

Legislative Council,*Tuesday, 25th November, 1930.***BILL—TRAFFIC ACT AMENDMENT.¹***Assembly's Message.*

Message from the Assembly notifying that it had agreed to Amendments Nos. 2 to 17, inclusive, and No. 19 made by the Council to the Bill had disagreed to Amendment No. 1, and had agreed to No. 18, subject to a further amendment, now considered.

In Committee.

Hon. J. Cornell in the Chair; the Minister for Country Water Supplies in charge of the Bill.

Council's amendment No. 1: Clause 4, Subclause (1).—Before the word "subject," at the commencement of Subclause (1), insert "Until the 30th day of June, 1932, but."

The CHAIRMAN: The reason given by the Assembly for disagreeing to the amendment made by the Council is as follows:—

The House disagrees with Amendment No. 1 of the Legislative Council on the ground that the time limit imposed thereby will not give sufficient time for an adequate test of the efficiency of the proposal.

The MINISTER FOR COUNTRY WATER SUPPLIES: I move—

That the amendment be not insisted on.

If we insist on our amendment, it will mean that the department will have about 11 months only within which to test the effect of the amending legislation. That is considered too brief a period. If the legislation has to be re-enacted by the date suggested, it will become necessary to do so next session.

Hon. E. H. Harris: Will not that give sufficient time?

The MINISTER FOR COUNTRY WATER SUPPLIES: The departmental officials consider that the time will be insufficient to enable them to be in a position to say whether or not the amended legislation will be satisfactory.

Hon. A. LOVEKIN: I will not object to what the Minister desires. The only trouble is that Parliament may not be sitting again until July or later, and there will be an interval between the time the licenses run out and the renewal of the legislation, if necessary. Does the Minister consider the date that will apply a suitable one?

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

QUESTION—COLLIE POWER SCHEME.*Minninup Pool Capacity.*

Hon. A. LOVEKIN asked the Minister for Country Water Supplies: 1, What is the holding capacity of Minninup Pool at Collie? 2, What is the annual inflow of water to the pool distinguishing, if the information is available, between the summer and winter inflow? 3, What height is the pool above sea level?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1, Over a distance of 3 miles 17 chains, the river and pool contain 139,088,000 gallons. 2, The information is not available. 3, 669 feet.

**LOCAL COURTS ACT AMENDMENT
BILL SELECT COMMITTEE.**

On motion by Hon. J. Nicholson, the time for bringing up the report was extended for one week.

BILLS (2)—THIRD READING.

- 1, Roads Closure.
- 2, Reserves.

Returned to the Assembly with amendments.

The **MINISTER FOR COUNTRY WATER SUPPLIES**: The licenses take effect as from the 1st July, and if there is an alteration in the date it will affect them accordingly.

Hon. H. STEWART: When we amended the clause our idea was to test out the position so that we would know how the Bill applied by the time it became necessary to re-enact the measure. Perhaps we could alter the date to the 31st December, 1932, and that would provide the department with experience extending over 18 months.

Hon. A. Lovekin: That would be better.

The **MINISTER FOR COUNTRY WATER SUPPLIES**: I hope the Committee will agree to leave the matter in the hands of the Government and then in the light of experience gained, we can act accordingly.

Hon. H. J. YELLAND: We amended the clause so as to insist upon the Bill coming forward for reconsideration next session. It would be wise to insist on that attitude. The measure would operate for 12 months and if it did not act satisfactorily in that period, it could be amended as deemed desirable. If we do not insist upon the amendment, there is nothing to say when the Bill will be brought forward again.

Hon. J. J. HOLMES: This is a more or less experimental clause and it should come up for re-consideration at a date not far distant. A reasonable compromise would be 1933.

Hon. A. LOVEKIN: I move an amendment—

That the amendment be modified by striking out the words "30th day of June" and inserting "31st day of December" in lieu.

Amendment put and passed; the Council's amendment, as modified, agreed to.

Council's amendment No. 18—Insert a new clause as follows:—

Amendment of Third Schedule.

12B. Part I. of the Third Schedule to the principal Act is amended, as follows:—

- (a) delete the words "For a trailer, 10s. per ton per wheel on the weight of trailer, plus declared maximum load" where the same appear in the item "For a locomotive or traction engine"; and

- (b) insert in lieu thereof words and figures, as follows:—"As from and including the first day of January, 1931, for a trailer or semi-trailer:—

	£	s.	d.
Up to 1 ton 5 cwts., including the weight of the trailer or semi-trailer, plus declared maximum load	4	0	0
Exceeding 1 ton 5 cwts., but not exceeding 2 tons	6	0	0
Exceeding 2 tons, but not exceeding 3 tons	9	10	0
Exceeding 3 tons, but not exceeding 4 tons	13	10	0
Exceeding 4 tons, but not exceeding 5 tons	18	0	0
Exceeding 5 tons, but not exceeding 6 tons	23	0	0
Exceeding 6 tons, but not exceeding 7 tons	28	10	0
Exceeding 7 tons, but not exceeding 8 tons	34	10	0
Exceeding 8 tons, but not exceeding 9 tons	41	0	0
Exceeding 9 tons, but not exceeding 10 tons	48	0	0
For every additional ton	4	0	0

Assembly's amendment—Add a proviso as follows:—Provided that only one half of the prescribed fee shall be payable for a trailer or semi-trailer which is used or intended to be used exclusively on roads outside the South-West land division of the State.

The **MINISTER FOR COUNTRY WATER SUPPLIES**: I move—

That the Assembly's amendment be agreed to.

Some station owners outside the South-West division have invested in trailers for the cartage of stock to the railways. They have no roads, and it is only reasonable to meet them by allowing them to register under the old scale. A map is exhibited on the wall of the Chamber showing the South-West land division outside of which the proviso will operate.

Hon. H. STEWART: This portion of the schedule applies only to a locomotive or traction engine with a trailer or semi-trailer. Therefore, it will not cover many vehicles at present. The exemption of the whole of the State outside the South-West land division is too wide, because it will eliminate a large section of country served by railways. The question is whether the Committee will be consistent in accepting the Assembly's amendment. This provision may become permanent, and it will give exemption, not only to owners, but to con-

tractors. Good roads extend beyond the South-West division. The proviso should be restricted to trailers or semi-trailers owned by a producer and to districts not served by a railway. The exemption in Clause 4 (d) is limited to a producer carting his produce to the nearest railway or town.

Hon. E. H. HARRIS: In view of the discussion on Clause 4, Mr. Stewart's suggestion is reasonable. The fees chargeable for trailers and semi-trailers are low. If Mr. Stewart puts his suggestion in the form of an amendment, I shall support him.

Hon. H. STEWART: I move an amendment—

That the amendment be amended by inserting after "semi-trailer" the words "owned by the producer" and by adding after "State" the words "in districts which are not served by a railway."

If such traffic developed, great destruction would be wrought to the roads, and that would have to be met by taxing property holders through local authorities or by the Government granting assistance. It would not be a matter of moment to a producer, because he would have to pay a substantial contribution to the local authority for the upkeep of roads, but a contractor could take work for four or five months of the year, skim the cream of the business and damage the roads, in addition to which the railways would be deprived of considerable traffic.

The MINISTER FOR COUNTRY WATER SUPPLIES: The essence of the amendment is that those who use the roads shall pay for them. The amendment affects persons in whose districts there are not any roads. Those people use bush tracks. In the southern part of the State there are roads made. It is not reasonable to impose extra taxation on those people who are in the far North, unless we are prepared to give them roads.

Hon. J. J. HOLMES: Mr. Stewart should remember that, speaking generally, the Bill does not apply to the far North. The people in the far North never had roads and are never likely to get them. The object of the amendment is to cater for people who are serving the railway that runs as far as Meekatharra. Those people will be transporting cattle to the head of the line at Meekatharra over bush tracks;

then the cattle will be conveyed by rail to Fremantle. The station owners are really feeding the railways; they do not enter into competition with the railways at all.

Hon. G. W. MILES: I understand that contractors are doing this work. Mr. Stewart's amendment will have an effect that will be just the opposite of what is desired by the Government.

Hon. H. STEWART: If those roads are used merely for transporting stock to the head of the railway line, well and good. With the permission of the Committee, I will withdraw the amendment.

Amendment, by leave, withdrawn.

Hon. H. STEWART: I move an amendment—

That the Assembly's amendment be amended by adding the following words: "within any district not served by a railway."

Hon. A. Lovekin: How many miles?

Hon. H. STEWART: We must enable those people to deliver their produce to the railways. We might say within 15 miles of a railway.

The MINISTER FOR COUNTRY WATER SUPPLIES: I cannot follow the hon. member. What would be termed "any district"? As I have already explained, the object of the amendment is to help the producer. I should like something more concrete from the hon. member.

Hon. H. STEWART: The South-West land division as proposed by another place is too restricted.

Hon. J. J. Holmes: The amendment will defeat the wishes of another place.

