

Legislative Assembly,*Tuesday, 28th October, 1930.*

	PAGE
Bills: Companies Act Further Amendment, 1 st	1332
Main Roads, Council's amendment ...	1332
Stamp Act Amendment (No. 1), 2 nd , Com. report ...	1332
Vermia Act Amendment, 1 st	1343
Education Act Amendment, returned ...	1343
Stamp Act Amendment (No. 3), 2 nd , Com. report ...	1343
Stamp Act Amendment (No. 2), 2 nd	1348
Annual Estimates: Votes and Items discussed ...	1356
Forests ...	1356

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

BILL—COMPANIES ACT FURTHER AMENDMENT.

Introduced by the Attorney General, and read a first time.

BILL—MAIN ROADS.*Council's Amendment.*

Amendment made by the Council in the Bill now considered.

In Committee.

Mr. Richardson in the Chair; the Minister for Works in charge of the Bill.

No. 1. Clause 31.—Insert after the word "Act," in line 36, the words "provided that the moneys received under Section 33 of this Act shall be applied to the maintenance of main roads":

The MINISTER FOR WORKS: I move—

That the amendment be agreed to.

Money received by way of traffic fees is to be used only for the maintenance of main roads. The object of the Council's amendment is to make that point clear.

Hon. W. D. Johnson: Is it a Government amendment?

The MINISTER FOR WORKS: Yes.

Question put and passed; the Council's amendment agreed to.

Resolution reported, the report adopted, and a message accordingly returned to the Council.

BILL—STAMP ACT AMENDMENT (No. 1).*Second Reading.*

Order of the Day read for the resumption of the debate from the 16th October.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Richardson in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Second Schedule:

Mr. McCALLUM: This is another effort on the Government's part to fulfil their electioneering promises, another indication of how far the people can trust any promise made by the Premier on the hustings. It fulfils the hon. gentleman's undertaking, given on the hustings, that there shall be no further taxation. The Notice Paper contains no fewer than six measures to increase taxation. That fact shows how much reliance the people can place upon the Premier's word when he gives it in the course of an electioneering campaign. The hon. gentleman promised a decrease of taxation, the taking of less money from the people. He said money left in the hands of the people was put to better use. In one instance this doubles the tax, and in another increases it by one-third. The Premier must be delighted to think he is able to live up to the undertakings he gave to the people, while the people can now see that when the hon. member is appealing to them on the hustings, he promises only what will be carried out. Members of the Country Party have become a mere docile following of the Government. No longer are they a separate party, for they merely sit there to obey the dictates of the Government. They pledged themselves to a decrease in the land tax, yet they voted against it.

The Minister for Lands: How do you know that?

Mr. McCALLUM: And now they are going to vote for this increase in taxation. Members of the Government have complained of promises made in another State. But can anything that Mr. Lang said on

the hustings compare with the promises made on the hustings by members of this Government? The Premier himself promised work for all and reduced taxation. Now members of this Government say they hope Mr. Lang will be able to live up to his promises. They should be authorities on promises made on the hustings. Satan reproving sin!

The Minister for Lands: We did not promise the farmers 7s. 6d. per bushel for their wheat.

Mr. Munsie: Neither did Mr. Lang.

Mr. McCALLUM: Even if Mr. Lang made that promise—which he did not—is it as reckless as the promise that work would be found for all and taxation reduced? Could anything be more reckless than that?

The Minister for Lands: Which would you rather have, this Bill, or that people should starve?

Mr. McCALLUM: If the money to be raised under this Bill was to be used to provide work, one could understand that interjection. But when the Premier was asked to find money in order to provide work, he refused to increase taxation. So that interjection cuts no ice. The Premier wants the money from this increased taxation in order if possible to make good the inflated estimates on which his Budget is based, not to find work for the unemployed. Yet he now points to promises made on the hustings elsewhere, and characterises them as extravagant and reckless, a bad thing for the country. Fancy that from the hon. gentleman who made the promises he did at the last elections! Then he seeks to make excuses, declaring that he did not know the true financial position. Everybody else is expected to know it, but he pleads that he did not. And this is only one of six Bills increasing taxation. This is the way in which the Premier returns the confidence reposed in him by the people.

Hon. W. D. JOHNSON: I am concerned about the position of the member for Perth in relation to this Bill.

Mr. H. W. MANN: Do not worry about him; he can look after himself.

Hon. W. D. JOHNSON: During the elections the member for Perth appealed strongly to the very people who will have to pay this tax. He said that if they voted for him they would be protected against any increased taxation. This Bill will increase

by some £6,000 taxation on a section of the community and a big proportion of those who will have to pay it are in the constituency represented by the member for Perth. He misled those people and secured their votes under misrepresentation. Does he now expect those electors to take this lying down and without any explanation from him? At election time there was no proposal from any political party for a special tax of this sort. So the member for Perth has to accept a big responsibility in relation to this Bill. At caucus meetings of Government supporters called to consider legislation of this kind and give direction to the Government as to how taxation should be imposed, the member for Perth must have been consulted about this measure. In my opinion the information he gave to caucus should now be given to the public, so that his electors might know his point of view. The member for South Fremantle complained that the Country Party were supporting the Government in this. But have they ever done anything else? Are not the Country Party only part and parcel of the Nationalist Party? They vote for vested interests every time, and in taxation of this sort naturally they will be behind the Government. Whenever measures of protection for primary products are brought down, the Country Party are always found supporting vested interests. So the member for South Fremantle is decidedly optimistic if he expects Country Party members to do other than support this Bill. All members on the Government side promised that there would be no increased taxation. The member for Perth stressed it. Yet this increased taxation will fall principally upon the electors whom he represents. The city bookmakers will have to pay this tax, and city people generally will contribute the major portion of it. So I say the Bill represents a breach of faith on the part of the member for Perth, who should explain his change of front.

The PREMIER: Of course this is not the time at which to tell the full tale of the finances as I found them. But we continually heard the Collier Government described as the best Government in Australia, and we were frequently told that under that regime the finances were well managed and in perfect condition. As a matter of fact, the Forests Department had a large trust fund and expected to be able to continue to pay

from it the wages of the men in the forests. But where was that trust fund, It was gone, every penny of it spent on loan works.

Mr. McCallum: And you knew it.

The PREMIER: I did not.

Mr. McCallum: I can show you in "Hansard" your own remarks on the subject.

The PREMIER: No. The returns we had from the public accounts were dated the 31st September. Those for the second quarter are not out.

Mr. Willecock: But you knew the money was being expended, and you knew we had not raised any loan for the purpose.

The PREMIER: This is not the time to discuss the whole question of finance. Still, I should like to point out that the loan account overdraft on the 31st December was shown as £880,000, whereas it was really just under £2,000,000. By the end of the financial year the loan account overdraft had grown to £3,500,000. Every farthing had been used.

Mr. McCallum: Everybody knew that.

The PREMIER: The hon. member did not know, because he said there were funds at our disposal to start the work on the Fremantle bridge costing hundreds of thousands of pounds. I shall take an early opportunity to explain the position if members desire it. When we took office there was not a farthing left in any account; every farthing of trust funds had been exhausted. It was expected that the Federal Government would be able to borrow money in order to restore our trust funds. I have been trying to get that money, but to-day I received a wire saying the money could not be borrowed. If it could be obtained, the position of the State would be better. The whole financial position has changed in the last few months and it is not improving. I do not know how Australia is going to be financed during the current year. The London market is absolutely closed to Australia. During 1929-30, Australia borrowed in London £36,000,000 of short-term money. That is causing trouble to-day.

Mr. Willecock: Borrowed by means of Treasury Bills at six months.

The PREMIER: Yes, and by means of overdrafts and advances. The £36,000,000 must be cleaned up before Australia can borrow on the London market.

Mr. H. W. MANN: I am not worrying about what the member for Guildford-Midland thinks of my election speeches.

Hon. W. D. Johnson: I am worrying.

Mr. H. W. MANN: In my opinion the tax goes only half way. I object to one section being taxed, while no attempt is made to tax the other section. As I said the other night, I am confident that as much money is passing through the illegitimate as through the legitimate channels of betting. Some of the bookmakers pay up to £70 for the four day's racing at Christmas time. Usually they have to pay 12 guineas at the head course and eight to ten guineas at the other courses. The member for North-East Fremantle reminds me that they are taxed up to £600 a year.

Mr. Munsie: Some of them more than that.

Mr. H. W. MANN: Those are the taxes imposed by the clubs.

Mr. Kenneally: Why support an increase of that taxation?

Mr. H. W. MANN: It might be asked whether I would legalise street and shop betting. I would not, but when the evil exists, the people who engage in it should pay a tax, just as people who raise sweeps will have to pay a tax.

Mr. Panton: You could hardly collect the tax without legalising it.

Mr. H. W. MANN: Sweeps are illegal and we are going to tax sweep tickets.

Mr. Corboy: The bookmaker on the racecourse acts unlawfully, but we tax him.

Mr. H. W. MANN: It is just as unlawful for a bookmaker to bet on a racecourse as in a street. The mere fact of his being taxed does not legalise his acts. When the original Act was passed, it was intended to include all bookmakers. I admit that revenue is obtained from convictions, but it probably costs as much as the fines to secure the convictions. Police officers have to be employed to suppress betting.

Mr. Willecock: We get about £100 a week from fines. You would not suggest it costs that much?

Mr. Corboy: We are not getting anything like £100 every week.

Mr. H. W. MANN: The revenue from this tax could be doubled by applying it to starting price bookmakers.

Mr. Willecock: Charge a man for his betting ticket and charge him if he wins?

Mr. McCallum: And prosecute him afterwards.

Mr. H. W. MANN: It should be an offence to make a bet unless a ticket issued by the Treasury is utilised.

Mr. McCallum: If such a ticket were used, you could turn round and prosecute him afterwards.

Mr. H. W. MANN: Then close down on such betting.

Mr. Munsie: The department have been trying to do that for a long time.

Mr. Panton: Your party have the gun; pull the trigger!

Mr. H. W. MANN: Attempts to suppress betting have been made for 20 years and have proved ineffective.

Mr. SLEEMAN: It would be preferable to tax the other section who make bets, instead of loading the taxation on to the people who are already taxed. Shop betting cannot be prevented, and so it ought to be controlled in order that the State might derive some revenue from it.

Mr. Panton: Then bookmakers would start making books on midget golf.

Mr. SLEEMAN: The sporting community are taxed in every way, even to the extent of having to pay higher railway fares to get to the racecourse. The member for Perth should move an amendment on the lines indicated, especially as the Premier is anxious to secure revenue and act fairly to all sections of the community.

Mr. WILLCOCK: The Premier said that nobody knew the state of the finances when he took office. The country knew we were spending loan money at the rate of £3,000,000 or £4,000,000 a year and also knew what loans had been raised.

The Premier: How much had been raised.

Mr. WILLCOCK: I could look up the figures.

The Premier: You do not know.

The Attorney General: Do you say the Government would have been doing their duty had they imposed no fresh taxation?

Mr. WILLCOCK: I am not discussing taxation at the moment.

Mr. Kenneally: There were promises that no new taxation would be imposed.

The Attorney General: That is not the point. Do you think we would be doing our duty if we imposed no fresh taxation?

Mr. WILLCOCK: The Premier said he did not know about this matter. Every

man who has occupied a position in Cabinet knows that when loans are not being raised and expenditure on public works goes on, the money must be coming out of trust funds. The Premier can have nothing to support him when he says he thought there would be plenty of money in the Treasury. The money must have come from one source only, trust funds. The overdraft in the Commonwealth Bank and elsewhere was known. Surely he did not expect trust funds to be intact after expenditure had been going on for two years. It is time the Premier told members just what he did think, and why he thought it. What was his justification for saying that he thought there was plenty of money available. The statement is ridiculous. I am surprised at his carrying on the bluff so long. Week after week he has said he thought so and so; it is time the people said "Methinks thou protesteth too much." We would like to know what he really did think, and why he thought he could engage in all the public works he suggested.

Hon. M. F. TROY: I think my colleague expects too much of the Premier, who must have known, when he said he did not intend to impose further taxation, that he did not mean it. One cannot conceive of any Government hanging on to the Treasury bench, and going back on all the promises made to the electors. It is unparalleled that a Government should promise not to impose taxation and yet adopt every means possible to do so. The Premier is utterly unreliable. He is only bluffing. Could anything more impudent be conceived than the statement he made in this morning's paper about Mr. Lang? The new Premier of New South Wales made no more promises than Sir James Mitchell did, and yet this morning the latter had the impudence—

The Attorney General: Mr. Chairman, I understand we are discussing Clause 2. Is the hon. member in order in referring to the Premier's statements about Mr. Lang?

The CHAIRMAN: Certainly not. The hon. member is out of order.

Mr. Munsie: It is nearly time it was discussed.

Hon. M. F. TROY: I can understand the Attorney General disliking this criticism. I am voicing my opposition to the clause, which is contrary to the promises made by

the Premier. The Government are not living up to their promises and responsibilities. I am entitled to draw a parallel between one Government and another. I am staggered that this Government should criticise any other. It is unparalleled that the Government should go back upon every promise they made. They have deceived the people. It is a scandalous state of affairs. It is no wonder politicians have so little respect for Governments when the Premier could make all these promises but show no intention to fulfil any of them. When we come to the Loan Estimates I shall discuss his attitude on another question, upon which he has merely bluffed the people and side-stepped the issue.

Mr. McCALLUM: The Premier has again repeated his statement that he did not know the financial position. He says it often in the hope that he will persuade the people to believe it. Earlier in the session I reminded him that in the last Parliament he admitted he knew the funds were exhausted. He should be reminded of that fact. When speaking on the Loan Estimates he was referring to the position confronting the then Premier, and said—

His difficulties for the ensuing 12 months will, I fancy, be greater than those experienced during the last financial year. He has exhausted all sorts of funds that were at his disposal, in his endeavour to meet his loan expenditure, and those funds considerably eased the position.

