years in which the law of the survival of the fittest will govern production. If we go on nursing men who are inefficient, men

who have not been able to pay their way in good times, then we shall raise grounds for dissatisfaction and discontent. We are going to be asked to nurture and encourage inefficient men in other industries, whereas the one factor that will save the State is efficiency. In accordance with that principle it is necessary for this House at any rate to set its foot down firmly and bring the activities of the board to a close. I ask hon. members to support me in Committee by an amendment terminating the activities of the board at the end of December of the present year. That will give the Government three months in which to bring down the necessary amending legislation to enable the accounts to be dealt with under the Agricultural Bank Act, thus bringing to an end the activities of the board and saving the Government from incurring, as they inevitably will incur if the board is allowed to continue, further losses. Also, it will save the Government from making payments from loan account, which at the present time would be most embarrassing, and which indeed I regard as almost impossible in view of the fact that our loan expenditure for the present year has been reduced to £1,750,000. In the circumstances I support the second reading of the Bill in the hope that the measure will be amended in Committee as I have suggested.

HON. H. STEWART (South-East) [8.39]: Like other members, I have listened with great interest to the figures and statements of Mr. Seddon. I shall not traverse the ground he has covered or deal with his suggestions, because what he has recommended has really been the policy of those interested in the agricultural industry and of Governments for years past. The only thing is that that policy has not been put into effect. Many resolutions have been carried in favour of terminating the operations of the Industries Assistance Board. Those who are looked upon as the representatives of the organised agricultural industry have never stood for any Government department carrying on settlers who are inefficient and who cannot with a reasonable trial make good in the avocation in which the Government have always given them a fair opportunity and treated them with leniency and even generosity. My object in rising is to direct attention to another section of the Industries Assistance Act, a section which

has been responsible also for absorbing a considerable amount of loan funds that are not earning interest. I refer to Section 24 of the Industries Assistance Act of 1915, which gives power to the Treasurer to make or guarantee advances to persons engaged in mining and other industries. Criticisms have been passed for many years on that section. We have not the Auditor General's report for the year ended on 30th June, 1930, nor have we any return dealing with that financial year. However, from the Auditor General's report for the year ended 30th June, 1929, we see that the amount of money spent in these advances is £416,236. In some cases there are certain securities of perhaps considerable value, but many of the securities probably fall far short of the liabilities. It is just as well that attention should be drawn to this matter, in case some hon. members do not realise the position. I believe that at one time the Treasurer had, in connection with these advances, the advice and assistance of a board of gentlemen who acted in an honorary capacity. Certainly such a board was in existence years ago. I believe that Sir Charles Nathan, then Mr. Charles Nathan, was a member of the board in the time when Sir Henry Lefroy was Premier. Hon. members will recollect that many years ago large advances were made to establish and foster the manufacture of jams in Western Australia. That was only one of the purposes for which money was advanced. On page 47 of the Auditor General's report for the last financial year there is a statement showing the accumulation of funds advanced, and the particular businesses in connection with which the advances have been made. Some of them, in my opinion, should never have been made. But even in the financial year 1928-29 advances were made in but a few cases. I will draw attention to some of the industries or individuals assisted. I find there was the Avon butter and bacon factory, which received an advance for the payment of guarantee to the banks, amounting to £12,958. I will not mention shillings and pence in giving these details. Then there were two advances to the Calyx Porcelain Company. The first was an advance to the liquidator of £7,871, and then other advances for fees, etc., aggregating £18,053, making a total that the company received of £25,900.

Hon. E. H. Harris: Is that the company that has just closed down?

Hon. H. STEWART: Yes. I wonder if we have value for our money there? J. H. Clouston received an advance of £84 to assist in the manufacture of dried fruit paste. The Geraldton Co-operative Butter and Bacon Factory received £582 for the payment of a bank overdraft; the Griffin Coal Mining Co. received an advance of £21,367 for the construction of a railway line or siding. That amount was paid in 1928-29 and is still outstanding. The Hall Tanning Co. received an advance of £3,591 to assist in a tannery; and A. McGilvray received, in 1928-29, £53 as a further advance towards the establishment of a tannery. I thought there were tanneries already in operation. At any rate, the payment of £53 brought the total advance to Mr. McGilvray to £1,425. Then I find that in connection with mother of pearl shell, sundry persons received £9,605 for the payment of bank overdrafts. Eric Nelson, who is deceased, received £71 as an advance for repatriating coloured pearlers, and also to cover law costs. Advances were also made to the North-West Meat Works totalling £66,418. Those advances were for the payment of maintenance expenses, inspection charges, and insurance. I wonder if that is the Carnarvon Meat Works!