Amendment put and negatived; the Assembly's amendment on the Council's amendment, agreed to.

Resolutions reported.

BILLS (5)—FIRST READING.

- 1, University Buildings.
- 2, Entertainments Tax Act Amendment.
- 3, Friendly Societies Act Amendment.
- 4, Land Act Amendment.
- 5, Housing Trust.

Received from the Assembly, and read a first time.

BILL—ENTERTAINMENTS TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East) [5.21] in moving the second reading said: The purpose of the Bill is to amend Sections 13 and 14 of the Entertainments Tax Assessment Act of 1925. That Act relates to the imposition, assessment, and collection of a tax upon payments for admission to entertainments, and it provides, in Section 13, for the appropriation of the tax to be applied by the Minister for Public Health for hospital services. Section 14 directs the presentation annually to Parliament of a report on the working of the Act and of the application of the net receipts. It is proposed in this Bill that the entertainments tax, instead of being set aside to assist hospitals, shall in future be paid—on an increased scale—into Consolidated Revenue. The proposed new scale of tax is set forth in another Bill which will be submitted in due course. Last year the entertainments tax amounted to £37,137. To compensate the hospitals for the loss of that amount the collections from patients' fees—approximately £36,000 last year—are to be diverted from Consolidated Revenue to the proposed hospital fund. If the Hospital Fund Bill becomes law the hospitals will receive £156,000 from the tax, plus about £36,000 from patients' fees, or a total of £192,000. Last year the hospitals received £104,000 from the Treasury, plus £37,137 from the entertainments tax, or a total of £141,137. Therefore, in the event of the imposition of a hospital tax the hospitals will receive £51,000 more per annum than in the past. However, the sole purpose of this Bill is to appropriate the entertainments tax to Consolidated Revenue instead of to hospital services, and the latter will receive the £36,000 from patients' fees which has previously gone into Consolidated Revenue. The proposed new arrangement will have the advantage of making the hospitals more self-contained. I move—

That the Bill be now read a second time.

HON. A. LOVEKIN (Metropolitan) [5.24]: Before we get to the Committee stage, the Minister might be good enough to provide us with a schedule of the taxes

in respect of entertainments paid in the several Eastern States. I think they are much higher than they are here.

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

BILL—HOSPITAL FUND.

Second Reading.

Debate resumed from the 20th November.

HON. J. J. HOLMES (North) [5.26]: I intend to oppose the Bill. I think health and hospitals should be the first charges on the general revenue of the State; certainly the care of the indigent sick should come first, and the people of the State should not be subject to this special tax. The health of the community should be the first charge on the Government, whether from a humane standpoint or from a financial standpoint. The Commonwealth Government, in their wisdom, decided upon the maternity bonus of £5. Certainly they borrow the money with which to pay the bonus, and then they get it back by way of a sales tax.

Hon. Sir William Lathlain: Do they sell the baby?

Hon. J. J. HOLMES: No, but they charge a sales tax on the sale of the baby's clothes as the mother soon begins to realise, and so it is not very long before the Commonwealth get their £5 back again. Certainly hospitals should be the first charge upon the general revenue, and there should not be any special Bill such as this. Apart from anything else, it is a dangerous innovation. If we are to have a special tax for hospitals, why not a special tax for gaols, a special tax for police, or a special tax for education? If we are to go on passing taxes like this, we certainly must have a tax for the maintenance of the lunatic asylum, because several of us will be justified in looking for a home down there if we persist in taxing the people in this fashion. So many taxes are there that we do not know where we are. To begin with we have the Federal land tax and the State land tax, the Federal income tax and the State income tax. Then there are road board taxes, which include a health rate. The rate is imposed in outlying localities 50 miles away from the road board centre, and with not even a bush track running to the area for which the charge is levied. There

we have municipal taxes and water rates and sewerage rates and two vermin taxes. Put them together, and we soon realise why it is the country is languishing and our industries not paying, nor likely to pay. And now it is proposed to levy this tax for hospitals, when hospitals, I claim, should be the first charge upon the State revenue. If the Bill be passed, it will not serve to improve the financial position of the hospitals very much, although certainly it will improve the position of the Treasury.

Hon. E. H. H. Hall: Is not that desirable?

Hon. J. J. HOLMES: If it is desirable to improve the position of the Treasury, let the Government say so in a straightforward way, and amend the Assessment Act so as to catch everybody. They should not set about it by establishing a special department. The Minister tells us that under the entertainments tax £37,000, which used to go to hospitals, will go to the Treasury. We know what the community is from the standpoint of amusement. People will go on attending amusements and paying the amusement tax. As a set-off against that the Treasury proposes, in lieu of the £37,000 the hospitals were getting, to hand over any sum that might be collected from any of the hospital patients. If I had the choice of the £37,000 from the entertainments tax, and any moneys that the patients might subsequently pay, I would do as the Treasurer has done, namely, pay no regard to the hospitals, allow them to get what they can out of the patients, and take the entertainments tax. Free treatment is to be given to every married person with dependants in receipt of less than £230 a year, and to single men in receipt of less than £150 a year.

Hon. H. Stewart: Because they contribute 30s. a year.

Hon. J. J. HOLMES: Anyone in a permanent position receiving £230 a year, or a single man permanently receiving £150 a year, is better off than tens of thousands of others in the community. Hitherto any patient who could pay has been made to pay. If a single man in receipt of £2 10s. a week goes into hospital, the authorities, after due inquiry as to his position, keep on at him until they get something out of him. Under this Bill such people will receive free treatment.

Hon. H. Stewart: We can strike out the clause.

Hon. J. J. HOLMES: Either the Bill will have to be defeated or considerably amended. The young man who is in receipt of £150 a year is better off than 90 per cent. of the community, and yet he is to be exempt. Last year's charge on general revenue for hospitals was £104,000. The estimated revenue under this Bill is £156,000. As far as I can make out the incomes of the people are a diminishing asset. If the £156,000 were raised, the difference in favour of the hospitals compared with the £104,000 would be £52,000, but the result is problematical. It is proposed to set up another department which will be chasing people from Wyndham to Esperance. Every household will have to be inspected, because provision is made for such inspection. If a person employs one servant and pays that servant £1 a week or 25s. a week with board, an inspector must visit the house to see if the taxing stamp has been properly affixed to the receipt. Where the business will end I do not know. The only fair thing to do is to amend the Assessment Act and tax people by that means. Let exemptions be reduced. Everyone should pay. This Bill goes at the subject in a back-handed way. It seeks to create a new department, and the result may be that the hospitals will be worse off this year than they were last year. Everyone in receipt of over £1 a week will have to pay the tax. If a person receives very low wages, but gets his or her board that is worth £1 a week, that person also will pay. The tax is 1½d. in the pound. The employer is to be made responsible for the collection of the tax by means of a stamp, and a Government inspector will come round to see that the stamp is properly affixed. The first charge upon the revenue derived under the Bill will be the cost of administration, as certified to by the Minister. We have had a good deal to do with the adjustment of accounts. I do not suggest this would happen, but it would be an easy matter for the Minister to certify to charges for all manner of things. The Minister's decision will be final. Whatever he certifies to will be a first charge upon the revenue derived under the Bill. Here is another interesting feature. Under the Land and Income Tax Assessment Act, a man pays within 30 days, but under this Bill payment must be made within seven days.

I presume if both taxes were collected under the Assessment Act everything would be done at the one time. Under the Bill, however, it is proposed to set up a special assessment, and the money must be paid in seven days. How a man at Wyndham or at Esperance is to get his notice in less than a month and yet be obliged to pay within seven days, I do not know. No one seems to have inquired about that. If at the end of the year a man is found to have paid when he need not have paid, he can demand a refund. We can imagine that an army of clerks will be employed to decide whether this or that man should have paid 1½d. a week or not. All these things will become a first charge upon the revenue. A contractor may be employing men at road-making or clearing or other similar work. Anything he pays his men will be chargeable at the rate of 1½d. in the pound, but a deduction can be made for tools, shovels, axes, etc. Who is to make the deduction, and how will it be arrived at? The Bill does not deal with that point. Here is another opportunity to build up a new department in order to control this fund. The whole position could be dealt with by amending the Assessment Act and bringing in a lot of those people who are now exempt. It will be seen from the taxation returns how few people in this great State pay any income tax. They represent merely a handful. It is through that channel that additional funds could be raised and paid into Consolidated revenue, and the indigent and sick could then be a charge upon the general revenue. The Minister referred to what the mining community have done, and to what Millars Timber and Trading Company and other concerns have done. These concerns established a fund of their own, which was contributed to by the employers and employees. All those employees will become a charge upon the hospitals of the State. They can hardly be expected to go on contributing to their fund in face of this special tax.

Hon. H. Stewart: The contributions were made for the doctors where there were no hospitals.

Hon. J. J. HOLMES: The hon. member is speaking of one instance.

Hon. H. Stewart: I am speaking of many instances.

