

If the Government would establish some of these settlements, it would prove to the people how profitable an industry this is. To produce currants in Western Australia costs about half what it does in Mildura and South Australia. The cost of planting in this State is less than half what it is in these other places, and the price of land here suitable for the purpose is less than £5 an acres as compared with £30 an acre over there.

Mr. O'Loghlen: Give us your idea about small holdings of 80 acres.

Mr. PIESSE: That matter has been so frequently discussed in this Chamber that we become weary of the subject. Does the hon. member refer to group settlements?

Mr. O'Loghlen: I am thinking of your district.

Mr. PIESSE: There is no better district than the Toodyay for the small holder. Land is constantly changing hands there, and numerous small holdings are being established.

Mr. O'Loghlen: What is the size of these small farms?

Mr. PIESSE: We have been told that the Buckland estate has not received the patronage the Government expected for it.

Mr. Underwood: The purchase price was too high.

Mr. PIESSE: The reason is that the holdings are too small, namely about 60 acres each. My advice to the Government has always been to subdivide into holdings of not less than 100 acres.

Mr. Mann: For vine growing?

Mr. PIESSE: The holdings should not be less than 100 acres for vine growing, so that the settler may embark upon the dairying industry as well. Had the State been cut into larger holdings it would have been better for all concerned. I know of one man, however, who has done exceedingly well upon a holding of 84 acres. He lives in the Toodyay district. In the course of the last 14 years he has been able to place to his credit over a thousand pounds. He is producing trussed hay and oats for racing stables. He is now increasing the size of his orchard and is doing well. I am a small-holding man. Settlers should do well with 100 or 200 acres in a suitable locality. What more could man desire than a comfortable home, paid for in full, and proceeds sufficient to keep himself and his family? So long as I am a member of this Chamber my slogan will be "water, water, water" for the wheat belt. When we can get water into the wheat belt we should have an immensely improved position in this State.

Mr. HUGHES (East Perth) [8.10]: It has been said to-night that we ought to be fair. It is time the Country Party government administering the State meted out justice to the metropolitan area. As they are nominated by the Country Party executive, everything they do is for the country areas. No regard is had for the requirements of the metropolitan area.

Mr. Latham: You are getting all the tramways you want.

Mr. Clydesdale: What are you talking about?

Mr. A. Thomson: You got the Como tramway.

Mr. HUGHES: The Premier informed a deputation that the Lord street-Maylands tramway extension would be built. This was like some of the jobs he promised the unemployed; if they lived long enough, they would probably get them.

Capt. Carter: The member for North-East Fremantle said to-night the Government were doing too much in the matter of water supply.

Mr. HUGHES: In the metropolitan area?

Capt. Carter: Yes.

Mr. HUGHES: The hon. member must have misunderstood him.

Capt. Carter: You were not in the House.

Mr. HUGHES: I doubt if the hon. member would take the view that the Government were doing too much in the matter of water supplies.

Capt. Carter: The member for North-East Fremantle said that. There is no cohesion in your ranks. You are not pulling together.

Mr. HUGHES: Perhaps we are not as well disciplined as some of the parties in this House. The Speech said that a large proportion of the deficit was due to loss on the railway workings, and that the gross profit from the railways was £675,517. If we include interest, £766,000, and contributions to sinking fund, £126,000, we find a deficit on railway working of £216,483. The Commissioner of Railways has furnished the House with a tabulated statement showing ton mileage statistics for various years. The ton mileage is shown for various classes of merchandise carried over the railways, and the average earnings are shown as 2.02 per mile. The high rates refer to passenger traffic, and the lowest to fertilisers. The rate per ton mile on fertilisers is .53, slightly over ½d. per ton per mile. This is 1½d. below the average rate, or 25 per cent. of the normal rate which should be charged for freights. The ton mileage of fertilisers carried during the year was 15,732,837. The allowance which has been made to farmers on that item amounts to £98,000. Then we have the item, wheat. The average rate for this is 1.2. The ton mileage for the year is 40,652,597. That is practically 1d. per ton per mile below the average rate, or a saving to the farmers on that account of £135,000.

Mr. A. Thomson: And what is the next heaviest tonnage.

Mr. HUGHES: I am dealing now with the rates.

Mr. A. Thomson: The other does not suit you.

Mr. HUGHES: I will read the whole return, if the hon. member desires it. The whole return is an indication of concessions given to the agricultural industry.

Mr. Clydesdale: How does it compare with the other States?

Mr. HUGHES: Very badly.