Hon. J. M. Drew: Yes.

Hon. H. STEWART: I understand that the wheels at those works will never turn, and that the undertaking cannot possibly be successful.

Hon. J. M. Drew: That advance is many years old.

Hon. H. STEWART: Yes, but I am pointing out to the House what advances have been made apart from the agricultural industry. I am not discussing the actions of any particular Government.

Hon. J. M. Drew: I think that was long before 1928-29.

Hon. H. STEWART: I hope Mr. Drew will not be sensitive because of my remarks that have no party significance. I hope the hon. member will accept my assurance on that point. Next I find H. Raynor & Co. received £3,656 for the payment of a bank overdraft, and that H. Raynor & Sons received £231 as an advance towards purchasing machinery for a jam and pickle factory. The Regan Wool Company, comprising Regan, Derby and Roach, received an advance for the manufacture of regal wool, which, I understand, is wool to be made from the Zamia palm. That is a nice

sort of thing to encourage in a country that exists largely on the export of wool!

Hon. Sir William Lathlain: That is merely a substitute for kapok.

Hon. H. STEWART: In the year 1928-29, the Regan Wool Company received £148, making the total advance outstanding £3,033. W. Richards received an advance of £1,796 for the manufacture of artificial stone—as though we have not enough stone in Western Australia already. The Rowley Forest Products Company received £3,975 as an advance for interest on bank overdraft, etc., and the W.A. Manganese Co. obtained £122,074 on account of advances for rails and fastenings, freights, etc., for the purpose of building the Meekatharra-Horseshoe railway. That was the line to the manganese mine that Parliament authorised in 1920. The Westral Freezing and Canning Company were advanced £2,219 on account of law costs, etc., and the W.A. Meat Export Company, of Fremantle, have received altogether £137,219 in advances for interest, etc., and capitalised interest. The total amounts outstanding as at the 30th June, 1929, aggregated £416,236. I have drawn attention to these items to show what is possible to be done under Part 3 of the Industries Assistance Act, and to suggest that it is time we should consider whether or not that part of the Act should remain in abeyance, or at least not be made use of except for very justifiable purposes. I would just mention the W.A. Manganese Company when I put that point before hon. members. It is clear that a practice has grown up in this State whereby everyone has run to the Government for assistance, and officers engaged in the Public Service have been conducting concerns that are really business operations inimical to private interests. Some years ago, as one of a deputation representing the Institute of Engineers of Australia, I waited on a Minister of the Crown to protest against officers of the Public Works Department advising various people on technical questions, seeing that in other States and other countries that class of work is left in the hands of trained men in private enterprises.

Hon. E. H. Harris: Are you referring to water supplies?

Hon. H. STEWART: I realise that it is the function of Government technical officers to protect national assets, but when it comes to advising semi-public or private bodies that desire to put in an electric lighting plant, or a water supply, or even to construct certain drainage works, why should everyone be forced into Government employment?

Hon. G. W. Miles: Some of them think they are officials.

Hon. A. Lovekin: They have all the brains in the Government.

Hon. H. STEWART: I would remind hon. members that this policy has driven many of our young Australian-trained youths out of the country in search of far higher emoluments in other parts of the world. Perhaps that has been to the advantage of the young people the State has been at such expense to train, but still it is unfortunate. We had an instance in which the State Mining Engineer made a report some years ago—I think it was in 1922 or perhaps in 1924—on the estimated value of the manganese deposit at the Horseshoe. He estimated the value at £13,000,000. There was another instance I remember in connection with the Braeside mines when the work of the Government officers was of great value to those interested in the show. Those people did not consult a private engineer, but sought the services of Government officers. I think that sort of work is outside the scope of Governmental activities and it acts as a drag on the development of the State. It is right that the Government should send officers out to report for their own information, but not for the purpose of assisting people in their private business.