Hon. J. J. HOLMES: In many cases the contributions were for hospital maintenance, and in other cases for doctors.

Hon. E. H. Harris: In some places it is a condition of employment that men shall contribute to the hospital fund.

Hon. J. J. HOLMES: It would not be equitable to say to those people that in addition to keeping up the voluntary contributions they must also pay the 1½d. tax, otherwise they will not receive employment. If the tax is imposed the voluntary contributions will disappear, and everyone will automatically become a charge upon the State. The Minister laid stress on the fact that the hospitals in the metropolitan area were urgently in need of assistance. I should like him to define what a Government hospital is. Are all such institutions in the country that are partially supported by the Government to participate in the fund? There are numerous other institutions that require to be thought of. The Home of Peace is one of these. That is correctly named, because it is the home of peace for many indigent and destitute people, whose last days are made as happy as possible in the circumstances. That institution is carried on by voluntary subscription. How will it be carried on if this Bill becomes law? Are people to be expected to subscribe to all these funds and yet pay the 1½d. in the pound tax? When everybody was affluent, some people could have paid both; but I am sure that in present circumstances nobody will or can pay both. It is the duty of the Government to make the care of the indigent sick a first charge upon the general revenue of the State, and let the other institutions have a chance to get voluntary assistance such as they obtained in the past. Under the Bill—and this may be equity, but to me it does not appear so because it is getting back on the thrifty again—the interest on all investments of such companies as the A.M.P. is to be taxed at the rate of 1½d. in the pound. That does not matter to the companies, because they will deduct the taxation from their profits. It is the policy holders who will suffer. Thus the Bill gets back on the policy holders, who are trying to build up something for those coming after them. Another point is that under the Bill, no matter how urgent a case may be, no one will be able to get into a hospital without a certificate that he is entitled to go there.

Hitherto hospitals have taken a sporting chance, and if a man came along who was ill, he was taken in. When he got better, he was asked to pay for his sustenance. Under the Bill, a man cannot be admitted without a certificate. If it is one of his dependants that is to be admitted, the dependant cannot be admitted without a sworn affidavit. A man with a sick child is to run around looking for a commissioner for affidavits! All these things are piled up in order to create a new department, whereas the whole thing could be done by an amendment of the existing regulations. The fund is to subsidise any public hospital, and I have been trying to find out what a public hospital is. Take the hospital at Roebourne, in my Province. That was a semi-Government hospital, but it is leased now to a properly qualified matron. Will that be a public hospital? Will the poor people in the North have to pay 1½d. in the pound—goodness knows they are up against it now—and have to pay hospital fees as well? That does not seem to me equitable at all. I am much perturbed as to what a public hospital is. I have been told—if the information is wrong no doubt the Minister will correct it—that there are only half a dozen public hospitals in the State, all other institutions of the kind coming under a different heading. If the fund that is to be collected from Wyndham to Eucla is intended to be divided among half a dozen public hospitals while other institutions are to scramble for themselves, I do not think this House will regard the proposition as equitable. After subsidising public hospitals, the Government can provide them with equipment. The public hospital aspect is stressed right through the Bill. Apparently public hospitals like those at Perth, Fremantle, Kalgoorlie and Geraldton, and one or two other places, are to derive all the benefits under the Bill, while everybody else is to pay up and look pleasant. Again I say the proposition does not seem to me equitable. In the absence of any evidence to the contrary, I shall vote against the second reading of the Bill.

HON. W. H. KITSON (West) [5.51]: For many years the question of hospital finance has caused much trouble both to Governments and to private persons. Attempts have been made over a long period to relieve the financial position of hospitals

throughout the State, but to-day we find the position as bad as ever it was. Indeed, I think it is worse. Financially there is not a hospital in this State making headway to-day. Consequently the Government are faced with the necessity of revising ways and means by which money can be provided for the hospitals in the metropolitan area and also for hospitals in country districts. The past efforts of various Governments have been on lines of taxation somewhat similar to that which the present Bill proposes. In 1903 a Bill was introduced to provide special taxation for hospitals without giving any special benefit in return. That measure was defeated. The last Government made two attempts to pass a Bill on somewhat similar lines, and in 1928 I had the privilege of introducing a measure providing for the taxation of the people on practically the same lines as this Bill proposes. After considerable discussion the House decided that it was necessary to refer the measure to a select committee. I regret sincerely that we have not the assistance of the late Dr. Saw in connection with this Bill, because that gentleman took a great interest in all matters pertaining to hospitals. I consider that his services were particularly valuable in connection with the previous Bill. Mainly as the result of the efforts of Dr. Saw and of Mr. Lovekin, the select committee made a report recommending two things—firstly that the collection of the tax should be separate from the administration of the tax, and secondly that all references to private hospitals which were included in the Bill should be deleted. I think that is a fair statement of the select committee's recommendations. The measure in question provided for a tax of 1½d. in the pound just as the Bill does, and it also provided that every person who contributed was entitled to a benefit, namely, the payment of 6s. per day to the particular hospital of which he might be an inmate when requiring hospital treatment. That is the essential difference between the present Bill and the previous Government's Bill. The Collier Government were not prepared to agree to the select committee's recommendation that there should be no payment of 6s. per day for maintenance in private hospitals.

Hon. A. Lovekin: You agreed to accept that at the finish.

Hon. W. H. KITSON: The Leader of the House, when introducing this Bill, made it perfectly clear that there is need for additional finance for hospital services throughout the State. He stressed the fact that there had been an increase in the number of hospitals, and in the average number of beds occupied. When we examine the measure as it comes here, we find that the Government are not likely to get any additional revenue for hospitals as compared with what the institutions received last year. Mr. Holmes mentioned the sum of £52,000 as additional funds available for the hospitals.

Hon. G. W. Miles: That is for the balance of this year.

Hon. W. H. KITSON: Even if the most optimistic forecasts of the Government are realised, there will not be anything like £52,000 additional available for the hospitals.

Hon. J. J. Holmes: I agree with you.

Hon. W. H. KITSON: The Minister himself, when moving the second reading of the Bill, said there would possibly be £18,000 or £20,000 available. His actual words were—

Inevitably the hospital tax, which is to be payable by everyone, will have a reflex action on the amounts collected by way of subscriptions and donations, and through various special efforts that are usually made. Last year the total amount received by hospitals from all those sources was about £27,000. A good deal of that amount will probably not come to hand in the future, but some of it will, so that it is estimated with the reduced income owing to the existing financial circumstances, there will be an immediate gain to hospitals of somewhere in the region of £18,000 to £20,000 per annum.

The Minister was extremely optimistic when giving those figures. It must be remembered that we have three kinds of hospitals—public hospitals, comprising the Perth, the Fremantle, and the Children's Hospital; Government hospitals supported by the Government in various parts of the State; and committee hospitals, which are supported almost entirely through the efforts of local committees who raise money by all manner of means.

Hon. J. J. Holmes: And this fund is to be for public hospitals.

Hon. W. H. KITSON: I think it will be found that each of those three types comes within the definition of public hospi-

tal under the Bill. It is a fact that the Perth Hospital is going behind to the extent of £600 or £700 per month. The Fremantle Hospital, I understand, this year will have a deficit of close on £5,000. Over a period of years a very large amount of money has been raised by the people of Fremantle themselves for the upkeep of that hospital. In 1926 they contributed £4,780; in 1927, £3,720; in 1928, £4,517; in 1929, £4,598; and in 1930, £4,435.

Hon. A. Lovekin: That is a very creditable record.

Hon. W. H. KITSON: That represents money raised by the people in the Fremantle district to support the Fremantle Hospital. In view of the fact that the great majority of the people in that district are not now in regular employment that brings them in more than the basic wage, that result will not be expected in the future. The majority of them, particularly those associated with waterside work, do not earn the basic wage throughout the year, yet they are the people who have contributed the greater proportion of the money I have indicated. When they are taxed to the extent of 1½d. in the pound on all they earn, those people will contend that that is as far as they can go in contributing towards the upkeep of the hospital. It will not be possible for them to contribute, as they did in the past, sums varying up to 2s. 6d., corresponding to the amount they earned during any particular week. In these circumstances, the Fremantle Hospital will lose extensively should the Bill become law. Then there is the Children's Hospital. We know the serious financial straits that institution is in at present. If there is one hospital that deserves all possible assistance, it is the Children's Hospital.

Hon. Members: Hear, hear!

Hon. W. H. KITSON: Regarding country hospitals, particularly the committee-run institutions, is it likely that the local people will be as enthusiastic in the future as they were in the past, unless they are to secure some return to their hospitals from the fund to be established under the Bill? Will those people contribute anything from 1s. to 2s. per week in future as in the past, if they are to pay a special tax of 1½d. in the pound on all their earnings? It is not to be expected that they will do so. That means that the country hospitals will be in a less

satisfactory position. Even if the fund reaches the total the Minister indicated, I do not know how it will be possible for those institutions to be carried on as in the past.