The Minister for Mines: What do you suggest?

Mr. HUGHES: If the Minister will possess himself in patience for a while, I will tell him. Those two items of concession to farmers in railway freights amount to £233,000, or £17,000 more than the actual shortage on railway working. I am not one of those who are hostile to the farming industry. I know very well that the farming industry is essential to the State. I agree that struggling farmers should be given every possible assistance.

Mr. Latham: How are you going to discriminate?

Mr. HUGHES: I would go further than the hon. member interjecting. We have heard quite a lot about the man who is blazing the track in the agricultural areas. But there are men out blazing the track as well as the agriculturists. I consider that the labourers who do the clearing are pioneers just as much as the farmer who owns the property.

Mr. Latham: Admittedly so.

Mr. HUGHES: There are certainly some farmers who need all the assistance that the State can give them, but there must be a huge number of prosperous farmers as well.

Mr. Latham: Do you know many of them?

Mr. HUGHES: Yes; the hon. member interjecting is one.

Mr. Latham: We know one of them who is attached to your party, and who is very prosperous indeed.

Hon. P. Collier: Did you think we were all poor?

Mr. HUGHES: I believe that if we could afford it, we would all be wise to have farms. To show the degree of prosperity existing amongst the farmers, one has only to turn up the income tax statistics. The wage worker and the salaried man, including the men on the highest salaries, pay on an average income of £225 a year. Yet the average income of farmers is £539, or two and a half times the average income of wage workers and salaried men.

Mr. A. Thomson: What a prosperous community we are.

Mr. HUGHES: It goes to show that, whilst there are some struggling farmers in the State, a large number no doubt, there must also be a considerable number of prosperous farmers, in order to get an average income so large relatively to the average income of wage workers and salaried men.

Mr. Underwood: Why don't the wage workers take farms?

Mr. HUGHES: It is not everyone who can be successful on a farm. I believe the hon. member, while on a farm, made a salary. I may ask what the hon. member has done with the farm? The income tax figures show that the farmers are becoming more prosperous from year to year. The average figures for the last three years are £349, £386, and £539, showing an average increase in two years of £90. In view of these figures there should be a reconsideration of the method of

giving assistance to struggling farmers. A farmer who is earning £10 per week, after having been helped to prosperity by the State, should pay the proper freights over the railways. The time has gone when that man is entitled to ask of the metropolitan area and other parts of the State quarter rates for railway carriage. I believe the bulk of the prosperous farmers would realise the justice of that claim.

Capt. Carter: Put that up to conference and see how you get on.

Mr. HUGHES: It is time there was a little consideration for the metropolitan area from the farming community. The member for York (Mr. Latham) asked how the necessary discrimination could be effected. I hold that it would be easy to give concession rates to those farmers whose incomes are below a certain amount. It would be an easy matter for the Commissioner of Taxation to issue to a farmer a certificate stating that his income for the previous year had been less than, say, £5 per week. The farmer then, on consigning or receiving goods, could produce that certificate to the Railway Department and so obtain the reduced rate. Or a bonus could be given to the farmer at the end of the year if his income had been below a certain amount. Surely there is sufficient ingenuity in Ministers, or else in their staffs, to devise ways and means of granting such a concession to farmers who need it, instead of pursuing the present plan of granting the concession to every farmer, whether he be one like Mr. Hedges, with 25,000 acres and a tremendous income, or a struggling farmer.

The Minister for Mines: You are building up a nice lot of trouble for the next Minister for Railways.

Mr. HUGHES: After the general election the new Minister for Railways will deal with the matter.

The Minister for Mines: But I do not think you should make his task quite so hard.

Mr. HUGHES: It does not speak well for the ingenuity of Ministers if they cannot solve a little problem like that. There is one matter of vital importance to the metropolitan area to which the Governor's Speech makes no reference, although a Government supporter endeavoured to palliate the omission by alluding to the subject. In the metropolitan area we are suffering from one thing in particular, and that is a severe epidemic of extreme landlordism. Throughout the city and the suburban areas there has been an epidemic of rent raising. In order to show the extent of it, and the avarice of the average landlord, I shall give the House the benefit of one particular case which has come under my notice. I refer to the series of shops known as Baird's Arcade, in the centre of the city. This is a typical case. As hon. members no doubt are aware, Baird's Arcade is simply a lean-to placed on each side of the passage from Hay-street to Murray-street. It is subdivided, not by proper walls, but simply by partitions about 6ft. high, separating shop from shop. Recently this property was purchased by Brennans,

Ltd., who are nothing more or less than Mr. James Brennan trading under that name. For what purpose he so trades I do not know, but I will give some information which may enlighten hon. members on the subject. Mr. Brennan has seen fit to turn himself into a limited liability company.