Mr. Angelo: Not trust funds.

Mr. McCALLUM: This is what he said on the 13th December last.

Mr. Angelo: I could never have imagined that he had trust funds in mind.

Mr. McCALLUM: The Premier is not so unsophisticated as that. The Premier knew the State had not been on the loan market for two years. Where did he think the money had come from? He said he knew the Government had exhausted all kinds of funds. In order to find an excuse for not living up to his obligations, he says, "I did not know." What will he have to say to Mr. Lang when that gentleman says, "I did not know"?

The CHAIRMAN: Order! I would remind the hon. member that the Committee is not discussing Mr. Lang.

Mr. McCALLUM: We are discussing a gentleman in the same position as he says Mr. Lang is in now.

The Premier: I said nothing about Mr. Lang's promises.

The CHAIRMAN: The Premier objects to the statement of the hon. member.

Mr. McCALLUM: Perhaps the Premier will not now repeat the statement that he did not know what the position of the finances was. If he did not know, it would be a reflection upon the attention he paid to his business as Leader of the Opposition. Everyone knew the State had not been upon the loan market for two years.

The Premier: It had.

Mr. McCALLUM: It is two years last June since the State went on the loan market, and yet public works went on.

The Premier: You have not the faintest idea where you got the money from.

Mr. McCALLUM: The Premier seems to know a lot now. I am not going to accuse him in the way he accused us. I am sure he knew, for he has admitted it. The Leader of the Opposition repeatedly reminded him of the fact. When he made the statement that I said money was available with which to build the Fremantle bridge, he was incorrect.

The Premier: You did say it.

Mr. McCALLUM: I said that the people concerned were prepared to take payment in bonds, and that he should be able to make inquiries to see whether the work could not be financed in that way.

The Premier: No, you did not.

Mr. McCALLUM: I said he would find on the files in the department information showing that the proposition had been made to negotiate on those lines. Advice had been given that the plans and specifications were not ready, and that when they were ready we would consider the proposition. This would not have necessitated going on the loan market. The Premier should have been able to make arrangements with the Loan Council on those lines. It is not right to say I said the money was in the Treasury.

Mr. MILLINGTON: The Government are resorting to one of their expedients to get in money. The objection to people paying taxes arises when someone else in a similar position is exempt.

The Premier: That is not the position.

Mr. MILLINGTON: If the Premier wants information about betting and gambling, I would refer him to the Chief Secretary, who many years ago on the goldfields delivered a lecture on the subject. It was a most in-

teresting address. The hon. gentleman proved that there never was an attempt to abolish gambling, and that all any country could do was to regulate it. This Bill proposes to tax certain people. There are others, however, carrying on a similar business who are to be exempt. Naturally an objection arises. The Government are meting out a measure of injustice to those who are carrying on a similar business.

The Premier: Why did you not put it right?

Mr. Willcock: We thought we would have a surplus.

The Premier: You said so.

Mr. MILLINGTON: I thought the Premier would welcome a suggestion to get in revenue, if he could do so by meting out even-handed justice to all those who are engaged in the same business. There is one virtue about this tax; it will not be possible for it to be passed on.

Mr. Willcock: I think they may cramp the odds.

Mr. MILLINGTON: Not to the extent of 1d.

The Attorney General: No, but to the extent of £1 every now and then.

Mr. MILLINGTON: I do not think even that would be done, because it would mean a reduction in the turnover. Attempts have been made to suppress betting outside race-courses, but they have proved unsuccessful. The strength of the police force is not sufficient to permit success to be secured. In my opinion, the police officers would be better employed looking after the criminal classes than troubling decent people. Since the Government are prepared to resort to any expedient to tax any section of the community, I draw their attention to the opportunity I have indicated. If the Government intend to tax at all, let them tax the lot and not exempt one section, double the tax on another section, and increase the tax on a further section to the extent of one-third. The Bill proposes to tax one section and leave absolutely exempt another section dealing with the public in a somewhat similar fashion.

Mr. RAPHAEL: It would be better if the Premier attended a few race meetings before placing such a Bill before the House. I do not think he has gone far enough. There are different sections of bookmakers. The men dealing in doubles receive bets of a couple of shillings; the bookmaker in the leger reserve

bets in 5s., and the bookmaker in the enclosure may receive bets up to £100, or more.

Mr. Wilson: Then there is the mug that gets nothing!

Mr. RAPHAEL: In my opinion, the tax should be applied in accordance with the amounts in which the bookmaker bets. The Bill will exclude men who are flouting the laws by indulging in street betting.

The Premier: What about the fines that are imposed?

Mr. RAPHAEL: They do not amount to much. The Government's proposal will levy a special tax on one section of bookmakers, and specifically exempt another section of bookmakers, who are flouting the law. If betting shops were legalised by the payment of a certain sum for registration, we would not have the present spectacle of the streets being littered with their persons—I mean, the bettors. Then those conducting the betting shops are given the "good oil" and are told when the police are coming, with the result that some poor dummy is arrested and fined £5 or so, while the real offender has flitted off to the races and is enjoying himself there. Unless the Premier deals with the whole position and not with a part of it, his Bill will not get him any further.

Mr. MARSHALL: I would remind the Government and their supporters of their most inconsistent attitude. Last week speeches were delivered in the House drawing attention to the promises made by members sitting on the Government side of the House to the effect that there would be a reduction in taxation. We have had Bills imposing increased taxation on certain sections of the community. It has been suggested that the abolition of horse racing would constitute a reform. That being so, those engaged in horse racing represent a section of the community that the Government regard it as safe to attack. The liquor trade is in the same position. The betting fraternity represent the most generous in the State. Not only do they pay heavy taxation, but they are continually organising movements and making personal donations for charitable and benevolent purposes. In spite of those sacrifices, the Government find it convenient to increase the taxation the betting fraternity have to pay. I never bet and seldom attend race meetings. This will not affect me, but I regard

it as unjust for the Government to single out one section of the community.

Mr. Withers: The Government will get them all in, if they continue.

Mr. MARSHALL: No, they will not. The banks, insurance and newspaper companies will be exempt. Their incomes will not be affected. I warn the Premier that if this form of taxation is imposed, the effect will be to send hundreds from the racecourses to the street bookmakers, who will be immune from taxation, although they have to pay heavy fines every 12 months or so. Even so, it is a cheap form of registration and it enables them to continue operations. No fine has yet been imposed that the street bookmaker has not been able to pay, having regard to the amount of money he handles annually. Until the Government adopt some more general scheme of taxation, they will not treat all sections fairly. The Government wail and cry that everyone must make a sacrifice, yet every taxation measure introduced so far, has subjected a certain section to a ferocious attack.

Mr. SLEEMAN: To help the Treasurer, I want to pave the way to enable him to improve his finances by moving an amendment that will have the effect of altering the section in the parent Act. I move an amendment—

That the following paragraph be added to the clause:—“(c) By omitting paragraphs (a) and (b).”

If the amendment be agreed to, the effect of it will be that clubs who conduct bicycle races, pedestrian or whippet races, and so on will have the same privileges as those who follow what is known as “the sport of kings.” It should not be the right of any individual following horse racing to be able to bet more than it should be the right of those attending any other form of sports meeting. I hope the Premier will accept the amendment because it will increase his taxation receipts by bringing in money from many other avenues that are closed at present.

The CHAIRMAN: The hon. member's amendment is so framed that its purpose will be to increase taxation. That being so, I shall have to rule it out of order.

Mr. SLEEMAN: The object of it is to make room to get extra taxation.

The CHAIRMAN: The hon. member proposes to insert a new clause to amend the Second Schedule, and he desires to do it by striking out paragraphs (a) and (b), which deal with betting tickets. It appears to me he could achieve his object by inserting a new clause, but on the other hand he would be increasing the tax. The Second Schedule defines betting tickets tax: (a) within the grandstand enclosure of any metropolitan or goldfields racecourse, 2d.; (b) elsewhere within the grounds of a racecourse, ½d. The hon. member's amendment would have the effect of striking out those paragraphs, and if they are struck out and the proposed new clause is inserted, the effect will be to increase the tax. It will also alter the effect of the Bill to a great extent because it will bring in street bookmakers and others. Thus, as it will alter the principle of the Bill as desired by the Government, I cannot accept the amendment at the present stage.

Mr. SLEEMAN: If you rule that my amendment is out of order, I will move to strike out the whole of the clause. It will then at least ensure that all sections of the community will have fair treatment. At the present time we permit bookmakers to frequent racecourses, which is illegal, and we have the authorities practically saying, “Go for your life, so long as you pay 2d. in the enclosure and ½d. outside on every ticket you hand out.” That is unfair. If I am not permitted to assist the Treasurer to get in a little more money by bringing in those people who are at present outside the scope of the Bill, then let us wipe out the lot and put them all on the one footing. We should be as fair as we can and make the Bill apply to all, whether the betting be on pedestrian races, whippet races, the gallops or the trots. I move—

That the clause be struck out.

The CHAIRMAN: The hon. member's amendment is a direct negative; he can vote against the clause.

Mr. SLEEMAN: I claim it is not a direct negative. If it were, I would be voting for the retention of the 2d. and the ½d. as against the 3d. and the 1d. By striking out the clause we wipe out the whole lot with one stroke. That is not a direct negative.

The CHAIRMAN: I do not quite get what the hon. member desires. The amend-

ment appears to me to be a direct negative and I see no reason why I should put it to the Committee.

Mr. Willcock: He is dealing with the schedule in the parent Act.

The CHAIRMAN: He can only deal with something that is in the Bill.

Mr. MUNSIE: With all due respect to you, Mr. Chairman, I think you have made a mistake by saying that the proposed amendment is a direct negative. The clause we are discussing is an amendment of the Second Schedule of the principal Act, and the hon. member wants to amend that schedule by striking out all reference to 2d. and ½d. He cannot vote against the clause and get the amendment that he desires.

The CHAIRMAN: The hon. member has moved to strike out the whole of Clause 2.

Mr. MUNSIE: No, only part of the Second Schedule of the principal Act.

The CHAIRMAN: We can only deal with this question as it is. If the hon. member desires to insert other words, I can take the amendment, but he has moved so far that we strike out the whole of Clause 2 as it appears in the Bill. If he intends to insert other words, we can get over the difficulty.

Mr. WILLCOCK: I understand the hon. member desires to strike out all the words after "amended" in the second line of the clause. He could strike out "amended" as well, and insert in its place "deleted." If he does that he will get exactly what he wants.

Mr. SLEEMAN: That ought to get over the difficulty. I move an amendment—

That all the words including and after "amended" be struck out, with a view to inserting in lieu "deleted."

All sections of the community will then be placed on the same footing. It will not matter then whether they are followers of the king of sport, or supporters of bicycle riding, pedestrianism, or whippet racing, which is the poor man's sport. If it is wrong to bet on a bicycle, pedestrian, or whippet race, it is wrong to bet on galloping or trotting horses. All sections should be treated alike. As the Premier will not assist me to bring them all in as a revenue-producing part of the community, and put them on an equal footing, I submit the amendment.

The PREMIER: I hope the Committee will not agree to the amendment. What the hon. member wants is that everybody be allowed to bet anywhere, any time, and at any place.

Mr. Sleeman: I don't want anything of the kind; I ask that that remark be withdrawn.

The CHAIRMAN: The hon. member has taken exception to the Premier's statement.

The PREMIER: I withdraw it, but the hon. member wants people to be able to bet on whippet races and everything else. He says he wants to increase the revenue by the issue of stamped tickets to bookmakers who bet in streets and shops.

Mr. Sleeman: I never said anything about betting in the streets, and I will not have the Premier saying that I did.

The PREMIER: Well, I am very sorry. I do not know how the hon. member is going to increase the revenue if he does not apply the proposed law to those people who bet in the streets. He said he wanted to treat all people alike. The hon. member said the sport of kings should not receive any more consideration than whippet racing. Does he object to people who bet on racecourses, and have done so for years, notwithstanding the Gaming Act? Street betting and shop betting have been objected to for years.

Mr. Willcock: As regards street betting, the objection has only been to people obstructing the traffic.

The PREMIER: I am told that one street bookmaker has paid a total of £800 in fines. I hope the police will succeed in getting that kind of betting stopped. The amendment should not be carried.

Mr. J. H. SMITH: I oppose the amendment; at the same time I appreciate the frankness of the member for Fremantle. He would give full power to bet in the street or elsewhere on anything whatever. I do not know that I appreciate the Premier's boldness in proposing this taxation. The hon. gentleman must have got on the Attorney General's blind side to induce him to agree to something that the Gaming Act makes utterly illegal. Further, the proposed tax is a sectional tax; and that is not right. People who bet in a manner that is described as legal, although it really is illegal, are already taxed; and the taxation on them is to be increased. Nearly all of us are inclined to bet. Here the proposal is

to tax only the registered bookmaker. We believe in the sport of kings and the utility horse, but there is a proposal to prevent people from visiting racecourses. If the tax is imposed, very soon there will be no racing. Every bookmaker who operates on the racecourse contributes largely to the revenue of the country, while the bookmaker in the city pays only when the police pounce upon him. Once shop bookmakers are recognised or legalised, people will not visit the racecourse. People go there only because as regards betting they have a certain amount of protection on the racecourse.

Mr. H. W. MANN: I cannot support the amendment. I realise the Treasurer's serious position, especially as the field of taxation has largely been taken from him. Therefore he resorts to taxation which he would not have recourse to in ordinary times. However, the Bill seems to have been hurriedly drafted, and without a realisation of its effects. Probably 60 per cent. of the people who go to the racecourse go there not to see horses run, but to take part in the gambling phase of the meeting. They think they have a better chance of winning by going to the racecourse. So seriously do the racing clubs view the operations of the city bookmaker that some time ago they placed an embargo on visitors to a course leaving it before the conclusion of the meeting. Even though the proprietors of courses stopped Press representatives from telephoning information to their journals, still the information reached city and country bookmakers. The Premier will treble the results from the tax if he makes it applicable to all persons carrying on the calling of bookmaker. Country members know the extent to which betting prevails in country towns. Some owners to-day back their horses to win £3,000 or £4,000 without investing a penny on the racecourse. They distribute their money to be put on all over the State.