Hon. J. Nicholson: Will the Children's Hospital come within the scope of the Bill?

Hon. W. H. KITSON: Yes, but the Bill does not say just to what extent. It is a public hospital and will be entitled to a certain amount from the fund, but we are left in the dark as to how much it will be entitled to. It will be left to someone else to decide.

Hon. J. J. Holmes: Is a committee-run hospital a public hospital?

Hon. W. H. KITSON: I believe it will be classed as a public hospital within the meaning of the Bill, but the measure does not say how much the Government shall contribute towards such an institution. Consequently, people will be expected to carry on in the future as in the past, and raise money by any means at their disposal. Again, I say that it cannot be expected that if people are taxed to the extent of $1\frac{1}{2}$ d. in the pound on what they earn, they will be as enthusiastic in the support of their hospitals as they were previously. The Minister said there was little difference between the present Bill and an earlier measure to which I have referred. If we look at the number of clauses that are different, it must be admitted that there is little difference, but such differences as there are, amount, from my point of view, to considerations that are absolutely vital. I cannot see any justification for a special tax, unless a special benefit is provided as a result of that tax. I agree with others, particularly Mr. Holmes, when he says that the indigent sick of the community should be a first charge on the revenue of the Government. On the other hand, if we have a special tax imposed for a special purpose, more particularly for one such as is dealt with in the Bill, we must be prepared to give those who contribute the tax some benefit in return. The previous Bill that we dealt with under this heading did make that provision. It was estimated under the Labour Government's Bill that sufficient funds would be raised not only for the payment of 6s. per day for hospital treatment for those who contributed to the fund, but that an adequate margin would be left from which improvements could be made

to existing hospitals, to build other hospitals and to provide intermediate wards. When the Bill was discussed in 1928, the proposal for intermediate wards gave rise to considerable debate. The late Dr. Saw used convincing arguments that satisfied me that one of the most urgent phases of hospital work was the provision of intermediate wards in connection with the existing institutions and for the erection of an intermediate hospital as soon as possible. Nothing of that description will be done if we agree to the Bill now before us. Its effect will simply be to relieve the Treasury from the payment of at least £100,000 per annum. Last year the Treasury found £104,000, and prior to that the contribution was something like £90,000. It stands to the credit of the Labour Government that they decided, if their hospital legislation had been agreed to, that they would not reduce the amount of money paid from Consolidated Revenue for hospital purposes. In other words, the amount paid by the Treasury for that purpose was to be stabilised at approximately £90,000 per annum, and that would have been in addition to the revenue derived from the hospital tax. This time the Minister has been perfectly candid and has admitted that the hospital tax will relieve Consolidated Revenue. He has freely admitted that although £156,000 would be received from the people under the provisions of the Bill, £104,000, which had previously been provided by the Government, would not be payable in future and that the Treasury would benefit to that extent. I wish to refer to another point made by Mr. Holmes when he mentioned the entertainments tax in relation to the fees paid by patients and moneys received from other sources. What Mr. Holmes said was perfectly correct. What the Government desire to do under the Bill is to substitute what must be a diminishing amount of money for an amount that must necessarily increase. They desire that the larger amount shall go to the Treasury and the smaller amount to the hospital fund. Is it to be expected that people who are only partly employed at the present time, will be able to contribute as much as in the past to voluntary efforts launched from time to time in the future, should the Bill become law? It cannot be expected of them. I understand we are to have submitted to us a Bill to increase the enter-

tainments tax in order to provide more money for the Government. I believe it is estimated that the increased taxation under that heading will bring to the Treasury about £20,000 additional funds.

Hon. E. H. Harris: More money for the hospitals?

Hon. W. H. KITSON: No, for the Treasury. As hon. members are aware, receipts from the entertainments tax have been earmarked until the present time for the hospitals of the State. Now the Government intend to amend and increase that tax. In effect, they say, "We will so amend the Bill that there will be no need to spend money on behalf of the hospitals and, while doing that, we will increase the entertainments tax so as to bring in an additional £20,000."

Hon. J. J. Holmes: Yes, for the Treasury.

Hon. W. H. KITSON: That is so. Then the Government say that in exchange they will give to the hospital fund the fees that the patients will pay during the year for hospital treatment. The Bill provides for free treatment for certain persons who are entitled to it, namely, those who receive less than £230 per annum, who are married and have dependants—Mr. Holmes mentioned £320, but I think he misquoted the actual figures—and also single men and women who receive less than £156 a year. I do not think that proposal is as fair as it could be. There may be married men in receipt of an income of £230 a year who have no other responsibilities. There may be other married men in receipt of £240 or £250 a year, who have quite a large number of children or dependants. The men in the latter class receive no benefit under the Bill as compared with the other type of married men. That is distinctly unfair. Then there is the collection of the tax. While I agree it may be difficult to deal with exemptions, at the same time it should be possible for the Government to so amend the Bill that it would not be necessary, for instance, to tax those people who are earning very small wages at present. There are people who have not earned £10 this year. They are now receiving sustenance from the Government, or are being assisted by means of work provided through the local authorities. That work is contributed to by the Government who pay the amount that the men employed would be entitled to for sustenance,

and the local authorities contribute the difference between that amount and the money the men earn. In some instances, those men are receiving one day's work each week, while others are getting 1½ days' work. Because those men are paid by the local authorities for the work they do, the Government now propose that the men shall pay 1½d. in the pound as a hospital tax. Surely we can overcome that difficulty by some means. I know the Bill provides that if a person is not in receipt of £52 a year, he shall be exempt, and if he has paid anything during the year he will receive a refund. I am sure that refund will be welcome to many people who may have paid out money under that heading.

Hon. J. J. Holmes: The deduction will be made every week when they get paid.

Hon. W. H. KITSON: Yes. At Fremantle to-day, the wages paid on certain relief work amount to 16s. 9d. a day. If a man employed there gets one day's work in a week, he will have to pay 1½d. out of the 16s. 9d. he will receive. The Bill provides that if the amount paid is more than 15s., and yet under £1, the amount shall be regarded as £1 and the man will have to pay the full tax of 1½d. That is not right. Surely we can get over that difficulty too. People in that position are being paid at a higher rate than £52 a year, and therefore will be called upon to pay the tax.

Hon. H. Seddon: How do you make that out?

Hon. W. H. KITSON: You read the Bill.

Hon. H. Seddon: You said the man received 16s. 9d. for one day's work a week.

Hon. W. H. KITSON: Yes, and that is payment at a higher rate than £52 a year. That being so, that individual will be called upon to pay the tax, and I say it is most unfair. On the other hand, there are persons who receive rations from the Government and I understand they will not be called upon to pay the tax although they may receive the same amount in value as the other man receives for work done. Surely some different provision than that should be made. The Minister said that that was strictly in accordance with what appeared in the Labour Government's Bill. I do not think it is strictly in accordance with the provisions of the earlier Bill, but if it were, I am sure that had there been reference to the point at the time, an effort would have been made to amend our Bill so as to obviate any such unfairness.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. W. H. KITSON: I was explaining my opinion of the incidence of this taxation in that all members of the community would be taxed at the rate of $1\frac{1}{2}$ d. in the £1, but that the benefits would be confined to married persons receiving £230 per annum or under and to single persons receiving £126 or under. Those people at present are entitled to and receive free treatment in the hospitals of the metropolitan area. If this Bill becomes law, all the hospitals in the State will be called upon to receive patients free of charge provided that if they are married they are earning £230 or under and if single £126 or under. The Bill will impose quite a big hardship, particularly on the committee hospitals. They will be compelled to admit patients and will not be able to make any charge, and the Bill does not provide that they will receive any benefit from the hospital fund. Therefore, in those instances, committees will have to provide funds as usual, and residents of the district will be taxed at the rate of $1\frac{1}{2}$ d. in the £1 while their hospitals will be called upon to give free treatment without receiving any benefit from the fund. The Bill certainly does not provide that they shall receive any benefit from the fund. The Minister, in moving the second reading, laid great stress on the necessity for placing the finances of the hospitals on a firm footing. His words were—

Therefore the present Bill is designed primarily to place the hospitals on a firm financial footing now and in the future.

Then he went on to say—

At the present time the patients' fees collected by the Medical Department—approximately £36,000 last year—become ordinary governmental revenue and pass into the Treasury. On the other hand, proceeds of the entertainments tax, which amounted to £37,137 last year, are earmarked for hospital purposes. In order to place hospital finance in an independent position, it is proposed to amend the Entertainments Tax Act to provide that the proceeds of that tax shall pass into the Treasury, and to offset that loss, it is proposed that the patients' fees collected by the hospitals managed by the Medical Department shall be paid into the hospital fund.