The Minister for Mines: For the good of his health, probably.

Mr. HUGHES: I think it worth while to read out the list of shareholders. The company is divided into 63,000 £1 shares, of which James Brennan owns 33,500, Mrs. Brennan 6,250, and eight little Brennans a total of 18,750 between them. Mr. Brennan and his wife and eight children, out of the 63,000 shares, own 58,500. Then there is one Lovell holding 2,000 shares, and one Ahern and one Deans, owning 1,000 each, and one Burkitt who owns 500 shares. Only 4,500 of the shares are not held by Mr. Brennan himself, or his wife, or his children. The articles of association provide that at a meeting of shareholders there shall be one vote one share. So that Mr. Brennan, with his personal 33,500 votes, has a majority.

The Minister for Mines: That is better than the mayor of Perth.

Mr. HUGHES: Mr. Brennan has more than half the shares, but, to make doubly sure, the articles of association provide that he shall exercise the votes for the eight children. Thus there is no chance whatever of any other shareholder having a say. Mr. Brennan purchased Baird's Arcade for £48,000, and immediately notified the tenants of altered conditions. One lady was occupying three windows, for which she paid a weekly rental of 30s. each, or £4 10s. in all. He notified her that in future her rent would be £4 for each window, or £12 per week. Thus her rent was raised at one swoop from £4 10s. per week to £12. Further, notwithstanding the fact that the lady had been eight years in the business and had worked up a goodwill, notwithstanding the fact of her having been eight years a tenant, he called upon her to pay an ingoing of £100 per window.

Mr. Clydesdale: Did she show any profit?

Mr. Stubbs: Is your information correct?

Mr. HUGHES: I can verify it for the hon. member if he cares to be at the trouble.

The Minister for Mines: Would you discuss the matter with Mr. Brennan?

Mr. HUGHES: I did discuss it with him, and he said it was time Bolsheviks like me got out of the country. The only reply I could give to that was, "You are an Irishman, and I have often wondered why my ancestors used to deal so harshly with landlords, but you have furnished me with the information." Now, had Mr. Brennan succeeded in getting his ingoing and his rentals, the terms of the new leases were to be £4 per window on the western side and £3 per window on the eastern side, with ingoings of £100 per window on the western side, and of £75 per window on the eastern side. Had that little game come off, Mr. Brennan would have received back the total amount expended

in purchase money, £48,000, in four years' time by means of the rentals and ingoing. Surely a landlord who wants to invest £48,000 in city property and aims at getting back the whole of his capital cost in four years, is an extremist in the most extreme sense. Surely there should be some law to protect tenants from exploitation of that description. Mr. Brennan's deal did not come off. Some of the tenants interviewed me and we held a meeting to discuss the position. I saw Mr. Brennan and, as the law was all on his side, the only thing we could do was to tell him that if he did not adopt a more reasonable attitude we would work up an agitation against him and his business. After a long discussion he agreed to forego the ingoing and the levy of £100 per window; but he was not going to do anything more. After further negotiations, however, in the course of which the tenants stood firm, we finally got him to reduce the rent to £3 5s. per window on the western side and to £2 15s. on the eastern side. It must be remembered that all the tenants I refer to are struggling for a living in a small way. Five or six of them are returned soldiers, for whom Mr. Brennan was most solicitous. Even with the reduced charges I have quoted, Mr. Brennan will get a return of between 17 and 20 per cent. profit, and within a space of five or six years he will get back the whole of his £48,000. Surely it is time this House took some action to save tenants from ramps of this character!

Hon. P. Collier: Rents throughout the city have been going up in the same way and the public have to pay in the long run.

