

to demand a union ticket as a qualification for sustenance. True, men without union tickets had to fall in behind those with union tickets when applying for work, and I agree with that policy. I agree with preference to unionists, and I believe that the man who has a union ticket should definitely be picked up in front of the man who will not get one. But when it comes to a matter of sustenance, which a man must have in order to maintain himself, his wife and family, I have never known the question of a union ticket to enter into consideration. If a case did arise, as the member for Subiaco stated, I am satisfied the question was raised by some junior officer who was endeavouring to show his authority, and was not the result of any governmental policy. I am also convinced that if it happened once, it will not happen again.

The Minister for Labour: Out of £60 received in wages by a man in 12 weeks, he paid 2s. 6d. into his union.

Mr. TONKIN: Despite considerable difficulty, I believe that the department in Western Australia can derive some satisfaction from the fact that it has done as well as any similar department in any other State of the Commonwealth. I am not saying that our officers should sit down and say there is no need for further endeavour, but I do say they are entitled to just praise for doing at least as good a job as has been done under this system elsewhere.

Vote put and passed.

Votes—Town Planning, £1,715; Unemployment Relief and State Labour Bureau, £68,130—agreed to.

Progress reported.

House adjourned at 11.3 p.m.

Legislative Council,

Wednesday, 1st November, 1939.

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

QUESTION—TAXATION.

Commissioner's Report.

Hon. H. SEDDON asked the Chief Secretary: When will the report of the Commissioner of Taxation be made available?

The CHIEF SECRETARY replied: The report is now in the hands of the Government Printer and it is expected it will be available for distribution on the 9th inst.

QUESTION—AGRICULTURE.

Premium Wheat and Barley.

Hon. H. V. PIESSE asked the Chief Secretary: 1, Will he inform the House of the procedure that will be adopted for the purchase of premium wheat and barley for the coming season? 2, Will the premium be paid direct to the growers by the millers and maltsters, or into the pool?

The CHIEF SECRETARY replied: 1 and 2, The information desired has not been supplied either to the State Wheat Committee or to the Government.

QUESTION—RAILWAYS.

Tabling of By-law.

Hon. A. THOMSON asked the Chief Secretary: If it is not necessary under the Government Railways Act, 1904, to lay be-

fore Parliament any regulation or by-law made under the said Act increasing or decreasing fares or freight charges, why was by-law No. 55 laid on the Table of the Legislative Council on the 3rd October?

The CHIEF SECRETARY replied: It is not necessary to make, increase or decrease railway fares or freights by means of by-laws. They have always been made by way of by-law purely as a matter of convenience and for the sake of uniformity.

Hon. J. Cornell: That is no answer to the question why the by-law was tabled.

BILL—WHEAT PRODUCTS (PRICES FIXATION) ACT AMENDMENT.

Read a third time, and *passed*.

BILL—DEATH DUTIES (TAXING) ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.38] in moving the second reading said: This Bill proposes to increase the rates of probate duty on certain estates. For many years the rates of tax imposed under our Death Duties (Taxing) Act have been a little less than half the rates levied by the other States of the Commonwealth. For the information of members, I shall give the maximum rates of duty charged in the various States—

	Widow and Children. per cent.	Strangers. per cent.
New South Wales	25	25
Victoria	10	10
Queensland	20	25
South Australia	17½	20
Tasmania	12½	15
Western Australia	5	10
Simple average all States	15	17½

Hon. J. A. Dimmitt: Then it pays to die in this State.

Hon. H. S. W. Parker: Those rates are all on a sliding-scale.

The CHIEF SECRETARY: I am quoting the maximum rates.

Hon. L. Craig: Yes, but those might be the rates on a property of £100,000.

The CHIEF SECRETARY: I think it is a fair statement of the position. As the figures indicate, our rates are well below those prevailing in the other States.

Hon. J. Cornell: Is not that an argument for increasing them?

The CHIEF SECRETARY: This disparity has been commented on by the Commonwealth Grants Commission, and it has had the effect of reducing the amount of the Commonwealth grant by lowering our index of severity of taxation.

The purpose of the Bill, therefore, is to bring our rates of probate duty into line with those of the other States. This will not only result in additional revenue to the extent of about £35,000 for the current financial year, but will have a beneficial effect on our future grants from the Commonwealth. The maximum rate of duty levied by the principal Act is 10 per cent. This rate is applicable to estates and interests exceeding £20,000 in value. We are now providing that where the value of an estate exceeds £20,000 the minimum rate shall be 10 per cent. increasing by grade increases of one half per cent. for every £5,000 by which the total value exceeds £20,000 to a maximum of 20 per cent. in the case of estates over £120,000 in value.

An alteration is proposed in respect of the rates chargeable to the widowers or widows, or the parents or any issue of deceased persons, resident in the State. At present the Act provides that these persons shall be charged half rates irrespective of the value of the estate. Under this measure, we propose to provide for the payment of the full rate of duty in every case where the value of the estate exceeds £6,000. In three of the other States, namely Victoria, South Australia and Tasmania, reduced rates apply only to estates of a value not exceeding £2,000, while in New South Wales and Queensland full rates are paid where the value of the estate exceeds £5,000. Insofar as estates of a value not exceeding £6,000 are concerned, this Bill does not propose to disturb the existing position in any way whatsoever. We are simply providing that full rates of duty shall be paid on all estates to the value of over £6,000, and that estates above £20,000 in value shall be subject to probate duty on a sliding scale up to a maximum rate of 20 per cent. in the case of estates of over £120,000. I move—

That the Bill be now read a second time.

HON. L. CRAIG (South-West) [4.44]: I read this Bill before coming into the House. In view of rates of probate duty

charged in other States, the measure seems inevitable. However, I always have felt that the taxation of dead persons is an iniquitous way of raising revenue. In England it has had the effect of ruining many old families whose property consisted largely of old palatial buildings and unremunerative lands. Unfortunately, probate duty has to be paid in cash, and the effect of the legislation will be the same here. In Western Australia, where revenue mostly comes from land, few people have available cash, and high rates of probate have the effect of causing sales to take place in order to provide cash for payment of probate duty.

Hon. A. Thomson: Very often the effect is to increase overdrafts.

Hon. L. CRAIG: In many cases the overdraft cannot be increased. An instance in which legislation of this kind has had a highly detrimental effect on family beneficiaries has come to my knowledge. They certainly have good assets possessing—so to speak—intangible value, but when those assets come to be realised for cash the effect is to cause big properties to be sold. I do not object to the Bill, because on the whole our probate duty rates are low; but I am still not convinced that the Chief Secretary's estimate of the return from the proposed duties is not largely questionable. If the Government wants more money—on which subject I shall have something to say relatively to another Bill which represents another form of taxation—its needs must be met. However, in any case it is inevitable that this Bill should be passed, and therefore I shall not oppose the second reading.

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

BILL—ADMINISTRATION ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [4.47] in moving the second reading said: The Bill proposes to effect an amendment to Section 98 of the principal Act, consequential upon the proposal contained in the previous measure relating to the payment of concessional rates. The principal Act sets forth the assessment provisions for the Death Duties (Taxing) Act. Section 98 of the Administration Act, 1903—which is Section 39 of the Adminis-

tration (Estate and Succession Duties) Amendment Act, 1934—provides that insofar as beneficial interests pass to persons bona fide residents of and domiciled in Western Australia, who are either widower or widow, or the parent or any issue of a deceased person, then probate duty shall be calculated at half rates. I have already explained that we propose to limit the operations of this particular concession to estates not exceeding £6,000 in value. This Bill now proposes the necessary consequential amendment in the Assessment Act.

I may add that in another place there was a suggestion to amend the Bill, but the measure was allowed to pass there without being amended because the hon. member having that desire had not his amendment drafted at the time. Since then that amendment has been drafted and agreed to by the Premier. I will in due course place it on the notice paper with a view to its being dealt with in Committee. The proposed amendment, which adds a further proviso to Clause 2, reads as follows:—

Provided also that notwithstanding the next preceding proviso this section shall apply if and when the person from whom the property passes, whether under a will or a settlement or settlements of a non-testamentary disposition, is at the time of his death a member of the military, air or naval forces of His Majesty the King, engaged on active service in connection with any war being waged between the Commonwealth of Australia and any other power, and his death is the direct result of such person being engaged on such active service as aforesaid.

Members will appreciate the reason for the amendment. I make this announcement now so that members will know why the amendment was not moved in another place. They will know it is the Government's intention to make this amendment. I move—

That the Bill be now read a second time.

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

BILL—FINANCIAL EMERGENCY TAX.

Second Reading.

Debate resumed from the previous day.

HON. J. NICHOLSON (Metropolitan) [4.52]: This Bill is a companion Bill to the assessment Bill, and it fixes the tax sought to be imposed by that Bill. Ques-

tions arise under this Bill which cause one to consider the rates prevailing in other centres. The schedule to the Bill sets out the rates of tax payable by persons with certain incomes. Where the income exceeds £216 per annum, but is less than £260 per annum, the rate per pound is 4d. The rate increases by a gradual scale until it reaches 12d. in the pound, when the amount of the income is not less than £806 per annum. The schedule thus excludes persons who earn per annum a sum below the minimum stated, viz., £216. True, provision is made in column 2 for a tax to be paid by other persons. Dealing with the basic wage, which is excluded, one is reminded that the present basic wage in this State is as follows:—

	£	s.	d.
For the metropolitan area ..	4	2	2
For the South-West Land Division ..	4	3	1
For Kalgoorlie and Boulder ..	4	16	4

Where a Federal award operates, it is interesting to note the disparity between the rates. I point this out because the Chief Secretary, when introducing a few moments ago another Bill dealing with death duties, called attention to the fact that this State has imposed death duties at lower rates than those prevailing in the other States mentioned by him, and consequently this State was at a disadvantage. He explained that it affected us in this way: The Commonwealth Grants Commission, realising that the rate of tax was higher in the other States than in Western Australia, was disinclined to grant us as much as they might possibly have done otherwise. If that is an argument in support of what the Chief Secretary stated, surely it can be argued with much greater force that, if we are paying a higher rate of wage here than is paid in the other States, we shall be the sufferers industrially, and that will probably affect the amount of Commonwealth grants. Mr. Baxter, when dealing with the Financial Emergency Tax Assessment Bill yesterday, quoted from the Commission's report, which called attention to the rates prevailing here as compared with those prevailing in other States, showing the disadvantage under which our State was labouring. We know that when rates are higher in one State than in another, the State paying the higher rate is at a disadvantage as regards cost of production. Nothing acts more materially on the question of the cost of

production than the rate of payment. I have quoted to the House the rates that have been imposed by the State Arbitration Court, and for purposes of comparison also the Federal award rates. The Federal rate in Sydney is £4 1s. as against ours in the metropolitan area of £4 2s. 2d., £4 3s. 1d. in the South-West and £4 16s. 4d. in the Kalgoorlie and Boulder areas. Members will see that there is a big difference between £4 1s. and the other figures. In Melbourne the award rate is £4 1s.; in Brisbane £3 16s. and Adelaide £3 18s. In Perth the Federal award is £3 17s. as against the State basic rates of £4 2s. 2d., £4 3s. 1d. and £4 16s. 4d. The Hobart Federal rate is £3 17s. These figures are illuminating. So we have the Federal rate of £3 17s. in Perth as against the State basic rate in the metropolitan area of £4 2s. 2d., in the South-West of £4 3s. 1d. and at Kalgoorlie and Boulder £4 16s. 4d. Most of the unions here work under the State award. That position must be recognised as being detrimental to the best interests of the State. We are all anxious to see our industries progress, and as it is the desire of the Minister controlling the Department of Industries to help forward the development of our industries, we must all realise the difficult task he has to face. The question then arises whether the exemptions proposed to be granted by the Bill should really be allowed. We will require to reconsider the position and make provision entirely different from that set out in the Bill. On this subject it is interesting to turn to the report of the Auditor-General who, on page 115, has this to say—

Although the accumulated deficit, £446,926, at 30th June, 1914, was not a serious problem in itself, it is fairly evident that the continued decline in the gold-mining industry concurrently with the heavy loan and revenue expenditure incurred in the rapid development of agricultural lands, and the increasing amount of debt represented by the cost of non-revenue earning assets, were causing embarrassment and relief could only be expected from a further increase in taxation or general revenue.

The disastrous drought of 1914, and the outbreak of war entirely eliminated, for the time being, all hope of correcting the adverse balance.

The effects of the drought brought into being the Industries Assistance Board. The advances made by this board provided essential assistance for the farming community

principally, but to its operations can largely be attributed the commencement of the practice of capitalising losses which should have been borne by revenue.

There appears in the report a very interesting table showing the growth of the deficit.

Hon. G. W. Miles: It was referred to at the time as the mal-administration of the Seaddan Government.