In order to place hospital finance in an independent position it is proposed to amend the Entertainments Tax Act! It is rather strange to attempt to improve the position

by transferring to the Treasury an amount which has usually gone to the hospitals, and then to introduce another Bill to provide for an increase of taxation and substitute it for the amount previously received from patients, which in future must necessarily be considerably less. There is only one good feature about the Bill and that is the Treasurer will be relieved of a certain amount of worry. Whereas in the past he has had to provide a large sum of money, gradually increasing until last year it reached £104,000, he will now be relieved of any responsibility whatever. Although the people who subscribe $1\frac{1}{2}$ d. in the £1 will contribute approximately £156,000 per annum, the hospitals, on the showing of the Minister and under the best conditions, cannot possibly benefit to a greater extent than £18,000 to £20,000. Personally I do not think they will benefit to the extent of £1. In addition, such hospitals as that at Fremantle and the committee hospitals will suffer severe losses because of the fact that people, being taxed to that extent, will say that is their contribution to the hospitals and they are not prepared to contribute any more. There is no need to stress other points that have already been mentioned. I believe that a hospital fund Bill on the lines recommended by the select committee in 1928 would be a most equitable measure and would meet with the approval of most people in the State. The 1928 measure provided that every contributor should be entitled to benefit under the scheme. Therefore one could say with all sincerity that it was an equitable measure, provided the hospital accommodation was available to give treatment to those who fell sick. I mentioned earlier in my speech that the late Dr. Saw had taken a great interest in this matter. During the tea adjournment I looked up the "Hansard" reports of the debates, and was struck with a few remarks made by that gentleman, which I shall quote. According to "Hansard," 1928, page 2553, he said—

The maintenance of the people's health is one of the first duties of government.

Every member will agree with that. On page 2558 he is reported as having said—

One of the great advantages of this measure is that it provides a system of insurance whereby provision is made in the hour of sickness for those who contribute compulsorily to the funds. That is only a right provision and it is to be commended.

That is a sentiment with which this House was quite in accord at the time, and it seems to me that, to be consistent, this House cannot possibly agree to the measure before us unless it be materially amended. According to the reports of proceedings in another place, I imagine the Government are not prepared to accept any amendments to the Bill as it appears before us. During the election campaign the Leader of the Government proclaimed that, if returned to power, he would not increase taxation but would reduce it. Viewing the whole of the facts, I do not care to use a strong term, but I must say that it is nothing more or less than hypocrisy to claim that this Bill will assist to provide additional hospital facilities or even produce the same amount of money for the hospital service. The Government have introduced in another place no fewer than eight taxation measures, and on their own estimate the additional sum of money expected from those measures is no less than £311,000. I consider that that sum is an under-estimate, and I venture the assertion that if all their taxation proposals become law they will receive not less than £400,000.

Hon. E. H. H. Hall: They will need it all.

Hon. W. H. KITSON: They may, but the Government should be honest. The object of the Bill is said to be to provide better facilities for hospitals, but all it will do will be to relieve the Treasurer of his responsibilities in that direction. Even if the estimated amount of money be collected, the sum that the hospitals will benefit by, on the Minister's showing, will be only £18,000. During the next year or two there will be a bigger demand than ever on our hospitals. We cannot expect to escape it. People who only a little time ago would not have gone into a public hospital, but would have gone to a private hospital, or received treatment in their own homes, will find it necessary to seek admission to public hospitals, and expenditure on that account alone must be considerably higher than it has been in the past. If the Bill reaches the Committee stage, I shall have something to say regarding several of the clauses. For the moment, I content myself with protesting against a Bill of this kind being introduced with the idea of convincing people that the hospitals will benefit from it. In my opinion they will not benefit

to any great extent, if at all. Therefore I shall oppose the second reading.

HON. H. STEWART (South-East) [7.43]: I support the second reading. It seems to me that some members fail to realise the difficult conditions confronting the Government and the agreement arrived at by State and Federal Governments to endeavour to balance their ledgers. It is quite illogical for Mr. Kitson to contend that when money is so badly needed, even this step should not be taken. Revenue must be raised if the Treasurer is going to live up to the undertaking given by all the representatives at the Premiers' Conference, regardless of their political complexion.

Hon. W. H. Kitson: Then why not be honest about it?

Hon. H. STEWART: I fail to see where there has been any lack of honesty. The hon. member should read the remarks of the Leader of the House in moving the second reading of the Bill. He did not camouflage the position; he explained what the revenue would be. The Minister for Health in another place also made the position perfectly clear. I join with Mr. Holmes in expressing dissatisfaction with the steps taken by the Government to raise sufficient revenue from various sources to enable them to fulfil the undertaking given at the Premiers' Conference. That is no reason, to my mind at any rate, why we should support the Government in trying to get all sections of the community to bear some of the burden to meet the difficult times with which we are faced. I do not intend to deal with the Bill in detail; that can be done in Committee, but I do not think that the exemptions provided for, particularly for single people in receipt of an income of £156 per annum, are uncalled for in the present times of stress. The only other point to which I need refer is with regard to Mr. Holmes' definition of public hospitals. The definition appears in the Hospitals Act, 1927, and it is referred to in this Bill so that the two may be read together. The definition is—

"Public hospital" includes (subject to the exceptions hereinafter mentioned) any institution founded or maintained (whether wholly or partly by or under governmental authority or otherwise howsoever) for the reception, treatment and cure of persons suffering from disease or injury, or in need of medical or surgical treatment or assistance, whether the

treatment or assistance afforded by the institution is wholly or partly gratuitous or otherwise.

The definition also includes this—

The expression "public hospital" also includes a maternity home and any convalescent which is part or a branch of a public hospital; but it does not include any hospital, maternity home or convalescent home carried on for the purpose of private gain or any philanthropic institution carried on without any Government subsidy.

Section 33 of the Hospitals Act, which is referred to in the Bill before us, in dealing with the benefits to contributors, provides that the cost of relief given at the hospital shall constitute a debt which shall be recoverable by action in any court of competent jurisdiction. It is generally known that hospitals do not collect as much as they should, and consequently I fail to see that there would be any hardship in eliminating from the Bill Clause 11, which practically removes the power of the hospitals to make a charge against people entering hospitals. Paragraph (a) of that clause sets out that notwithstanding the provisions of Section 33 of the Act, every married person contributing under the Act who satisfactorily proves that he or she is in receipt of income totalling less than £230 during the 12 months preceding admission shall be exempt from liability. The next paragraph sets out that every single person who satisfactorily proves that he is in receipt of less than £156 during the 12 months preceding admission shall also be exempt. People should realise their responsibilities, and my view is that, whatever one's income may be, it is not necessary always to live up to it. I speak as one who has been through it, and my view is that an individual who has obligations can always meet them if he desires to do so. It is merely a question of thrift and self-denial. More particularly as the cost of living is coming down there is no necessity to retain in the Bill that exemption which will prevent hospitals from claiming the cost of the relief they have given to patients. In recent years I have known people who, having come under a provision such as this, while not then having been able to meet their obligations, did not hesitate to do so as soon as they were able. The position might well be left as it is. We know that the hospitals have experienced difficulty in collecting moneys due

to them, and if people realise that charges will be made, there are many who will preserve their spirit of independence, which is a great asset, and will honour their obligations.

On motion by Hon. J. M. Drew, debate adjourned.

BILL—COMPANIES ACT FURTHER AMENDMENT.

Second Reading.

Debate resumed from the 20th November.

HON. J. M. MACFARLANE (Metropolitan-Suburban) [7.53]: The Bill is certainly very short, but it contains two surprises. The first I received was when the Minister told the House that only last session an amendment of the Companies Act was made to prevent people using the word "co-operative" unless they complied with certain conditions. Now we find that within a short 12 months the House is asked to amend the Act again so as to give permission to two companies to subscribe to the conditions as set down and to work under a partnership and still use the word "co-operative." Naturally I expected the Leader of the House to give us an assurance that the position of the two companies had been investigated and that it had been shown that they did deserve the right to be able to use the word "co-operative" in connection with their operations. [The second surprise I got was the fact that the Minister did not elaborate on the position at all. The matter was not investigated to see whether the articles and memorandum of association had been altered in any way so as to give us an assurance that there was no violation of last year's intention to tighten up the Act. Apparently the House was content to let the matter go by default rather than make any inquiries as to why the condition of affairs sought was to be brought about. The statement was made by the Minister that the arrangement between the companies concerned would be in the best interests of the industry, and that it was to avoid waste and over-capitalisation. These are laudable desires for the company to aspire to, but there was nothing said about any investigation having been made to prove that the conditions that were being asked for would bring

about what was expected. As a matter of fact when the meeting was called to ratify the arrangement, there was some opposition to it on the ground that it was not in the best interests of the industry, and that it did contain an element of danger so far as the industry was concerned. The House is naturally anxious to know why it was that some sort of assurance was not given that the Companies Act would not be violated. The facts that I have just related must have been known to the Leader of the House, and I naturally expected that he would have given the House reasons for loosening what the House last session endeavoured to tighten up. I do not intend to oppose the motion, but these are my views in connection with the matter.