Mr. Willcock: And they pay no tax.

Mr. H. W. MANN: That is so. The Premier is not au fait with the operations of betting. I have a knowledge extending over many years of the operations of bookmakers. The imposition of this tax will be a further heavy burden on men already taxed heavily—bookmakers operating on racecourses.

The Premier: Stop them all!

Mr. H. W. MANN: The Premier would, I think, be wise to report progress and consider the drafting of a new clause.

Mr. Panton: All the starting price bookmakers will have to be registered.

The Attorney General: No. Licenses will be issued.

Mr. H. W. MANN: The starting price bookmaker would be committing an offence if he did not purchase stamps for betting tickets at the Treasury in the same way as the racecourse bookmaker does now.

Mr. McCallum: Is your idea to let the street bookmakers carry on, but to tax them?

Mr. H. W. MANN: No; I would not let them carry on; but while they carry on they should bear a share of the tax burden.

Mr. McCallum: Why should any distinction be made?

Sitting suspended from 6.15 to 7.30 p.m.

Mr. H. W. MANN: Before tea it was suggested that if we were to collect a tax from bookmakers operating in the city, to some extent we would be licensing them. That is not the position in England, where the bookmakers have to pay a betting duty of 2 per cent. on the racecourse and of 3½ per cent. outside the racecourse. The English Act, passed in 1926, definitely lays it down that the payment of this duty does not render lawful the operations of the bookmakers. Passed by the House of Commons, the English Act has been operating since 1926, so I think we could well give it some consideration. I suggest to the Premier that, rather than increase the tax on men already heavily taxed, he should extend the tax to all persons carrying on as bookmakers, of whatever class. There are men conducting starting-price betting shops who are very reputable persons, highly respected in the community. I do not know that shop betting is a very serious offence after all.

Mr. Willcock: It is just as serious as the selling of liquor on unlicensed premises.

Mr. H. W. MANN: No, the effect is not the same at all.

Mr. Willcock: Both are outside the law.

Hon. W. H. MANN: There are many things outside the law which are not equal in seriousness. I hope the Premier will reconsider the Bill and extend the tax to all persons operating as bookmakers. The Premier finds it necessary to increase his revenue, and I will support him in doing

that, but I think the Bill should be more equitable, and extend over all bookmakers, rather than be restricted to the few operating on racecourses.

Mr. SLEEMAN: The member for Perth and I are trying to achieve the same result, although going different ways about it. I think the hon. member is on the right track, and I hope the Premier will report progress and afford us an opportunity to draft something which will meet the views of both sections. The Premier and the member for Nelson would make it seem that I advocate street betting. That is not so. I do not believe in street betting, but I regard the betting laws of this country as entirely lopsided. A man following bicycle meetings or pedestrian meetings has just as much right to a small bet as a man who follows horse-racing. I am prepared to withdraw my amendment if the Premier will report progress so that we may draft something which will be acceptable to all parties.

Mr. ANGELO: This afternoon the member for Geraldton said that everybody must realise the serious financial position of the State. Surely, then, even members opposite can see that we must balance the ledger somehow, and that it cannot be done without some increase in taxation. If, as has been said, during the elections the Premier promised that there would not be additional taxation, I am sure he was referring to additional taxation on industry and production.

Mr. Kenneally: That is too thin.

Mr. ANGELO: There is nothing in the Bill putting a further burden on production or industry.

Mr. Cunningham: Why single out one section of the community for increased taxation?

Mr. ANGELO: The Premier has not done that. What he is saying is that if we must have extra taxation, it must be taxation on pleasures and luxuries. Both in Victoria and in South Australia, Labour Premiers are imposing additional taxation.

Mr. Cunningham: This is in keeping with your policy of class legislation.

The Premier: No; everybody has a right to bet.

Mr. ANGELO: The Federal Government are now proposing to tax tea—a necessity. Members here will agree that if it is necessary to raise additional taxation, it should not affect the breakfast table. The tax

proposed in the Bill is one we should all agree to.

Mr. Cunningham: Your Government is desperately hard up against it.

Mr. ANGELO: We are all custodians of the State's finance, and so we are all hard up against it.

Mr. Cunningham: Is that why you want to tax the bookmaker?

Mr. ANGELO: I should say tax the pictures, but unfortunately the Federal Government have captured that avenue of taxation. If the Premier requires additional taxation—as he does—he should exploit every avenue of luxury and pleasure; then, if it is necessary to go still further, we will have to agree to it.

Mr. Cunningham: In which direction will you go further?

Mr. ANGELO: In the course of time, probably, some other brains from one side of the House or the other will be able to evolve some other methods of raising money. There appears to be very little chance of controlling starting-price bookmakers. I should like to wipe out that class of betting, but if it is impossible, let us do the next best thing and make those people pay the tax. I shall not promise to support any amendment until I have heard further argument, but the suggestion of the member for Perth is worthy of consideration.

Mr. SLEEMAN: I ask leave to withdraw my amendment because the member for Perth might offer one that will be acceptable to all parties.

Amendment, by leave, withdrawn.

Mr. HEGNEY: I oppose the clause for reasons given by the Premier in moving the second reading. He said the Bill was for revenue purposes. He told us that the revenue derived from this source last year was £6,800, and that this year he expected to get £10,000. Then he went on to say that there were few avenues of taxation still open to him, but that he would not be sorry if he failed to get a farthing of revenue from betting tickets or winning bets. If his object is to eliminate betting on racecourses, he should be honest and bring down a Bill for the abolition of horse racing. According to the Premier, that is his intention.

The Premier: Of course it is not.

Mr. HEGNEY: Nothing else can be read into the Premier's words.

Mr. BROWN: The measure is designed not to abolish gambling, but to assist the State's finances. The Premier is to be commended for proposing a tax on luxury instead of on industry. Probably more than half the money to be wagered on the Melbourne Cup will be wagered outside the racecourse.

Mr. Panton: No matter where the bet is made, provided it is with a registered bookmaker, it will be subject to taxation.

Mr. BROWN: Of many bets the Government will have no knowledge. I fail to see any reason for opposing the Bill. The member for South Fremantle twitted the Country Party with having no opinions of their own. There was no justification for that statement. If Labour were in power at present, the need to introduce additional taxation would be just as pressing.

The CHAIRMAN: Order! The hon. member must confine his remarks to the clause.

Mr. BROWN: Additional revenue is required.

Mr. McCallum: Why did you tell the people it was not required?

Mr. BROWN: The financial position has altered considerably in the last few months. When the elections were held, no one thought that the present stringency would be experienced. Can the Opposition suggest any more equitable taxation than this?

Mr. McCallum: You said there was plenty of money in the Treasury and proper management was all that was needed.

Mr. BROWN: As soon as the Premier took charge, he found there was nothing in the Treasury. The hon. member and his colleagues took good care to spend every bit of it before leaving office. If the member for Perth moves an amendment that will have the effect of bringing in more revenue, I shall support it.

Mr. KENNEALLY: I oppose the clause. There is a limit beyond which taxation cannot be successfully applied, and the existing tax has reached that limit. The Premier seems adamant with regard to increasing taxation on one section of the community. The sectional bug seems to be in his blood. He is showing a particular aptitude for selecting sections of the community for

taxation. We were told there would be no additional taxation this session. I led a deputation to the Premier asking for taxation to raise funds that work might be provided for the unemployed. The Premier replied that he would not impose additional taxation to provide employment; he was going to get through without any additional taxation whatever. That was not whilst he was on the hustings, making elaborate promises to find work for all without additional taxation; it was after he had been on the Treasury bench for some time. When it is a question of finding additional revenue to balance the Budget in a few moments he does not hesitate to inflict additional taxation. He indicated he did not want additional revenue. I will take him at his word and oppose this Bill. There is a tendency to turn up our eyes in horror at the thought of licensing all bookmakers. I would point out that some of our thoroughfares are so crowded at times with throngs of people engaged in gambling that others can scarcely get by. Any system that will overcome that trouble will be better than one which will permit it to continue. It appears from the Notice Paper that it is proposed to get in taxes on all kinds of gambling, with the sole exception of starting price betting. The Government seem to think that if they tax the starting price bookmaker, the man who gets these crowds together, it will appear like giving him permission to conduct such business. So it is that so-called legal betting on racecourses will be subject to an additional tax, whereas betting off the racecourse will be exempt. If we are going to tax horseracing at all, we should tax every branch of it. During the elections members opposite made no reference to any such legislation as this. When speaking at Northam in January last Sir James Mitchell said it might be asked where he was to get the money, and the answer was that the Treasury was receiving sufficient money at present to provide work for everyone in the State. He went on to say that what he had done before in providing work for the unemployed he could do again.

Mr. Marshall: Has he not done it?

Mr. KENNEALLY: He has, he has done it all in. What a sorry spectacle the Premier affords to-night.

The Premier: If I were anything like you I should be sorry for myself.

Mr. KENNEALLY: By the introduction of this very legislation the Premier is offering a kind of apology for the statements he made. On the ground that this is class legislation, that the Premier declared there was sufficient money to provide work for all, and thirdly, because of his reply to the deputation which asked him to provide additional income taxation in order that work might be found for the unemployed, I shall oppose this clause.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—VERMIN ACT AMENDMENT.

Received from the Council and read a first time.

BILL—EDUCATION ACT AMENDMENT.

Returned from the Council with an amendment.

BILL—STAMP ACT AMENDMENT (No. 3).

Second Reading.

Debate resumed from 21st October.

MR. WILLCOCK (Geraldton) [8.12]: This Bill deals with two principles; firstly, as the Premier stated, of allowing second mortgages to be registered exempt from stamp duty, in order that the Agricultural Bank may make further advances to settlers, and, secondly, with the stamp duty on shares transferred. There is no great objection to the first part of the Bill, although it is another instance of Parliament going out of its way to assist the agricultural industry. It is often said that Parliament does very little for that industry. As, however, this measure will benefit it, as well as people who desire to take advantage of Agricultural Bank advances, I shall raise no objection. The second part of the Bill deals with the transfer of shares. The Premier seeks to make permanent a provision dealing with the amount of stamp duty to be paid. The original duty was 10s. on every £100. This has been renewed each

year for the past four or five years. The Stamp Act of 1921 provided that the duties should continue until 1924; from then on they have been renewed every year. I do not think the imposition of this tax is in the best interests of Western Australia.

The Premier: You did not interfere with it.

Mr. WILLCOCK: I did not have sufficient time to make inquiries to inform myself regarding the incidence of the taxation and its effect.

The Premier: That is rather thin.

Mr. WILLCOCK: If the Premier will be patient for a couple of minutes, I will tell him why. The Bill has the effect of charging more for stamp duty on the transfer of shares than is charged in any other State of the Commonwealth. It means that companies that normally would be registered in this State, do not effect registration here because of the effect of the stamp duty.

The Premier: No.

Mr. WILLCOCK: But I say "yes," and I know.

The Premier: But the Bill does not increase the impost.

Mr. WILLCOCK: No, but the fact that the incidence of the stamp duty on share transactions here is more than double that of the amount charged in any other part of Australia, means that public companies hesitate to register in Western Australia. The stamp duty in Victoria is 1d. on the transfer deal; in South Australia the duty is 6d. on £10 or 5s. on £200; in New South Wales it is 9d. on £10 and 7s. 6d. on £100. In Western Australia the Premier, by the Bill, seeks to make permanent a charge of 2s. on £10 and what is equivalent to 20s. per £100.

The Premier: That is the stamp duty to-day.

Mr. WILLCOCK: Yes, and I say the impost is too high in comparison with the rates operating in the other States.

The Premier: But the Bill will not increase what has been charged for years.

Mr. WILLCOCK: But it will make permanent what has been enacted year after year.

The Premier: That is in regard to transfers of land, not shares.

Mr. WILLCOCK: The charge on the transfer of shares is double what is charged

in any other State, and the Premier seeks to perpetuate that higher rate. I hope he knows that much about his Bill; I presume he does.

The Premier: At any rate, we are not increasing what has been charged for years.

Mr. WILLCOCK: No, but as the Premier himself said when he moved the second reading of the Bill, he seeks to make permanent a temporary increase in the stamp duty that has been re-enacted annually.

The Premier: But that applies only to the transfer of land.

Mr. WILLCOCK: It applies to the transfer of shares too. I have the Stamp Act before me and it sets out that the duty on the transfer of scrip and share certificates shall be 2s. 6d. on £25. The Bill will make that charge 5s. and make it permanent. The Premier cannot get away from that fact. The Bill will impose taxation considerably higher than that operating elsewhere in Australia. It will be four times as much as in South Australia and 150 per cent. more than is levied in New South Wales. The effect of the legislation has been for companies to register outside of Western Australia, although they normally would have been registered here. That has a detrimental effect on the introduction of capital in Western Australia. It costs people more to deal in shares in Western Australia than it does in any other State. That is one of the reasons why the Swan Brewery, which is purely a Western Australian company, doing all its business in this State, is not registered in Perth but in Melbourne. On all transactions in the transfer of Swan Brewery shares from one person to another stamp duty is involved, but is not paid in Western Australia. The payment is made in the Eastern States, and this State receives no benefit at all. The existing legislation has a serious effect in another direction altogether. Residents in Western Australia who possess a considerable number of shares in a company registered outside Australia, die from time to time, but no probate duty on their estates comes to Western Australia, but is paid to the State in which the company is registered. I do not wish to mention any names, but I know of one man who held a parcel of 20,000 or more shares in the Swan Brewery, which were worth about £100,000. That man lived for most of his life

here and had all his interests in Western Australia. He died in this State but because he held shares in the Swan Brewery that were registered outside the State, the whole of the probate duty on his property, which amounted to at least £10,000, was paid in Victoria, and not in Western Australia.