Hon. G. W. Miles: Who advised the Collie Power Company regarding their scheme?

Hon. H. STEWART: I do not want to go into details, but I deprecate various Governments making the services of their officers freely available to people engaged in developing industries along private lines to the detriment of trained outside engineers and others whose services are available. I make these remarks apropos of the advance to the W. A. Manganese Company, because that instance came to my mind. I do not propose to read the remarks of the Auditor General regarding the companies that received assistance. In many cases not a

penny of interest has been paid in connection with the money advanced, and a lot of that money has really no backing behind it at all to-day, whatever may have been the position when the advances were made available.

HON. H. J. YELLAND: (East) [8.56]: I do not propose to follow Mr. Seddon who collected a mass of figures that he presented to the House. He has saved me the necessity of quoting a number of similar figures that I had prepared. Those who have spoken so far have presented to us the doleful side of the operations of the Industries Assistance Act. No doubt the figures speak for themselves. But at the same time, like the coin of the realm, there are two sides to the question. We have had the doleful side, but no indication has been given of the valuable effect the Act has had on industry generally. We must remember that when the Act was passed in 1914 it was for the purpose of assisting the industry, not the individual. Throughout the Commonwealth, however, various industries were suffering from the effects of drought and the agricultural industry in particular was threatened with such a set-back that those in charge knew it would take many years to recover if those participating in it were not assisted. Many farmers, who were in a most precarious position, were assisted under the provisions of the Industries Assistance Act. That was done as a result of pressure brought to bear by members of Parliament who represented the agricultural industry generally. They were able to prove how precarious was the position of many farmers, and they insisted that the Government should come to the aid of the industry. I have read the interim report that the Minister has been good enough to supply to members, and I notice that the clearances have totalled nearly 2,000. During last year there were only 27 new clearances. The fact that we have had 2,000 clearances indicates that, as the result of the operations of the Act, we have made a number of successful farmers who otherwise would have been driven off their properties. Some of them will have made good while some, of course, will have disposed of their properties which have fallen into the hands of others who are now working them. As the result of the

establishment of the Industries Assistance Board, splendid work has been done on behalf of the State. When the measure was first brought before us, it was made a yearly out, and so it has been necessary to renew it year by year ever since. Mr. Seddon has not told us how it is possible to do away with the Industries Assistance Board in three months' time. When we reach the Committee stage, no doubt he will explain some method by which it can be done. It is all very well to suggest in regard to a board that has been operating for 16 years that the Government should take the drastic step of wiping it out in three months. I cannot see how it can possibly be done.

Hon. H. J. Seddon: Can you explain why the recommendation in 1929 was not carried out?

Hon. H. J. YELLAND: It has been necessary to protect the securities held by the board. The Board was established to protect the securities, and that is why it has been necessary to renew the operations of the Act year by year. Otherwise it would have been necessary for the Government to cut their loss, and that would have involved a much greater sacrifice than by winding up the board's affairs gradually. The losses shown in the board's report have been increasing to a certain extent. Two thousand clients have been able to get their clearances from the board and redeem themselves. That is an indication that those now left on the board are not as capable as the others who have secured their clearances. The present prices of wheat and wool are so low that we are faced with a crisis far worse than that of 1914 when the board was inaugurated. Yet we have a suggestion that we should do away with the Act. I can foresee a grave possibility of having to enlarge the scope of the Act if we are going to assist the agricultural community and preserve it from the debacle threatened by the world-wide fall in the prices of our commodities. Only yesterday the price of wool dropped about 2d. per lb. which, on the Commonwealth clip, means the equivalent of a reduction of £5,000,000 to £6,000,000. At the same time wheat on a 4d. rail freight is down to 2s. 3d. per bushel. Consequently these industries are threatened with annihilation unless we can protect them and tide them over the present serious difficulties. Let me refer to one or two matters in the report

which Mr. Seddon quoted at length. In the first paragraph of the 1929 report it is stated—

A tremendous benefit has accrued to the settlers and the State from the operations of the board.