HON. H. STEWART (South-East) [7.57]: I regret I was not here when the second reading was moved, but I infer from the Bill, although it does not mention the names of the co-operative companies, that it provides for two of these companies to enter into a partnership. The Leader of the House mentioned the name of the companies when introducing the Bill—the South-West Co-Operative Products Limited and the Westralian Farmers Limited. The latter we know is a co-operative concern and will register or has registered under the Companies Act as amended to provide for the use of the word “co-operative.” If this is some subterfuge which will enable any company to evade the spirit of the amendment that was passed last session, the Council will be ill-advised to pass it; but if it is simply providing something which has been overlooked in the Companies Act, surely there is no need to prevent those two companies from entering into a partnership. But I do think more information might be given us by the Minister than was contained in his second reading speech. I hope that before he replies to the debate he will get more definite information as to what is the actual position, and explain to us the precise necessity for the Bill.

HON. E. ROSE (South-West) [8.1]: I will support the Bill. Apparently an error crept into the measure we passed last year. This Bill is for the purpose of allowing these two companies to enter into a partnership under the one management as a co-operative company. Under the Bill

of last session they would not be permitted to call themselves co-operative, although all their profits are divided up amongst the suppliers of cream. The two companies will now work together, whereas previously they were operating in opposition to each other. By working under the one management they will save a lot of overhead expenses, the administration charges will be much lower, and altogether the partnership will be of great benefit to the suppliers of cream.

Hon. H. Stewart: Is the Bunbury Butter Company registered as a co-operative company?

Hon. E. ROSE: The two companies being now in partnership, will be registered as one. I wish to correct Mr. Macfarlane's statement that since the partnership two other companies have sprung up. It is true that one company has started since, but the other started last year, long before the arrangement for the partnership between those two other companies were finalised. However, that has nothing to do with the Bill before us.

Hon. H. Stewart: Is the Bunbury Butter Company registered as a co-operative company under the amended Act?

Hon. E. ROSE: No. They could not come under that Act, but the Bill will give them power to register as a co-operative company. I think the Bill will be for the benefit of all concerned, so I will support it.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East—in reply) [8.4]: The Bill is not for the benefit of those two companies alone, but is to meet any future position that might arise. Those two companies were prepared to join together, but when they were arriving at an arrangement for the partnership it was found they could not do so under the Act and still call themselves a co-operative company. Hence their appeal to the Government, and hence the Bill. Not only in Western Australia, but throughout the Commonwealth we are faced with costs prohibitive to production. The Bill will serve to reduce costs to a large extent. The overhead costs of those two companies will be reduced tremendously. Then the question arises, where will be the benefit of that production go? It will go into the right hands, namely, to the members of the two co-operative companies. It is pleasing to note the amounts that have

been paid out in bonuses recently from the two companies to the producers; that is to say, money over and above the just payment for cream. Those bonuses will be supplemented as a result of the reduced costs consequent upon the partnership between the two companies. While those companies were working in opposition to each other, their individual costs were very high. The Bill will be of great benefit to the producers, the shareholders in those two companies, and will also be of immense benefit to the State through helping to build up the dairying industry.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

BILL—STAMP ACT AMENDMENT (No. 2).

Second Reading—defeated.

Debate resumed from the 20th November.

HON. E. H. HARRIS (North-East) [8.10]: This is the third Stamp Act Amendment Bill we have had before us this session. If there are any others to come along, I think it would be very appropriate to group them under the heading of "Vexatious legislation." From my reading of the Bill, I suggest it will serve to manufacture sweep promoters. At present there is nobody to authorise the conducting of sweeps, for they are illegal. In bringing down a measure like this the Government are practically saying they will permit the Commissioner of Police to wink at sweeps in future, irrespective of the purposes for which those sweeps might be promoted, and regardless of whether five, ten, or ninety per cent. of the proceeds is to be applied to the legitimate purpose of the sweep, or whether the promoters may get half the proceeds for themselves. If one may judge from the remarks made to-day on the Hospital Fund Bill, we shall probably have a number of hospital sweeps in addition to the many other sweeps that will be conducted. When the Queensland Government introduced the Golden Casket sweeps, many people were amazed to find in all the factories, particu-

larly on pay days, the youth of the country appealing to the sentiment of the wage earners to purchase tickets on the ground that the profits would go to the hospitals and charitable institutions. The result was that large numbers of tickets were pushed under the very noses of the wage earners. Immediately we allow sweeps to be conducted with the sanction of the Government—and the sweep tickets by the way are going to be embossed, and there will be a tax on them—we shall be inviting a large number of the unemployed and a large number of children to gather at every street corner with the object of selling tickets in one or more of the many sweeps that will be conducted. By legislation we prohibit children below a certain age from appearing on the stage or from working in factories.

Hon. J. Cornell: Under the Criminal Code sweeps are prohibited.

Hon. E. H. HARRIS: I know. We restrain children from following certain avocations, but apparently they will be equally free with adults to engage in the sale of sweep tickets when the sweep is sanctioned by the Government. In consequence we shall have an army of children travelling from door to door in order to earn a few honest shillings by the sale of sweep tickets.

Hon. J. M. Macfarlane: And the newsboys also.

Hon. E. H. HARRIS: I suppose so. As has been said on previous occasions, when complaints were made of the many sweeps that were being conducted in the metropolitan area a couple of years ago—as Mr. Collier said at that time, they were a perfect nuisance. I was very pleased when the Collier Administration, after permitting sweeps to be conducted for several years, took steps to stamp them out. Ticket sellers disappeared from the streets. Since it has been suggested that legislation is forthcoming to allow sweeps to be conducted, another army has been growing in the streets of Perth. These people ostensibly are selling tickets for an art union associated with unemployment. Those who are out of work should be provided for by a tax on the general public instead of by means of sweeps. Such sweeps as that associated with the South African veterans, the Institute for the Blind, the R.S.L. and others, utilise the major portion of the funds raised, if not the whole lot, for the

purpose for which they are raised. If we look at some of the other sweeps we find that they seem to be launched by professional promoters. If this Bill passes, no doubt requests will reach the Commissioner to stamp tickets for sweeps in remote parts of the State. This will make for centralisation. The promoter, instead of having the tickets printed in the district in which they will be circulated, will have them printed in Perth and stamped in Perth, and then sent out to the district concerned. Subsequently the promoter will hand in the necessary return with an application for a rebate on the unsold tickets. Under proposed Section 107b (7), the number of tickets in a draw shall be deemed to be the number of tickets sold. Why should not the promoters of a sweep produce all the unsold tickets when they seek to collect a rebate? Some years ago we had before us a measure to establish a State sweep. I remember producing a ticket book, out of which some few tickets had been taken. The complaint on that occasion was that a number of tickets which had been sold did not participate in the draw. The tickets were on sale in shop windows when the draw was made, and the purchasers had no chance to draw a prize. I suggest that under this Bill the incentive will be for promoters to dodge the tax on some of the tickets by refraining to put them in. If they are obliged to put in all the unsold tickets, the Government will receive more revenue than they would otherwise get. I hardly think the Government will get very much from the sweeps that are conducted in the Eastern States. The Minister said that the removal of the ban on Tattersall's sweep tickets in Tasmania might create a difficulty in the collection of the tax locally. He then went on to say that if the applicant for tickets used the existing facilities that were provided by the local agents, the tax could readily be collected. I suggest that, whereas through the agents buyers have to pay 6s. 4d. and under the Bill another 9d., a total of 7s. 1d., the average person who wants a ticket will send direct to Tasmania for it or to an agent in the Eastern States, and the Government will derive no revenue from it. The only Government that will get any revenue will be the Federal Government out of the stamps. The Minister said that for the next seven months the estimated revenue from this source was £3,900, but he did not in-

dicade on what that was based. These people do not supply returns to the Government on which a safe calculation could be made as to the number or value of the tickets sold. The figure must be taken for what it is worth. The Bill provides that where the prizes do not exceed £25, the sweep will not be subject to the tax. I presume this means £25 in the aggregate, as representing all the prizes given in the sweep.

Hon. J. Cornell: If you raffle a horse worth over £25 your tickets must be embossed.

Hon. E. H. HARRIS: If a person wanted to run a sweep for £72 in prizes, he could run three separate sweeps for £24 each and avoid paying any tax. In another place it was suggested that tickets up to 1s. in value should escape taxation. If 1s. tickets are to be taxed, people can overcome the difficulty by issuing 6d. tickets. It would be possible to have a sweep worth £100 but divided up into smaller sweeps.

Hon. E. H. Gray: That would be repudiation.

Hon. E. H. HARRIS: It might be termed evasion.

Hon. J. Cornell: Or inflation.

Hon. E. H. HARRIS: I have been wondering how far this measure will go, and what games of chance will come within its scope. I have in mind various "white cities," which are so wrongly named, but which have been conducted in various parts of the State, and particularly on the goldfields where feeling in that direction was very keen. The Bill will not cover "housey-housey," which is a favourite game of the housewife when she wants to run away with her husband's pay on pay day. Guessing competitions would not be embraced by it.