The Premier: I know of that instance.

Mr. WILLCOCK: There are many similar instances. The Swan Brewery is an old company, and a lot of old Western Australians hold shares in it. As those people die and pass on their property to their beneficiaries, the whole of the probate duty which, in ordinary circumstances, would have gone to this State, will be paid to Victoria. Somewhat similar conditions exist with reference to the Western Australian Bank, which was amalgamated some time ago with the Bank of New South Wales. Under the amalgamation scheme, the shares were registered in Sydney and Melbourne. Thus a considerable number of shares held locally have been transferred to registers outside Western Australia. One reason for that is that if persons desire to deal in shares they will not be mulet to the extent of one per cent. as in Western Australia, and the buyer and seller will have to pay considerably less in stamp duty on sales made outside this State. The comparatively small amount that the Premier anticipates collecting as a result of the stamp duty on the transfer of shares in this State, will be nothing like what he could collect on the shares in local companies if they remained on the Western Australia register and their owners died, with the result that probate, too, would be collected by the Government. Almost all the original shareholders and many of the present shareholders have invested a fair amount of money in these institutions and as years go by they will die. People generally do that.

Mr. Angelo: It is the last thing they do.

Mr. WILLCOCK: With the share list transferred to Victoria for registration, it means that all the probate duty involved in the estates of so many Western Australians will be paid in other States and not in Western Australia itself. That will be detrimental to Western Australia.

The Premier: It has been going on for years.

Mr. WILLCOCK: I know that. I am not quibbling; I am merely pointing out the effect of the existing position and the necessity for a thorough inquiry regarding the incidence of the tax and the effect it has on the registration of companies. If it means that we are losing the money I have indicated, we should re-consider the imposition of the double stamp duty. There have been many instances of people desiring to invest money in this State, but the fact that stamp duty has been so high has led to the investment of their capital elsewhere. If a person desired to invest capital and there were two companies of equal merit, one registered in Western Australia and the other in Victoria, it is obvious that the investment would be made in the Victorian company and not the local company because the investor would have to pay £1 for every £100 invested here, as against 2d. or 3d. for every £100 invested in Victoria. In these circumstances, we are losing capital that would otherwise be invested here and in addition we lose the probate duty. I know of instances of people who have definitely refused to invest their money in Western Australia because of the stamp duty. There was one instance of a man who was drawing a fairly large pension in Western Australia, but happened to be living in the Eastern States. Having received all he had and his pension as well in Western Australia, he desired to invest some of his money here and sent instructions to a Perth broker accordingly. When he was told that the stamp duty of one per cent. would have to be paid on the money he invested here as against 2d. or 3d. in Victoria, he refused to pay the larger amount here and his money was invested elsewhere. I know of a number of individuals who sent letters across with a view to buying shares in companies in Western Australia, but when informed of the incidence of the stamp duty, refused to do so. I have already referred to a man who had large amounts to invest, but one firm of brokers that I have in mind was not able to indicate one instance in which his investments were made in Western Australia.

The Chief Secretary: There were other reasons too.

Mr. WILLCOCK: That may have been so, but it is peculiar that out of the considerable number of investments that particular gentleman had, not one of them was

made in Western Australia. Those who invest in shares are keen business people and naturally they would not invest here in view of the lighter imposts levied in the Eastern States. Other instances could be quoted. I have friends in the Eastern States who wrote to me with a view to securing shares when Peter's ice cream shares were available in Perth. Those people were interested in the company's operations in New South Wales and desired to extend their holdings by buying shares in Western Australia. When I informed them of the amount of stamp duty, those people did not invest their money here. The effect of the stamp duty has been to drive capital out of Western Australia or to prevent its investment here. The probate duty phase is a very serious matter and in one instance represented at least £7,000 or £8,000. Thus we are losing not only stamp duty, but probate duty as well. I do not think we should impose this additional tax permanently. It was introduced in war time, and it was not justified even then. It was required because of the circumstances of the period. It was introduced temporarily, and as soon as times improved, recognising the injustice of the impost in comparison with the duties existing in the other States, it was expected that it would be removed. Instead of being removed it has gone on year after year. The Premier now seeks to make this permanent as far as the impost on share transfers is concerned. This is doing the State harm, and he will be well advised to ask an officer of the department to make an investigation to ascertain the extent of the harm that is being done. If the Premier can satisfy himself that because of the incidence of this tax, we are losing the investment of capital in Western Australia, I am sure he will agree to make the legislation, in regard to the transfer of shares, somewhat uniform with that which exists in the other States. The amendment, which will impose a duty of 1s. on each £5 transaction in shares, will be generally approved. One must agree with that because it enables a man who wants to effect a small transfer to do so at a minimum of expense. At the time of the issue of Peter's shares, parcels of 18 were allotted and people desired to buy a few more to consolidate their holdings and they were obliged to pay as much duty on the transfer of one, two or three shares of small value as they would

have had to pay on 25 shares. By facilitating the transfer of small parcels, the Premier is giving relief to those who want to build up their holdings. Mining shares we know, are exempt from stamp duty to a great extent.

The Premier: A penny.

Mr. WILLCOCK: Yes; that does not make very much difference. From what I have heard from various sources, the State is losing money because of the incidence of the tax. I urge the Premier to have inquiries instituted. Not much expense will be involved, and if, as I have said, it is found that the State is being affected detrimentally as regards the investment of capital, he will be well advised to reconsider the incidence of the tax.

The Premier: You were in office for six years, and did not alter it.

Mr. WILLCOCK: There are many things that one finds out after six years of experience.

The Premier: Did you get your experience only yesterday?

Mr. WILLCOCK: No. I said when the Premier introduced the Bill that it would pay to make inquiries, because certain matters came under my notice only a few months back. I am not now in the position to order any investigation so that the true facts may be ascertained. Any Government, on being made aware that they are losing revenue through the incidence of a certain tax, should conduct an investigation. I repeat that the revenue of the State is suffering by the incidence of this tax.

MR. ANGELO (Gascoyne) [8.35]: It is indeed gratifying to hear what sounds like a very helpful suggestion from the opposite side of the House, and if the Bill goes through this House as it is, I hope the Premier will have the subject investigated before the Bill reaches another place. I feel certain the member for Geraldton has made full investigations, and if the Premier is satisfied that the information the hon. member has given to the House is correct, it will pay the State to conduct an inquiry into this particular impost.

THE ATTORNEY GENERAL (Hon. T. A. L. Davy—West Perth) [8.37]: I must confess that I am not very much impressed with the sincerity of the criticism of this measure, which has come from the

member for Geraldton (Mr. Willcock) who for six years was in a position that qualified him to understand what he spoke about to-night. Yet year after year he supported the tax which the House is asked to re-impose to-night. I had hoped that this session we would not have had any carping criticism designed to hold up business.

Mr. Willcock: It has not been carping criticism.

The ATTORNEY GENERAL: I think it has been. All the House is asked to do to-night is to re-impose conditions which have been in existence ever since 1921.

Mr. McCallum: You are making them permanent.

The ATTORNEY GENERAL: This tax, which we are now asking the House to pass, was imposed in 1921, and has been re-imposed year after year. If the imposition of the tax for nine years does not make it sufficiently permanent to again enact it subject to repeal by Parliament, I cannot imagine what would make it permanent. The object of the Government in making this a substantive law, instead of a law which has to be repeated every year, is simply to save the time of Parliament, and the cost of printing and other expenses incidental to the introduction of the measure. Surely, when a measure has been imposed year after year for nine years, the time has arrived to make it permanent until Parliament is prepared to remove it altogether.

Mr. Angelo: How long is it since the companies that were mentioned by the hon. member were registered?

The ATTORNEY GENERAL: The Swan Brewery Company was registered, I suppose, 30 or 40 years ago. That is a Victorian company, and ever since I have had a knowledge of the affairs of Western Australia, it has been a Victorian company. I believe, too, that that was where it was originally registered.

Mr. Willcock: Your information is incorrect.

The ATTORNEY GENERAL: I do not think it is. The Swan Brewery Company is a Melbourne company.

Mr. Willcock: We know it is now.

Mr. Willcock: It is a purely Western Australian company registered in Melbourne. It has no interests outside Western Australia.

The ATTORNEY GENERAL: The company was born in Victoria. The company

is at least 30 years old; it may be older. I quite agree with the hon. member that because the imposts in Western Australia are heavier than those in the other States, we are losing capital. The fact that income tax in Western Australia is heavier than in Victoria has induced some people to invest their capital in that State. The member for Geraldton perhaps has in mind the same person about whom I am thinking; he sends his money where it will pay least taxation.

Mr. Willcock: But he has to pay also if he is domiciled here.

The ATTORNEY GENERAL: If he sends capital to Victoria to be invested there, he pays in Victoria.

Mr. Willcock: He pays a certain amount in Victoria, and a certain amount in this State.

The ATTORNEY GENERAL: He does not pay one penny in Western Australia. If a man pays income tax on income derived in Western Australia, not income earned in Victoria, and if a man is sufficiently indifferent to the welfare of Western Australia to send his capital out of Western Australia for investment in Victoria, he will pay no income tax in Western Australia, not one penny.

Mr. Willcock: You are not right.

The ATTORNEY GENERAL: I am right.

Mr. Willcock: Ask the K.C. to give us his opinion.

The ATTORNEY GENERAL: My friend the K.C. will agree with me that you only pay income tax in Western Australia on income earned or derived in Western Australia. That is the law.

Mr. Kenneally: And it does not matter what the K.C. says.

The ATTORNEY GENERAL: I know he will agree with me. A man in Western Australia can avoid paying income tax in Western Australia by sending all his capital out of the State and investing it abroad.

Mr. Willcock: If the rate he pays in the other States is lower, there is a provision that he pays some tax here.

The ATTORNEY GENERAL: There is no such provision.

Mr. Willcock: I am assured there is.

The ATTORNEY GENERAL: Then do not accept someone else's assurance.

Mr. Willcock: If we impose a tax on earnings gained in another country, we will get into trouble.

The ATTORNEY GENERAL: We impose a tax on citizens who live in Western Australia and who enjoy the protection that Western Australia gives them.

Mr. Willcock: I do not think we had better enter into a discussion on the matter.

The ATTORNEY GENERAL: Certainly there is considerable truth in what the member for Geraldton says; that the lower we can keep taxation in Western Australia, the better will it be for attracting capital. But I do say that any attempt to oppose the Bill before us does not sound to me very sincere, especially from one who has supported the imposition of the tax for so many years. It may be that the hon. member, before he became a member of the previous Government, opposed the tax, but in the six years I have been here he has supported its reimposition session after session. It does not seem to be a reasonable thing to oppose the Government that are now bringing in this tax, particularly as it does contain one element of reduction, that is, the reduction of the amount of tax on share scrip.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Angelo in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Second Schedule:

Mr. WILLCOCK: The Attorney General's remarks were ungenerous, and did not reflect the spirit in which I criticised the Bill. I did not even oppose the measure. I merely thought a little helpful criticism would be acceptable to the Government. I think you yourself, Mr. Chairman, in following my remarks expressed appreciation of the spirit in which I spoke.

The Attorney General: I am sorry I misunderstood you.

Mr. WILLCOCK: The cases I had in mind occurred not so long ago. While a member of the Government I had not the

opportunity to express my views on the subject, and consequently no inquiry was made. This evening I merely wished to suggest that the Government detail an officer to investigate, and that then, if it should be found that the State is losing money, the matter should be set right.

The PREMIER: I will look into the matter as suggested by the hon. member.

Clause put and passed.

Clauses 3, 4, 5, Title—agreed to.

Bill reported without amendment, and the report adopted.

BILL—STAMP ACT AMENDMENT (No. 2).

Second Reading.

Debate resumed from the 21st October.

MR. McCALLUM (South Fremantle) [8.51]: The Stamp Act Amendment Bill (No. 1), which was dealt with earlier in the sitting, referred to increase of incidence of an existing tax. This Bill proposes an entirely new tax, and thus represents a further display of the Government's determination not to keep their election pledge not to increase taxation. The previous Bill doubles a tax; this measure imposes a new tax—a tax on sweep tickets. The Title, however, does not indicate the full scope of the measure. The definition of "sweep ticket" includes—

any ticket, card, paper, slip or other article intended to be evidence that the holder thereof has purchased a ticket in or paid money into a sweep and is entitled to participate in the drawing of such sweep.

That is an all-embracing definition. It will include every little raffle or art union in a church bazaar or goose club or cricket or football club, up in the North or in any out-back district. All alike are to be taxed under the Bill. The measure will be difficult and costly of administration, because the tax is to be paid first. A society at Wyndham wishing to raffle an article must first purchase ticket stamps at the Treasury; or the tickets must be sent to Perth to be stamped, and then returned to Wyndham. Those undertaking the raffle must run the risk of forfeiting their preliminary outlay

before they go on with the project. As regards the big sweeps on the Caulfield and Melbourne Cups the Government have missed the bus. I do not indulge in gambling—there is too much Scotch blood in me—but I understand that some of these sweeps comprise 50,000 tickets. It means that stamps for the 50,000 tickets have to be obtained at the Treasury beforehand. That involves a large outlay. Sweeps are generally run by people who are hard up. The Children's Hospital sweep now being conducted consists of 50,000 tickets, and therefore 50,000 stamps will have to be bought at the Treasury before the sweep can be run.

Mr. H. W. Mann: I think credit would be given.

Mr. McCALLUM: Not according to the terms of the Bill.

Mr. H. W. Mann: Then we would have to borrow the money from the Government first.

