**VERMIN ACT AMENDMENT BILL 1936**

**Legislative Assembly, 3 November 1936, page 2128**

Second reading

**The Hon. M. McINTOSH (Albert—Commissioner of Crown Lands)—**This Bill makes a number of amendments to the Vermin Act, 1931, and the Loans for Fencing and Water Piping Act, 1930. The amendments are of a disconnected nature and must, therefore, be considered seriatim. Clause 3 deals with the position which arises upon the abolition of a vermin board. Section 55 of the Vermin Act, 1931, provides that, on the abolition of a vermin board, the Commissioner of Crown Lands is to take over all the rights and liabilities of the board. It may occur, however, that the liabilities exceed the assets and, as the law stands at present, the Government is required to liquidate the liabilities whatever may be the assets. The position is further complicated by the provisions of section 56. Under that section the fences of the board may be purchased by the lessees of the land on which they are situated, but the proceeds are to be paid to the ratepayers of the board. The position arises that the Crown is liable for the board’s debts, but what, in most cases, is probably the main asset of the board cannot be used for the payment of the debts, but must be handed over to the ratepayers. Clause 3, therefore, provides that the Crown’s liability is to be limited to the assets of the board, including any amounts received from the sale of the fences of the board. Clause 4 makes a consequential amendment, and provides that the ratepayers of the board are to be paid any balance remaining from the sale of the fences after the payment of the board’s liabilities.

These amendments will place the matter on a proper basis. There is no reason why the Crown should undertake an unrestricted liability to meet the obligations of a board established for the purposes of its ratepayers, and it is also obvious that the ratepayers should not be entitled to participate in any distribution of any of the assets of the board until the creditors of the board have been paid in full. Clauses 5 and 7 remedy deficiencies in theVermin Act and-Loans for Fencing and Water Piping Act. Under the amending Act passed last session, it was provided that the State Bank could remit penalty interest payable by councils on loans made for the purpose of fencing, &c., where the instalments are in arrears. These clauses carry into effect the intention of Parliament that, where a remission is granted in this manner, the councils must grant a corresponding remission to the occupiers for whom the loans were made.

Clause 6 deals with vermin trusts. The method of making loans to vermin trusts is now obsolete, but in the past such trusts could obtain loans, when all the individual members of the trust undertook a joint and several liability for repayment of the loans. A few loans made in the 1890’s are still outstanding. Under the legislation passed last year, power was given to remit penalty interest payable upon loans for fencing by councils and vermin boards, but no provision was made with respect to vermin trusts. Under the term of the loans made to these trusts, penalty interest is payable upon overdue instalments in the same manner as in the case of other loans. Clause 6, therefore, provides that similar remissions of penalty interest may be granted.

Clause 8 deals with the case of loans under the Loans for Fencing and Water Piping Act which are made not through councils, but direct to occupiers of land outside council districts. In this case, also, no provision has been made to permit of the remission of penalty interest although it is obvious that these occupiers should receive the same concessions as occupiers of land within council districts. The clause, therefore, authorises the State Bank to remit this penalty interest in a proper case. I move the second reading.

The Hon. R. S. RICHARDS secured the adjournment of the debate.