

Legislative Council.

Thursday, 20th November, 1924.

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

AUDITOR GENERAL'S REPORT.

The PRESIDENT: I have received from the Auditor General, in pursuance of Section 53 of the Audit Act, 1894, the thirty-fourth report for the financial year ended on the 30th June, 1924, which I now lay on the Table of the House.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

Hon. V. HAMERSLEY (East) [4.37]: As several other Bills before the House will probably require a good deal to be said on them in Committee, I shall not detain hon. members at length on the present measure. With the various finance Bills side by side, we can congratulate the Government on having recognised some of the difficulties which have oppressed the gold-fields in particular, and we may commend them for their effort to give relief, under the present Bill, to mines which have been gradually going down. My personal view is that this consideration might have been extended years ago. Undoubtedly there has been a heavy strain imposed upon those interested in mining, and the prospector has almost been driven off the fields by the heavy taxation cast upon him when successful, possibly after years of labour, in discovering a good show, which he was able to sell. When this occurred, taxation took away from him almost all the benefit he received from the sale of his discovery. Further, the companies, suffering as they were under various difficulties, and not the least among them taxation, were not so eager to purchase from the prospector even a highly promising show. Again, there were the heavy duties cast upon the mining industry by the Federal Parliament. In considering the exemption proposed by the present Bill we have, therefore, to remember that a form of double taxation, by the Commonwealth as well as by the State, has

been imposed upon people who were trying to develop the mining industry of Western Australia. A matter for regret in connection with the present measure is that it is not accompanied, in accordance with custom, by the Land Tax and Income Tax Bill, as then we should have some notion, while considering the assessment measure, what the rates for the current year are to be. I am wondering whether the other measure has been purposely withheld, and whether we may not get a shock when we learn the rates which the Government will propose. It is rather important that we should have a fairly good idea whether the rates are to be increased, and if so, to what extent, while considering the assessment measure, which of course is merely a machinery Bill, enabling the Taxation Department to get hold of everyone liable to pay tax. We ought to have an idea of the rates before we finalise this measure, more particularly in view of the drastic alterations here suggested. In that connection I have to express my regret that the Government are not able to remit the supertax, which this House has opposed rather strenuously during the last two sessions. During the war period the Council did not raise the same objection to the super tax. It was looked upon as a war emergency measure imposed at a time when the Government had to be given every opportunity to bring in additional revenue. The supertax, however, has been continued rather longer than was anticipated by this Chamber when granting it. It is high time that taxpayers should be relieved from super taxation, which hits particularly hard those with higher incomes and those controlling the larger undertakings. It applies not only to income taxation, but also to land taxation. If the exemptions previously existing in connection with land tax are swept away, as proposed by this Bill, the super tax will be felt more particularly by those paying the combined taxes to the Federation and the State. The Government might have given relief in that direction. The removal of the exemption from holders of land to the value of £50 will really represent only a very small amount. As regards holders of agricultural land, who have always had an exemption of £250, the removal may not seem a very large amount either. However, when these exemptions were first granted, the idea was to give every encouragement to smaller landholders. While it may be differential legislation to relieve one section of the community at the cost of others, the relief is still necessary to those who are starting on small holdings and to whom every encouragement should be given. With all the different departmental charges imposed upon them, it is most difficult for those men to keep their accounts. Not only have they to meet the demands of the Taxation De-

partment, but they have many other charges to meet as well. Most of them are paying water rates, while all are paying local authority rates and vermin rates, together with a number of other charges, mostly of a harassing nature. It would save them an enormous load if a lot of the rates and charges could be collected by one body. At present there are many departments to deal with, not only in the larger centres but throughout the country. A man has to go to one office to pay his rates, and to another to pay some other charge. This is going on in every township in the State and is certainly very irritating to the taxpayer. Many of the small holders do not mind going in person to the local office to fix their accounts, but when it means coming to the city to lodge their assessments they have to get a private institution to do the necessary calculations. The granting of the exemptions was very wise, and I regret that the Government are not going to continue them. Originally it was arranged that those working land in the agricultural centres should pay either the land tax or the income tax, whichever was the larger. That provision was inserted at the instance of this House. It was a very wise provision, and ought to be maintained. Imagine a parent with, say, £15,000 to distribute equally between three sons. One son puts his share into land; another says, "I am not going to have all the bother and worry that you people get out of the land; I will put my £5,000 into brewery shares."

Hon. J. W. Kirwan: Not a bad spec.