Hon. J. NICHOLSON: Yes. I draw members' attention to page 114 of the report and in view of the fact that we are now in a state of war and are facing a position of considerable gravity, and realising as I do also the difficulty the Government must necessarily experience at a time such as this, I certainly believe that the question of taxation deserves further consideration in the interests not only of employers and employees, but of everyone in the State. That being so, it is desirable that the question of a Bill such as this should be taken into further consideration before we actually arrive at a decision.

HON. J. CORNELL (South) [5.10]: In offering a few remarks on the Bill, may I be permitted to say that it is hard to separate it from its companion Bills, the Financial Emergency Tax Assessment Bill, and the Land and Income Tax Bill. Closely associated with those three measures is another which is going to apply when the weary are at rest and the sinners can sin no more. Someone interjected a little while ago that it was cheap to die in Perth. It seems to me that it is not a question of dying, but a question of taxing what is left after we die. I compliment Mr. Seddon on the excellent speech he made last night, but I am almost certain that its effect will be just about as futile as the Sermon on the Mount, that is, so far as the community is concerned. What I mean is that I fear no one will take any notice of it. Looking at the taxation proposals, one would think that some cognisance would be taken of what Mr. Seddon said, that the British Empire and the Democracies as we know them are on the brink, so to speak, of a precipice over which they may be passed. The Government appears to have framed its taxation proposals on the lines of "business as usual." One would have thought that the future would have been taken into consideration, or if not the future, the actual position we are in just now, and an attempt made to square up to it.

When I look around the Chamber I find that there are only six members here to-day, including yourself, Mr. President, who were in the House at the declaration of the last war—Mr. Hamersley, Mr. Drew, Mr. Baxter, Mr. Holmes, the President and myself. If they cast their minds back, they will find that the present Government is adopting practically the same attitude as was adopted by the Government of that time, "business as usual." The Government then had no idea of the future or of what lay before it. That is so with this Government, and it leads me to the conclusion that it has learnt nothing and forgotten nothing from the lesson taught by the Great War. That applies perhaps to Parliamentarians too. What is the Government trying to do to-day? Since it came into office it has emulated the cat chasing its tail. Let me instance the basic wage shibboleth. Its exemption began at £3 11s. 6d., and to-day has reached £4 3s. The Government appears to be obsessed with the idea that a man on the basic wage should be exempt from financial emergency tax because he cannot afford to pay. I used to think along those fallacious lines at one time, but now I consider it would be better for all concerned if every wages or salaried man was brought within the scale of direct taxation. Easements could be given by adjusting the basic wage according to the amount of tax that had to be paid. As things are to-day, the Arbitration Court fixes the basic wage, and the Government declares that it is so low recipients of it cannot afford to contribute to financial emergency taxation in their own State. The Bill proposes to increase the exemptions from the payment of the tax to £4 3s. per week. Hardly a year has gone by without this tail-chasing process having been defeated by the upward trend of wages, and wage-earners, exempt eventually, had to contribute towards the financial emergency tax. In the metropolitan area there is a margin of 8d., but in the South-West Land Division men will pay the tax because the basic wage there is £4 3s. 1d. An endeavour was made to exempt the basic wage-earner in that division, but he will not be exempt under this Bill. The basic wage on the goldfields is £4 16s. 4d., not including district allowances and the gold industry tax. Without exception the basic wage-earner there will have

to pay the financial emergency tax. The fallacy of the whole thing is that the basic wage is the same in its purchasing capacity for a goldfields worker as it is for a metropolitan worker. When the goldfields man receives his district allowances and gold industry allowance, he will be taxed out of all proportion to the basic wage earner in the metropolitan area. As I said in connection with the workers' homes proposal, it may be desired to let the goldfields worker stew in his own juice, because he can only see Labour, can only vote for Labour, and only wants a Labour Government. On the occasion of the last elections and on previous occasions I told the workers on the goldfields that if they were prepared to support the Government that differentiated between workers whose weekly wage was based on precisely the same principles of reasoning, they deserved all that was coming to them. The whole system is ridiculous, and unless the principle of exempting the basic wage-earner is applied all round, it becomes unsound and unjust. The Labour Government made one or two attempts to include goldfields workers in the exemption. Let us assume that they were exempt up to £4 16s. 4d. a week. The workers at Marble Bar, where the highest district allowance prevails, would not be exempt because of the district allowance awarded to them by the Arbitration Court on the ground of the extra cost of commodities as compared with the cost in Kalgoorlie. If we look at the matter squarely, calmly and logically we will see that the purchasing power of the money drawn by the Marble Bar worker is equivalent only to the purchasing power of £4 3s. drawn by the worker in the metropolitan area.

And so the old fetish goes on, and the idea of putting new plasters on old sores continues to apply. Just as we were up against it for four years a quarter of a century ago, so are we likely to be up against it again, though I hope not for four years. In view of all the circumstances, it is fair, just and reasonable that we should square up to the position. A man is expected to make sacrifices to-day by way of enlistment, and in monetary directions too, so as to carry a gun, to fight in defence of democracy, to give up all the amenities of civil life and become a soldier. If Jack-the-navy who enlists is expected to do that, then Jack-the-navy, who does not enlist,

should at the same time contribute something to taxation within the State. I submit the argument is irrefutable, but still the old farce goes on. I sometimes despair of ever waking up the community to a sense of its proper duty, but I do think the Government should rise to the occasion and take all the circumstances into consideration.

The question arises that we cannot separate the land and income tax from the financial emergency tax. The Bill proposes to reduce the rate of tax by 1d. in the pound for all workers below £338 per annum. For the remainder of taxpayers the rate is the same. I doubt very much whether that rate will give any easement to the bulk of goldfields wage-earners. I feel sure it will not do so. It will give easement to that part of the community in the metropolitan area that appears to me another favoured section, apart from the basic wage-earner. I refer to the man who is a little above the basic wage. He will be asked to pay 1d. in the pound less than will be the position with others. The Government asks that no easement be given in the case of income taxation, but that something shall be taken away that was once given. I protest on behalf of the goldfields wage-earner, of whom it is safe to say 75 per cent. will pay income tax. It is proposed to make them pay 10 per cent. more income tax than they have been paying. I also assert that 75 per cent. of the workers in the metropolitan area do not pay income tax. If the present is deemed to be opportune to give an easement in taxation to one section of the community—financial emergency tax as well—that easement should be applied to all the people. If some taxpayers are to pay 1d. in the pound less than they did before—I refer to the 4d. and 5d. class—I hope this House will stand up to its obligations and see that the easement is given to all. If we can afford to draw less moneys from taxation, let that be general and not particular. I also hope the House will stand up to its obligations with respect to the rebate reduction, and see that some easement is given there. The argument has been advanced that the Government is endeavouring to balance its budget. If there is any shibboleth on earth, it is the talk about balancing the Budget. I have never been able to understand the budgetary position. At the end of the financial year we are told that the

ledger has been squared, and yet by the end of the next month the finances are half a million to the bad. I think that if the Budget were compiled in strict accordance with the provisions of an up-to-date Companies Act, someone would quickly raise the question of cooked balance sheets.

Hon. G. W. Miles: Some men would be in gaol.

Hon. J. CORNELL: Some would never be let out of gaol.

The Chief Secretary: Are you suggesting that the latest Budget was cooked?

Hon. J. CORNELL: I suggest that nearly all Budgets are cooked and absolutely dressed up for the occasion. All the money possible of collection is raked in before the close of the financial year, and all the commitments that can possibly be evaded are taken advantage of, and payments withheld. When a Budget can be squared as at the 30th June and the end of the next month finds the financial position retrogressed to the extent of £300,000 or £400,000, it makes one think.

The Chief Secretary: I do not like the suggestion that the present Government cooked its latest Budget.

Hon. J. CORNELL: Of course the present Government would not, could not possibly do such a thing! I do not wish to go into any of the shady things that the Government has done, but I say that the present Government and some of its predecessors in office have done things that gentlemen do not do. Those things have been done not only by Labour Governments but by Administrations of other brands. Those Governments have acted not for the good of the community, but—

Hon. G. W. Miles: To hoodwink the taxpayers.

Hon. J. CORNELL: They have acted not for the good of the community but for the good of their particular political party and to maintain their preponderance of power in the Legislature. That is the trend that, in all probability, has led to the establishment of dictatorships.

The Chief Secretary: I do not understand what you mean.

Hon. J. CORNELL: Then it is useless for me to pursue the subject further. I am no Jeremiah, but I view the future with considerable apprehension. I view with concern the endeavour of the Government to continue in wartime the exemption of sections of taxpayers that they favoured in

times of peace. To persist in increasing the margin of exemptions must be regarded as placating those who returned Labour to power. The actions of the Government are not, as a "digger" would say, a dinkum attempt to do the right thing in the interests of the finances of the State. I presume there is no other course open but to support the second reading of the Bill.

In concluding my remarks, I may remind the House that Mr. Seddon said that war makes strange bedfellows. I have heard it said that politics makes strange bedfellows, and that rogues do too. I am not making that suggestion in any derogatory sense concerning the Government or any particular branch of the Legislature. Nevertheless I do derive a certain amount of consolation and satisfaction when, in one of those moments of calm meditation that come to all men at some time or other, I sit down and reflect upon the introduction of the first financial emergency tax measure. I can recollect the roar of disapproval that emanated from the Labour Party, the members of which were then sitting in the cold shades of opposition. They then said that such a tax was unnecessary and that the country could be financed without any such proposal. I have lived to see what was then enthusiastically declared to be unnecessary become the main instrumentality in maintaining the financial resources of the present Labour Government. What was considered unnecessary when originally introduced is now regarded as indispensable. I warn the House that another measure will be presented during the session. I refer to the bell-wether, the pilot fish, the bunch of carrots, that led the present Government back to office. Members appreciate that I have in mind the abolition of the financial emergency tax. A Bill is to be introduced by the Government to merge that tax with the income tax. Before that measure is introduced in this Chamber, I suggest that members devote a few moments to reading the discussion on the Bill of last session. I ask them to ponder wisely, well and long over short references to that measure by Mr. Seddon and by me. The ideas we expressed then were that it was not so much the merging of the financial tax with the income tax that mattered, but what was of real moment was to find, as Mr. Holmes would say, what was the nigger in the wood

pile. The Land Tax and Income Tax Assessment Act is the measure that provides for exemptions and other considerations extended to the community. No such consideration was embodied in the Bill that was rejected last session. I trust members will not be taken by surprise but will give consideration to the position and be ready to catch the nigger when he reaches this House.

HON. J. J. HOLMES (North) [5.40]: In common with Mr. Cornell, I congratulate Mr. Seddon upon the excellent speech he delivered last night. If the Ministers charged with the responsibility of conducting the affairs of the State do not take notice of what the hon. member said, I am certain that the day is not far distant when the realisation of the true position will break upon them with boomerang effect. If I understood the Government policy aright, as enunciated during the last general elections—I tried to read into it what was really meant—it was that there would be no increase in taxation. There was to be the abolition of the financial emergency tax by way of amalgamation with the income tax. I have heard for the first time that another Bill is to be introduced to give effect to that policy. Naturally, we can deal only with the Bills at present before us. Nevertheless, many people were under the impression that the financial tax was to go by the board altogether. The references to that matter were worded in such a way by eloquent speakers on the Labour platforms that that conclusion was inevitably drawn. By that means a great number of non-Labour votes were swung over because of the possibility of securing advantage from the abolition of the financial emergency tax. I emphasise that the Government policy was that there should be no increase in taxation. The proposal now before the House is to reduce the tax on the lower grades to the extent of £35,000 and to add to the burden upon those paying the higher rates of taxation an equivalent amount of £35,000.

Hon. A. Thomson: The trouble is that it will prove to be nearer £50,000.

Hon. J. J. HOLMES: I think the Minister mentioned £35,000, and we can take it that that will be the amount from the payment of which one section will be released and that it will be added to the burden borne by another section. I do not think it

will be claimed for one moment that that does not mean an increase in taxation. Most decidedly the effect will be to increase the taxation paid by one section.

Hon. L. Craig: Of course it will.

Hon. J. J. HOLMES: Much has been said about what the Government requires by way of taxation because the Empire is at war. I claim that at this juncture the State Government is in no sense responsible for carrying on the war, and therefore should ease taxation in every possible direction so as to make the way clear for the Federal Government, whose duty it is to carry out Australia's part in the conflict with Germany. Let us immediately leave the field of taxation as clear as possible so that the Federal Government can collect every penny that is necessary for its purposes. As I understand the position, the existence of a state of war will relieve the Government of a tremendous proportion of its unemployment difficulties. Some of the men will join the army and some will be employed in doing necessary work that exigencies of war require to be carried out within our borders by the Federal Government.

Hon. J. M. Macfarlane: And many will take the place of men who enlist.

Hon. J. J. HOLMES: To claim that the Government requires extra taxation because of the war is not right. Exactly the opposite should be the position. The Government will be relieved to such an extent that it should ease the burden upon taxpayers so as to assist the Federal Government to levy what taxation is necessary because of the war.