Mr. HUGHES: While Brennan's is the worst case—if hon. members are doubtful about the figures, any one of the tenants occupying shops in the arcade will show them what sort of accommodation they get for the money they have to pay—we should remember we have a remedy. Every decent minded person should pass by Brennan's windows. A man who is not fair and square should not get public support at all. That would put such people in a reasonable frame of mind. With the law on their side, they take advantage of their position and squeeze people out of their living, destroying businesses which have taken years to build up. A little further down Hay-street another business man was paying £33 per week, plus rates and taxes, for a mere shell. Eighteen months before the expiration of his lease he was informed that he would be given a renewal. He was put off from time to time, however, until a month before the lease expired he was informed that his rent would be increased to £45 per week, plus rates and taxes. The result of the rapacity of that landlord is that the tenant, after working for 25 years in Western Australia, is practically ruined because of the exorbitant demands made upon him. That man went to the goldfields in the early days and as a result of his labours, saved £5,000. He borrowed another £3,000 to invest in the business in Hay-street and he has been working hard to keep his family

going. After all this, he is confronted with ruin. Around the corner there is another property—an hon. member of the Legislative Council is concerned in this—and the rent has been raised from £3 10s. to £8 per week. A little further on there is a chemist whose rent has been raised from £16 to £24 per week, and in Murray-street the rent of a warehouse has been increased from £20 to £40 per week.

Mr. Stubbs: I don't know how they can stand it.

Hon. P. Collier: The money that people have to pay for the increased rent is added to the price of goods.

Mr. HUGHES: People who are running small businesses are being squeezed out of existence. Most of them are doing little better than getting a decent living, and with the increased rentals they will be deprived of their businesses. In Baird's Arcade one man, who was a crippled returned soldier, had to go. He had invested all his money in the business but the takings would not warrant his paying the increased rent, and he had to lose all.

Mr. Mann: Are you referring to a confectioner?

Mr. HUGHES: Yes.

Mr. Mann: He sold out very well.

Mr. HUGHES: It was a forced sale. If we go out into the suburbs we find that, owing to the war period, and the action of the Government in ceasing to erect workers' homes, there is a shortage in house accommodation, and property owners who have dwellings to lease have not been slow to take advantage of the position by increasing rents. When I came to Perth in 1911 I had to find a house for the accommodation of my people. Houses were so scarce that in order to secure one at the bottom of Adelaide-terrace I have to pay a week's rent in advance to get possession of the property. I had to pay 17s. 6d. per week rent, which was considered enormous in those days. I made inquiries at the same house a few days ago and I ascertained that the rent is now 27s. 6d. per week. I also ascertained that the lady, who is occupying the house at present, had to pay £60 ingoing. The house was advertised to let and the advertisement set out that the tenant should buy the furniture, which was valued at £60. The lady told me that she took over £30 worth of furniture, and, in effect, had to pay £30 for the key for the privilege of taking the house at a rental of 27s. 6d. per week! During the last 12 years the only repairs to the house were represented by the expenditure of between £10 and £20 for painting. When I spoke about the exorbitant charge for ingoing, I was informed that it was a comparatively cheap house, considering the others that had been offered to her. Hon. members representing metropolitan constituencies know that these cases can be verified and that there are many such cases on record. There are many instances of extreme landlordism that can be verified. Right in the heart of my own electorate there are several terraces, each comprising seven or eight houses, the frontage

for each house being 15 feet. Ten years ago the rent was fixed at 8s. a week, and for those premises now the occupants have to pay from 16s. to 18s. a week. The landlords absolutely refuse to do anything in the shape of repairs to those buildings. The unfortunate occupants are compelled to take the houses because they are the cheapest available, although they are forced to pay 18s. for houses that should be condemned by the municipal authorities at once. When the Premier, in reply to a question, informed the House that it was not the intention of the Government to bring forward legislation to set up a fair rents court, he showed a total disregard for the urgent requirements of the metropolitan area. Not only in the city but in the suburban areas, rack-renting landlords are making the position unbearable for people. The time has arrived when the Government should bring forward legislation to place some restrictions upon landlords, because just now there is a temporary building boom. We have heard a lot about inability to secure the services of bricklayers and artisans generally in the building trade. Within the last 12 months 80 per cent. of those engaged in the building trades have been unemployed.

Mr. A. Thomson: That is nonsense. You cannot prove it.

Mr. HUGHES: We can prove the statement. Within the last 12 or 18 months I introduced a deputation to the Premier. It was representative of the building trades. We appealed to him to make more money available for the erection of workers' homes in the metropolitan area to give some relief to those men. To-day the building trade is exceedingly active, in consequence of which if the Government recommenced the erection of workers' homes here, they would not be able to find labour to go on with the work immediately. Knowing that there is no possibility of getting relief by way of increased housing accommodation to meet the city's requirements for the next 10 years at least, it is the duty of the Government, in fairness to the people of the metropolitan area, to impose restrictions which will protect people from the ravages of unfair landlordism. There is one other matter that presses very heavily on those who rent premises. I refer to the method the municipal authorities are obliged to adopt in levying rates. For many years we have been advocating an alteration in the rating system from the improved to the unimproved basis. Everyone seems to be in favour of the proposed alteration. All the municipal councils are in favour of the alteration, and every member of Parliament I have spoken to is favourable. We cannot secure redress, however, because the Government absolutely refuse to introduce a small amendment to the Municipalities Act. The unfortunate citizen of Perth is between the devil and the deep sea, what with landlords on one side and the municipal authorities on the other. In making up their annual assessments the municipal authorities take the annual rental value, the total rent for the year and, after making