Mr. McCALLUM: Under the Bill, anyone found selling or buying an unstamped sweep ticket would be liable to prosecution. The system proposed appears to me cumbersome and such as will involve hardship. How would a cricket club or a church out-back get on if desirous of running a raffle? The Bill sets out a wrong scheme, involving almost prohibitive expense to charity workers. To rope in all the little raffles and sweeps is altogether unnecessary. The section that handles more sweep money than any other section of the community will not be touched at all by the Bill. I refer to Tattersall's, for instance. Under the Bill tickets in Tattersall's can easily escape taxation. The man collecting money here for Tattersall's in Tasmania could easily evade the provisions of the measure. And that is the quarter in which the measure is supposed to exact big returns. As was suggested by interjection while the Premier introduced the Bill, Tattersall's tickets instead of being bought here would be purchased direct from Tasmania; and it would be difficult to trace everything coming to persons here through the post. Thus a coach and four could be driven through the Bill as regards the large source of income that is anticipated. There is not much doubt that that will be done, and from the very commencement of the operation of the measure. What need is there for bringing in all the petty raffles and lotteries and sweeps run in connection with social func-

tions and sporting clubs or to assist deserving cases? That is carrying taxation to extremes. A man who has been out of work for a long time, whose home is in distress, whose family is in want, nowadays frequently raffles some of his chattels in order to raise money. Under the Bill such raffles will have to be taxed; application will have to be made to the Treasury, and tickets will have to be stamped in advance. I feel this is taxation run mad, this coming down to these trivial little things to impose a penalty upon them. We should not be forced to get down to such pettifogging methods. And where the Bill does aim at hitting the big money, where a considerable amount of money is going out of the State, the Bill will not touch it. So I cannot see that the Bill is one that should commend itself to us at all. I do not think its incidence is fair, or that the scheme of the Bill is right; I do not think it is possible of administration, and I am sure that the further we get away from the metropolis, the greater will be the difficulty and the greater will be the penalty imposed. I suggest it would be better for the Government to have another look at the subject and examine the probable effects of the Bill. Then, perhaps, they will come to the conclusion it is not worth wasting the time of Parliament over.

MR. PANTON (Leederville) [9.2]: Of all the taxation proposals the Government have brought down, this is the most remarkable. It is proposed to tax local sweep tickets at 1d. per half-crown or part thereof, and to tax at 3d. tickets in sweeps conducted outside the State. The two principal sweeps conducted outside the State are those known as the Golden Casket and Tattersall's. As the member for South Fremantle said, the Government will receive very little revenue from those two sweeps. For the Bill provides that the sweep tickets have to be submitted to the Taxation Commissioner for stamping, or, alternatively, that the seller of a ticket had to be given a receipt on which, of course, he will pay the tax. Surely members on the Government side are not so unsophisticated as to believe that people will pay that 3d. on each ticket.

Mr. Munsie: Sixpence! It is 3d. per half-crown or part thereof.

Mr. PANTON: That is right; it will mean 6d. per ticket. It will be the easiest

thing in the world to dodge the tax by sending to one of the sweep agents in the Eastern States for the required tickets. I do not indulge in many Tattersall tickets, for I cannot afford it.

Mr. Kenneally: You have to balance the budget.

Mr. PANTON: Yes, the wife sees to it that I do that.

The Minister for Railways: One wouldn't get his ticket any cheaper by sending to the Eastern States for it.

Mr. PANTON: If you go into a shop to buy a Tattersall's ticket, you get, not the ticket, but a receipt for your money. Your money is then sent across to the Eastern States, and the ticket is returned from headquarters to you direct. So all that one has to do is to send over direct to a sweep agent in the Eastern States, and so dodge the tax here.

The Minister for Railways: To begin with, it would cost 4d. for postage.

Mr. Munsie: But you have to pay the postage now.

Mr. PANTON: If the Minister would go along to-morrow and purchase a sweep ticket, he would immediately acquire all the information he is trying to get now. As I say, the revenue the Government will receive from tickets and sweeps conducted outside the State will be very small indeed. As to local sweeps, in the first place one has to get the permission of the Commissioner of Police to run a sweep; and from my experience in obtaining such permission, I can say the sweep has to be for some object other than a personal one. So we can assume that the majority of sweeps run in this State are run for charitable purposes. Surely the Government are not so hard up that they are going to tax charity! That is what it means. For every sweep ticket up to half a crown there will be a tax of 1d., even though that sweep is being run for a charity, whether it be the Children's Hospital, the Institute for the Blind, the Braille Society, or any other similar institution.

The Minister for Railways interjected.

Mr. PANTON: After I have finished, the Minister can tell us where it is not going to be done.

The Minister for Railways: The Trades Hall is not a charitable institution.

Mr. PANTON: It is, or it was, so far as the hon. member was concerned. It starved

him out, which was the greatest charity it ever did. So the Minister does not want to say too much about the Trades Hall, which was so good to him. If the Trades Hall wants to run a sweep which is not for charitable purposes, the Commissioner of Police can refuse permission. When one gets permission from the Commissioner of Police to run a sweep, he then has to take his sweep tickets to the Taxation Commissioner to be stamped. Suppose it is to be a 50,000-ticket sweep. The promoters of the sweep will take those tickets to the Commissioner, pay him the amount represented by 50,000 pennies, and the Commissioner will stamp each ticket. But anybody with experience of running sweeps knows that invariably a large number of tickets are returned. I should like to know from the Premier what is going to happen if 30,000 of the tickets are returned. Is there going to be any rebate?

Mr. Marshall: Yes, you will get a refund.

Mr. PANTON: How do you know that?

Mr. Marshall: The Treasurer is sure to be nice about it.

The Attorney General: You get a refund on any stamped document which is not used.

Mr. PANTON: This is an extraordinary Bill. It simply says you shall present your tickets to the Taxation Commissioner and, on payment of the amount assessed, he will stamp the tickets. There is no provision whatever for a return of any part of the tax. If it is intended to make a rebate on unused tickets, let us have it in the Bill and so make sure of it. The most extraordinary clause in the Bill provides that any member of a police force, or any officer authorised by the Commissioner of Stamps, may require any person having or believed to have in his possession, custody or power, any sweep tickets for sale, to produce such sweep tickets for inspection. That means that if a man happens to walk into Watsons—who communicate with Hobart—to buy a packet of cigarettes and is walking out again, he may be accosted by a policeman who will take him aside with the remark, "I have reason to believe that you have a sweep ticket. I want to see it."

Mr. Parker: You cannot buy cigarettes at Watsons.

Mr. PANTON: It does not matter what shop you may be coming out of, if you are suspected of having a sweep ticket in your pocket, under the Bill any policeman will

have the right to say, "Empty out your pockets and let us see whether there is a stamp on your sweep ticket."

Mr. H. W. Mann: That clause provides that the officer must have special authority in writing.

Mr. PANTON: It does not say he must have written authority to go down the street and pull up Harry Mann; it only means that he must have authority in writing to go about his duty. Then he can pull up anybody he cares to, just on the authority of his having reason to believe that that person has in his pocket a sweep ticket. Fancy the member for Perth, a suspicious-looking character, coming out of a tobacconist's shop; any policeman might reasonably believe that he had a sweep ticket. It is carrying the law too far to give any policeman the right to pull up anybody coming out of a shop and demand to see his sweep ticket. Indeed, under the Bill the policeman will have the right to enter the shop, or even to pull up in the street anyone who, he has reason to believe, is selling a sweep ticket which is not stamped. What is going to be the result if the Bill becomes law? For many years past there has been a clamour about the number of sweeps that are run in Perth, and continual complaints have been made about so many persons taking up positions in the streets of Perth and selling sweep tickets. One can easily conceive that if under the Bill the Government receive any substantial revenue from local sweeps, the incentive will be to grant permission for the running of as many sweeps as possible. If this is to be purely a revenue-producing measure, the member for Gascoyne will be one of the first to protest. Only the other night, immediately after the Leader of the Opposition sat down, the hon. member was on his feet telling us how wives and daughters and sweethearts would be offering up prayers for the Leader of the Opposition over the starting-price betting. I venture to say the starting-price bookmakers are not half the menace that these sweeps will be, if this is going to be made a revenue-producing measure; for it will mean that the more revenue is derived from sweeps, the more sweeps will be permitted. Then, instead of the sweeps being so many per annum, we shall have two or three per month by various organisations. I hope this is not going to be made a revenue-producing

measure, because there is in the Bill nothing prescribing proper control of sweeps. There is no control of sweeps to-day, once the permit is granted. All that is necessary is to give an undertaking that a balance sheet will be submitted to the Commissioner of Police. We all know what balance sheets are. It is very easy to get over the matter. If we are going to have a tax collected on the sweeps, surely there should be in the Bill some measure of control. I hope the Bill will not be passed at all, but I am more concerned about what the member for South Fremantle terms the smaller fry. I live in the district of Leederville which has over 9,000 electors. It is a working man's centre, but the position there is typical of that in other suburbs. Organisations of every description are running raffles and art unions to assist the people who unfortunately are out of work. The sub-branch of the Returned Soldiers' League have an amelioration fund. There are only two methods of securing money to assist comrades who are down and out through war wounds, one being Poppy Day and the other the running of raffles and art unions. The Leederville sub-branch conduct at least one a month. They have one running to-day, 1d. tickets for a £1 prize. If this Bill becomes law, each of those tickets will have to pay a tax of 1d. The object of the raffle is to obtain money to purchase Christmas toys for the children of returned soldiers who are out of work. Yet the Government impose 1d. tax on each of those 1d. tickets.

Mr. Wilson: Is the ticket only 1d.?

Mr. PANTON: My Scottish friend knows I am only half Scotch. Yet I am Scotch enough not to pay more than 1d. Had the tax been in vogue, I could not have taken a ticket. If the Government are so hard up as to demand 1d. tax on sweep tickets, let them agree to a limitation. There are hundreds of men in the Leederville district out of work, and almost every day local committees are raffling pieces of furniture valued at £9 or £10, or a £5 note, with the object of assisting the unemployed, for whom the Government were going to find work. As the Government have not found work for them, they should let the people who are trying to relieve distress continue their raffles. I shall oppose the second reading

but if the Bill reaches Committee, I hope the Government will accept an amendment to limit the tax to prizes exceeding £10. Much distress will be caused if the Government tax every pettifogging little raffle or art union, especially at the present juncture. I hope they will agree to the £10 limitation and so not interfere with little raffles such as I have instanced, and I hope that the wide powers to which I have taken exception will not be granted.

MR. HEGNEY (Middle Swan) [9.19]: This Bill is very cumbersome. Most of the organisations which have conducted sweeps in this State have been small bodies. Some larger ones have been in evidence such as the Returned Soldiers' League, the Ugly Men's Association and the Perth Trades Hall, but many small organisations have run sweeps for charitable purposes, including hospitals. It is quite altruistic to assist country hospitals to liquidate the debts on their buildings through the medium of sweeps. Under the Bill, stronger organisations might be able to put up the amount required by the Commissioner of Stamps. If the tickets cost 1s., and 50,000 tickets are issued, the amount required to be deposited before sales are permitted will be £200 6s. 8d. In addition, the promoters of the sweep will have to find preliminary expenses, such as printing and advertising, costing about £100. Consequently, before the promoters could start selling tickets they would have to find some £300. Very few organisations would be in a position to do that. If the second reading of the Bill be carried I shall move some amendments which I think will make the provisions of the measure more acceptable. For the collection of entertainment tax, bonds are issued to the picture companies and payments are made at the end of each week. Picture companies do not have to purchase the stamps in advance, but are permitted to take out bonds for the payment of the tax. Somewhat similar procedure could be adopted in respect of sweeps which would obviate the heavy initial expense. The money could be collected within seven days of drawing the sweep and the Commissioner would be assured of getting the revenue due to the Government. Even after the promoters obtained permission to conduct a sweep, it would be possible for the Com-

missioner of Police to prevent its being held. If a bond were given guaranteeing payment of the tax, the promoters should be exempted from interference by the police. Otherwise, the promoters of a sweep might expend £200 in the purchase of stamps for £50,000 worth of tickets and then be prevented by the police from conducting the sweep. That actually happened in one instance in this State. On the race-courses the totalisator is recognised as a legal instrument for collecting the tax, and there is no reason why the precedent so created should not be applied under this measure. Many of the provisions of the Bill are cumbersome and will hinder the promotion of sweeps. Many sweeps are promoted and applied to worthy objects such as to building a Trades Hall, to assist hospitals, and to finance the activities of the Returned Soldiers' League and the Ugly Men's Association. I am not a gambling man, but most people patronise sweeps, and there is no reason why we should discourage them from purchasing 1s. tickets and taking a chance. If the Government are determined to push the Bill through, I hope it will be considerably improved in Committee.

MR. MARSHALL (Murchison) [9.26]: In dealing with this, another measure to impose taxation, it is worth recalling the utterances of members on the Government side regarding the need for reducing taxation. Practically without any break in the whole of the evening's proceedings we have been considering measures for imposing increased taxation.

Mr. Sleeman: And there are more to come.

Mr. MARSHALL: That is so. Members on the Government side will not get away with that as lightly as they expect. I am determined to remind them of their obligations, of the promises they made to the electors on the hustings, and of the manner in which they have violated those promises so soon after being returned to power. Hardly a member opposite did not promise the electors that, if the Labour Party were displaced, he would support a reduction of taxation. That was the cry of almost every member, not excepting the member for Gascoyne. I happened to pass through his electorate on more than one occasion and I know his attitude at that time. In

variably members misled the electors by stating that they would reduce taxation. Yet now they are supporting a variety of measures, all having the one object of increasing taxation. The Minister for Railways was one of the leading lights in promising reduced taxation and no interference with the wage-earners' standard of living. Yet he is a member of the Government who are slashing as deeply as possible into the conditions and pay of the workers.

The Minister for Railways: For auld lang syne.

Mr. MARSHALL: The hon. member has worn every political coat and has so often looped the loop politically that he can afford to be humorous at the expense of the party that first gave him political birth.

Mr. SPEAKER: That is not in the Bill. The hon. member must stick to the Bill.