The Chief Secretary: Who told you that this taxation was because of the war?

Hon. J. J. HOLMES: That has been said by several members. Even to-day some speakers have referred to the war.

The Chief Secretary: Nobody made any mention of the war on behalf of the Government.

Hon. J. J. HOLMES: Very well. It appears that the Government does not want taxation from its own supporters but from the other fellow. Mr. Fraser, who continually interjects, made a very apropos remark when Mr. Baxter was speaking on the Address-in-reply. Mr. Baxter said, "There is no doubt the Government's aim is to free from taxation an additional number of its loyal supporters." Mr. Fraser interjected, "That was why Labour was returned." That ex-

plains the whole situation in a nutshell. Mr. Fraser should be more careful in his observations in the future. We should not be continually relieving these people of taxation. Every person at the age of 21 should pay something. There is too much free service. My experience has been that people who get everything for nothing do not value what they get. Everyone should pay something in taxation for the service he receives. If the imposition of such taxation did nothing else it would develop a sense of responsibility; and we need a responsible community to carry on the affairs of this country, and not an irresponsible community such as we are faced with at present.

Instead of continually piling on taxation, as it has done, the Government should set to work to see if it cannot control affairs it is expected to control. When I perused certain returns yesterday I found that no less than £415,500 was lost last year on the railways, tramways and State trading concerns. Nearly half-a-million of money was lost on those enterprises, and that is where an economy should be effected. That is where the Government should begin, instead of taking money, as is proposed, out of profitable employment in order to squander it on unprofitable enterprises. Surely this matter could and should be faced up to by any responsible Government! We were told that the railways last year hauled 202,000 tons less than in the previous year, and over 400 additional men were required to do the job. Consulting the railway returns we discover that last year £220,000 more was expended to earn £93,000 less, showing a loss of £313,000. Are we going to sit down under this any longer—we, the taxpayers upon whom it is intended to impose additional burdens? I say, "No; it cannot be done." If we turn to the accounts of the trams and of the trolley buses that were introduced to push out private enterprise, which was doing a good service for the country, we find that £38,000 more was spent last year to earn £16,000 less than the year before—a loss of £22,000 compared with the previous year.

It is not taxation we want in this country, but administration. We should economise in administration. I am not prepared to agree to additional taxation unless everybody shares the burden. The debate on the disallowance of certain railway regu-

lations had one effect: it demonstrated that the Government proposed to penalise people outback to the extent of an additional £50,000 or £60,000 and to continue carrying people in the metropolitan area on the trams and trolley buses at a loss of £22,000. Surely if extra revenue is required, the people in the town should be asked to pay additional fares for travelling on the trams and trolley buses. Surely those struggling in the backblocks to keep body and soul together should not be asked to provide it.

Hon. G. W. Miles: It is even proposed to relieve these people of taxation, too.

Hon. G. Fraser: Irrespective of where they live.

Hon. J. J. HOLMES: I am not in favour of one section of taxpayers being called upon to pay additional taxation in order to relieve others of the necessity of providing the £35,000 they should be paying by way of taxation. If the emergency tax is imposed on the same basis as last year and it can be demonstrated to me that an extra £35,000 is required to balance the Budget, I would not mind agreeing to that additional money being found by increasing the land and income tax.

The Chief Secretary: I think we will try you out and hear what you say then!

Hon. J. J. HOLMES: I said, "No surrender" once before, and was nearly in trouble. I will not say it this time, but will think it.

Hon. C. F. Baxter: The reduction in taxation will amount to more than £70,000.

Hon. J. J. HOLMES: Mr. Seddon quoted figures that made the situation easier for members to understand. I am endeavouring to elaborate some of the points raised by him and to mention others that have come to my own mind. In considering the effort of the Government to secure increased taxation, we should bear in mind that an additional £1,800,000 was obtained by way of taxation in 1939 as against 1935. It appears to me that the more the Government gets the more it wants and the more it will spend. The imposition of this tax means the transfer of money from profitable employment to the coffers of the Government, and that money will be cut up amongst the Government's supporters. When we consider revenue expenditure per capita, what do we find? In 1935 it was £21 9s., and in 1939 £24 3s. The cost to administer the

affairs of this State was £2 14s. more per head in 1939 than in 1935.

I must once more refer to Mr. Hawke's effort to establish secondary industries in this State. How Mr. Hawke is able to bring his views into line with those of his fellow Ministers, I am at a loss to understand. I am told by a competent authority that the cost of wages and workers' compensation here is $7\frac{1}{2}$ per cent. in excess of that in factories in the Eastern States. A profit of $7\frac{1}{2}$ per cent. would be regarded as a handsome profit by manufacturers, and for that return they would be quite prepared to carry on. But manufacturers will not and cannot be expected to establish or to continue secondary industries in this State if they are penalised to the extent of $7\frac{1}{2}$ per cent. over and above their competitors in the Eastern States. It is all very well to talk about freight charges making a difference in favour of Western Australia. I understand that the manufacturers in the Eastern States will now deliver goods to Western Australia or any other port in Australia at the same rate.

Hon. C. B. Williams: That is only a dumping rate. Various countries dump goods.

Hon. J. J. HOLMES: I wish somebody would dump the hon. member. The Government should be cutting down expenditure and reducing taxation. It should economise and endeavour to find means of saving the £415,500 that was lost last year on the railways and tramways and trading concerns.

Hon. C. B. Williams: Do you suggest the Government should sack some of its workers?

Hon. J. J. HOLMES: The Government should concentrate on economising and leave the field of taxation open to the Federal Government, which is charged with the responsibility of carrying on the war. I shall vote for the second reading with the object of seeing what can be done with the Bill in Committee.

HON. G. FRASER (West) [5.56]: I support the second reading of the Bill, which contains an alteration similar to that agreed upon by Parliament year after year. For the last three or four years Parliament has agreed to exempt men on the basic wage. Owing to alterations in the basic wage an amending Bill is necessary each session. Some years ago the Government proposed to insert in the Bill, in lieu of a definite figure, the words "basic wage." Had that sugges-

tion been adopted there would be no necessity for this particular provision to be introduced this year. The present attitude of the Government in respect to men on the basic wage is no different from that adopted when it first took office. The other portion of the Bill relates to a reduction of a penny in the tax for two groups of taxpayers, and that appears to me to be very just.

Hon. C. F. Baxter: There are two Bills.

Hon. G. FRASER: Each has a bearing on the other.

The **PRESIDENT**: I think it is generally understood that in speaking on financial Bills it is so difficult to distinguish one from the other that reference to the measure not immediately before the House is quite permissible.

Hon. G. FRASER: I should like to see much greater relief given to the two groups referred to than is proposed in the Bill, in view of the fact that that relief is to be afforded to persons with dependants; that is, to family men. As a matter of fact that is something which most hon. members of my political opinion have advocated ever since the introduction of the financial emergency tax. One objection of Labour members when they were in Opposition was to the manner in which it was proposed to levy this tax.

Hon. H. Seddon: Can you give us any idea of the amount of relief that will be afforded?

Hon. G. FRASER: Somewhere in the vicinity of £35,000, according to the Minister's figures.

Hon. H. Seddon: I mean for the individual.

Hon. G. FRASER: That would vary. In most instances it would be from 4d. to 6d. per week. If a man is on the basic wage that is something worth while. The attitude of most Government supporters right through the piece has been that the exemptions contained in the income tax Act should have been allowed under the Financial Emergency Tax Act. That is the stand they took when this emergency legislation was first introduced. On that was based the opposition of the Labour Party to this form of taxation. We considered it wrong to tax persons with dependants under a measure of this kind when those persons were on the lower rung of the ladder. The money required by the Government should be drawn from the taxpayers in receipt of the larger incomes on

the basis of the income tax Act provisions. I repeat that the Government and its supporters have been consistent in that attitude right through the piece.

Last year the Government made an effort to put this principle into operation. We have heard quite a lot about the promises made by Labour on the hustings to abolish this emergency taxation. That is quite correct, but an alternative was suggested. I heard hundreds of speeches by supporters of the Government during the election, and whenever the matter was discussed, candidates made quite clear that the intention was to abolish the financial emergency tax and collect, if not the equivalent, then the greater proportion of the money under the income tax Act. Labour's policy in that direction was made clear to the electors throughout the State.

Hon. H. Seddon: Was it the intention to collect an equivalent amount?

Hon. G. FRASER: Approximately the same amount.

Hon. H. Seddon: Can you give any idea of what the increase will be on the various grades of income?

Hon. G. FRASER: I understand that further legislation will be presented to the House this session and that will afford members an opportunity to ascertain the exact effect of the alterations. This measure is quite in conformity with the Government's policy and with the Government's attitude to the financial emergency taxation. On quite a number of occasions in this Chamber I have advocated somewhat similar action, but as I mentioned earlier, this Bill does not go so far as I have advocated. I have desired exemptions for persons with dependants similar to the exemptions contained in the income tax Act. I cannot see how anyone can justify the principle of taxing a man who has, say, four dependants at the same rate in the pound as the man who has no dependants.

Hon. C. B. Williams: It has been done for six years under the present Government.

Hon. G. FRASER: Not for six years.

Hon. C. B. Williams: The present Government is in its seventh year.

Hon. G. FRASER: Quite a number of alterations have been proposed by the Government at various times, but this Chamber has not approved of them.

Hon. C. B. Williams: We did not reduce the tax, and it is no good arguing.

Hon. G. FRASER: It is not the fault of the Government that alterations have not been made.

Hon. C. B. Williams: The Government taxes a man with dependants just as it taxes a man without dependants.

Hon. G. FRASER: I agree with the hon. member; that is entirely wrong and an alteration is long overdue. Anyhow, we have an instalment of reform in this measure. A reduction from 5d. to 4d. and from 4d. to 3d. will be a step in the right direction. All that the Bill proposes is a reduction of 1d. in the pound for the taxpayers coming within those two sections. This reduction is long overdue. Quite a number of members have said that the Government is proposing to make a present of £35,000 to one section of the taxpayers. I can express the idea differently. In future we shall not take from those taxpayers on the lower rung money that was wrongfully taken from them in the past. The sooner we revert to the principles of the income tax Act, the sooner will justice be done to a large section of the community.

I think we are only doing right in giving some redress to taxpayers with dependants—those who are doing their duty towards populating the State. Under the existing Act, if a taxpayer has children dependent upon him, he is penalised as compared with the man who has no dependants. Each of them has to pay the same rate of tax. Is that fair? Of course it is not, and I cannot imagine any member attempting to defend such a policy. This proposal will give redress, and I am hoping that it will have a snowball effect. I hope that after starting with a reduction of 1d. in the pound for two sections of the taxpayers, we shall eventually be able to give greater redress.

Hon. L. Craig: By putting it on to someone else?

Hon. G. FRASER: By putting it on to the section of the community who can best afford to pay, and by giving the people on the lower rung some redress for doing their duty by helping to populate the State. In my younger days I was given to understand that population meant money. Under this Act, it does not. A taxpayer with children dependent upon him has to pay exactly the same rate of tax as has the man who has

no children. Therefore we can conclude that that old saying has lost its meaning.

Hon. A. Thomson: Of course that applies right through.

Hon. G. FRASER: Yes, but a man in receipt of a high salary is in a much better position to maintain a family than is a man drawing less than £6 10s. a week. I fully approve of the Bill, though, as I have said, it does not go far enough.

Hon. G. W. Miles: Why should a single man on the basic wage receive redress?

Hon. G. FRASER: He will get no redress under this measure.

Hon. G. W. Miles: I think he will.

Hon. G. FRASER: No alteration is being made in his favour. The only alterations proposed are to grant exemption up to the basic wage and to give reductions from 4d. to 3d. to wage-earners receiving up to £5 and from 5d. to 4d. to those receiving up to £6, provided the taxpayer has dependants. Nobody else will get redress.

Member: Redress to the extent of 4d. a week would not keep many children.

Hon. G. FRASER: But the total reduction of £35,000 will be better in the pockets of the wage-earners than in the coffers of the Government.

HON. H. S. W. PARKER (Metropolitan-Suburban) [6.7]: I must support the second reading of the Bill, but I wish to point out how unfair this system of taxation is. From the remarks made on the hustings by supporters of the Government, I was certainly under the impression that the financial emergency tax was to be abolished. In fact I had the unique experience of being pointed out as the only non-Labour member who supported the Government in its desire to abolish this tax. In reply I stated that I should like and had long desired to see it abolished. I have always recognised that the abolition of the financial emergency tax would necessitate an increase in the income tax. I cannot see that the proposals in this Bill are fair and reasonable, because the intention is to give redress to a man who contributes to the maintenance of one member of his family. A married man who contributes to the maintenance of his wife will get a reduction.

Hon. G. Fraser: No.