certain deductions, allow the balance as the annual value. So, if the landlord raises the rent, the next time the municipal valuer comes round he raises the valuation. Directly that is done, the landlord finds an increase in his rating, and he immediately raises the rent to meet it; with this difference, that if the increase in the rates amounts to 3d. per week, he puts up the rent by one or two shillings. So we get a continual see-saw between the municipality and the landlord, while the unfortunate tenant suffers. I have an invitation to attend a deputation asking for a tramway extension to the Church Lands estate, but I must tell the people who invited me, and the member for Leederville (Capt. Carter), that I do not think the proposed line is warranted. There are others more urgently needed.

Capt. Carter: In your electorate!

Mr. HUGHES: True. The most urgently required line is the extension from Lord-street up through Maylands. Behind the Mt. Lawley station, right along to the Peninsula, there is an enormous population. Yet between 9 a.m. and 12 noon there are but two trains from Maylands to Perth. It means that those people are practically without transport facilities.

Capt. Carter: You require, not a tramway, but to see the Minister for Railways, and ask for more trains.

The Minister for Mines: I think he requires to see beyond the boundaries of his own electorate.

Mr. HUGHES: From Mt. Lawley, where the Minister lives—he is fortunate enough to be independent of both trains and trams—after 9 o'clock there is no train until four minutes to 10, the next being at 11.16. There is no other until 12 noon. With practically no tram service, it means that the people are most seriously inconvenienced.

Capt. Carter: How far is it across to the Inglewood extension?

Mr. HUGHES: From the Peninsula, a couple of miles.

Capt. Carter: But from the principal residential area it is less than a mile.

Mr. HUGHES: I do not begrudge the hon. member his tram line, if he can get it, but what I believe he will get is merely a promise.

The Minister for Mines: What are you to have as an election stunt if you get everything now?

Mr. HUGHES: For the election we could write a little brochure of the history of the Minister.

The Minister for Mines: You could publish that, but we could not publish a true one about you.

Mr. HUGHES: No, it would not be spicy enough to make good reading. I am sure we could compile a good brochure on the Minister. His photograph on the front page in the attitude of a tumbler would make the brochure sell well.

The Minister for Mines: I could easily describe what you would look like.

Mr. HUGHES: Probably the Minister would wait until I got outside.

The Minister for Mines: No, I should prefer to say it while you were here.

Mr. HUGHES: I remember the time when, perhaps, I should have had the Minister on my side. I recall when he and Senator Pearce, addressing a meeting in Lane-street, Boulder, said—I am not prepared to state which one said it—that the man who took rent was a thief. It shows what environment will do. I can remember as a boy 11 years of age attending the first political meeting addressed by the Minister. I believe he had a long period of unemployment at about that time.

Mr. Marshall: Was that the time he went to sleep by the engine?

Mr. HUGHES: I believe it was.

Hon. P. Collier: It was a very cold night.

Mr. HUGHES: There was a time when I thought much better of the Minister than I do to-day.

The Minister for Mines: I am not likely to lose any sleep over what you think of me.

Mr. HUGHES: No, the hon. member is past caring what anybody thinks.

The Minister for Mines: I should not call you anybody.

Mr. HUGHES: A man with such a political past has to be pretty strong in his resistance to public opinion. Only the other day a man was telling me of a country where they deal stringently with politicians—stand them against the wall and shoot them. I told him such a method would be of no use in this State, because the bullets would not be strong enough.

Mr. A. Thomson: A sapient remark, for you!

Mr. HUGHES: In view of the wretched railway service, it is time the Government launched out on a policy of tramway extension. Generally the people have to walk, and in consequence the railways lose a lot of revenue. The Minister, of course, has a car, one of the rewards for giving up the making up of wild statements, such as he accuses me of doing.

The Minister for Mines: I will give you a ride home sometimes, if you behave yourself, but it will be in the back seat, for I would not have you with me in front.