Hon. V. HAMERSLEY: The third probably puts his £5,000 into Government bonds. Under this measure the son who put his money into the land has to submit to a levy on the land, in other words, a levy on his capital, for the tax on land is really a tax on capital. Also the one son in putting his £5,000 into land was doing very much more for the State than was either of his two brothers. Yet he is taxed upon his land, upon his capital, and also on the income he derives from the land, whereas his brothers who put their money into brewery shares and Government bonds respectively, are taxed only on the interest they obtain for their investments. In this we are departing from the principle recognised when first the measure was put upon the statute-book, and so I feel this provision should receive the very closest scrutiny when we come to it in Committee. I notice also there is a departure, which the department claim will bring our Act more into line with the Federal Act in regard to the valuation of stock. I have always felt that the Federal Act is a drag-net to bring into income money that is not income at all. Under the clause, if a man purchase £1,000 worth of sheep he is bound to take them into account; the purchase price has to be taken into account in addition to the in-

crease. Yet the purchaser may have secured the stock, not with any idea of making a profit from the resale of that stock, but with the idea of making a profit on the wool. When he takes off the wool, that is put into a separate account; according to the clause, the sheep purchased at a high price because of the wool on their backs still remain at the high value paid for them. The mere fact of that valuation being taken into account means that the purchaser has made a profit, although afterwards he should sell the sheep at considerably less than he gave for them. Of course the true position is that he has made a loss, notwithstanding which he has to pay double tax. There are in the Bill a good many points requiring careful consideration. It does not encourage people to come here and invest money in land when they see the attitude being adopted towards taxpayers. I congratulate the Government on their recognition that the goldfields require the very greatest consideration, and I want them also to recognise that the people on the land require equal consideration.

Hon. J. W. Kirwan: It is the Federal Government that have relieved gold mining of taxation. The State Government have not done it.

Hon. V. HAMERSLEY: But they propose to do it in this measure.

Hon. J. W. Kirwan: No, we want the State to do for gold mining what the Federal Government have done.

Hon. V. HAMERSLEY: And we want the State Government to impress on the Federal Government the necessity for reducing taxation on investments in land. I know a few people who have been taking their money out of the State rather than continue to pay such heavy taxation. The feeling is growing that whoever comes here to invest money in land is making a mistake. It is a general impression, too, that efforts are continually being made to burst up people's holdings and compel them to be content with smaller areas. If we induce a man to come here with £20,000 to invest in land he cannot possibly use that capital in a small proposition. He should be encouraged to use it in a big way and to employ a lot of labour.

Hon. E. H. Harris: He would be taking a big risk.

Hon. V. HAMERSLEY: He would be indeed. This and other measures should give him pause. I regret that we have not the taxing measure here so that we might know the true position, for I have heard it whispered that when the taxing Bill comes along, we shall get a tremendous shock, that the rates are to be very much higher.

Hon. J. Cornell: The hon. member is becoming timid.

Hon. V. HAMERSLEY: I am, with good reason. We have a suspicion that the rates are to be much higher. I quite concede that it must be so, because of these large exemptions to the goldfields. No doubt a

great deal of revenue will be lost through the relief given to the fields. Still, I am only too pleased to know that the Government are in a position to afford that relief, and I sincerely hope it will encourage people to invest their money in mining and so give greater employment in that industry. I think we shall have to do even more than the relief we can give with the aid of this measure. I support the second reading and promise to take a lively interest in the Bill when in Committee.

Hon. J. J. HOLMES (North) [5.0]: I wish to address myself briefly to the Bill, but first I desire to congratulate Mr. Kirwan on the excellent manner in which he handled this subject last night. I agree with him that one would have thought that the concession proposed to be made to the mining industry would have been similar to that granted by the Federal Parliament. I repeat what I have said here on other occasions, that this is a country of primary industries, and that unless we encourage those industries and induce people to come here, it is no use our talking about secondary industries because we cannot conduct them without population. One of the principal industries in the State is pastoral and agricultural. I regard them as one because they are so closely allied. Hitherto in order to encourage people to go on the land or to induce them to commence in a small way, an exemption of £250 was granted to those engaged in either the pastoral or agricultural industry, and in the case of the man holding a small piece of land that did not exceed in value the sum of £50, there was exemption also. The object of a taxation measure I should say was to tax a profit after it had been made. So far as the pastoral and agricultural industries of the State are concerned, an attempt is now being made to tax profits according to the purchase price of the live stock, and if there is a loss in the resale, that loss can be set up in the following year. The Federal Parliament recognised this difficulty and in recent legislation it has been set out so far as live stock is concerned, that the holder can fix his own value at the end of a given period, and if he does that at one period, and there is a resale at a later period, then the tax is imposed when a profit is made. The Bill before us aims at something that is exactly opposite to that. If you make a purchase of live stock at a high rate, when you come to the end of the financial year the department propose that you shall take everything in at the price paid. It is common justice, never mind what is paid, to be permitted to see what the stock would fetch when sold before being asked to pay taxation. The department answer that by saying that we rate the stock too high in the year of purchase, and if there is a loss in the next year they will allow us to assess on that loss. But a more equitable pro-