We must measure that against the disadvantages mentioned by the hon. member. A start, however, has been made to relieve the board of its operations. The report goes on to refer to the policy of capitalising the accounts of settlers and placing them on the basis of instalment mortgages, the terms of repayment varying up to 20 years according to the circumstances of individual cases. The board propose to fund the debts of settlers at present receiving assistance. That was part of the promise made by the Government last year, and I think everyone interested in the operation of the Act was satisfied it was a very laudable proposal, but that work has not been carried out to the extent it should have been. During the year the number of assisted settlers has been reduced from 434 to 288. This means there have been a fair number whose debts have been funded, and who have been thrown upon their own resources. If this can be continued, the board would be justified in proceeding along those lines, for it would mean that the operations of the board would eventually come to an end. Still, we are faced with the disadvantages of the future, which are even worse than those prevailing when the Act was passed. This causes me to ask whether it would be wise in the present conditions to abolish an Act which we might have to bring into active operation in order to save the industry once more. Last year the then Premier stated, "We have made no further new advances for the simple reason that we have not had the necessary funds to do so." Mr. Seddon pointed out that the liabilities to the board have been accumulating. I think I can easily account for that. The accumulation of liabilities is due to the interest accruing on the unpaid amounts. I have some rather interesting information which the hon. member did not touch respecting the amount of creditors' claims shown on the first page of the report. In 1929 the amount of dividends paid to the registered creditors was £2,864 13s. 5d., and the balance of claims still unpaid totalled £195,961 19s. 8d.

Hon. J. Nicholson: And some of them have been going on for many years.

Hon. H. J. YELLAND: Yes. It indicates that those who are at present receiving assistance are not living up to the demands or expectations of the board, and consequently some stringent measures must be taken in connection with them.

Hon. E. H. Harris. What would you call stringent measures? Mr. Seddon suggested some.

Hon. H. J. YELLAND: The measures would be those inaugurated by the previous Government to fund the whole of the debts and, if the settlers did not then make good, they would have to sell out to others who could.

Hon. G. W. Miles: What do you mean by funding the debts?

Hon. H. J. YELLAND: The debts were taken over by the Agricultural Bank, further assistance was stopped, and the settlers were given a certain period in which to liquidate their debts, the period varying according to their circumstances. If the individual could not meet his ordinary obligations to the Agricultural Bank, plus the added obligation of the funded debt, he had to get out of the business. In this way the funded settlers are gradually being thrown on their own resources. It becomes a matter of the survival of the fittest. If those settlers cannot meet their obligations, men will be found to take over their properties who can do so. Creditors' claims paid in the year before last represented about 1½ per cent. Last year the position was even worse. A sum of £799 1s. 6d. was paid in dividends, and the outstanding amount was £182,335 5s. 10d., which was equal to .3 per cent. paid to the creditors. Under the I.A.B. settlers are charged 7 per cent. for outstanding liabilities, and consequently the accumulation of their obligations must become greater every year. This shows where the increases have occurred. From time to time the board have had to take possession of a number of properties and sell them. That is how the board eliminate the undesirable and the unfit. Gradually this has been going on, and doubtless the present Government will continue the policy of the past Government, which I believe had the concurrence of nearly every person interested in the operation of the Act. In that way the operations of the board will gradually be brought to a close. To suggest closing down in three months, however, would harass the settlers and im-

pose on the Government an obligation that they could not carry.

Hon. G. W. Miles: If you amended the Agricultural Bank Act, could not you put the matter on a business basis?

Hon. H. J. YELLAND: We are gradually getting to that stage.

Hon. Sir William Lathlain: The sooner you get there, the better.

Hon. H. J. YELLAND: At this stage we would not be justified in harassing either the Government or the settlers. I support the second reading and oppose the suggestions made by Mr. Seddon. I hope the House will not give them the slightest consideration because of the harassing effect they must have on both the Government and the settlers.

On motion by Hon. E. H. Gray debate adjourned.

BILL—MAIN ROADS.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [9.15] in moving the second reading said: The Bill before the House is a consolidating measure and in addition it proposes:—

- (1) The abolition of the Main Roads Board and the appointment of a Commissioner in lieu thereof to administer the Act.
- (2) The waiving of the liability of local authorities to contribute towards the cost of permanent works and maintenance, as provided by Section 10, Subsection 6, of the Main Roads Act Amendment Act, 1929.