Mr. MARSHALL: This measure has been drafted in a particularly crude way. No regard has been paid to the extensive area over which it will apply. Even if it applied only to the city, it would be hard enough. There are philanthropic and charitable organisations removed many hundreds of miles from the city that are endeavouring to support some local charity or some humane cause. Under this Bill, if such organisations run raffles, sweeps, art unions and so on, with the desire to raise a few pounds for the worthy object in view, they must first submit everything to the Commissioner for Stamps. They may desire to raffle a £1 note, but before selling a single ticket they would have to send the books down to be stamped. The Commissioner would have power to hold them until the amount of the stamp duty had been met. Everybody connected with such art unions or sweeps would be severely handicapped. Many religious organisations use raffles as a means of raising a little money, but they have no money in hand at the beginning.

Mr. Sampson: Do they get it when the raffle is finished?

Mr. MARSHALL: The hon. member is quite comfortably off. He can get out his cheque book and write a cheque for a substantial sum. These organisations cannot do so; they merely pay the prizes offered when the tickets are sold. Under the Bill they will be unable to do that. The Commissioner for Stamps must be paid before

any tickets are sold. Hospital committees, returned soldier committees, social committees and others, will sometimes be compelled to find as much money, before they get it in from the public, as they will ultimately get from the sale of the tickets. The Government seem to have taken leave of their senses. The Premier has frequently criticised the Federal Government, and said they were tariff or taxation mad. His attitude since he became Premier is a thousand times worse than that of the Federal Government. The man seems to have become panicky as to how he will raise sufficient revenue. In every measure he brings down he is scooping something out of the pockets of some section of the community. He does it without compunction, notwithstanding the solemn promises he made on the hustings. No regard has been paid for the possibility of all the tickets stamped not being sold. One would assume from the Bill that every organisation ran a sweep in such a fashion that every ticket printed was disposed of. It makes no provision for exemptions or refunds for unsold tickets. They must be paid for in advance, and if only two-thirds of them are sold, the money still has to be paid.

Mr. Parker: A refund is provided for in the principal Act.

Mr. MARSHALL: The Bill makes no reference to it.

The Attorney General: It is merely an amendment to the principal Act.

Mr. Munsie: There is nothing in the principal Act dealing with stamps on sweep tickets.

Mr. MARSHALL: I can only discuss the Bill as it is presented to us. I have a great deal of contempt for the Government, owing to the manner in which they are trying to raise money. Their taxation proposals are crude and ill-considered. Every church committee must submit its raffle proposals to the Government before any headway can be made with them.

Mr. McCallum: Even a raffle for a pair of ducks.

Mr. MARSHALL: Yes, or a goose club raffle. All will come under the Bill. The Premier must have had that in mind when he framed it. All these taxation Bills have been framed in a haphazard manner, and presented to the Chamber in the hope that they would go through.

Mr. Parker: Do you include the Egg Marketing Bill?

Mr. MARSHALL: That might have done some good for the community if it had been placed on the statute-book.

Mr. Angelo: Can you suggest any that would help us along?

Mr. SPEAKER: I must ask the hon. member to speak to the Bill before the House.

Mr. MARSHALL: I am going to vote against the second reading, and will attempt to amend the Bill in Committee. I regret the Government have adopted this pettifogging manner of raising money. They are chasing the smallest sections of the community—those who are attempting to help others and to finance their own organisations. Even these are picked out in preference to companies or combines that are paying fairly large dividends, or newspaper companies and others that are paying 15 per cent. on the capital invested. These go unscathed. Insurance companies and banks, which made millions during the war, go unmolested. Churches and returned-soldier organisations, or other bodies of people who get together to help in uplifting the community, are to be brought under the Bill. It is almost beyond conception that a Government should descend to this level in order to rake in a few pounds.

MR. SLEEMAN (Fremantle) [9.40]: I oppose the Bill. I well remember the Premier, sitting in Opposition, when the ex-Minister for Health brought down a lotteries Bill, saying that it reminded him of the song "Another Little Drink Won't Do Us Any Harm." I might say, "Another little sweep won't do us any harm," or "Another little tax won't do us any harm." The Government could raise more money, and do so in a better way, than by taxing sweeps that are conducted from outside the State. It is proposed to tax Tattersall's and the Golden Casket tickets at the rate of 6d. each. If the Government desire to raise money through gambling proclivities, seeing that they have sunk the principles they had a few years ago, when the Minister for Health of that day desired to raise money for hospitals by means of a lotteries Bill, they can well go a step further. We all remember how that Bill was opposed.

The Minister for Works: We supported it.

Mr. SLEEMAN: I have here in "Hansard" the remarks of the Premier, when Leader of the Opposition.

Mr. SPEAKER: The hon. member had better address his remarks to this Bill.

Mr. SLEEMAN: The Premier opposed the measure. Most members now on the Government side had principles at stake. They held it was wrong to raise money for the support of hospitals out of gambling. Instead of taxing sweep tickets, the Government could run a lottery within the State. This would enable them to raise more money than by the means suggested, and to keep all the money raised within the State. Many thousands of pounds go out of Western Australia for investment in Tattersall's tickets and in the Golden Casket. If my suggestion were adopted, the Government would raise double the amount they otherwise would do. The Premier wants money; let him take this means of getting it. A State lottery would provide work for a number of people, and considerable funds for revenue purposes. The Golden Casket is a means of raising a great deal of money for the hospitals in Queensland, to which people in this State are contributing. It is now suggested we should tax those tickets instead of running our own lottery. There is no need to tax the smaller sweeps that are run legitimately for charitable purposes. They are assisting to carry out a duty which is really the function of the Government, in that this involves assistance to hospitals and charities generally. Local committees are constantly at work getting in money by means of sweeps and art unions. Under the Bill sweeps will be taxed although they are helping in a really good object. I hope the Bill will be defeated. If the Government want to raise money by taxing sweep tickets, let them start a lottery of their own, but they should allow charity sweeps to go untouched.

MR. MUNSIE (Hannans) [9.43]: I oppose this Bill on principle.

Mr. H. W. Mann: You are not very consistent.

Mr. MUNSIE: I am. Some 5½ years ago I brought down a Bill to legalise State lotteries, the proceeds from which were to go towards the upkeep of hospitals. I remember the furore that arose outside in certain quarters concerning the legalisation of

gambling. Before the Bill went to another place, the agitation was sufficient to cause several members to twist and vote against it, although they promised definitely to support it.

Mr. H. W. Mann: You cannot blame us for that.

Mr. MUNSIE: The Government have brought down a Bill to raise revenue out of lotteries and sweeps, by means of a tax. Are they legalising this form of gambling? Will the stamping of these tickets by the Commissioner mean the legalising of a lottery or lotteries? If so, the Government are missing a golden opportunity to raise money. If it is the intention of the Government to legalise lotteries and such-like schemes, let them do so openly, and run a lottery themselves. I honestly believe the Attorney General would say the Bill will not legalise gambling or sweeps. Therefore I am opposed to the Government introducing a Bill to collect a tax derived from illegal sources. The member for Perth (Mr. H. W. Mann) says I am inconsistent. I am nothing of the kind. If the Government will introduce a Bill to legalise lotteries to be run in this State, I will support it. I believe they could secure the passage of such a measure. On the other hand, to place before us a Bill that will tax pettifogging little raffles is the height of absurdity. The member for Murchison (Mr. Marshall) was too lenient when he spoke about taxation run mad. I could hardly imagine any Government introducing such legislation as the Government have done this session, and yet being afraid to legalise lotteries. The worst feature is that dealt with by the member for South Fremantle (Mr. McCallum). The Government will get nothing from the very sweeps and the very people from whom they expect to get most of the tax. The Bill as drafted will mean that any person buying a ticket in Tattersall's sweep in a shop in Perth, will have to pay a tax of 9d., not 6d. The Bill provides for a tax of 3d. for every half-crown or part thereof, and that will mean that on a ticket taken in Tattersall's or the Golden Casket, for which 6s. 3d. has to be paid, the purchaser will have to pay an additional 9d. The person issuing the ticket will require to have a book of stamped receipts, and to issue a receipt for the money paid. People will not pay 9d. for those

tickets. The charge of 6s. 3d. to-day covers the necessary postages. I could apply direct to Tattersall's at Hobart by sending across exactly the same amount. It would be necessary only to buy a few tickets and then the amount saved would cover the price of another ticket. Western Australians are not going to pay the extra 9d.; they will apply direct to Hobart and get their tickets themselves. I do not know what the object of the Government is. They will not derive the benefit they anticipate from smaller sweeps. Personally I do not think it was the intention of the Government to provide that tickets would have to be stamped for raffles at church bazaars when a cushion was being disposed of. Surely they never intended that the promoters of such a raffle could not conduct it without having a book of stamped tickets from the Commissioner of Taxation. That is what the Bill provides, and it is absolutely absurd and ridiculous. I do not know what the Government have been thinking about in introducing legislation that leaves the matter so open. I will vote against the second reading of the Bill, and I hope hon. members, regarding the measure as it stands, will not waste any further time by allowing the Bill to reach the Committee stage. It is impossible to make it workable without re-drafting it. I hope the House will reject the Bill and force the Government to introduce something more reasonable.

THE ATTORNEY GENERAL (Hon. T. A. L. Davy—West Perth) [9.50]: There are one or two points that have been raised that I would like to answer. As regards raffles, I do not think the Government desire to touch tiny undertakings of that description.

Mr. Munsie: But that is what the Bill means.

The ATTORNEY GENERAL: It may do so, but the Government do not desire anything of the sort. Another point relates to overpaid stamp duty. That refers to instances where books of tickets, on which stamp duty has been paid, are not used. That is already provided for in the parent Act and it is a common thing for duty so paid to be refunded. Section 15 of the Act deals with various headings under which stamp duty paid can be recovered. I take it there would be no difficulty in securing a

refund when tickets unsold were returned. A further difficulty mentioned was in respect of sweep money that would have to be put up, and which might prove a drain on the resources of the promoters. If a big sweep was promoted with, say, 50,000 tickets, the distribution would spread over a long time, probably two or three months.

Mr. McCallum: They have to be distributed.

The ATTORNEY GENERAL: Not the whole of them at once.

Mr. Panton: Probably the whole lot would be sent out in a fortnight, and there would be no return from them until about a fortnight before the draw.

The ATTORNEY GENERAL: If there is that difficulty, the Government will be pleased to receive suggestions from hon. members. Opposition members seem to have had more experience in these matters of sweeps and racecourses than we on the Government side can pretend to have.

Mr. Panton: Your side deals in shares; our side has to indulge in cheaper luxuries.

The ATTORNEY GENERAL: May be so, but I have noticed some hon. members, on the rare occasions I have visited racecourses, walking about with an air of familiarity with their surroundings. I have noticed some hon. members with that air of familiarity with their surroundings, and calling the principal bookmakers by their Christian names. Perhaps that was after admission by presentation of our gold passes.

Mr. Munsie: We got to know them on the suburban courses. I have never been to one of the courses in particular since the issue of the gold passes.

Mr. Corboy: The cap must have fitted.

The ATTORNEY GENERAL: I shall be pleased to receive suggestions for the improvement of the machinery of the Bill, but I ask hon. members who desire to move amendments to have them placed on the Notice Paper so that the Government may have an opportunity to study them.

Mr. Munsie: I cannot do so.

The ATTORNEY GENERAL: I know that the member for Hannans (Mr. Munsie) is always inclined to be a little too emphatic in his expressions, but I know that the member for Middle Swan (Mr. Hegney) and the member for Leederville (Mr. Panton) do not regard the Bill as so hopeless, and if

they place on the Notice Paper any amendments they desire to move, consideration will be given to them.

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

Ayes	22
Noes	18

Majority for .. 4

AYES.

Mr. Angelo	Mr. J. I. Mann
Mr. Barnard	Sir James Mitchell
Mr. Brown	Mr. Parker
Mr. Davy	Mr. Richardson
Mr. Doney	Mr. Sampson
Mr. Ferguson	Mr. Scaddan
Mr. Griffiths	Mr. J. H. Smith
Mr. Keenan	Mr. J. M. Smith
Mr. Latham	Mr. Thorn
Mr. Lindsay	Mr. Wells
Mr. H. W. Mann	Mr. North

(Teller.)

NOES.

Mr. Corboy	Mr. Munsie
Mr. Coverley	Mr. Pantou
Mr. Hegney	Mr. Raphael
Mr. Kenneally	Mr. Sleeman
Mr. Lamond	Mr. Troy
Mr. Lutey	Mr. Wansbrough
Mr. Marshall	Mr. Willcock
Mr. McCallum	Mr. Withers
Mr. Millington	Mr. Wilson

(Teller.)

PAIRS.

AYES.	NOES.
Mr. McLarty	Mr. Johnson
Mr. Patrick	Mr. Walker
Mr. Plesse	Mr. Cunningham

Question thus passed.

Bill read a second time.

ANNUAL ESTIMATES, 1930-31.

In Committee of Supply.

Resumed from the 23rd October; Mr. Pantou in the Chair.

Department of Forests (Hon. J. Scaddan, Minister).

Vote—Forests, £19,884:

MR. MCCALLUM (South Fremantle) [10.0]: There are some items that I think ought to be explained. I understand there has not been a single order issued so far for sandalwood this year, and according to the figures given here the estimate is £14,000

more. We are entitled to know whether the Minister is anticipating that the Upper House will pass the Bill that they refused to pass for us last year. We should know also whether it is expected to get that £14,000 more when we are aware there is no sandalwood cutting going on. Then the Minister told us the other evening it was proposed to dismiss workmen's inspectors throughout the timber industry because there was no work for them to do, but the figures show that the department expects to get £2,000 more by way of royalties than they got in the previous year. Yet we are told there is no work being done. The same thing applies to "Departmental," from which £2,000 more is estimated. We are entitled to have an explanation from the Minister as to where the money is coming from.

THE MINISTER FOR FORESTS (Hon. J. Scaddan—Maylands) [10.3]: The hon. member knows quite well, in regard to sandalwood revenue, that there is a certain amount carried forward from last year which it is proposed to take into revenue this year.