posal is that adopted by the Federal Parliament, where they impose the tax when a profit is made, and they do not tax the owner of stock in anticipation. For instance, sheep may be bought at 30s. a head, shorn, and the purchaser will get 10s. worth of wool. That immediately becomes income and it is taken in one's income tax. The department still insist that because 30s. was paid for the sheep, they will be taken into stock at the end of the year at 30s., and that if that amount is not realised on the resale as shorn sheep, there will be a set-off as against the profit of the following year. Does the department walk into a merchant's office and analyse his invoices or stock sheets to see whether he has assessed his stock at a high or a low value? I understand the department accept the stock sheets that are submitted, and if there is a loss this year, and a profit next year, the merchant is taxed on the profit. That is all we ask in connection with the pastoral and agricultural industries. All that we request is that the State Government, for the sake of uniformity, shall swing into line with what the Federal Parliament has done, and allow the livestock owner to have some say in the fixing of the value of his stock. With the Federal department, you can fix the value of your lambs at from 2s. 6d. to 10s.; it is immaterial so long as you fix the price at the commencement and continue that throughout. The Minister, in introducing the Bill, through ignorance I believe, said that the proposal contained in the Bill had been agreed to by the pastoralists. I am sure the hon. gentleman did not go into the question or he would not have made that statement. There was some kind of understanding between the department and the pastoralists, but that was departed from by the department and the Bill proposes that the departure adopted by the Department, and to which the pastoralists objected, shall be continued. When in Committee on the Bill, I intend to move an amendment in the direction of bringing the taxation of livestock into line with the Federal legislation, namely, paying on the profit when it is made. Again, it is proposed to penalise the people on the land. In order to encourage settlement an exemption of £250 was agreed to. That exemption was made solely for the purpose of encouraging people to invest in land. There has also been in the past an exemption in respect of those holding small blocks of land of not more than £50 in value. It is proposed now to impose a tax of one penny, and on a block of land worth £50, the department will collect 4s. 2d. We shall have an army of clerks chasing round to collect these small sums on various odd blocks of land worth up to £50. The taxpayer will be harassed and annoyed with another set of returns that have never been put in before, and all for what purpose? Solely to enable the Department to collect an additional 4s. 2d. a year from those people who bought

blocks on which perhaps to build homes for themselves. The thing is ridiculous. Is it the policy of the Government to try to make the owners of these blocks abandon their holdings so that the State may become the sole owner of land? A block may be worth £20, in which case the State will collect 1s. 8d. If the value is £10, the sum of 10d. will be collected. Is not the whole position ridiculous? There is one section of the community that is always anxious to escape any form of taxation themselves and to chase the fellow who has a little bit that can be taxed, no matter how small that may be.

Hon. A. Burvill: Somebody has to pay; why not the farmer?

Hon. E. H. Gray: What about the cattle kings?

Hon. J. J. HOLMES: When Mr. Burvill next faces his electors I shall probably ask him the question he has just put to me, if nobody else does. I think, however, he is merely trying to burlesque the situation because he knows these exemptions were granted to encourage people to take up land.

Hon. J. R. Brown interjected.

Hon. J. J. HOLMES: The hon. member does not want very much encouragement to interject. If his interjections were reasonable one would not mind them, but I warn him that if he continues to interrupt as he has been doing it will not be necessary for you, Mr. President, to draw attention to the matter. Next there is the question of deducting from income tax the amount paid in land tax. Taxpayers are permitted to deduct municipal rates and taxes as well as other taxes, but the Bill proposes that they shall not deduct their land tax. Surely land tax is a charge against income. I have no desire to stress this point because I am certain the House will realise the position that a man who pays land tax should be permitted to deduct that tax from his income taxation. Mr. Hamersley is concerned as to what the tax will be this year. That raises the point that it looks as if there is to be an increase in the tax. As I have already said, a tax of 1d. in the pound will mean revenue for the State to the extent of 10d. on a block worth £10. If the tax be 2d., the revenue will be 1s. 8d. On a block of land worth £50 a 1d. tax will represent 4s. 2d., and a 2d. tax 8s. 4d. One can see that there may be more than foresight in keeping back the other Bill. I would point out, too, that we cannot pass the measure now before us until we have dealt with the Bill to amend the Dividend Duties Act, because Subclause 8 of Clause 5 is consequential on the amendment of the Dividend Duties Act. Therefore we cannot pass this Bill until we have dealt with the other. I have no desire to hold up business, and such a charge can never be laid against me, but I think we will be bound to hold up this Bill until the other is passed. But why not deal with the whole lot together, so