In most other regards the several clauses of the Bill seek to re-enact the provisions of previous legislation with necessary modifications consequential upon the change in system of control from Board to Commissioner. Hon. members are well aware that for the past four years the principal funds at the disposal of the Main Roads Board have been those emanating from the Federal Aid Roads Agreement, whereby the Commonwealth contributed per annum £384,000 and the State £288,000, making a total of £672,000. This was on the basis of 20s. Commonwealth to 15s. State contribution.

The advent of the present Federal Government brought about a review of the agreement; the financial stringency existing and

inability of the State to borrow, has rendered it impossible for the States to continue their contributions. After considerable negotiation an amended agreement has been signed by the Prime Minister and the State Premiers, eliminating the obligation of the States to continue their contributions, but guaranteeing the payment of the Commonwealth quota of 20s., or a total of £384,000 annually so far as this State is concerned, for the balance of the term, i.e., a further six years. This amended agreement must have the ratification of the Commonwealth and State Parliaments before being operative. The Commonwealth has, however, pending ratification, undertaken to continue the payments. It is manifest, therefore, that there must inevitably be a considerable curtailment of funds available for expenditure on roads in the years immediately before us as compared with the past four years, and it is necessary consequently that there must be a reduction in overhead expenditure.

The objects behind the proposal to change from the control of the board to that of a Commissioner are, in the first place, that of economy in that the salaries and allowances of two members of the board will be saved and, in the second place, to enable the Minister definitely to fix responsibility upon one man. Therefore, the Bill provides that the Chairman of the Main Roads Board shall be the first Commissioner, and the term of his appointment shall be for five years. Hon. members will be interested, I am sure, to hear the figures of annual expenditure by the board since its inception; they are as follows:—

1926-7	..	..	..	£515,454
1927-8	..	..	..	292,517
1928-9	..	..	..	365,956
1929-30	..	..	..	907,357

That expenditure was from Federal Aid Funds alone, but, from other sources, there has been additional expenditure which has brought the figures up to—

1926-7	..	..	..	£734,377
1927-8	..	..	..	642,430
1928-9	..	..	..	725,985
1929-30	..	..	..	1,029,895
				<hr/> £3,132,687

The other sources of expenditure spoken of include General Loan Funds, Metropolitan Traffic Trust, Forresteria expenditure and General Maintenance. The annual expen-

diture forecasted for the years immediately ahead is—

Federal Contribution	£384,000
Contributions by Local Authorities from Traffic Fees	55,000
	<hr/>
	£439,000
Less Sinking Fund Contribution from loan moneys raised by the State for Federal Aid Roads ..	22,000
	<hr/>
Balance	£417,000

That amount falls far short of what has been the average expenditure during the past four years, and it follows therefore that the staff built up to cope with the higher expenditure must be and has already been, as a matter of fact, considerably reduced. During the past month, drastic reorganisation of the administration has been effected and, as a consequence, the cost for salaries and incidentals (motor cars, surveys, etc.), it is estimated, will be reduced from £85,855 last year to £26,000 under the reduced expenditure now contemplated. I have produced these figures because I am sure they will be interesting to hon. members, and also to show the justification there is for the proposal to change the administration from board to Commissioner.

In my opening remarks I said that there were two main objects in the Bill. I have dealt fairly fully with the first, namely, the appointment of the proposed Commissioner, and I wish now to deal briefly with the second object, viz., the waiving of apportionment charges or assessments charged against the local authorities. Hon. members will remember that the original Act provided that the local authorities (benefited by the expenditure of loan moneys) should contribute towards the interest and sinking fund an amount represented by one half of the State expenditure—the rate fixed being $6\frac{1}{2}$ per cent. The assessment of the degree of benefit derived by the individual local authorities by reason of the expenditure was a duty cast upon the board; a satisfactory basis on which to found the assessments was never arrived at and, as a result, it was decided to amend the legislation, abolishing eventually the obligation of the local authorities to contribute in this way and to substitute the requirements of Section 10 of the amending Act of last session, which provides that the contribution to the Main Roads Board shall

range from $22\frac{1}{2}$ per cent. to 10 per cent. of the traffic fees collected by the local authorities, depending upon whether the districts are traversed by a main road or otherwise as set out. The obligation of the local authorities, however, to continue the contributions under the original method was preserved in that amending Act, in respect of the years 1927-8 and 1928-9. Power is now sought in the present Bill to discharge the local authorities from their liability in respect of those years. This is for the reason that the contributions from the traffic fees were double-banked upon the apportionment charges for those years.