Hon. H. S. W. PARKER: But the schedule indicates the rate of tax payable by a person who proves to the satisfaction

of the Commissioner that he is regularly maintaining or contributing to the maintenance of one or more members of his family who is or are resident and domiciled in Western Australia. I always understood that the wife was a member of the family.

The Chief Secretary: A very important one.

Hon. H. S. W. PARKER: Decidedly. Therefore a man in receipt of the basic wage and having one dependant is to be exempted from the payment of taxation. That is quite wrong. No provision is made to grant additional relief to a man on the basic wage who has a large family to support. Let me put it another way. A man on the basic wage in Kalgoorlie will pay this tax, but a man on the basic wage with a large family, as distinguished from the man with only one dependant, will pay the same rate. That is unfair. Under the income tax Act, a man with a family receives a deduction for each child. That is an equitable arrangement.

Hon. G. Fraser: It is not the Government's fault that that principle is not operating.

Hon. H. S. W. PARKER: If that is so, I do not know whose fault it is. The Labour Party has been in power, with only a break of three years, for the last 15 years, and if it has not been able to give us something more equitable in that time, the fault rests with the Government.

Hon. G. Fraser: This tax came into operation only in 1932.

Hon. H. S. W. PARKER: And the Labour Party has been in office for seven of the eight years since.

Hon. A. Thomson: And has reaped a marvellous revenue from the tax.

Hon. H. S. W. PARKER: Labour abused the financial emergency tax up hill and down dale when it was introduced, and has made capital out of it at each election since.

Hon. G. Fraser: You have to admit that the Government has made some important alterations.

Hon. H. S. W. PARKER: I do; I am pointing out some of them. I am pointing out how grossly unfair is the action of the Government in compelling a man, who is doing his duty to the country by bringing up a large family, to pay the same rate of tax as does the man who has one member of the family to support.

Hon. G. Fraser: I will agree with you on that point.

Hon. H. S. W. PARKER: I am glad to hear it. It is a pity that this tax cannot be abolished as was promised. I for one will assist the Government in every way to have it abolished if, as Mr. Fraser has indicated, the Government cannot do that of its own volition. I consider this tax to be improper, unjust and unreasonable. At the same time, I have always been of opinion that it is to the advantage of the taxpayer and the Government to have the tax collected at the source. Undoubtedly that is a simple means by which the income tax could also be collected. Last session a Bill was introduced to give effect to that arrangement, and I am pleased to recall that I supported it. In similar circumstances, I would support another measure designed to attain that end. It seems extraordinary that while relief is to be given to a certain section of the community, the burden is to be placed on the same people under another measure. Perhaps I shall deal with that point when the other measure comes before us. I refer, of course, to the proposal to deprive the local governing authorities of some of their revenue. A local body must have money to carry on its works, and if that other measure becomes law, will be under the necessity of increasing its rates, and in turn the burden will fall on the man who pays rent. I support the second reading.

Sitting suspended from 6.15 to 7.30 p.m.

HON. A. THOMSON (South-East) [7.30]: Like other members I desire to offer congratulations to Mr. Seddon on his most careful and well thought-out speech.

Member: A pity it was not given more publicity.

Hon. A. THOMSON: The speech was well worthy of being published in full. An unfortunate circumstance is that the demands made on the space of our leading newspaper by the war prevents more prominence being given to some of the discussions in this Chamber. We have now arrived at the stage when there are again placed before us the Government's financial proposals. For a number of years some of us have been using that well known quotation, "Quo Vadis?" which translates, "Whither goest thou?" The Chief Secretary may smile, but many

thinking people in Western Australia wonder whither we are going and where we shall finish. I realise the difficulty of the Government's task in carrying on the affairs of this State. That difficulty, I acknowledge, is accentuated by the war in which unhappily we are engaged, and which yet does not seem to have the effect of making some realise the seriousness of the position. We know that the Federal Government will impose heavy taxation, direct and indirect, on the people. Looking at the measure before the House, one is somewhat amazed at the Government's attitude. One member, speaking on the measure to-night, said it was only right that this taxation should be reduced by 1d. Then came an interjection from Mr. Dimmitt, "Will fourpence or fivepence per week seriously affect a man and his family?" We have to face the fact, mentioned by Mr. Holmes and other hon. members, that while the Minister for Industrial Development has set out to establish additional secondary industries in Western Australia, yet every other member of the Cabinet forces Mr. Hawke into a position where he is practically disabled from encouraging new industries to establish themselves here. As has been pointed out by Mr. Hawke himself before the Federal Grants Commission, wages are much lower in Victoria than in Western Australia. He mentioned that he would have liked to be able to force Victoria up to the Western Australian standard. However, that is beyond his power. Therefore, instead of endeavouring to increase the burden of taxation, we should be endeavouring to reduce it. I do not say that the basic wages being paid in Western Australia are either too high or too low, but they are the wages fixed by Federal and State Arbitration Courts.

When financial emergency taxation was introduced, we certainly were led to believe that its object was to assist in providing employment for the workless. However, this Government claims that that is not so, that such was never the intention. Members of the present Government objected to the Act as introduced by the Mitchell Government, with a flat rate of 4d. in the pound, declaring it to be neither just nor equitable. For inconsistency commend me to the movement that is responsible for present Ministers being in power! Ministers claim, and Mr. Fraser claims, that they are out to assist the married; but, as pointed out by Mr. Baxter, a man with one dependant will, under the

Bill, receive a certain measure of relief from taxation. When, however, we take into consideration the Government's policy, which has not checked considerable expenditure apart from that referred to us by the Auditor-General long after the money has been spent, that policy does not inspire us with confidence as regards general administration. Many of us feel that the taxpayer is not getting full value for the money extracted from him. On this phase I can refer to answers to questions I have asked regarding erection of public buildings. The other day I threw out a suggestion which the Government rejected. I asked Ministers to give an opportunity to those whose business it is to submit prices for buildings, and I said that if their prices were the lowest they should be accepted, but that on the other hand if the department's prices were lowest let the department's offers be accepted. But what happened? The Government said, "No, we will not do that; our policy is to do everything by our present system of day labour." That means that the Government is eliminating taxpayers, the source of revenue, for if contractors carried out the erection of those buildings any profit they made would be taxable. In effect, the Government's policy means the driving out of potential taxpayers.

I may also mention the Government's attitude in the metropolitan area with regard to tramways and trolley buses. Evidently it is the aim of the Government, backed up by the Transport Board, to eliminate and drive away the buses catering for the public in various directions. Analysing the Government's activities in this connection, we find that the tramways do not pay their way, and that neither do they contribute to the taxation of the country. But those who are interested in providing transport facilities by omnibuses and other means, first of all have to pay license fees before being permitted to go on the road. Next, they have to provide wages for their employees exactly the same as the Government must do. Here is another curious anomaly. Those who drive trolley buses, trams and so forth for the Government are not amenable to the Traffic Act, but private persons are obliged to abide by that statute. Again the Government's policy is to drive away possible taxpayers. Further, it is part of the Government's policy to construct all its own rolling-stock at the Midland Junction workshops. There is another

shortening of avenues for employment and for taxation.

I am informed that last night the Minister for Works stated in another place that the Government had provided employment for over 6,000 men. I understand that the Premier this afternoon, when introducing the Loan Estimates, said the Government had to face the problem of 7,000 unemployed. So the Government admits having to provide for between 6,000 and 7,000 men who are unemployed. Yet the Government's Bill now before us proposes to reduce taxation in two grades. Let us analyse the position. Surely if it is fair and reasonable that men in a slightly higher grade should pay a higher rate of tax—I take no exception to that—those who are in constant employment, in the happy position of having a job as compared with 7,000 men who are jobless and compelled to accept sustenance rates, should be content, indeed pleased, to contribute their small weekly quotas to enable their unfortunate brothers to obtain a somewhat better sustenance than is now received by them. Having regard to the abnormal conditions confronting the Government, I am surprised at the submission of this Bill, which introduces two lower grades. The financial emergency tax is a very good one for the Government, since it is collected at the source and the Government receives the proceeds much more quickly than it does the income tax. Last year the Government collected £1,214,695 from this tax; this year the Government estimates that it will receive only £1,140,000. The reduction of £35,000 is accounted for by the reduction of one penny in the rate in the two lower grades. In my opinion, that is not spreading the burden of taxation evenly. I think every person should bear his share of taxation. May I refer to the policy of the party now in power? By this Act the party claims to be anxious to assist the married man. It does not, however, put that policy into practice. Notwithstanding that the Government is handling millions of pounds per annum, no worker can secure a job unless he is a member of one of the organisations of the party. That is the policy of the Labour Party, and the party stands by it. But that is not the freedom which we, as Britishers, claim we are entitled to. While the Government is apparently anxious to reduce the rate in the two lower grades, no reduction is made in

the fees which a worker, whether married or single, has to pay to the union to which he may belong.

The Honorary Minister: Which is very low.

Hon. A. THOMSON: Nevertheless, the Government and the party to which the Honorary Minister belongs compel workers to pay union fees.

Hon. G. W. Miles: Whether in permanent employment or not.

Hon. A. THOMSON: Yes. Workers are not permitted to take employment unless they belong to a union. I admit that if a worker is behind with his union dues owing to his having been out of employment, he is permitted to pay the arrears by instalments of 2s. 6d. per week or per month.

The Chief Secretary: I notice your organisation has followed suit.

Hon. A. THOMSON: No. Whatever is paid to my organisation is paid voluntarily. There is no compulsion. We have in our organisation some members who consider that we should follow the example set by the hon. member's party.

The Chief Secretary: I believe you advocated it, too.

Hon. A. THOMSON: I do not think so. If I did, I presume the Chief Secretary should be pleased that I followed what was apparently a good example. I have always endeavoured to be consistent. Since I have been in Parliament I have always contended that every person should bear his share of taxation. I have always stood for that. Were every person in the community bearing his share of taxation, I would have supported with much more confidence the measure introduced by the Government providing for the increase of 12½ per cent. that has been referred to. But we are taking £35,000 of tax off those in the lower grade and compelling those in the higher grades to make up that sum. That, in effect, is the proposal submitted to the House. I feel inclined to vote against this measure with a view to its being referred back to the Government, with a request that it be reconsidered. On its own showing, the Government is facing a very serious position. It is expected that 7,000 men will shortly be unemployed; and that is a heavy burden for any Government to carry. I do not envy the Government its task. Mr. President, pardon me for in-

troducing this subject again—it is like King Charles's head—but those who are in work ought to pay their share of taxation in order to assist their more unfortunate brethren. Workers on the basic wage in Perth will be free of this tax; but the workers in my district—the South-West Division—will have to pay it.

The Chief Secretary: That is the hon. member's fault.

Hon. A. THOMSON: I do not think it is my fault. I have nothing to do with it. I am merely making comparisons. When consideration is being shown in the matter of taxation, it seems to me that country people are penalised. It is they who should be getting a remission of taxation, because workers in the metropolitan area are living under much happier and cheaper conditions. Their food supplies are certainly cheaper than those in the country. That is amply proved by the difference in the basic wage fixed by the Arbitration Court.

The Honorary Minister: We tried to give them that benefit.

Hon. A. THOMSON: You tried to make it higher.

The PRESIDENT: Order! The hon. member must address the Chair.

Hon. A. THOMSON: Western Australia is the second highest taxed State in the Commonwealth. The Government makes the plea that it is compelled by the Commonwealth Grants Commission to increase taxation. The Commission said our taxes should be heavier.

Hon. L. Craig: Only our probate duty.

Hon. A. THOMSON: The contention previously was that our taxation should be increased.

Hon. L. Craig: That has been adjusted since, do not forget. We will be the highest taxed State in Australia when this 12½ per cent. increase becomes effective.

Hon. A. THOMSON: The Government should reconsider its position so far as this proposed remission of taxation is concerned. However, the Government's policy is fixed. It does not matter one iota; the Government has set its hand to the plough and proposes to go straight ahead—and for this I do not blame it—and put its policy into effect. But is the policy a wise one? Is it sound? Is it in the interests of the development of the State? In my opinion the Government has set the Minister for Industrial Development

a hopeless task by asking him to establish secondary industries in this State, because our heavy taxes and costs—particularly workers' compensation insurance—will make it impossible. The Minister himself told the Commonwealth Grants Commission that Victoria is able to dump goods here. What hope has the Minister of inducing any business man or manufacturer to establish an industry here in view of the heavy burdens cast upon industry? In such circumstances, what hope have we of inducing people to establish industries in this State? I very much wish we could. I wish we could increase our population. Were we able to do so, we might be in the happy position of reducing our indebtedness. I ask members to study the Auditor-General's report and consider the warning he gives. I will conclude by asking, "Whither goeth the State of Western Australia, and how long will it be able to carry on in the face of the present drift and the deficits which are mounting year by year?"

On motion by Hon. C. B. Williams, debate adjourned.

BILLS (5)—FIRST READING.