Mr. HUGHES: I will lose nothing by being kept out of the Minister's company.

Mr. Angelo: This is not unlike a game of tennis.

Mr. HUGHES: It is time the Government did something for the metropolitan area. There is urgent need for tramway extension so that the people may live in the suburbs. In these days of excessive railway fares and restricted train service, the tendency is to crowd into the city, for living in the suburbs makes the cost of transport prohibitive. I suggest that the Government bring down a Fair Rents Bill, and extend the tramways. The Workers' Homes Act has been the means of providing homes for men who otherwise could not have obtained them. That is something of which members on this side might

well feel proud. Workers' homes which, in 1914, were built for £550, are worth £1,000 to-day. Those fortunate enough to secure workers' home at from 12s. 6d. to 15s. per week have houses which they could not rent at less than 25s. weekly; in addition to which they are steadily paying off the principal and acquiring an equity in the property. Notwithstanding the enormous benefits conferred upon those people, the workers' homes scheme, as at June, 1921, showed an accumulated profit of £6,800 besides providing the statutory sinking fund of £8,000. Surely there is sufficient virtue in such a scheme to induce the Government to again make it available to workers in the metropolitan area. In consequence of the closing down of that scheme nothing has been done to supply the increasing shortage of houses. There is plenty of land available for the purpose. If the Government were to resume Cemetery Hill, at East Perth, and throw it open under the Workers' Homes Act, they would be astounded at the number of applicants for homes. Thus they would at once relieve the homeless and help to bring down rents in other parts of the city.

Mr. Marshall: Could you guarantee the foundations on Cemetery Hill?

Mr. HUGHES: For years Perth and other cities have been obliged to rate on the improved value, and as a result people have been able to hold vacant land for speculative purposes. Even in East Perth some 25 per cent. of the land is unoccupied. Down in the centre, where we have terraces of cottages with only 15 feet frontages to each, there are vast tracts of unoccupied land which has been held for the past 60 or 70 years. That has been possible because the owners have not been obliged to pay their full share of the municipal revenue. In consequence the municipal council has been forced into an extravagant borrowing policy, not having sufficient revenue from legitimate sources. Last year, out of the loan money raised, they had to pay 8s. in the £ to meet the interest bill.

The Minister for Agriculture: Was that the City Council?

Mr. HUGHES: Yes. When the ratepayers of Perth subscribe £1 towards the revenue of the municipality they get only 12s. worth of work. When a municipality is compelled to finance on these loans, it is no wonder that members who own motor cars have such a lot to say about the bad state of the roads in the city of Perth. This is all due to the refusal of the present and previous Governments to bring down a small amendment of the Municipal Corporations Act to give the necessary relief. One striking feature in connection with the system of rating is worth mentioning. Walcott-street is the boundary between the city of Perth and the Perth Road Board. On the north side the people are rated on the unimproved system, while on the opposite side they are rated on the improved value. A house of a certain value on the north side pays less than one half of the rates annually

that is charged on a house of like value on the south side. Surely, if the unimproved system of rating is good enough for the heights of Mt. Lawley, where the aristocracy live—among the residents are the Minister for Railways, the Leader of the Opposition and other notables in this House—it should be good enough for other parts of the City. A small amendment to the Municipal Corporations Act would remedy this inconsistency, but the councils themselves are largely to blame for its not having been passed. Instead of confining their attention to this one amendment, they generally suggest about 390 other more or less important amendments, with the result that none of them are passed.

Mr. Mann: Would you make it mandatory or optional?

Mr. HUGHES: I would make it mandatory, but I would not oppose the passage of the Bill if it were made optional. I understand a meeting was held in the Town Hall the other night to consider the housing question. I received an invitation which informed me that, while I was invited to attend, it was not a political matter and politics were to be strictly barred.

Mr. Mann: You were more fortunate than I was; I did not receive an invitation at all.