The Main Roads Act Amendment Act of 1929 provided that the contributions by local authorities from traffic fees should have effect as from the 1st July, 1929, but the Act was not assented to until the 23rd December last, and, in the meanwhile, the traffic fees collections by local authorities had been appropriated and a good proportion of them spent. To meet the circumstances the Bill proposes to give relief to the local authorities by waiving the apportionment charges, but requiring the payment of the contributions from traffic fees; the amount which would be waived if the House agrees is £32,673. Further, in the matter of the traffic fee contributions, it was provided in the Act of last session that they should be applied in payment of—

- (1) one half the cost of maintenance of main roads;
- (2) one half interest and sinking fund on State's expenditure on main roads.

That provision is not being re-enacted because it is thought that the Commissioner should have discretionary powers as to how the moneys shall be applied. I stated previously that, outside of the provisions of the Bill I have elaborated upon, there is little in it but what are re-enactments of previous legislation, suitably modified to altered conditions. One of the new provisions is in Subclause 3 of Clause 7 which sets out the causes for which the Commissioner may be removed from office and another is in Subclause 3 of Clause 10 which prohibits officers of the Commissioner engaging in any employment outside the duties of their offices except with the approval of the Commissioner, or participating in any profits arising from any contract made by or on behalf of the Commissioner, or acquiring Crown lands without the ap-

proval of the Minister. Those restrictions are considered necessary safeguards.

In brief terms, Clause 1 is formal in scope. Clause 2 repeats section 2 of the original Act. Clause 3 prepares the way for the consolidation of the legislation. Clause 4 provides for the continuity of processes in the consolidation. Clause 5 dissolves the Board and provides for continuity of processes in the change to the control of a Commissioner. Clause 6 sets forth the necessary interpretations and follows the words of section 3 of the original Act. Clause 7 deals with the appointment of the Commissioner and appoints the present Chairman of the Board to be the first Commissioner. Clauses 8 and 9 are similar to relative provisions in Sections 10 and 9 of the original Act and provide for the salary of the Commissioner and that he shall be a body corporate. Subclauses 1 and 2 of Clause 10 are on the lines of sub-sections 1 and 2 of Section 11 and relate to the management of officers and employees. In sub-clauses 3 of the same clause officers are prohibited against engaging in employment outside the duties of their offices; participating in any contract or taking up Crown lands. Clause 11 refers to the control of officers and re-enacts Section 12 of the original Act. Clause 12 is Section 11 of the Amending Act of 1929 and has to do with deputations to the Minister instead of to the Commissioner if a member of Parliament is present. Clause 13 is in regard to the proclamation of main roads and it does not alter the existing law in Section 13 of the original Act, except the fresh provision in sub-clause 3, which directs that the Commissioner shall notify the Surveyor General of a proposal for a new road or of a proposed deviation before the submission of the recommendation in regard thereto to the Governor. Clause 14 is in the terms of Section 14 of the original Act. Under it the Governor may, on the recommendation of the Commissioner, authorise and empower the Commissioner to provide and set out main roads. Clause 15 takes in Section 15 of the original Act and provides that main roads shall be vested in the Commissioner. Clause 16 sets out the powers and duties of the proposed Commissioner as already laid down in Section 16 of the parent Act. In sub-clause 3 of that clause there is an amplification of sub-section 3 of Section 16 of the original Act. In that regard legal opinion has cast some