- 1, Dairy Industry Act Amendment.
 - 2, Dentists.
 - 3, Dried Fruits Act Amendment.
 - 4, Factories and Shops Act Amendment (No. 2).
 - 5, Transfer of Land Act Amendment.
- Received from the Assembly.

BILL—GOVERNMENT RAILWAYS ACT AMENDMENT.

Returned from the Assembly without amendment.

BILL—STATE GOVERNMENT INSURANCE OFFICE ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. L. B. BOLTON (Metropolitan) [8.5]: It will take very few words of mine to explain to the House the attitude I propose to adopt towards this Bill. From the time I first entered the Chamber I think I have been very consistent in opposing, in every possible way, State trading. The Bill is definitely for the extension of State

trading, or the extension of State insurance, and I wish to make it perfectly clear that it is my intention to vote against the second reading.

Hon. G. Fraser: Will you never relent?

Hon. L. B. BOLTON: On some questions I am afraid I will never relent. One has only to listen to some of the figures that have been quoted to this House, even during the present session, and if the hon. member were like some of us, conducting large businesses, and knew what it meant to show, year after year, colossal losses as have been shown by the State trading concerns, I think he, too, would look at it in the same light as I do. Then perhaps he would be the one to relent. It is necessary in the interests of the State that he should do so more than should I.

Hon. J. J. Holmes: Also the people he represents.

Hon. L. B. BOLTON: The figures that have been quoted from time to time, and which unfortunately are becoming worse, should make the hon. member's party relent, or at least ease up on some of the State trading concerns existing to-day and which are costing the State so many thousands of pounds. Like other hon. members, I have had the opportunity of studying the Auditor-General's report, but unlike some members, I know from experience what State trading is doing for the State. Perhaps I should say what State trading is undoing for the State.

The Chief Secretary interjected.

Hon. L. B. BOLTON: I am one of those who believe that while State trading continues to the extent it does, and while we have a Government that is at all times seeking opportunities, as it is doing by means of the Bill before us, for the extension of State trading, that is going to be one of the biggest factors against developing our secondary industries, or securing new capital with which to start new industries. I speak from experience in that direction also. It is not my intention to labour the question, although when I have to reply to an interjection that concerns State trading, it does certainly push me off the track a little. This measure is definitely for the extension of the insurance business conducted by the State. An interjection by Mr. Fraser before the tea suspension suggested that there was no arrangement that if the House legalised State

insurance no further efforts would be made to extend that insurance work. Already, however, a Bill has been brought down to do so. While I appreciate that the Bill we are now dealing with may be primarily for the purpose of permitting the State Insurance Office to conduct third-party risk insurance, still, in my belief, it is the thin end of the wedge, or I might say the wedge is being driven a little further than it was driven in the last session of Parliament. I am certain in my own mind that if we agree to the measure—and I hope the House will vote against the second reading—next session another little bit will be made at the wedge, and the Government will endeavour to drive it in still a little further. Some members mentioned that it would be necessary for the purpose of ensuring that reasonable premiums were charged for this work, that the State should be given permission to conduct this business on the same lines as private companies. The Bill itself provides against anything of that kind, because definite provision is made for the appointment of a committee that will fix the premiums. If that committee is appointed and it fixes the premiums, the State Office as well as the private companies will accept the amount that the committee may fix. I do not consider that there is the slightest doubt about that, and as pointed out by one member when speaking to this measure, it will be another instance of not where the State may create a department, but just where the State Office will come in with the other fellow, and we will find that the premiums will be exactly the same. I am certain that if approval is given to the Bill and the committee is appointed, the premium fixed will be charged by both the State Office and the private companies.

Hon. L. Craig: They may not have to accept it.

Hon. L. B. BOLTON: A majority of hon. members will agree with me that it will be accepted. There has been quite sufficient said on the Bill, and I think every member in this House has spoken and addressed himself at length on the subject. I have no intention of relenting, and so I shall vote against the second reading.

HON. G. B. WOOD (East) [8.12]: Like the previous speaker it will not take me very long to tell the House just where I stand on this question. I have always been

against State trading, except perhaps in some cases where private enterprise will not take on a particular undertaking. In an instance such as that perhaps it may be necessary for the State to come in.

Hon. C. B. Williams: Such as the railways.

Hon. G. B. WOOD: Yes. For many years this House has shown itself to be against State insurance. Last year, however, we were told that the private companies would not take on the work of compensation, and so we considered it was time to legalise the State Office so that it might come into that field. Now we are told there is another branch of insurance that the private companies will not take. We have been informed by the Government that this is a compulsory matter, and consequently it is advisable that the State should take it on. We have been told that the companies will not take on the business. I know they will. I have been in touch with the Insurance Association to-day, and was informed that they would take it on. The Bill proposes to set up a board to fix the rates. That board will represent all interests. I cannot think that it will fix a price for third-party insurance that will be too low. Why should the State Insurance Office be asked to conduct business at rates lower than private companies would charge? As pointed out by Mr. Holmes, State trading concerns have suffered great losses in the last few years, and we do not want an extension of the principle and thus have further losses. I am confident that the companies will take on this class of insurance; there is no reason why they should not do so. The Government is trying to use this compulsory insurance to extend the operations of State trading concerns. As Mr. Bolton said, probably something else will be brought down next year, and so it will go on. When is this sort of business going to stop? The same question might be asked with respect to taxation, as Mr. Holmes pointed out. It is time this House took a stand and endeavoured to put a stop to it all. If next year we find the companies will not do the business, we can reconsider the matter.

Hon. J. J. Holmes: They will do it.

Hon. G. B. WOOD: If they refuse to do it I shall have the opportunity to reconsider my vote on this Bill. I intend to vote against the second reading.

On motion by Hon. H. V. Piesse, debate adjourned.

BILL—STATE FOREST ACCESS.*Second Reading.*

Debate resumed from the previous day.

HON. H. TUCKEY (South-West) [8.17]: This is a short Bill giving the Government power to resume private land for tramway purposes. The only thing to which I object is that no special provision is made for compensation. I understand that land will be purchased providing access to certain timber areas, and that it is merely a matter of giving access to those areas. In the three special cases that have been referred to, the proposed action will considerably affect the value of the land. In one instance, near Manjimup, the tramway will pass through 200 acres of freehold property. At present a road runs through the block north and south, and the line will traverse it east and west. The property will, therefore, be divided into four areas. That will reduce the value of the holding. It will be the only private property through which the line will pass. In such a case special compensation should be paid. I understand that the timber that will be tapped by the tramway will provide cutting for about 50 years. It has been pointed out that the three areas to be served by the proposed tramways will return £1,275 in royalty in one month. The Government can, therefore, afford to compensate the land owners liberally. The land near Manjimup is certainly valuable.

The Chief Secretary: Does the hon. member suggest the Government should compensate private owners so that private interests may work the timber?

HON. H. TUCKEY: If the tramway passes through private property and taps valuable timber, the owners concerned should be suitably compensated for any damage that is done. The millers concerned will have to pay tramway rights to the Government during the period of their lease. When the concession ends the strips of land involved will revert to the Crown, and not to the previous owners.

HON. J. J. HOLMES: Is only 200 acres involved?

HON. H. TUCKEY: Yes, in this one instance. Another line will go through a number of freehold properties. That district is already served by a road. The tram lines through these properties will follow

the gullies, and the people concerned are therefore entitled to adequate compensation.

HON. J. J. HOLMES: Who is asking for the tramways?

HON. H. TUCKEY: I take it the request comes from the lessees.

HON. L. CRAIG: They have a concession from the Forests Department.

HON. J. J. HOLMES: If any compensation is paid, that department should pay it.

HON. H. TUCKEY: But the Government must first resume the land.

HON. L. CRAIG: It is largely a question of price.

HON. H. TUCKEY: A member of another place said that the tram lines could also be used by the settlers, but I am sure they would prefer to see them somewhere else. They do not want a line to pass through their holdings.

HON. J. J. HOLMES: The timber industry should pay the compensation.

HON. H. TUCKEY: The Premier said the whole thing will cost the Government only £1,200, and for that it will receive £1,275 in royalties in one month. It is not a case of there being no money from which to compensate the settlers concerned.

HON. C. F. BAXTER: They will be compensated by the Land Resumption Board, and will be fairly treated.

HON. H. TUCKEY: I hope so. One or two letters I have received show that the settlers are particularly concerned about the whole business. I admit that these tram lines must be laid down, but contend that the settlers should be decently treated.

The Honorary Minister: They will be well treated.

HON. H. TUCKEY: One line alone will deprive a settler of 30 acres of the best of his land. I can imagine what his feelings are.

The Chief Secretary: What would that land be worth?

HON. H. TUCKEY: I do not know its value, and am guided only by what has been said by the settlers concerned.

HON. W. J. MANN: What will the country be worth when it is opened up?

HON. H. TUCKEY: If 50 years of cutting is involved, the Government will derive considerable benefit and should be prepared to treat these people liberally.

Hon. C. F. Baxter: They can only get the value of their land from the Land Resumption Board.

Hon. J. J. Holmes: And cannot expect any more.

Hon. H. TUCKEY: It is all very well to say that compensation will be paid. If the tram lines traverse the best parts of the holdings, the depreciation in the value of the blocks will be very considerable. The matter has gone so far that I presume there is little hope of doing anything at this stage. I trust that when the times arrives the interest of the settlers will be protected and that they will be given every possible consideration. I support the second reading.

HON. L. CRAIG (South-West) [8.25]: Let us agree that the Bill has to go through, and that the timber interests concerned must have access to these virgin forest areas. That is absolutely essential. Care however, should be taken to see that the settlers through whose holdings the tramways will pass are adequately protected. It is all very well for us to give the Government power to resume land. Small farms can be spoilt by being intersected in this way. Compensation may be paid for the actual land that is resumed, but that very often is insufficient. The actual loss of the land itself is a small one; what matters most is the damage that may be done subsequently. In summer time the engines use wood fuel, and green jarrah gives rise to dangerous sparks. I have known of small farms being burnt out by timber trains. As Mr. Tuckey said, the tram lines will follow the gulleys, because the grades there are better. I know of cases where the compensation paid has not been nearly in proportion to the damage done, especially when the settler has had to burn a chain or two of his land on either side of the line every year. The expense falls upon him. He can claim against the timber company for damages, but that is unsatisfactory. He must have a man watching the timber trains day after day all through the summer. I admit that access must be given to these timber areas.

The Chief Secretary: Do you think the Government should pay compensation so that private individuals may cut the timber?

Hon. L. CRAIG: The Government is selling its timber rights to a private company. Those rights are worth nothing unless the company has access to the timber. If pri-

vate property is then interferred with the company must pay for its rights.

The Chief Secretary: It does so.

Hon. L. CRAIG: Will the powers contained in this Bill be used to ride roughshod over the settlers, as has been done in the past? Under this measure the company concerned will have certain rights. It may say, "We are taking 5½ acres from you, the value of the land is £2 an acre; here is your money; that is the end of you."

Hon. C. F. Baxter: This will be done by the Land Resumption Board.

Hon. L. CRAIG: Will the Land Resumption Board be conducting the business, or will it be done by the Forests Department?

Hon. W. J. Mann: The Government resumes the land in each case.

Hon. L. CRAIG: A few years ago a man foolishly claimed from the lessees of a forest area too big a price, a ridiculous price.

Hon. A. Thomson: With the idea of not accepting it?

Hon. L. CRAIG: He thought he had the company in his hands. The company in question was obliged to get into a certain area, and offered a very good price for the piece of land involved, but the owner foolishly refused to accept it. The Forests Department stepped in and said to the company, "Keep out of this; let us handle it."

Hon. W. J. Mann: This land will be resumed by the Government. The department will not handle the matter. The two cases are not analogous.

Hon. L. CRAIG: This too was private land. A railway was put through it and the owner subsequently got nothing.

Hon. W. J. Mann: The land was not resumed?

Hon. L. CRAIG: No. The Bill does not say the land shall actually be resumed. The Preamble provides for purchasing, acquiring, or resuming private land for the purpose of the State forests.

The Honorary Minister: Clause 2 refers to the resumption of land.

Hon. L. CRAIG: The purchase, acquisition or resumption of land. Does "acquisition" mean "resumption"? I do not think it does. It means taking possession of a man's property.

Hon. W. J. Mann: In another place the Premier said that the land would be resumed.

Hon. L. CRAIG: I am not complaining about what should be done, but the Govern-

ment should exercise discretion in the manner of resumption and that has not always been done.

Hon. H. V. Piesse: Not with regard to the Cranbrook area.

Hon. L. CRAIG: In the instance quoted by Mr. Tuckey, a road leads right through the man's property, and then this tramway will cut across it again, thus dividing the property into four pieces. The area is long and narrow, and runs through a gully. The proposal will have the effect of chopping his farm into four pieces.

Hon. V. Hamersley: The same applies with regard to water supplies.