Hon. J. Cornell: What about goose clubs?

Hon. E. H. HARRIS: Everything would depend on the dimension of the club. I have also in mind Calcutta sweeps on the Melbourne Cup. A friend of mine drew Phar Lap in a Calcutta sweep. I therefore looked at the Bill to find out whether such a sweep would be covered by it. I suggest to the Leader of the House that it would be exempt. He says that the definition is a fairly comprehensive one and would cover all sweep tickets. A sweep ticket is a piece of paper which may be hung on the wall. A sweep includes every sweep, art union,

raffle, lottery, or any other scheme or system for the winning of prizes in money or goods by persons purchasing tickets or paying money therein, and in which the winning of prizes depends on the drawing of numbers or symbols indicating the winners of such prizes. In a Calcutta sweep the first thing to do is to draw the horses. That does not entitle the drawer to win the sweep. The horse is then put up to auction and sold to the highest bidder. If Smith were to draw Phar Lap in a Calcutta sweep he would have the same right to bid for it as anyone else. It might fetch £20. Smith, who drew the horse, would receive £10 if he sold it instead of buying it himself. If the Bill did embrace such a sweep, there would be the tickets that were originally sold to be considered. Then there would be the person who received £10, and there would also be the buyer of the horse who paid £20 for it. The remainder of the £20 would, of course, go into the pool. In my opinion the prizes of the sweep would not come within the scope of the Bill. We are also to have another tiddlywinking measure dealing with a tax on winning bets.

Hon. J. Cornell: That is on the way.

Hon. E. H. HARRIS: We have had another one dealing with bookmakers' tickets. What the Government fail to get by one Bill they will certainly get by another. Instead of trying to raise small sums of money in this way, it would be better, as we are hard up, to bring down a general tax affecting everyone in the community. This could be done by means of an additional income tax or a special tax for unemployment, sustenance or some other form of tax.

Hon. J. M. Macfarlane: Why not a poll tax?

Hon. E. H. HARRIS: The hon. member may suggest that if he likes.

Hon. J. Nicholson: Instead of all these different measures?

Hon. E. H. HARRIS: Yes. We have six or eight Bills before us or coming to us, all with the object of raising revenue, and the incidence of each and every one of them is different.

Hon. J. Nicholson: Let us have one comprehensive measure.

Hon. E. H. HARRIS: Yes. I submit that the winning of a Calcutta sweep does not depend on the drawing. If it does, then the Government will get only the man who receives the smaller amount. The idea of

embossed stamps I regard as a good one; but these tickets are not going to be printed elsewhere and then posted to Perth, say from the far North. People up there will not pay aerial postage rates on such matter. As a result, all the printing of tickets will be done in Perth. An agent will be necessary, and the work will be centralised here. Professional sweep promoters will spring up, and there will be a number of persons selling tickets for a living. Such a condition of things would be highly undesirable. I do not say that I will oppose the measure, but I am not in the least enamoured of the Bill or of any legislation of the same nature. Having a statute prohibiting the conduct of sweeps, the Government would do infinitely better to limit permits to four or five sweeps for laudable objects, sweeps of which the total proceeds would be utilised for the purposes for which the sweeps were authorised. Any additional revenue required should be raised in quite a different manner. There is another point, as to sweeps from which no money is deducted. So far as I see, there is nothing to prevent the conducting of sweeps in hotels. We know perfectly well that many sweep tickets are sold in hotels now. There would be nothing to prevent the conducting of sweeps on licensed premises; and I add for the benefit of the Minister, if he does not already know it, that whenever a sweep is conducted by a hotelkeeper there is no deduction, but everything is paid in full, whilst the professional sweep promoter, working in the street for his livelihood—

Hon. E. H. Gray: Sweeps that pay 100 per cent. are not always conducted by hotelkeepers.

Hon. E. H. HARRIS: I shall be surprised if the hon. member can show me more than a few stray sweeps which are conducted by others and from which there is no deduction.

Hon. E. H. Gray: There are numbers of them.

Hon. E. H. HARRIS: I shall be guided by the Minister's reply to the debate as to whether I shall vote for the second reading of the Bill.

HON. G. FRASER (West) [8.34]: I have had only a hurried glance at the Bill; but from what little I know of it as a result of that examination, I certainly cannot support the second reading. If the measure passes, a little of the money that is

now kept in the State will go out of it. At present a person buying a Tattersall's ticket from an agent in Western Australia has to pay 6s. 4d. for it; but under the new system of a tax of 3d. in the half-crown or part thereof, the cost of the ticket will be 7s. 1d. The extra tax will mean that the larger proportion of buyers will apply direct to Tattersall's in Tasmania, especially now that the postal ban has been lifted. It may be asked why buyers do not at present write to Tasmania. Even if a buyer goes to the trouble of writing, the cost of the ticket is 6s. 3d.—5s. 6d. for the ticket itself, 6d. for postage, and 3d. for a postal note. The saving to-day, therefore, would be only 1d. per ticket. The proposed tax, however, will increase the cost of a ticket purchased here to 7s. 1d., a difference of 9d., which is worth considering. The larger agencies give a certain amount of work in the matter of printing forms, and also in employing clerks. I know there are not many promoters here, but there are some. Should the Bill pass, most likely a number of men will lose their employment. I took the trouble to-day to obtain information as to the difference in the sale of tickets now and what it was some months ago, when the price was 6s. 3d. About three months ago the price was raised to 6s. 4d. That difference of 1d. has made a considerable difference in the sales of one particular agency. During three weeks in June of this year the sales totalled 1,560 tickets. During three weeks of this month, when under ordinary circumstances the sales would have been pretty well double those of June, they have been 1,090.

Hon. E. H. Harris: You are quoting one firm now?

Hon. G. FRASER: Yes. The firm is located in Fremantle. I have not had time to obtain figures from a Perth firm. However, the figures I have quoted are illuminating, in that they show a drop of nearly 500 in three months. All allowance for the bad times cannot account for that difference between June and November. The increase of 1d. in the price of the ticket must account for a large proportion of the fall in sales.

Hon. E. H. H. Hall: It will take more than 1d. increase to stop buyers.

Hon. G. FRASER: June has been a bad period in this State for years past. The November figures I have quoted are nearly 50 per cent. below normal, and a large pro-

portion of the drop can be attributed to the increase of 1d. What a difference would the addition of another 9d. to the price make! Hon. members may say that it would be a good thing if the sale of these tickets were stopped and the money kept in the State. I agree, but I feel sure that the money would not be kept in the State. Purchasers would write direct to Tattersalls for tickets. It would be far preferable if the Government instituted a State lottery, and thus kept within the State much of the money that leaves it to-day. The Government will say that they do not believe in that sort of thing; but is it any worse to run a State lottery than to take taxation from a lottery run elsewhere?

Hon. E. H. Harris: Failing that, I suppose you will support the Premium Bonds Bill?

Hon. G. FRASER: If I thought premium bonds were practicable, I would support them as far as I am able. However, I do not think they are practicable here.

Hon. E. H. Harris: You are a pessimist.

Hon. G. FRASER: I do not think that amounts to pessimism.

Hon. E. H. Harris: I think premium bonds would be as good as a second Loan Council.

Hon. G. FRASER: Possibly. I know that the issue of premium bonds for the benefit of hospitals has been advocated. So far as I see, it would be necessary to have £8,000,000 subscribed in premium bonds to bring a return of £400,000, of which at least £200,000 would be required for prizes and expenses. In place of premium bonds, the State should conduct its own lotteries.

Hon. J. Cornell: As in Ireland.

Hon. G. FRASER: Ireland is a recent example. The Government are tackling this question in a wrong manner. They are willing to secure revenue from the sale of tickets in a lottery held elsewhere, but they will not accept profits from a State lottery of their own. Art unions run in Western Australia are run mostly on behalf of charitable organisations; and I do not know that those organisations will be able to sell tickets with the tax added. Certainly the sale of 1s. tickets would be greatly interfered with by a tax. If the charities decided to foot the bill for the tax themselves, the returns to them would fall considerably. Kibbing Peter to pay Paul, taking from the charities

to give to the Government, is not advisable. As things stand, I can only oppose the second reading of the Bill.