doubt as to the validity of local authorities entering upon contracts with the Main Roads Board, and has gone to the extent of questioning whether members constituting the local authority are not individually liable for any loss that may be sustained by a local authority arising out of the execution of works under the contract entered into by them. To remove any doubt and to make clear the right of a local authority to enter into contracts, the subclause has been broadened to meet the position. Paragraph (b) of sub-clause 3 of Clause 16 will validate, if necessary, the action of local authorities which may have entered into contracts with the Main Roads Board. Clause 17 retains, unaltered, the provisions of Section 17 of the principal Act which authorises the Commissioner to conduct experiments. Clause 18 repeats Section 4 of the Amending Act of 1929 which directs that no contract exceeding £1,000 is to be entered into without the consent of the Minister. Clause 19 reaffirms the provisions of Section 18 of the principal Act, which relate to the other duties of the Commissioner. Clause 20 compels the Commissioner to give access to property when reconstructing an existing road or building a new one, and does not alter the existing law in Section 12 of the Amending Act of 1929. Clause 21 is Section 19 of the original Act. It provides that the Commissioner may request a local authority to furnish information respecting any road or work under the control of such authority.

Clause 22 enables the Commissioner to lay down tramways for transporting materials. It does not vary the present law as stated in Section 20 of the original Act. Clause 23 corresponds to Section 5 of the Amending Act of 1929. It provides a penalty for defacing works, etc. Clause 24 covers, without alteration, the provisions of Section 21 of the original Act and Section 6 of the Amending Act of 1929 which deal with the provision of developmental roads. Clause 25 continues Section 22 of the original Act in regard to the investigation by the Commissioner, in consultation with the local authority, of proposals for developmental roads. Clause 26 gives the Minister, the Commissioner, and officers the same powers in respect to the provision of developmental roads as they possess in the construction of main roads. It does not vary the existing law in Section 23 of the principal Act. Clause 27 embraces, without

alteration, Section 24 of the original Act and Section 7 of the Amending Act of 1929, and provides against the default of local authorities in cases of neglect to maintain developmental roads. Clause 28 deals with the procedure in the resumption of land and does not vary the existing law as set forth in Section 25 of the original Act. Clause 29 is a variation of Section 26 of the original Act, which affords protection to the Commissioner and his officers in the operations of the Act. In that connection it is thought that the Commissioner should not be protected or sheltered to any greater extent than would be any other body or individual. For instance, he should be liable for acts of negligence, whereas the original Act protects him even against those contingencies.

Paragraphs (a), (b), and (c) of Section 27 of the original Act are restated in Clause 30. They concern the operation of the Main Roads Trust Account. In paragraph (d) of the same clause there is a slight amplification on paragraph (a) of Section 8 of the amending Act of 1929. The old paragraph provides for the payment into the Main Roads Trust Account of the amount received by the State Government under paragraph 10 (2) of the agreement set out in the schedule to the Federal Aid Roads Act of 1926, and the new paragraph in the present Bill proposes the payment of the moneys received by the State Government under the provisions of the agreement and variation thereof, and also all other moneys. Also, in paragraph (e) of Clause 30, which deals with Parliamentary appropriations and advances by the Treasurer, there is a variation of the provision contained in paragraph (e) of Section 27 of the original Act. In explanation, paragraphs (a) and (b) of Section 9 of the amending Act of 1929 provide that the moneys received from the local authorities as their contributions from traffic fees should be applied to—

- (a) Payment of interest and sinking fund on one-half the State's expenditure on main roads;
- (b) Half the cost of maintenance of main roads.

The present Bill seeks to place the contributions from local authorities into the Main Roads Trust Account without any conditions, and to debit interest and sinking fund

against the general moneys lying in the Trust Account. It may happen that at times the trust account may be unable to meet these charges, and power is sought to enable the Treasurer to say what amount, if any, shall be taken from the trust account to meet these charges. Paragraph (f) of Clause 30 is the same as paragraph (f) of Section 27 of the original Act as amended by paragraph (b) of Section 8 of the amending Act of 1929. It directs the payment into the account of the money received by the Treasurer under Clause 33 and all moneys received by the Commissioner under the provisions of the proposed consolidated Act.