Hon. L. CRAIG: I do not know about that, but there is more to this than the mere acquisition of the land. The point is that the settler may suffer much more damage than is imposed by the actual acquisition of the land by the Government.

Hon. C. F. Baxter: What do you suggest should be done?

Hon. L. CRAIG: The settler should have the right to a price equivalent to the damage done to his property.

Hon. C. F. Baxter: That will be dealt with by the Land Resumption Board, and the Government will not use any influence on the board.

Hon. L. CRAIG: I hope discretion will be used in whatever action is taken.

Hon. A. Thomson: My experience shows that the results have not been satisfactory to settlers in the past.

Hon. L. CRAIG: I do not know what power a settler has, but his rights should be recognised. I support the second reading of the Bill.

HON. A. THOMSON (South-East) [8.32]: Members representing the province affected advise us to proceed with caution, and they suggest that justice must be done. I have had much experience of land resumptions in various parts of the Great Southern, and I am afraid that those members who are raising a protest and asking for adequate consideration for their constituents, will find that they will not receive more than the law permits. Before passing the Bill, the wiser course would be to obtain some idea of what will be paid to the settlers.

Hon. L. Craig: The plan is on the Table of the House.

Hon. A. THOMSON: That is so; but once we pass the Bill the matter is beyond

the control of Parliament. If members consider there is a possibility of injustice being done to settlers, I advise them to hold up the further consideration of the Bill until the Government advises the people concerned what the position actually is, so that they will have a reasonable knowledge of what they are likely to obtain.

Hon. L. Craig: I do not think injustice will be done to them, but still it may be.

Hon. V. Hamersley: We should make sure.

Hon. A. THOMSON: I know of one instance where grave injustice was done. Instead of constructing the railway that was authorised, the Government constructed the Cranbrook-Boypup-road.

Hon. L. Craig: Were the people satisfied?

Hon. A. THOMSON: That road ran through a man's property.

Hon. V. Hamersley: Through several properties.

Hon. A. THOMSON: The road board will not allow people to erect gates on the road, and the Government will not assist the settlers to fence their properties. The men have not the money to undertake the work themselves, and they asked the Government to provide the posts so that they could erect fences, supplying the wire-netting themselves. In common fairness, the Government should have enclosed the properties. One man there has lost a considerable number of stock. He has lodged protests, and deputations have waited upon Ministers, who have simply said that the work had been carried out by the Public Works Department and they could do no more. If members wish to protect the interests of their constituents, my experience suggests that they should hold the measure up until the people concerned know what they will receive.

HON. H. V. PIESSE (South-East) [8.35]: I can tender some advice to members on this question. Some of my land was resumed 20 odd years ago. I had a mortgage on the property of £3 an acre. I had to pay up that mortgage and give the land to the Government for nothing because the Government had the right to take one-twentieth of the property.

The PRESIDENT: Order! There is so much conversation going on that it is impossible to hear the speaker. Mr. Piesse may proceed.

Hon. H. V. PIESSE: The resumption price is not always reasonable. In the instance Mr. Thomson referred to regarding the Cranbrook-Boyup-road, the losses incurred by the settlers there have been heavy. One settler named Pope was not able to raise sufficient money with which to fence his land, and he could not prevent sheep from going over the cattle pits used there. Every precaution should be taken by members representing the South Province to see that adequate protection is accorded the settlers. There is the severance phase, which enters into the question. When severance is proved to be to the detriment of the farmer, further compensation is usually paid. At any rate, there is not much satisfaction in a man's property being resumed, because the owner is usually the loser.

HON. J. J. HOLMES (North) [8.37]: I have heard sufficient to justify further inquiries being instituted regarding the Bill. Reference has been made by members representing the South Province to the possible effects of the legislation in their part of the State, but, if agreed to, the measure may affect other provinces, and injustices may be done there. We have been told of one block of 200 acres through which a road was constructed north and south, and now it is proposed to put a tramway through it. I ask members what imaginable use a 200-acre block, cut into four separate parts, could possibly be to any settler? If it is necessary to cut a block up in that manner, the Government should take the lot. The House would be wise to provide in such an instance that the whole of the block should be resumed.

Hon. L. Craig: That would be a fair thing.

Hon. J. J. HOLMES: What possible use could four blocks be to any man in such circumstances? I am pretty certain the Government will not pay too much for land that is resumed. The Taxation Department endeavours to rate land as high in value as possible, and the owner does his best to have it rated at the lowest possible valuation. When it is a matter of resumption, the taxpayer's valuation is produced.

Hon. G. Fraser: That is when the chickens come home to roost.

Hon. C. B. Williams: Like boomerangs.

Hon. J. J. HOLMES: Members would be wise to hold up the Bill until some of us examine it and see where we stand and where

it will lead to. For the time being, I support the second reading of the Bill.

On motion by Hon. G. B. Wood, debate adjourned.

BILL—LAND TAX AND INCOME TAX.

Second Reading.

Debate resumed from the previous day.

HON. L. CRAIG (South-West) [8.41]: The Bill has, practically speaking, already been discussed when another measure was under consideration. The object is to increase the income tax by 12½ per cent. That suggests that money is a bit short and the Government finds the times hard. Under another Bill the Government proposes to take traffic fees from the local authorities in the metropolitan area and to divert the money to Consolidated Revenue. That again suggests that money is urgently required. Under another Bill probate duty is to be increased to the extent of about £35,000. There again the suggestion is that more money is required by the Government.

Hon. W. J. Mann: It sounds like a drag-net system.

Hon. L. CRAIG: Under another heading railway freights have been increased, again emphasising the shortage of money. All this indicates that the Government is hard up for money.

Hon. J. J. Holmes: They certainly want more money.

Hon. L. CRAIG: In spite of these increases under the headings I have mentioned, the Government still budgets for a deficit of £31,288. Apparently money is urgently required. But notwithstanding that fact, under the provisions of another Bill it is proposed to make concessions to a section of the community that individually pays almost nothing but collectively a considerable sum. In times such as these and particularly in view of the Bills I have mentioned, which show that the Government is particularly hard up for money, it is certainly extraordinary that the Government proposes that money shall be returned to taxpayers who have been bearing their present burden in worse times over a number of years. If present-day conditions were prosperous, I agree that the people affected should be exempt from taxation as far as possible. Certainly, this is not the time

to place extra burdens under that heading upon any section of the community. There is this point, too, that the 12½ per cent. increase in income tax will raise Western Australia to the level of Queensland as the equal of the highest-taxed State per head of the population. I am not sure that it will not make Western Australia the most highly taxed State in the Commonwealth. From being the lowest, we have progressed in the brief period of about four years to that position in the sphere of taxation.

Hon. H. Tuckey: That is not to the credit of the Government.

Hon. L. CRAIG: No, because we are a small community. When we talk about taxation per head of the population, we must remember that in the wealthier States a larger proportion of the wealthy people pay a long way more in taxation proportionately to that borne by the rest of the community. We have no very big taxpayers in this State. In a community such as Western Australia, an average tax of £7 or £8 represents much higher taxation than it would in a place like New South Wales, where there are numerous people with high incomes paying heavy income taxes. I do not know what to do about the Bill. At present I feel much inclined to oppose it. If the Government were prepared to allow those paying the financial emergency tax—of 4d. a week I think Mr. Fraser suggested—to continue doing so, and then pointed to the necessity for balancing the Budget, I would agree to this extra taxation; but in view of the fact that the Government proposes to relieve one section of the community from taxation, and at the same time budgets for a deficit, my present intention is to vote against this measure, though I am open to conviction. On second thoughts, I can see that I cannot really oppose the second reading.

On motion by the Chief Secretary, debate adjourned.

BILL—TRAMWAYS PURCHASE ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. J. NICHOLSON (Metropolitan)
[8.46]: On the face of it the Bill would appear to be a simple one, but it will operate

seriously against municipalities within a big area. Those municipalities that have shown the marked progress we all desire to see, that have encouraged enterprise and induced the construction of tramways and other facilities designed to assist the development of their respective districts, will be penalised. It is necessary to recall the circumstances under which the rights of those municipalities arose. The Bill proposes practically to repeal certain provisions contained in the Tramways Purchase Act of 1912. Clause 2 of the Bill provides that—

As from and including the first day of January one thousand nine hundred and forty, but subject as hereinafter provided, the obligations imposed upon the Treasurer of the State by paragraph (a) of Subsection (1) of Section 8 of the principal Act shall be and are hereby terminated and the said paragraph (a) shall no longer operate or have effect.

Paragraph (a) of Sub-section (1) of Section 8 of the Act provides that—

The Colonial Treasurer shall pay half-yearly to the credit of a trust fund to be kept at the Treasury three pounds per centum of the gross earnings derived from the working of the tramways, and such percentage shall be paid to the local authorities as hereinafter provided.

The section also provides that—

(b) The track of the tramways shall be maintained and repaired by the Government to the extent of the liability of the company under the agreements mentioned in the fourth and fifth schedules hereto; and (c) the local authorities may use the poles of the tramways for the purpose of street lighting: Provided that the tramway lines and wires and the electric current shall not be interfered with and that not more than one lamp shall be placed on each pole.

The main provision sought to be repealed is that relating to the payment of the £3 per cent. of the gross earnings. The various local authorities concerned are viewing this matter seriously. It affects the Perth City Council and the other local authorities that came within the scheme when the tramways were constructed in former years and are entitled to participate in this payment of 3 per cent. Nothing is offered in place of the 3 per cent. The measure is confiscatory and will have the effect of placing upon the local authorities the necessity to impose heavier rates on ratepayers.

Hon. G. Fraser: Have you any idea of the amount that has been paid?

Hon. J. NICHOLSON: I have not the exact amount. I think the Chief Secretary mentioned it.

The Chief Secretary: Over £6,000 a year.

Hon. J. NICHOLSON: When the original measure was before the House it was discussed at considerable length and then referred to a select committee, which inquired into the whole subject. It was realised that the City of Perth had an agreement—which was taken over by the Government without any compensation whatsoever, except the provision of the 3 per cent. per annum of gross earnings—with the party to whom the concession for the construction of the tramways was granted. In order that the construction of the tramways might be proceeded with, it was necessary for the local authorities to grant a concession. That concession was granted to a Mr. Dickinson, by whom I believe the Perth Tramways Co., Ltd., was formed. That company constructed the original tramways here. In the agreement between the Perth City Council and the concessionaire, certain important provisions were embodied. They included the maintenance of the track and rolling stock and provided that in lieu of rates, 3 per cent. of the gross earnings should be paid to the local authorities. That was done in place of assessing on any other basis the amount to be paid.

Hon. G. Fraser: Until when?

Hon. J. NICHOLSON: For as long as the concession lasted. There were other provisions of less importance, but one important provision was that rights should be given to the City Council to acquire the whole undertaking. The first right, as explained by the Chief Secretary, became exercisable in 1925, when the undertaking could be acquired by the Council on a basis of valuation. If that right were not exercised, a similar right arose seven years later, in 1932. If that right were, in turn, not exercised, a still more beneficial right was granted to the Council of acquiring the whole undertaking—that is, including all the rolling stock—without any payment. The lands had to be paid for at the prices originally paid. Those were exclusive and valuable rights and before they were actually exercised by the City Council, and while the council was negotiating with the Tramway Company about 1911 or 1912, the Government intervened, as some hon. members will recall, by entering into negotiation for the

purchase and acquisition of the whole undertaking. It was realised, however, that something had to be done to get rid of the rights possessed by the City Council, and for that reason the Act of 1912, from which I have quoted, was finally passed after a somewhat prolonged and stormy passage through this House. I was not here at that time, but I believe Mr. Drew was. Am I right?

Hon. J. M. Drew: Quite right.

Hon. J. NICHOLSON: I think I am stating the facts correctly. The position was referred to by a former member of this House, Sir Hal Colebatch, in a letter to the Press a few days ago. Members have had the opportunity to read his remarks. These were rights of very great value to the City Council and the granting of the right to 3 per cent. of the gross earnings was merely a perpetuation by the Government of the obligation of the original concessionaire. The occupation of a highway by tramways is something for which payment should be made to the local authority. Now it is proposed by this Bill to fleh from or confiscate that right of the City Council and cease to pay the 3 per cent. Clause 2 contains the following:—

The obligations imposed upon the Treasurer of the State by paragraph (a) of Subsection (1) of Section 8 of the principal Act shall be and are hereby terminated and the said paragraph (a) shall no longer operate or have effect.

The only saving feature is a proviso stipulating the payment of the proportion to the end of 1940. If we as a House are going to approve of Bills that will result in the confiscation of property in this way, we cannot tell how other authorities are likely to fare. If this Bill is passed, when similar legislation affecting the rights of other authorities is submitted for our consideration, it will only be necessary to quote this one instance and say that this House recognised the right of the Government to confiscate the rights of the municipalities concerned in the Tramways Purchase Act of 1912, and that therefore we should not hesitate to pass legislation of an equally confiscatory character affecting other local government bodies.