Mr. HUGHES: I regarded the invitation as one to stay away. There is another matter I wish to mention in connection with what I consider is an evasion of income tax payments by large companies. Under the Companies Act any five people can float themselves into a limited liability company. As I have mentioned in the case of the Brennans, it does not matter whether the five comprise the father, mother and children; they may still take advantage of limited liability. That provision of the law has much to commend it, but at present it is being abused for the purpose of evading the payment of income tax. I do not wish to feature Mr. Brennan unnecessarily, but, having mentioned him, I may as well use his case for the purpose of illustration. I cannot ascertain exactly what he earns, but on his capital of £58,500, taking an arbitrary assessment to illustrate what these companies are doing, I shall assume that he makes 10 per cent. on capital—a very reasonable estimate for a business of the kind. If Mr. Brennan made 10 per cent. on £58,500 trading as James Brennan, a private individual, he would be liable under our State income taxation to be assessed on £5,850. Under the graduated scale he would pay 2d. on the first £100, adding .007d. for every pound above that. This would amount to 3s. 6d. in the pound. On those figures, his State income tax would amount to £1,030. By floating the business into a company and distributing the shares amongst his wife and children, it would be possible for him to save a large amount in income tax. Holding 33,500 shares, he would be liable to 1s. 3d. dividend duty. If he had any other income, when his income rate exceeded 1s. 3d. in the pound, the amount taken from the shares would have to be added to it, and the whole

lot would be assessed at the new rate. That rate, taking his portion of the profits as £3,350, would be 2s. 0¼d. in the pound, so that he would be obliged to pay as income tax on his share and as a private individual the sum of £345. Mrs. Brennan, who has nothing at all to do with the business, would have an income of £625. This would be well within the bounds of the 1s. 3d. rate and she would pay £39. The eight children would all be below the 1s. 3d. mark and their total income tax would be £118. Thus, the total income tax payable by the family would be £502, whereas James Brennan, trading as an individual, on the same figures would be obliged to pay £1,030.

Mr. Clydesdale: You are educating hon. members opposite.

Hon. M. F. Troy: There is no need to fear that. They do the same thing.

Mr. HUGHES: The total saving would be about £528 per annum. As there is a super tax of 15 per cent., it means that the total loss to the revenue per annum would be £607. What is the use of our passing taxation legislation, together with a graduated scale, to make people earning large sums pay a fair share of income tax, if we provide them with a Companies Act which permits them to nullify our efforts? This Act is being abused and the time has arrived when it should be reconsidered. All the good work done in the past is being nullified by the present abuses. The Solicitor General should be asked to frame amendments to the Companies Act to prevent an individual from trading as a company and thus evading the payment of such a large sum as £600 per annum. Mr. Brennan is not the only one who is doing this sort of thing. I could mention the names of five or six other people who are trading in the same way. It is very unfair that people in receipt of small incomes should be obliged to pay heavy income taxation, while men in receipt of large incomes should be permitted to evade their responsibilities by recourse to other legislation.

Mr. Marshall: He is not to blame.

Mr. HUGHES: Of course not; the Government are to blame.

Mr. A. Thomson: Blame the Government for everything!

Mr. HUGHES: I wish to refer to one of the staple industries of this country that is badly controlled and is controlled for the benefit of a few; I refer to racing.

Mr. Angelo: Is that a staple industry?

Mr. HUGHES: If the control of racing were vested in the member for Canning (Mr. Clydesdale) there would be no need to voice a complaint of this kind. A good deal of dissatisfaction exists amongst the racing fraternity—

The Minister for Agriculture: About the third class plates!

Mr. HUGHES: No, owing to the arbitrary administration of the W.A. Turf Club. The Turf Club have complete control of racing, and although I do not frequent the races

now—I have learned the lesson that punters never win—

Mr. Clydesdale: It took you a long time to learn it.

Mr. HUGHES: That is so. There are many people whose livelihood is bound up in racing. There are the trainers; then there are the jockeys, whose growth has been stunted from infancy in order to make light weights for riding. These people are entirely in the hands of the W.A. Turf Club. My grievance against the Club is the star chamber methods they employ. Quite recently, the Club told a number of prominent men that they were warned off the course. They simply said, "You are warned off; you cannot come on the racecourse." These men have no redress whatever.

Capt. Carter: Why were they warned off?

Mr. HUGHES: That is the unfortunate part; when a man is warned off the course, he naturally wants to know the reason. However, there is no inquiry; no charge is furnished; the man is simply told he is warned off. He cannot get an appeal.

Mr. Marshall: He cannot get a trial, much less an appeal.

Mr. HUGHES: That is so. A criminal is entitled to hear the charge against him, is given an open trial and permitted to defend himself. No matter how bad a criminal is considered to be, the law holds that, until he is proved guilty after an open trial where he has ample opportunity to defend himself, he must be regarded as innocent. Not so the W.A. Turf Club. To be suspected is to be guilty. There is no trial. Quite recently several prominent men were ordered off the course.

Mr. Angelo: Which course?

Mr. Clydesdale: If you are warned off one course, you are warned off the lot, so be careful.