Mr. McCallum: If you are permitted.

THE MINISTER FOR FORESTS: We hope we will be permitted.

Mr. McCallum: We were not.

THE MINISTER FOR FORESTS: We expect to be treated more kindly. I am not answerable for what was done in the past, but in view of the existing position, the hon. member will agree that we are entitled to take that money rather than allow it to remain in the fund where, on the showing of the hon. member's own Government, it was neither practicable nor desirable that it should remain idle. Another place would not allow it to be taken into revenue, but the previous Government did not do badly out of it. They certainly did better than we are likely to do this year. I have already said that the revenue has been held in the reforestation fund and it is proposed to take it into Consolidated Revenue.

Mr. McCallum: What is the amount?

THE MINISTER FOR FORESTS: Something over £30,000 altogether. The position with regard to sandalwood is a little brighter than it was a few months ago. South Australia has passed a Bill somewhat similar to the measure passed by

this Parliament two years ago. The adjoining State now has control over sandalwood taken from private property, and only a certain portion is to be taken from that source. We have heard that the market is likely to improve, though not to the extent experienced in past years. There are fairly large stocks both here and in South Australia on which royalty has been paid and collected; but the sandalwood has not been sold, and that will have to be removed before we can do much in the way of pulling further wood. It is unfortunate also that the exchange is very much against us. The Mexican dollar is down to about 1s. 3d. as against the normal figure of 2s. 2d., whilst for many years it hardly got below 2s. 6d. or 2s. 7d. That will make it very difficult to dispose of sandalwood at a profit. With regard to timber, the position is not as bright as it might be. There are a few orders coming forward for timber for export. The Eastern States are not taking the amount that they previously took, but if they require this timber they must have it. Imports from overseas have been reduced, but as soon as the trade brightens up this branch of it will brighten up with it.

Hon. M. F. Troy: Is there not a heavy duty on imported timber?

The MINISTER FOR FORESTS: Yes, and there are certain types of imported timber that even Western Australian must obtain. Unfortunately, a lot is imported that should not be introduced to the State. It could well be replaced by some of our own timber. We still experience a difficulty in getting architects in our own State to realise that karri property seasoned is as good for certain works as imported oregon. Eventually I hope they will learn the lesson. There is very little to say about the Forests Department. It has been restricted in its operations, largely because of the lack of funds and the need at the moment of living within its means. At the same time we are finding as much money as we can for the purpose of carrying on operations, and when trade brightens we will continue the magnificent work that has been done from the point of view of preserving our hardwoods. The world requires hardwood and must get it, and eventually we will find it has been an advantage to maintain a part of the State for the purpose of attending to

the reproduction of hardwoods for the future. I am doubtful whether we will actually reach the estimated revenue, though I hope the brightening up of the position will assist us in that direction. There is already evidence that orders are coming from overseas, but I doubt whether we shall actually reach the estimate. Sandalwood revenue is assured, and it may even be increased for the reason that we are taking in the amount that was already earned. At the same time nobody is going to be better or worse off for the reason that the money has been spent. We are not taking in the actual cash, since it has been spent and used. It is now only a bookkeeping entry.

Mr. Angelo: Who spent it?

Mr. McCallum: We did not.

Mr. Sampson: And when you got there the cupboard was bare.

The CHAIRMAN: Order! I will not permit conversations to take place.

The MINISTER FOR FORESTS: Whether we will take in this amount depends on permission being given us. We will not be affected from the point of view of cash expended, but it will mean a transfer. At the present time it stands to the credit of the reforestation fund. If the sum is granted to us, it will be credited to revenue, but whether it will be received into revenue the cash will not be there as it has already been spent.

MR. MUNSIE (Hannans) [10.10]: I should like the Minister to explain more fully where he gets the £30,000 from that is supposed to make this revenue from sandalwood so buoyant. If my memory serves me correctly, for three or four years the previous Government introduced a Bill for the purpose of taking into Consolidated Revenue a certain amount of sandalwood revenue which, without the Bill, would have gone into a trust fund of the Forests Department. It was compulsory to pay £5,000 each year into that fund and last year there was, I think, £7,000 in the fund, and naturally the then Treasurer introduced a Bill to avoid paying the £5,000 into the fund and to pay that money into Consolidated Revenue. Taking the period of five years, the most spent from that fund was £4,700, and as there was £7,000 in the fund, it was not considered advisable to add to it another £5,000. When the Bill went to

another place, an amendment was moved that made it impossible for us to proceed further with the Bill. Consequently, we had to drop it, and the whole of the money went into the fund. The total revenue was in the vicinity of £40,000 a year and if, as the Minister says, there is now only £30,000 all told, I cannot understand what portion of the amount in that reserve fund it is proposed to take, or whether it is intended to take the whole of the sandalwood revenue, provided, of course, the Bill gets through another place. While the Legislative Council consistently refused us the right to use that revenue, they may on this occasion pass the Bill when it reaches them. What I want to know, however, is where the money is coming from. Is the Minister going to take the whole lot? If so, the amount will be between £60,000 and £70,000.

MR. J. H. SMITH (Nelson) [10.13]: On this occasion the Minister appears to be rather optimistic, more especially when he informs us that there are two large sleeper orders practically out now. I know scores of people who would be glad to hear something about them. Dealing with the sandalwood question, I understand that to-day there is a large quantity stored, and that the present Government have made an advance to sandalwood merchants on what is stored. Yet the Minister tells us that we are to have an increase of royalty. In these times, when more than half the mills in Western Australia have closed down and most of the sleeper cutters are out of work, the Minister anticipates increased royalty. What is the Conservator of Forests doing to-day, and doing with the Minister's consent? Robbing Peter to pay Paul. The Minister for Forests also controls the Railway Department, and the Conservator of Forests has raised the royalty on piles used within the State. I agree that we have killed the goose that laid the golden egg as regards export trade, but we are obtaining increased royalty from our own State departments. There is an anticipated increase of nearly £3,000 in royalty for this year. If the Minister could tell us that that money was to be got from an outside source, we should all be highly pleased. Forestry is holding up that development which is the life blood of the South-West. Someone who has developed a forest conscience comes

along and tells us, "The world requires timber, and therefore we must collect these huge royalties within the State, thus promoting afforestation." No one blames the gentleman holding the position; it is the Act that is wrong. The industry to-day is at the lowest ebb, and the Minister is altogether too optimistic in anticipating increased royalty. He cannot get it from the milling industry; and if he proposes to get it from the Railway Department, which he also administers, where is the advantage? The Forests Department's scale of charges on the piles used in the new railway bridge involves the payment of £6 5s. for every pile used. On top of that the Forests Department are charging one-third of £6 15s. for inspection fees. The supplier of a pile, even if it is condemned, has to pay the £6 15s. and the third for inspection fees. It is all very well for the Minister to say, "The world requires our timber." But even in Perth, to-day is the day of steel and concrete. I am authoritatively told that in England and on the Continent whole terraces of houses are being built without a stick of timber in them. Hon. members should consider the advisableness of repealing the Forests Act altogether. We have 3,000,000 acres of land dedicated to forestry, and another million acres, including some of the best land in the State, controlled by the Conservator of Forests. That fact should make us wonder whether the Government of the day and Governments of the past have been sane in their actions regarding forestry. As to forest fires, at one time a fire was never permitted to be lit in a forest. Now the Forests Department have put pine amongst karri and jarrah; and once a fire gets in, that will be the end of the forest. I have spoken on this question for many years, and I feel inclined to move a reduction in the vote.

MR. SAMPSON (Swan) [10.22]: On this vote last session I referred to the high cost of karri and jarrah, particularly karri, and to the fact that oregon is often cheaper to purchase than our local timber. That circumstance, no doubt, largely accounts for the popularity of the imported timber, added to the fact that oregon is much easier to work. It is a great pity that more hardwood is not required oversea, and it is also a great pity that hardwood is not available here at a lower price. It is interest-

ing to note that Governments may use up trust funds without authority. While the Minister for Forests naturally desires that these moneys shall be put in order, after all the result is but a book entry. I should like to see greater co-operation between the Forests Department and the Lands Department. The difficulty of securing land in timber areas is great, and many people desirous of establishing orchards and gardens in the hills districts find it next to impossible to do so.

The Minister for Forests: Why?

Mr. SAMPSON: Difficulties are raised because of the land being retained either for forestry or for other departmental purposes.

The Minister for Forests: There are 40,000 acres of land right alongside you.

Mr. SAMPSON: A friend of mine has been striving to obtain a piece of land in the Karragullen district for many months past.

The Minister for Forests: How about the 40,000 acres on the Toodyay-road?

Mr. SAMPSON: The land must be suitable for the purpose. It must be gully land, or land with good drainage. Unfortunately, much of the best land is held up for departmental purposes, mainly forestry purposes.

The Minister for Forests: Where?

Mr. SAMPSON: In the Karragullen district, and in many of the hills districts.

Mr. J. H. Smith: Practically the whole of the South-West is held up.

The Minister for Forests: Nonsense!

Mr. SAMPSON: The impression is growing that it is economically unsound to hold up these areas for forest purposes. I am inclined to think that greater consideration should be given to the subject. It is highly important that those desirous of going on the land should have the opportunity to secure sufficient areas. I do not know how long it takes for a jarrah tree to mature, but it is a very long time indeed. An apple orchard would produce far greater money returns than an area ten times the extent devoted to the production of jarrah. I realise that the Forests Act gives the Government great power to dedicate Crown lands as timber reserves and so on; and I appreciate the fact that the Forests Department is, within limits, administered with sympathy. Nevertheless it is extremely dif-

ficult to secure land for orchard or gardening purposes, and I hope that consideration will be shown where it is possible to secure land for such purposes. In these very districts it is to be found the best land for the production of apples, pears, and other deciduous fruits, as well as citrus. Land suitable for citrus growth is limited in extent, and where it is required for that purpose the department should, I consider, make it available.

MR. McCALLUM (South Fremantle)

[10.28]: I am surprised at the attitude of the member for Nelson (Mr. J. H. Smith). I have a lively recollection of being in his district during election time, when he was going about like a roaring lion. Here to-night he roars like a sucking dove. He told his electors what was going to happen if there was a change of Government. He said that the South-West was held up with timber reserves, and that he had Sir James Mitchell's assurance that if returned to power he would release the huge territory, the millions of acres, held up by the previous Government from settlement for timber reserves. All those millions of acres would be thrown open for settlement. Here is the hon. member's time to speak, on this vote. We have heard him. What a different man he is here from the man he was when seeking votes! Where is his protest when the Minister tells him that there is no hope of getting the land released? The hon. member makes no protest. He supports the Government. When out among the electors he told them that a change of Government would mean the throwing open of those 3,000,000 acres. Where is that assurance now? What have his electors to say to him about his promise and the undertaking he gave? Where now are the roaring speeches that he made in his electorate? Here he sits quietly, with nothing to say, not even a protest to offer. He apologises for the position. When he is told by his own Government that it would be unwise to throw open the timber reserves, he has not a word to say by way of protest. He sits there dumb. There is no roaring now, no throwing out his chest, no waving of arms, no shouting from the house-tops what is going to happen. The hon. member sits there whipped, silent, unable to do anything, a blindly servile follower of the Government who, he said, would carry out his ideas and give effect to the

programme he submitted to his electors. What is he going to do about it?

Mr. J. H. Smith: I shall please myself.

Mr. McCALLUM: The hon. member sits there and takes it all without a protest. He gets from his own Minister what he got from the Labour Government. Yet now he sits there as silent as a whipped kid, without a word to utter! He told his electors that 3,000,000 acres of good land were being held up: that the South-West was stagnant; that the Labour Government were against development; that we refused to have the area opened up. Now he has not a word to say! He is allowing his electorate to become stagnant, and to remain stagnant. The hon. member packed meetings and told them that men could not get land. He told them that some of the best land was held up as timber reserves, yet the land was not suitable for timber, although ideal for cultivation. Now the hon. member faces the same position today. When the Minister adopts the same attitude the hon. member has not a word to say, no idea to put forth regarding what he said was a necessary and vital issue. Having won his seat in this House, that is the end of it! I am pleased to see that the Minister has taken a stand, and has accepted the advice of experts and scientists who reported on the future requirements and the prospects of the timber industry. When we were confronted with criticism, we told the electors that we would have been false to our trust had we rejected the advice tendered to us, and thrown the land open for settlement. I am glad the Minister has endorsed the policy of his predecessors; in fact, that policy was endorsed by Parliament itself. The policy was really initiated by Sir James Mitchell, and was put into legal shape by Mr. Collier. That did not prevent the member for Nelson from telling the people that he had the word of Sir James Mitchell that if returned to power, he would have the country thrown open. Sir James Mitchell is in power, and the land has not been thrown open. What does the hon. member intend to do about it?

Mr. Corboy: They nobble him every time.

Mr. McCALLUM: The hon. member has been sent here to do his job. There is the spectacle of the hon. member sitting in his seat, with not a word to say.

The Minister for Lands: You say enough for him.

Mr. McCALLUM: I had enough to put up with when I went down to his electorate.

The Minister for Forests: Moral, do not go there.

Mr. McCALLUM: The main essential is that the people should know the truth. They should know of this deception. I do not blame the Premier, because I do not believe for one moment he ever made any such promise. I told the people at Manjimup that the member for Nelson was so very clever that he sent gangs to the meetings to question me.

Mr. J. H. Smith: On a point of order. I object to that statement. I packed no meetings with gangs of men. I ask for a withdrawal of that statement.

The CHAIRMAN: The member for Nelson has taken exception to the hon. member's remarks and I must ask that they be withdrawn.