HON. E. H. H. HALL (Central) [8.43]: I regret exceedingly that I cannot support the Government as regards this Bill. The Government are just playing with the position. I would like to see them bring forward a proposal of a more concrete and definite nature. Travelling between Perth and Geraldton every week, I meet with many people on the way, and all of them want to know when the Government are going to do something to meet the financial situation with which Western Australia is faced. I am greatly disappointed that the Government have not seen fit to bring in a tax that will hit everybody, in the interests of the unemployed. I cannot feel any satisfaction at the introduction of what I may term tiddly-winking measures. I am strongly opposed to the many sweeps which are being conducted in this State. Though unwilling to use any strong language, I consider it absolutely hypocritical on the part of any Government to tax sweep tickets while the law of the State declares sweeps to be illegal. Surely the Government do not desire to tax the sweeps run by the Ugly Men's Association or the Returned Soldiers' League. I regret that the Government have brought in a Bill asking us to agree to the raising of the paltry sum indicated. Although I am anxious to assist the Government, I cannot follow them in this instance. The Government should introduce a comprehensive measure so that every man and woman who is in employment would pay something towards the support of those who are out of work. Notwithstanding the disappointment some of us feel at the opposition that the Government's taxation measures are meeting with in both Houses of Parliament, we would like something of a comprehensive nature placed before us. I believe members of the Labour Party, both in the Assembly and in the Council, would support a Bill that would provide for every man and woman in the State paying a fair quota towards the relief of unemployment. I shall oppose the second reading of the Bill.

HON. E. H. GRAY (West) [8.47]: I oppose the second reading of the Bill, because it will encourage illicit dealings in

sweep tickets and induce people to break the law. The authorities will have no control over the business, and will not be able to effectively check the operations of those who send out of the State direct for tickets. Whereas formerly it did not pay people to send for tickets themselves, as Mr. Fraser has pointed out, it is now a question of lld. being saved, and that will be an encouragement to persons to evade the law. It is not fair to impose restraint upon the general public, and have that effect. A number of respectable people think it right and proper to defeat the ends of the authorities by dodging income taxation or any other class of tax imposed. It is distinctly unfair to impose a tax on a body of people who are conducting a sweep for charitable purposes, and, as Mr. Hall said, it is merely dealing with the question in a tiddly-winking manner. If the Government were prepared to acknowledge the position and to declare that the time was ripe for the promotion of a State lottery, the effect might be different. Evidently the prejudice against a State lottery is being broken down, otherwise the Government would not have dared to introduce such a Bill to Parliament. We could raise an enormous amount of money each year by means of State lotteries, and that would certainly be better than a tax of the description outlined in the Bill. I hope that the Bill will be defeated and also other measures that impose taxation of the tinkering order. The tax proposed is not a straightforward impost, but simply tends to deceive the public.

HON. H. STEWART (South-East) [8.49]: Although I feel somewhat like Mr. Hall and Mr. Gray in that the position is being tinkered with, I shall support the Bill so as to enable the Government to get the revenue they desire.

Hon. G. Fraser: They will not get what they anticipate.

Hon. H. STEWART: At any rate they will receive some revenue under the Bill. I certainly object to the Government, immediately after the Labour Government had taken steps to prohibit the selling of sweep tickets in the streets, permitting the practice to grow up again so that now we see persons selling sweep tickets in almost every convenient corner. I take this opportunity to express my disappointment that the Gov-

ernment are compelled to tinker with this question because of the inadequate support available in the Legislative Assembly. Had there been more support available, I am sure the Government would have dealt with the whole position differently. Because of the opposition they receive whenever any step is taken to relieve the financial position, it has not been possible for the Government to deal with the various matters more effectively. With the exception of one Bill, dealing with the housing problem, strenuous opposition has been shown to the Government's taxation measures. I feel that that is the Government's excuse. Personally I would have honoured them more if they had stood up to the position better, and if necessary had been forced to go to the country and appeal to the people on this question. The people should realise the difficult circumstances in which we find ourselves, and the Government should take more effective steps to make the people realise their duties as citizens. All should make sacrifices. Irrespective of whether a person is engaged in the Civil Service or out of it, every individual who earns a salary should do something to improve the financial position of the State and so try to overcome present difficulties.

HON. J. NICHOLSON (Metropolitan) [8.52]: I am anxious to assist the Government to raise revenue to enable them to overcome the financial difficulties confronting the State, but I feel that the Bill is not a proper way by which to raise the much-needed funds. At no time have I been desirous of seeing any change made in the prohibition under the Criminal Code placed on various activities dealt with in the Bill. The running of sweeps and betting, together with other similar practices, are illegal, yet they have been sanctioned by other means, such as the introduction of a measure to impose a duty on sweep tickets.

Hon. J. Cornell: Why not a tax on two-up schools?

Hon. J. NICHOLSON: That would be quite right, too. If we indirectly recognise the existence of sweep tickets we must also indirectly recognise the right of the individual to deal in those tickets, and to indulge in other practices that are prohibited under the provisions of the Criminal Code. We cannot prohibit on one hand and then placidly permit on the other. To do that

would be to render nugatory the original prohibition. It would be better to remove from the Criminal Code the prohibition that now exists; then we would act with a proper degree of decorum and rectitude. Having regard to that phase, I cannot see my way clear to support the Bill. I agree with what Mr. Harris said. It would be much better for the Government to introduce a comprehensive measure to meet the difficulties that confront the State and to enable the Government to meet their obligations. I am anxious to assist the Government but the method proposed in this instance is not one that I can support.

THE MINISTER FOR COUNTRY WATER SUPPLIES (Hon. C. F. Baxter—East—in reply) [8.55]: Diverse opinions have been expressed regarding the Bill and some of the suggestions have been remarkable. Hon. members should understand that the Government, and especially the Minister in charge of the Police Department, have been busy endeavouring to arrive at a scheme that will place the whole problem on a more satisfactory basis. It will be agreed it is not satisfactory at present. Unfortunately, there are many more serious financial worries than those involved under the Bill. Time has not permitted the finalisation of a concrete scheme to place before Parliament, and the Bill has been placed before hon. members in the meantime. There are two courses open. One, as suggested by Mr. Nicholson, is to amend the Criminal Code and prohibit sweeps, while the other is to place them under proper control.

Hon. J. Cornell: Put under proper control what is prohibited by law!

The **MINISTER FOR COUNTRY WATER SUPPLIES**: I was disappointed to hear one hon. member say he had taken part in a Calcutta sweep, which is illegal.

Hon. W. J. Mann: That is a terrible thing!

Hon. E. H. Harris: But are not all sweeps illegal?

The **MINISTER FOR COUNTRY WATER SUPPLIES**: Yes.

Hon. E. H. Harris: The Criminal Code makes them illegal but the Government are taxing them.

The **MINISTER FOR COUNTRY WATER SUPPLIES**: One hon. member referred to the paltry few thousands of

pounds that will be raised. While sweeps are countenanced, we should be allowed to take advantage of the position and raise additional funds from them.

Hon. J. Cornell: That is certainly the policy of a desperado.

The MINISTER FOR COUNTRY WATER SUPPLIES: That does not mean to say that we will manufacture sweep promoters, as has been suggested.

Hon. E. H. Harris: They will crop up like mushrooms.

The MINISTER FOR COUNTRY WATER SUPPLIES: They will not be allowed. Permits have been given for a few sweeps to be conducted between now and the 31st December. Before that time has elapsed, a proper scheme will be established that will give the Government adequate control. I again refer to a point I mentioned earlier, when I said that we cannot tax the people into prosperity. Those that we are taxing are those who can indulge in pleasure seeking.

Hon. J. Cornell: At a bob a ticket.

The MINISTER FOR COUNTRY WATER SUPPLIES: The price of the ticket is immaterial. When we have regard to the total amounts involved, it will be seen that in the aggregate the value is high. A tax upon what is regarded as a luxury is different from the imposition of a tax upon the whole community. The moment we tax the whole of the community, we withdraw from circulation money that could be put to much better use. To members who voice that opinion, I say that if we persist in taxing the people, we cannot bring down the cost of production.

Hon. W. J. Mann: We are considering taxing measures every day.

The MINISTER FOR COUNTRY WATER SUPPLIES: But they are not designed to take money out of the pockets of the people and interfere with industry.

Hon. W. J. Mann: They are not putting money into the pockets of the people.

The MINISTER FOR COUNTRY WATER SUPPLIES: The hospitals bill is the one exception. The Bill under discussion has certainly had a mixed reception, but members might well consent to put the Government in a position to collect a few thousand pounds from sweeps until next session, when we shall be prepared to submit a measure which I am sure will re-

ceive the approbation of Parliament, and which will place sweeps in a much more satisfactory position than they are in today.

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

Ayes	..	..	..	..	10
Noes	..	..	..	..	11

Majority against .. 1

AYES.

Hon. C. F. Baxter	Hon. G. W. Miles
Hon. V. Hamersley	Hon. Sir C. Nathan
Hon. A. Lovekin	Hon. E. Rose
Hon. J. M. Macfarlane	Hon. H. Stewart
Hon. W. J. Mann	Hon. G. A. Kempton
	(Teller.)

NOES.

Hon. F. W. Allsop	Hon. J. J. Holmes
Hon. J. Cornell	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. J. Nicholson
Hon. G. Fraser	Hon. H. Seddon
Hon. E. H. H. Hall	Hon. E. H. Gray
Hon. E. H. Harris	(Teller.)

Question thus negatived; Bill defeated.

House adjourned at 9.5 p.m.

Legislative Assembly,

Tuesday, 25th November, 1930.

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