Mr. HUGHES: The Turf Club would not state the charges against these men. They were given no indication of the reason why they were warned off. They were not allowed to appear before the committee. There was no public trial. Members will agree that if a rumour is circulated against a citizen and he is warned off a racecourse, the assumption is that he has done something discreditable; it is defamatory to his character. The W.A. Turf Club, under a threat of exposure, subsequently lifted the embargo and re-admitted to the course some of the men concerned. They have been acting in such a high-handed way that it is time the control of racing was taken out of their hands and placed in those of an independent board. A report may be sent in to the W.A.T.C. by the club detective, and the person concerned is dealt with by the committee without any public inquiry, or without his being given a chance of facing his accuser. The accused person cannot cross-examine upon the matter contained in the detective's report.

Capt. Carter: Much good might result by certain people being kept off the course.

Mr. HUGHES: I agree that the controlling body should be allowed to keep certain people away, but before a man is deemed to be undesirable the charge against him should be set out in black and white and he should be given a full and complete trial.

Capt. Carter: Are not the courses private property?

Mr. HUGHES: The headquarters course is public property, and the control of racing is vested in the W.A.T.C. by legislative enactment. Jockey boys begin their training at the age of 14 or 15.

Capt. Carter: I think the courses are private property.

Hon. P. Collier: The W.A.T.C. course is not.

Mr. Clydesdale: It does not make any difference. They are under control just the same.

Mr. HUGHES: Jockey boys are purposely stunted in growth in order that they may ride at light weights. When they are precluded from riding their livelihood is gone. When a boy is disqualified he cannot readily take on other work. He is physically unfit for hard work, and the knowledge he gains in horseracing is of little use to him elsewhere.

Capt. Carter: Are the boys disqualified without a trial?

Mr. HUGHES: Yes. Quite recently three or four boys went up for their licenses, but they were told these would not be renewed. They had no chance of defending themselves. If they did wrong the charges should have been set out, and the lads should have been given a chance to defend themselves. Let us have public inquiry into these matters. If boys are guilty of malpractice on the course, let them be disqualified from attending there. I have no sympathy with the wrongdoer, with the boy who commits malpractices, or the trainer who assists, but every individual is entitled to a fair and open trial.

Capt. Carter: Have you sought legal opinion on the matter?

Mr. HUGHES: One can always get two opinions on any legal matter. Very often the boys have no money with which to go to law. The control of racing should be vested in a board, on which the jockey boys, trainers and owners as well as the public and the Government might be represented. The worst scandals connected with the course are due to the actions of those who are well in the play.

Mr. Clydesdale: There are no scandals in racing.

Mr. HUGHES: There should be more democratic control of racing. Every person charged should be given a fair trial and an opportunity to defend himself. If the right that is given to an ordinary criminal is given to one of these racing people, he should be satisfied with the result. As things are, a man is brought before the committee, one member of which may have a personal dislike towards him, and be the means of ruining the man's reputation. It is injurious to one's character to be warned off a racecourse, the assumption being that if a man has not done something wrong he would not be penal-

ised. Parliament should take more interest in the control now being exercised by the W.A.T.C., and demand that every person dealt with should be properly heard and properly tried.

On motion by Mr. A. Thomson, debate adjourned.

House adjourned at 9.22 p.m.

Legislative Council,

Wednesday, 8th August, 1923.

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

QUESTION—STATE ENTERPRISES.

Hon. A. LOVEKIN asked the Minister for Education: 1, What was the Dr. or Cr. state of the profit and loss accounts for the year ending 30th June last of the following undertakings: Boya Quarry, State Brickworks, State Implement Works, State Steamships, State Sawmills, Goldfields Water Supply, Brookton Water Supply, Collie Water Supply, One Water Supply, Bridgetown Water Supply, Danzin Water Supply, Derby Water Supply, Geraldton Water Supply, Harvey Water Supply, Leonora Water Supply, Meekatharra Water Supply, Menzies Water Supply, Ora Banda Water Supply, Pingelly Water Supply, Torbay Drainage, other minor works, as shown on page 83 of Parliamentary Paper No. 26 of 1922? 2, Have interest, sinking fund, and depreciation been taken into account in each instance? 3, If not, in what instances are there omissions?

The MINISTER FOR EDUCATION replied: The information asked for will be supplied by way of a return as soon as possible.

QUESTION—RAILWAY ROLLING STOCK.

Hon. A. LOVEKIN asked the Minister for Education: 1, How many railway trucks, carriages, and locomotives have been placed