Hon. J. M. Macfarlane: Or individuals.

Hon. J. NICHOLSON: Quite so. At various times Bills that might partake of something of the same character have been brought before us, but this House has always been jealous and watchful of the rights

of those interested in a matter such as this or in property. If we are not vigilant in that respect, the belief of the people in the ability of members of this House to safeguard their interests will be very much shaken. I hope members will realise the necessity for giving this proposal the consideration that they would give to matters of a similar kind, and if they do so, I have no doubt they will reject the Bill.

I remind members that once we pass this Bill, the right of local authorities to impose rates on tramways will cease, because Government-owned property is exempt from the payment of rates. As I have already pointed out, there has been no suggestion on the part of the Government to provide something in substitution of this arrangement. If we consider the position of tramways in other countries—tramways that are not governmental institutions as they happen to be here, but are run by local governing bodies—we must realise that they provide a distinct source of revenue to the ratepayers. The select committee that sat on the Tramways Purchase Bill in 1912 examined a large number of witnesses, amongst whom, as would naturally be expected, was Mr. Bold, the then Town Clerk and still the Town Clerk of Perth. In the course of his evidence, he pointed out the position of tramways in various cities in England and in Glasgow. He gave a list of the large cities where local governing bodies owned the tramway systems, and showed what large sums of money were provided out of the tramway earnings that permitted of lessening the municipal rates. He said that the trams of Glasgow in 1912 showed a payment in reduction of rates of not less than £50,000. I understand that represented a payment for a year. Of course the system is a larger one than ours. The Manchester system provided a sum of £70,000. Liverpool, Nottingham and other cities were instanced to show how greatly those systems benefited the local governing bodies. If the original purpose of the City Council had been realised and that body had been permitted to purchase the trams at the time of negotiating, instead of the Government's intervening, I believe the municipality could have achieved a greater measure of success than has been produced under Governmental control.

Hon. G. W. Miles: The trams would have reverted to the municipality this year.

Hon. J. NICHOLSON: Undoubtedly; I mentioned that earlier in my remarks. They would have reverted to the City Council without any payment, except payment for the land at the original cost price. In face of those facts, there should be no hesitation on the part of members in rejecting the Bill. It is confiscation pure and simple, a deprivation of the local authorities of the enjoyment of that revenue which is rightly theirs. I hope therefore that the Bill will be rejected.

HON. G. FRASER (West) [9.10]: Mr. Nicholson has given us an interesting survey of the early history of the trams. In listening to him, one could easily imagine that a monster in the shape of the Government was out to confiscate property. On examining the facts we find that the action taken by the Government was intended when the original legislation was passed by Parliament.

Hon. G. W. Miles: Unless Parliament otherwise determined.

Hon. G. FRASER: Yes, as from the completion of the purchase until the year 1939 and thereafter until Parliament shall otherwise determine. The Act specially mentions 1939 as the year when this particular question should be reviewed. It stipulates payment till that year, and says that Parliament shall then determine what shall be done in future.

Hon. G. W. Miles: This is one thing in which we have a say.

Hon. G. FRASER: I do not like the tone of the hon. member. The Government is merely following out the intention expressed in the Act.

Hon. G. W. Miles: To get a bit more revenue.

Hon. G. FRASER: This year is specially stipulated as the first occasion for reviewing the position, and this Bill affords an opportunity to review it. If the hon. member is not prepared to accept the measure, he should move to amend it in the direction of stipulating how long the payments shall be continued. When the original legislation was passed, the year 1939 was mentioned as the year when we should determine what was to happen thereafter. That is my interpretation of the provision. From 1912 to 1939 is a period of 27 years, and three per cent. of the gross earnings has been paid during

those years. By way of interjection I was informed that the amount was approximately £6,000 a year. If that has been the average over the 27 years—

Hon. J. Nicholson: No, at the commencement it was very much less; probably about £1,500.

Hon. G. FRASER: At any rate, one would be fairly safe in saying that in the 27 years something like £100,000 has been contributed under this heading.

The Chief Secretary: About £163,000.

Hon. G. FRASER: I was going to mention £160,000 on the basis of £6,000 a year for 27 years. If the local governing bodies have received that amount of money, they have not fared badly.

Hon. J. M. Macfarlane: The Government should pay rates on the land it occupies.

Hon. G. FRASER: As an offset we have to consider that the tramways have induced many people to live in the outer districts, and the local authorities have been able to recoup themselves by way of rates.

Hon. J. Nicholson: You have to bear in mind that they have had to provide roads, parks, reserves and other conveniences.

Hon. G. FRASER: I quite admit all those things.

Hon. J. Nicholson: Well, the Council requires the revenue for them.

Hon. G. FRASER: Even taking all those things into consideration, it appears to me that the Council had a reasonable return for the privilege which the Bill gives to the Government. The main point about it is that the year 1939 is the year in which the matter is to be reviewed. I am not particular as to what arrangement is made so long as some more definite arrangement than the Act now provides for is arrived at. Taking into consideration the amount drawn over the 26 years, I am quite prepared to support the second reading of the Bill as it stands.

HON. H. S. W. PARKER (Metropolitan-Suburban) [9.16]: I oppose the second reading of the Bill on the ground that the three per cent. is really only the rate fixed to be paid to the Perth City Council and the other local authorities through whose areas the tramways pass, as and for rates. The Government has by Order in Council power to construct tramways wherever it thinks fit: and recently under that power it installed trolley buses along Mount's Bay-

road, through to Claremont, and also to Leederville. That was under the Government's power given by the Tramways Act. The trolley buses service does not pay the three per cent., although the trolley buses, for the purposes of the Tramways Act, are trams. In that way the Government has already eliminated some of the revenue which would have gone to the local governing bodies. No doubt it is only a question of time when, in view of the Government's power to construct bus routes instead of tramways, there will be no revenue coming to the local governing authorities from the tramways, because, for some reason or other which we need not discuss now—and I personally do not know the reason—the Government does not pay any percentage out of the revenue from the trolley buses. It does seem to me unfair that the Government should run trolley buses on the roads belonging to the ratepayers and pay nothing for that—not a penny. In the past it was agreed that three per cent. was a fair thing as a rate on the whole of the undertakings of the tramways. That is the way I read it. That rate was to be paid on all their buildings and sheds and tramway routes. I am under the impression that when the Perth Gas Company existed, that company paid rates on its gas mains running through the various districts. I do not know whether the Fremantle Gas Company pays a rate for the use of the roads along which its mains are laid. It is only right that the company should do so. In the same way it is only right that the Government, which is carrying on a trading concern, should pay rates to the Perth City Council. There is not the slightest doubt that the trams are most damaging to the roads. I know that the Government has to maintain that portion of the road to a certain distance each side of the outer tramway rail and keep it in order; but the vibration is very bad for the rest of the road. Moreover, wherever there is a tramway one finds that the roads belonging to the Perth City Council are not as good as they are elsewhere. From the point of view of the Perth City Council and the local governing bodies, trams are undoubtedly a detriment to the roads.

I have nothing to cavil at in the speech made by the Chief Secretary. All the hon. gentleman said was perfectly correct as far as it went; but there were certain things he

referred to on which a different meaning might be placed from that he meant to convey. The Chief Secretary said that because these trams had gone to outlying districts, they had opened up that portion of the suburbs and so increased capital values there. I entirely agree with that statement. But that is the way in which local governing bodies obtain a proportion of their revenues. Those bodies could not possibly carry on unless the values did go up, so that the authorities could continue to improve their roads, and make a road from one side of the street to the other instead of having ribbon roads. It is natural that as the value of the property increases, so more money has to be spent on roads, because more use is made of them. But the Chief Secretary went further in his argument. He said that the Perth City Council had not paid one penny towards the capital cost of the tramways, and why therefore should they get three per cent? I would like to point out that the Perth City Council has not paid towards the capital cost of any of the land in its rateable area. It does not do so. The tax is paid on the outlay of other people. In my opinion it is only right and fair that the tramways should pay a rate for all their property to the local governing bodies. Why should the tramways go free? Why should the Perth City Council carry the burden of the tramways?

It has been suggested that rather than reject the Bill on second reading, the measure should be amended so as to provide a date when the three per cent. should be finalised, or perhaps a different percentage substituted. Personally, I think three per cent. a fair and proper thing. It is the exact amount the Kalgoorlie Tramway Company pays to the local authorities over whose areas it travels. That is to say, the Kalgoorlie Municipal Council, the Boulder Municipal Council, and the Kalgoorlie Road Board each gets its three per cent. of the earnings of the tramway company in its particular district. If the company should pay it, why should not the Government pay it to the local authorities of the metropolitan area? Furthermore, the Kalgoorlie Tramway Company runs buses, and the revenue from those buses is taken to be revenue from the tramways, and three per cent is paid on it. Surely if it is good enough for a private company to be rated in that way,

it should be good enough for the Government. The case is not as though this money were going to some private individual. It goes to the benefit of the community, and it is money which the local governing authorities require, and have budgeted for, and should be allowed to continue to receive. Why oppose the second reading of the Bill with a view to amending it so that the 3 per cent. shall last until a certain date? The three per cent. will last until Parliament likes to determine otherwise, as every statute lasts until Parliament otherwise determines. If we insert a provision saying that the three per cent. shall last until 1950, there is nothing at all to prevent a measure being introduced next year to delete the word "fifty" and insert "forty" in lieu. It matters not about extending the period. However, the Government is quite right in bringing forward the Bill to get an expression of opinion, and I do not blame the Government for trying to get this money; but I do think members would be remiss if they allowed the Government to have it. Therefore I shall vote against the second reading.

HON. J. M. MACFARLANE (Metropolitan-Suburban) [9.27]: Like my colleague, I am opposed to the Bill. I desire to suggest that the three per cent. interest the Perth City Council owns in the properties used in this business goes back to 1897, and carries more than three per cent. in the agreement, because at the time it was laid down that the Perth City Council should have the right to purchase the tramways after 21 years or after 28 years. In 35 years the property reverted to the local governing bodies through whose territories the tramways ran. And this without any payment except for freeholds used for tramways purposes. In 1911 the Perth City Council made up its mind to purchase the tramways, and it began negotiations with the company for that purpose. At the same time the Government moved to do the same thing, and of course bid so high that it was able to purchase. We all know what an enormous sum was paid for goodwill. The company was quite pleased, the sale being a fine one so far as it was concerned. The 1912 Act laid down that the three per cent should continue. The Perth City Council strongly protested against the purchase by the Government at the time,

pointing out the rights which the council had under the agreement. The three per cent. was to continue until 1939, and thereafter until Parliament should decide otherwise. The inference is that the agreement should stand until any time when Parliament might decide that there should be some other arrangement. That time is not the present, having regard to what is taken from the Perth Council in the form of rights and privileges. Some hon. members have said that the £160,000 paid in the form of the three per cent. compensated the council for what it lost, but that is not so. The council lost heavily by the Government cutting in and buying. I would urge also that the Government should pay rates. Even if this House is of the contrary opinion, I would say, "Let us determine the 3 per cent. agreement now, and pay it no more." Surely there will be enough justice on the part of the Government to say, "We are bound to pay you rates for the car barns and so forth that we use within the areas of the Perth City Council and other local governing bodies, as a set-off for taking away the 3 per cent." But I am definitely opposed to interfering with the position at all. I urge hon. members to take the view that the time is not opportune for consideration of the proposal in the Bill, and that present conditions shall continue.

On motion by Hon. L. B. Bolton, debate adjourned.

BILL—TRAFFIC ACT AMENDMENT (No. 1).

Second Reading.

Debate resumed from the previous day.

HON. J. NICHOLSON (Metropolitan) [9.30]: In common with members who have preceded me in this debate, I am able to express views on this measure somewhat different from those expressed by me a few moments ago on the Tramways Purchase Bill. The main point about this Bill is that it will prove of considerable benefit to the community. True, various clauses deal with miscellaneous matters relating to traffic; but the main portion of the Bill is devoted to insurance against third-party risk arising out of the use of motor vehicles. The subject is one which has been referred to many times during the last year or two, and I realise that what was said must have

had its effect upon the Government. The Government has evidently realised how beneficial it would be to present a measure fulfilling—as I hope this Bill does—the expectations of members. I think, however, there are one or two matters which might well be considered in Committee. I am pleased to note that provision is made in the Bill for guarding against risks which might possibly have arisen if certain clauses had not been inserted in the Bill dealing with warranties, representations and conditions. My reason for making that observation is that the first English Bill dealing with third-party risk was not as comprehensive as the Bills introduced during subsequent years up to last year. Experience showed certain weaknesses in the Act first introduced in England in 1930. Cases arose of pedestrians who were injured or unfortunately killed through the carelessness of some motor driver and who were precluded from securing the compensation which it was thought the Act provided for them. That was due to some weaknesses in the Act. For example, some pleas put forward when claims were made against motorists—notwithstanding that the motorists were insured—were defeated because of breaches of conditions or misrepresentations in the application made by the motor driver or the owner of the car for insurance. There were other instances where the money, instead of going to the injured person, went to others not entitled to it. As I say, these omissions were corrected as the result of experience. The Bill now before us will probably provide a much greater measure of protection than was afforded by the English Act of 1930. I think the Bill will also have the effect of preventing many of the defences to which I have referred from succeeding in our courts here. I regard as good the provision for the appointment of a nominal defendant in the case of a person injured by a motor which may not be insured. The arrangements made in that connection should find favour. There are other matters which, as I have said, can be better dealt with in Committee. Without commenting further on the Bill, I desire to intimate that it is my intention to support the second reading.