Clause 31 covers appropriations from the Main Roads Trust Account and is in accord with paragraphs (a) and (b) of Subsection (1) of Section 28 of the original Act as amended by Section 9 of the amending Act of 1929. Subclauses 2 and 3 of Clause 31 repeat the words of subsections 2 and 3 of Section 28 of the original Act. The first provides that the warrant of the Commissioner shall be a sufficient authority to the Treasurer to make any payment provided by the clause; and secondly that the unexpended moneys in the account at the end of any year may be used without fresh appropriation. Clause 32 does not alter Section 29 of the original Act is regard to authority for expenditure by local authorities. Clause 33 deals with the apportionment amongst local authorities of the amount expended on permanent works and maintenance. It substantially re-enacts Section 29 of the original Act as amended by Section 10 of the Amending Act of 1929, except the fresh provisions in subclauses 5 and 6. Under subclause 5, the clause shall be deemed to have come into operation on the first day of July, 1929. Subclause 6 is one of the main points of the Bill. It is a variation of subsections 5 and 6 of Section 10 of the Amending Act of 1929, and seeks to give further relief to local authorities by waiving their obligation to contribute interest and sinking fund on one-half the State expenditure. The Amending Act of last year waived the charges for one year, 1926-1927; the present Bill proposes to waive the charge for the succeeding two years, viz., 1927-28 and 1928-29. It will be remembered that the contributions by

local authorities from traffic fees were payable as from the 1st July last year, whereas the Act was not passed until late in the year, so that payments became retrospective and unduly harsh on the local authorities. It is considered reasonable to waive the assessment charges and insist on the payment of the traffic fees contributions. The relief sought to be given in this way amounts to £32,673; the amount paid to date by local authorities in this connection is £3,034. The last clause in the Bill repeats the regulation making power in Section 31 of the original Act. I move—

That the Bill be now read a second time.

On motion by Hon. H. Stewart, debate adjourned.

BILL—BEES.

Second Reading.

Debate resumed from 1st October.

HON. H. STEWART (South-East) [9.42]: Having gone through the amendments which appear on the Notice Paper, I think it desirable to draw attention to the amendment proposed by Mr. Lovekin. In Clause 9, the hon. member when in Committee will move that the words "shall in any district proclaimed under this section" be struck out and "in any proclaimed district shall" be inserted in lieu. That has to do with Subclause 1, which reads as follows:—

No person shall in any district proclaimed under this section keep bees in any kind of beehive other than such as is prescribed.

In Subclause 2 there is provision that the Governor may by proclamation declare any district defined in such proclamation to be a district proclaimed under this section, and may at any time alter or revoke any proclamation made under this section. In other words, that provides that the Governor may by proclamation declare any portion of the State in which disease affecting bees is found to be an infected area. Since we have Mr. Lovekin's proposed amendment to delete the provision for making such proclamation, I think some explanation is required from the Minister as to why it should be necessary to make a proclamation under that section only. I think it would be better to have that position fully revealed before we go into

Committee. Then also, with a view to making the Bill quite clear when in Committee, I wish to draw the attention of the Minister to the fact that he has given notice of an amendment to Clause 6. I think if he looks further into it he will find it is really Clause 5 where his amendment should appear. It seems to me that this Bill will be ineffective unless provision is made in it for the registration of all the people who are keeping bees. If that is done registration should be made for a nominal fee. I have a lively recollection that some years ago it became necessary for all fruitgrowers to register, and a nominal fee was charged. So long as the people liked to continue that registration and pay that fee, the Government collected it. Although within about 12 months it was found that the registration of people who had a fruit tree growing was ultra vires, the fees that had been paid were never refunded. I hardly think the Bill will have the effect it should have unless provision is made for this registration. Although this is sound and necessary legislation, we must all hope it will not lead to increased expenditure by way of administration. We trust that existing officers will be utilised, and that the Bill will not mean an addition to the staff of the Agricultural Department. The industry is growing. Not only has it practically overtaken the local demand for honey, but is, I understand, on the eve of being in a position to export a surplus. I have pleasure in supporting the second reading of the Bill.

On motion by Hon. E. H. Harris, debate adjourned.

ADJOURNMENT—ROYAL SHOW.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [9.47]: I move—

That the House at its rising adjourn until Thursday, 9th October, at 4.30 p.m.

Question put and passed

House adjourned at 9.48 p.m.