Mr. McCALLUM: I will withdraw the word "gangs" and substitute the word "troops." There is no question about the hon. member having organised troops of men who were sent along to a meeting, because he had made some such statement previously. It is as well that the people should know the facts, and that the forestry reservation is not a party issue at all. Any Government sensible of their responsibilities to the country would have to follow the policy embodied in the sound, logical report submitted by experts and scientists who dealt with the question of future supplies not only for overseas markets, but for local consumption as well. I hope the electors of Nelson will be able to sum up the hon. member at his true value when he goes raving about the electorate, and roaring about the 3,000,000 acres upon which the future of the South-West depends.

Mr. J. H. SMITH: Mr. Chairman—

The CHAIRMAN: The hon. member has already spoken on the Vote, and he cannot speak twice.

HON. M. F. TROY (Mt. Magnet) [10.38]: There has been some suggestion of co-operation between the Forests and Lands Departments, regarding land to be utilised for forest and agricultural purposes respectively. There cannot be any such co-operation because the respective policies are antagonistic. The Forests Department naturally desire reservations for timber in various areas, and the best timber

grows on the best land. The Lands Department are concerned about securing the best land for settlement because the best land provides the quickest and greatest production. It will be seen, therefore, that the interests of the two departments cannot be harmonised. As Minister for Lands, I found that I was up against the Forests Department every week in my endeavour to make land available in the South-West. So long as the Forests Department desire timber, and the policy of the State is that timber shall be reserved not only for the overseas market but for local consumption as well, there can be no land settlement in the areas concerned. There is, however, one feature to which attention could be given. In my opinion, the Forests Department claim land that is not carrying any great quantity of marketable timber. That land is claimed, not so much for the timber on it, but for the growing of timber there in the future. I know fairly good areas in the South-West that are timbered with red gum and jarrah. It is magnificent country for agricultural development, but the Forests Department claim those areas. One or two karri trees may be growing on them, and therefore the Forests Department claim them as marketable timber areas. As a result, such country is held up from settlement and agricultural development is handicapped. The Minister might do something in that respect. I agree with the policy of reserving all marketable timber for future requirements, because our forests do not cover a very large area. In fact, they cover a small area in comparison with our general acreage. It will not be long, unless our forests are protected, before our timber reserves will disappear. At the same time it is no use holding for forestry purposes country that does not contain timber. I advise the Minister to pursue a more liberal policy in regard to land suitable for agricultural purposes, and that he might put a curb on the Conservator of Forests, who is always hungry for land. That is the only way to harmonise the conflicting policies of the Forests Department and the Lands Department.

THE MINISTER FOR FORESTS (Hon. J. Scaddan—Maylands—in reply) [10.41]: The member for Nelson (Mr. J. H. Smith) believes that the Forests Department is

holding up a large area of land in his district.

Mr. J. H. Smith: I can assure you I have 50 applicants for it.

THE MINISTER FOR FORESTS: At the same time he does not really understand that the Forests Department releases land as soon as it is satisfied that it is of no further use from the point of view of being a profitable forest-producing area. It is the practice of the department whenever land has been cut over and is not suitable for timber production on a profitable basis, to make that land available for agricultural purposes. Before this session closes I will submit to the House an amending Bill to provide that a fairly large area of land be released from the State forests reservation for the purposes of agricultural development; and we will continue to do that. But after all, our forests contain timber that has been, and still is, of tremendous value to the State. One would imagine that because our timber is preserved it is locked up against the production of wealth. As a matter of fact, during the last five years our forests have produced wealth to the value of £11,211,000. That is not a small item. The average per annum has been £2,242,000. It is true that last year it dropped to £1,600,000, but during the five years we have received an actual revenue paid into Consolidated Revenue of £592,000. And of the freights earned by our railways 18½ per cent. is paid for the haulage of timber and firewood, forests products, which is higher than the amount earned by the carriage of wheat. It is evidence that, after all, our forests are worth something to the State.

Mr. McCallum: They provide the best railway freights we have.

THE MINISTER FOR FORESTS: That is so. We are not taking into account that 50 per cent. of our forest products are sent outside the State and that the money is brought into the State in exchange.

Mr. J. H. Smith: You charge a wharfage of 3s. 9d. on every load of timber that goes away. That is not making it cheaper.

Mr. McCallum: The people overseas pay that.

THE MINISTER FOR FORESTS: I have said in the House previously, and I repeat it, that every farthing increase in the price we can get for an exportable com-

modity, we ought to get it. We should get the highest price in the world's markets for our timber or for anything else that we produce. Let us sell cheaply to our own people, certainly, but let us get the highest possible price overseas. Now I have shown what value our forests are from the point of view of railway revenue, and I have shown the amount directly returned to Consolidated Revenue; but I am not taking into account the value in wharfage dues paid by our timber chiefly through the ports of Bunbury and Busselton. Apart from that, there seems to be an impression that the only really good land in the South-Western Division is held up by the Forests Department for forestry purposes. Let us examine that. It is just as well to make these figures known, for there was a South-West conference recently and at that conference the statement was made that all members of Parliament were unanimous in expressing disapproval of the forests policy of the State in what was termed holding up good agricultural land against settlement. What is the actual position? We have in the recognised South-West Division 62,915,000 acres, of which 34,000,000 acres have been alienated, and nearly 26,000,000 acres of Crown land are not alienated. And there are only 2,970,000 acres of State forests.

Mr. J. H. Smith: How far is it away from the railways?

The MINISTER FOR FORESTS: It cannot be very far removed, because in the South-West the railways are pretty well distributed. But there is less than 3,000,000 acres of reserved State forest in a total of nearly 63,000,000 acres of land. Yet so many people believe that the only land that can possibly be made available for agricultural purposes is within that 3,000,000 acres of reserved State forest, and not in the balance of 23,000,000 acres.

Mr. Withers: The 3,000,000 acres are almost in one area.

The MINISTER FOR FORESTS: No, the forest area is largely that portion of our hills system, from about Wooroloo, down the coast. But it is not held for forestry purposes if it is more suitable for agricultural purposes. Some of those areas mentioned by the member for Swan are only short valleys in which we could plant two or three orchards at most. Under a proper

system of forestry we must have a permanent staff. And those men cannot be asked to live on top of a rock. We place them as nearly as we can in communities where they can get reasonable facilities for the education of their children and reasonable opportunities for producing their own requirements. Land that is held by the Forests Department is not necessarily held out of agricultural cultivation. Our forest officers have their little holdings, their own gardens and their own cows, and all this work is being done by those who are asked to remain permanently in our forests. This is all done on a system. It is not holding up the land against settlement. We are settling land wherever possible and to the best possible advantage. In our forest areas, particularly those areas adjacent to railways that could be made available for agricultural purposes if suitable, almost every acre has been classified, not only by Forests Department officers, but by Lands Department officers, and the loadage has been fixed on the plan to show definitely whether it is timber or agricultural country. Notwithstanding what the hon. member said, the two departments have worked hand in hand and the Forests Department have not grabbed the land.

Mr. J. H. Smith: They are working in thorough co-ordination, I suppose!

The MINISTER FOR FORESTS: There have been times when the officers of the Lands Department have asked for the release of land on which there was valuable marketable timber and the Forests Department officers have said, "Very well, we realise that you must have land. As soon as the timber is cleared off, it will be made available for agricultural purposes." We have gangs of unemployed working on country which is suitable for settlement and will be released from forestry, but at the moment it would be a scandal to permit settlement to destroy the valuable timber. It would be like destroying a wheat crop with a view to growing a barley crop on the land next year. The timber is a crop that ought to be harvested, notwithstanding all the agitation. Let me tell the member for Nelson that, as opportunity occurs, any land suitable for agriculture and not required for the use of the foresters will be released for agriculture, but so far as I am concerned, it will not be released until the marketable timber has been removed. I think that is a

fair attitude to adopt. Unfortunately, quite a number of people have the impression that there is only one method of utilising the land, and that is by destroying everything nature has put upon it and growing something else in its place. That is not necessary.

Mr. McCallum: A lot of those who were agitating took up land with timber on it, sold the timber and left the land idle.

The MINISTER FOR FORESTS: There is no doubt about that. Any quantity of land would be taken up for the sake of the timber on it, but we do not permit that. Where there is marketable timber, we make the condition that it shall be reserved to the Crown. We remove the marketable timber. We have provided work for some of the unemployed to cut sleepers in order that the land might be made available, but Parliament would not agree to reversing the policy by permitting settlers to take up land, regardless of the value of the timber on it, in order to give way to the agitation of a few people.

Mr. J. H. Smith: Did they ever suggest that?

The MINISTER FOR FORESTS: That would be the only way out. I invite the hon. member to show me on a plan blocks of land that might be made available for agriculture on which there is no marketable timber or insufficient timber to warrant us holding it pending marketing, and I will promise to have the matter investigated speedily. Then if the case proves to be as he states, I will make the land available. I do not wish to have land held out of use. I am not going to be influenced by the agitation of the South-West Conference to make available land on which there is valuable timber, which timber would be detrimental to settlement until it was removed. A few people are claiming that all the land is held up by the Forests Department, but that is not so. In the whole of the South-West we hold less than 3,000,000 acres as State forests, and of that a fair proportion has been released and a fair proportion has been utilised by the officers of the department to establish decent comfortable homes in centres where public facilities are available.

Items, maintaining nursery, £75; incidental, postage and telephone, £250; stationery, £250; sandalwood, £500; travelling, etc., £250; freights and fares, £450; equip-

ment, £50; liquidation of mortgages, £200; mileage allowances, £500; miscellaneous, £203; total £2,653:

Mr. J. H. SMITH: When an item such as that for maintaining nursery is placed on the Estimates, it is within the power of the Government to expand it to any amount required. Instead of making nurseries, why not make farms? Does the Minister intend to nationalise farming in the forests districts? Is it intended to utilise the little valleys in order that the foresters might become competitors?

The Minister for Forests: Did I say that?

Mr. J. H. SMITH: The Minister said that foresters would establish farms. Instead of the Government making nurseries, I want the people to make farms. I accept the Minister's challenge; there are thousands of farms to be made in the South-West. I do not advocate that we should take good forest country for agriculture.

The CHAIRMAN: I hope the hon. member will not attempt to reply to the Minister on this item.

Mr. J. H. SMITH: I feel rather wrathful about the whole business. I missed my opportunity on the general Estimates, and I did not think I would be made to look so small. I assure the Minister that if he intends to nationalise farming and establish foresters on the land to grow apples, he will not have my support. We require the land for settlers. The member for Bunbury will endorse what I have said.

The CHAIRMAN: The hon. member is now replying to the Minister.

Mr. J. H. SMITH: Reverting to the items, why is £500 provided for sandalwood? Another item has to do with the liquidation of mortgage.

The MINISTER FOR FORESTS: I must protest against the member for Nelson repeating something he knows is incorrect. I made no reference to any nursery. I stated definitely that the staff of the Forests Department were entitled to reasonable homes of their own, and that they could provide these for themselves on some of the land in the gullies where only two or three settlers at the most could be established. I said nothing about their sending goods to market or anything of the kind.

The CHAIRMAN: I would remind the Minister that I prevented the member for

Nelson from replying to him, and that I cannot permit him to reply to the hon. member.

The MINISTER FOR FORESTS: Very well; it doesn't matter.

Vote put and passed.

Progress reported.

House adjourned at 11.3 p.m.

Legislative Council,

Wednesday, 29th October, 1930.

	PAGE
Questions: Public Service increments	1364
Soap for railway use	1364
Land, unimproved values	1364
Public Service, additional emoluments	1365
Bills: Traffic Act Amendment, Com.	1365
Stamp Act Amendment (No. 1), 1R.	1372
Stamp Act Amendment (No. 3), 1R.	1372
Land Tax and Income Tax, 2R.	1372
Agricultural Bank Act Amendment, (No. 1), 2R.	1376
Parliamentary Allowances Amendment 2R.	1381

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

QUESTION—PUBLIC SERVICE INCREMENTS.

Hon. H. STEWART asked the Minister for Country Water Supplies: What additional sum would be required to pay the annual increments to members of the Public Service, and other additional expenditure, resulting from the amendment of the Public Service Act, as authorised by the last session of Parliament—(a) for the current financial year; (b) for next financial year?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: (a) The only increments payable during the current year are those provided for in the last classification, and promised by the Government. No additional sum will be required as a result of the Public Service Act Amendment Act, 1929. (b) No estimate can be given as a reclassification will be due as from the

1st July, 1931. In regard to other additional expenditure, there may be a small increase on account of the remuneration for acting appointments having been liberalised.

QUESTION—SOAP FOR RAILWAY USE.

Hon. H. STEWART asked the Minister for Country Water Supplies: 1, Is "Palmolive" soap manufactured in Western Australia? 2, If not, why is it supplied in railway sleeping cars?

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1, No. 2, The "Palmolive" soap in use on the railways is the balance of stock purchased some time ago. The present railway contract for the supply of soap is with a local firm.

QUESTION—LAND, UNIMPROVED VALUES.

Hon. H. STEWART asked the Minister for Country Water Supplies: 1, What has been the State Taxation Department's unimproved valuation during the years 1924 to 1929 for (a) land which would carry one sheep to five acres; (b) land which would carry one sheep to 20 acres; (c) land which would yield 10 bushels of wheat per acre; (d) land which would yield 18 bushels of wheat per acre? 2, In fixing the unimproved values according to the above, (a) what was taken as the estimated productive value of one sheep; (b) what was taken as the value per bushel of wheat? 3, What portions of the South-West Division have not yet been revalued.

The MINISTER FOR COUNTRY WATER SUPPLIES replied: 1 and 2, The valuation of unimproved land is not based on the productivity of the land, but on the selling value of the land under such reasonable conditions of sale as a bona fide seller would require, assuming the actual improvements (if any) had not been made. This is in accordance with the provisions of Section 2 of the Land and Income Tax Assessment Act, 1907, which are similar to the provisions of the Federal Land Tax Assessment Act. 3, Districts in the South-Western Division not yet revalued under general revaluation scheme by Taxation Department: Albany, Augusta, Chittering, Denmark,