HON. C. H. WITTENOOM (South-East) [9.39]: I support the second reading of the Bill. In my opinion, compulsory insurance

on the lines indicated by the measure should have been introduced years ago, and information I have gained from the interesting speeches we heard last night certainly confirms my opinion. I refer more particularly to the speech of Mr. Fraser and to the figures he quoted. The number of accidents in Western Australia caused by motor cars is appalling; included in the number were many fatal accidents. That is a dreadful state of affairs. One could understand it if Western Australia were a much smaller State with a much larger population; but we have hundreds of miles of roads with very little traffic on them. Therefore the number of accidents is amazing. The reason for many of the accidents was explained yesterday. I am inclined to think, however that if a few plain-clothes constables were put into ordinary cars and allowed to patrol our main roads from Kalgoorlie to Perth, from Albany to Perth and from Geraldton to Perth—

Hon. L. B. Bolton: They might catch some of the country fellows.

Hon. C. H. WITTENOOM: No. Most country drivers are careful. The metropolitan drivers are at fault. Most of the accidents are caused by speed hogs who will not leave the middle of the road, and who force drivers to the side of the road. Some accidents are caused at night by heavy vehicles badly loaded with wood or merchandise. These vehicles take up much more of the road than they should.

Hon. C. F. Baxter: The Bill will not prevent trouble of that kind.

Hon. C. H. WITTENOOM: The personnel of the committee proposed to be formed under the Bill appears to me to be good. I have had conversations with various interested people on the matter to-day, and while they seem favourable, some think that a judge, a magistrate, or a practising barrister should be a member of the committee, in order to give it something of a legal touch. I shall not deal with all the clauses of the Bill. Clause 9 refers to the State Insurance Office; I do not propose to speak on that point now, as there was some discussion on it when we were dealing with another Bill. The Bill also provides that no person shall be allowed to take an uninsured motor car on a road. Very heavy penalties are provided; for the first offence, £100. What would happen, however, if no insurance company were prepared to insure a par-

ticular motorist? Apparently the Bill does not make provision for such a case. A man might be gaining his livelihood by his truck or car, and if he could not get it insured he would lose his livelihood. That point was mentioned today; I do not know whether the Bill makes provision for it.

Hon. E. H. Angelo: Some good reason would exist for the company's refusal.

Hon. C. H. WITTENOOM: The fact remains that the man might be unable to insure his car and therefore would have to leave it in his garage. I support the second reading.

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

BILL—NOXIOUS WEEDS ACT AMENDMENT.

Second Reading.

Debate resumed from the 25th October.

HON. H. TUCKEY (South-West) [9.45]: The main purpose of the Bill is to authorise the Minister to determine what methods shall be used to destroy noxious weeds. I understand that blackberry is a noxious weed and is causing great concern at the present time. We have a number of noxious weeds well established in different parts of the State and to my mind the Act is not being administered in the most effective manner. There are many noxious weeds growing along main roads and some close to Perth. Along the Armadale-road I noticed quite a crop of Cape tulip growing luxuriantly. That is a very bad weed and is a deadly poison. People generally are not aware of that fact, and when they see it in bloom look upon it as an ornamental plant and do not worry about the harm it is capable of doing. There are also noxious weeds to be found in flower gardens, weeds such as *Watsonia*, which is easy to eradicate. I hold it should not be difficult to eradicate these weeds if only the Government and the local authorities took up the matter seriously. But if the weeds are allowed to go on growing, in the end it will be utterly impossible to completely destroy them, and harm will be suffered by the community generally. Take the blackberry. It is almost impossible to grub it out and I know of no other method of destroying it. I understand that the Minister requires

the necessary powers that are contained in the Bill. The blackberry does not spread as rapidly as other varieties of weeds. I do not know who is to blame for the spreading of noxious weeds, the local authorities or the Government. However, it is not of much use one local body taking drastic steps to destroy the weeds if the adjoining local authority displays no concern. Something general should be done throughout the State in order to cope with the varieties of the pests. *Watsonia* also is very hard to deal with as it grows from a bulb. After a while it develops into such a mass that nothing else will thrive near it. This, too, is difficult to grub out. Some time ago a report was made that we had skeleton weed in the State. I asked one of the agricultural experts about it recently and he denied that it existed here. I remember quite well, however, a report having been made a few years ago that this weed had got a hold at Midland. In the Eastern States it is very bad; indeed it is supposed to be worse than any other weed we have in our State. When the report was spread about the existence of this weed it was not made known where it was supposed to have been found. However, some attention was given to the question at the time, though nothing has been heard about it lately. There are many noxious weeds spreading throughout the State and if something is not done it will eventually be a matter of impossibility to eradicate them.

The Chief Secretary: How do you suggest we should deal with them?

Hon. H. TUCKEY: The boards and the Government should deal with the question. In the case of the road board with which I am associated, the discovery was made a few years ago that star thistle weed existed at the foot of the ranges. The board quarantined that area and it has been quarantined ever since. A little while back the property on which the weed was found was bought for about one-fourth of its real value, and that was because of the existence of the weed. If the local boards do not take up the question seriously, the weeds will spread until, as I have already said, it will be almost impossible to deal with them. The principal Act provides that every local authority shall destroy noxious weeds growing on any road or land under its control. The locality does not matter so long as it

is under the board's control. Section 29 sets out —

On a report being made to the Minister by any local authority, that any noxious weed is growing upon any Government railway reserve, stock route, or camping ground, or unoccupied Crown lands within one mile of cultivated land, all such reserves, routes, grounds or lands shall from time to time be cleared by the Minister for Lands and the Commissioner of Railways respectively.

Members will see that the section declares "within one mile of cultivated land." There is no definition of "cultivated land." The Government should be under some responsibility, just as is the local authority, and when the Bill reaches the Committee stage, I shall ask that the words "within one mile of cultivated land" be struck out. No local authority would report to the Minister if it were in an out-of-the-way place. We know that noxious weeds will spread 20 miles and if a local authority discovered weeds beside a railway line 15 or 20 miles from cultivated land, steps should be taken to eradicate those weeds before they spread over a greater area. There are also many other weeds, such as St. John's wort and star thistle, and several others the names of which I do not at the moment recall. It should not make very much difference whether all those noxious weeds are with us now; they may make their appearance at any time, and so I contend the Act should be strictly administered. I support the second reading.

HON. V. HAMERSLEY (East) [9.50]: The Bill in itself is worthy of support, but it is a problem sometimes to decide what is really a noxious weed. I well remember the time when the blue lupin was regarded as a noxious weed.

Hon. A. Thomson: It is valuable now.

Hon. V. HAMERSLEY: Everyone was forced to pull it up and destroy it.

Hon. C. F. Baxter: The yellow lupin, not the blue lupin.

Hon. V. HAMERSLEY: Yes, the blue lupin and wherever it was growing the owners of the property were instructed to eradicate it. It was introduced by those who knew something about plants. There was another weed that was and may still be on the list of noxious plants—stinkwort. That was introduced in South Australia, I have been informed, by German settlers, their object in growing it having been to impart a

flavour to hams and bacon that they were smoking. Its introduction was intended to be of service to the community. It came to Western Australia through the medium of chaff imported from South Australia, and settlers here regarded it as a terrible curse. In some instances the department put on men who were to pull up the weed on certain areas around the Swan. The cost of labour, however, was such that the Government found it was impossible to recover it from the owners of property. Really the cost of eradicating it exceeded the value of the land on which it was growing. Sometimes we may be passing a measure of this nature that may become a sword in the hands of departmental officials. However, I do not think many people worry very much about some of the weeds. I have pulled up a quantity of stinkwort on my property, though I do not regard it as a weed and now allow it to grow and make good use of it. I find it helpful to the stock, particularly when everything is dry. It is, however, of trouble to those people who have ample feed. What really is a noxious weed? The best interpretation I have read is "A plant out of place." It certainly is out of place where a person has abundant feed of a better type. Couch is splendid feed but when it is not wanted in a particular place it is a terrible curse. There are many of these plants that are of the utmost value to stock raisers. For instance, the wild Spanish radish is splendid fodder for stock, but for the man who wants to grow feed it is a curse. That, too, was on the noxious weeds list of the department for many years, and it may still be on the list.

Hon. H. Tuckey: That does not compare with the Cape tulip, for instance.

Hon. V. HAMERSLEY: That is poisonous, and I have never known it to be of any use. Other plants occur freely here and there. The Arum lily is a beautiful plant in a garden, but that too is poisonous. If it could be transported to England it would be possible to obtain £1 for every perfect flower that was produced.

Hon. C. F. Baxter: What about Salvation Jane?

Hon. V. HAMERSLEY: That is akin to Paterson's Curse in South Australia. When droughts occurred that plant became known as Salvation Jane, because by means of it pastoralists and others were able to carry stock right through the dry period. Even

the double-gee has its good points. I have had a good deal of experience of it. I have seen it growing on the banks of the river at York, and made up my mind that I would not let it take root on my property at Tood-ray. It serves a good purpose on different occasions. Natives are very fond of their dogs. It was interesting to see the dogs, who did not then understand double-gees, arrive on the place where the plants were growing. They began chasing rams across the paddock. When their feet were covered with double-gees they squatted down to lick them off, and soon began biting themselves near their tails. The dogs were soon ready to return to camp, where they remained. I understand the plant was originally used to keep the natives away, and it may have succeeded in that purpose. I know that in many instances where double-gees were growing the natives did not stay very long, because they disliked seeing their dogs in trouble. In the Esperance country there is a plant known as Shepherd's lucerne. Some of the seeds were sent to me, and I passed them on to the Department of Agriculture. I was warned not to sow them. The settlers in the Esperance district look upon this as splendid fodder and in their estimation it is of great value. In the wheatbelt it would be regarded as a weed. Judging by the value placed upon it in the Esperance district, if the weed developed on my property I might be tempted to give up wheat-growing and keep stock on the land, but I fear if it were introduced there I might be ordered by the department to pull it out.

Hon. C. F. Baxter: You would never get it out.

Hon. V. HAMERSLEY: I make these remarks to indicate that sometimes we may be playing with a two-edged sword when we pass a measure of this kind. I will, however, support the second reading.

HON. G. B. WOOD (East) [10.3]: I support the second reading. The Bill is a worthy attempt to tighten up the Act. One or two portions of the Bill I do not favour, and would like to see amended in Committee. I refer to that part which gives the Minister power to say what methods shall be adopted in eradicating noxious weeds. By the Vermin Act such power is delegated to the local authority. In this instance the local authority should be empowered to say what method should be adopted for the eradication of

noxious weeds. True, the measure gives it power to serve notices on people and tell them what they should do, but in my opinion that is not enough. In the earnest hope that the Bill may be amended in Committee I support the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Nicholson in the Chair; the Honorary Minister in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—New Section: Minister may declare methods for destroying or preventing noxious weeds:

Hon. G. B. WOOD: I suggest that progress be reported so that an amendment to this clause may be drafted.

The HONORARY MINISTER: I have no objection.

Progress reported.

House adjourned at 10.7 p.m.

Legislative Assembly,

Wednesday, 1st November, 1939.

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

QUESTION—YOUTH EMPLOYMENT, TRAINING SCHEMES.

Mr. SAMPSON asked the Minister for Works: 1, Is he aware that, in at least four of the Eastern States, subsidised training schemes are operating and many lads are thereby given an opportunity to acquire vocational knowledge and to learn trades, thus assisting to remove the hopeless outlook on the part of the youths concerned? 2, In view of the limited opportunities for the training of youth in Western Australia will he give consideration to the subject, and make an announcement as to whether it is the intention of the Government to take action on a subsidised basis, along similar lines to those adopted in the Eastern States, viz., Commonwealth plus State Government assistance and, if so, when?

The MINISTER FOR WORKS replied: 1, Yes. 2, It is considered that the extensions already made, together with the extensions to the Perth Technical College will, when completed, provide greatly increased facilities for the training of the youth of both sexes.

QUESTION—RAILWAYS, WORKING COST OF LOCOMOTIVES.

Mr. STYANTS asked the Minister for Railways: What are the factors taken into