that we may know where we are? In addition to the various matters I have brought under notice, the Bill is full of pinpricks. For instance, the Bill makes provision to start out to find what deductions should be allowed for contributions to dependants. Surely it should be our desire to help those who are in a position to work for and support their parents. The younger generation should be encouraged to do that and not be penalised as suggested in the Bill. What does it matter if two sons each pay £26 a year to their mother in order that she may have £1 a week? Why should not each son be allowed an exemption? If one son is to receive it, which will it be? Another point is that apparently we are to set out after the Agent General and his staff in London and tax their incomes. Surely when officers are appointed to such positions and are sent out of the country on the understanding that their incomes will be exempt from taxation, it is not a fair thing to impose such taxation after they have taken their departure from the State.

Hon. G. W. Miles: Their salaries should be increased rather than taxed.

Hon. J. J. HOLMES: These are pinpricks that will harass the people, necessitate a bigger staff, and do no good for the community at large.

Hon. H. Stewart: It may mean the appointment of another officer to collect the tax from them.

Hon. J. J. HOLMES: One could understand the desire of the political party at present in power to catch the other fellow, if the other fellow when in power had started out and caught them. We know that exactly the opposite happened, and that thousands of people who should have paid were exempted from taxation by the previous Government. We find, however, that notwithstanding the exemptions granted, the Labour Party are now endeavouring to get more at the expense of the taxpayers who have to pay. There is nothing honourable about the transaction at all. It appears to me that it evidences a desire to take something from people who have it and give it to those who have not. There is an exploded idea that everyone and everything should be ruined in order that we may have a prosperous country. The only way to have a prosperous country here is to have people who are prosperous. Do not these people understand that? There is no other way! Many of these people know better but, I suppose, they have to keep the flag flying and therefore they say we must ruin industry in order to keep the country going.

Hon. E. H. Gray: To whom are you referring?

Hon. J. J. HOLMES: If we desire to look at what the Government can accomplish when running concerns, let hon. members look at the reports on the Table and

study the results of the State trading concerns for the last 12 months.

Hon. E. H. Gray: Take the sawmills, for instance.

Hon. J. J. HOLMES: The balance sheet of the State Implement Works is a work of art. Speaking from memory I think a profit of £6,000 is shown. To arrive at that position nothing is debited for interest on capital account. Having arrived at a profit, the officials then provide a statement at the bottom of the schedule showing a loss instead of a profit. They calculate interest in order to arrive at a loss, but they neglected to mention that £123,000 had been written off the capital account of the work, and that no interest is charged on that amount. Had that interest been charged, the loss would have been so much greater.

Hon. W. H. Kitson: Do you suggest that the balance sheet does not indicate the correct position?

Hon. J. J. HOLMES: I do not suggest anything of the kind. I simply suggest it is a work of art. If an officer were to present such a balance sheet to a respectable private firm, I believe he would disappear from his position on the following day.

Hon. W. H. Kitson: Why don't you say what you mean?

Hon. J. J. HOLMES: I have referred to the thousands of people who are exempt but who should be paying taxation, and while that position is recognised by many of us, we know that the Government are now out after those who are legitimately and honestly endeavouring to develop the State and provide employment for other people. We cannot all be employees nor can we all be employers. If we are to harass people, and penalise and annoy employers, Western Australia will be a good place to get out of. Mr. Hamersley referred to the super-tax. That is not the only super-tax that is imposed. There is another one representing 20 per cent. That is applied throughout the State. That super-tax does not hit everyone alike.

Hon. E. H. Gray: It hits the worker most.

Hon. J. J. HOLMES: So much so that they can cut out overtime and do all the work they intend between 8 a.m. and 5 p.m. That shows how the workers are hit.

Hon. E. H. Gray: That is not correct.

Hon. J. J. HOLMES: If the wharfage at Fremantle were 2s. plus 2 per cent., and the wharfage at Wyndham 6s. plus 20 per cent., the imposition at Wyndham would be three times that at Fremantle. Thus are we penalising men who go outback. The further one goes away from the centre of government, the greater the penalty. By such means are we encouraging people to go into the back country.

Hon. E. H. Gray: Do they pay that extra charge at Wyndham?

Hon. J. J. HOLMES: I quoted the figures by way of illustration. They pay 20 per cent. on pre-war wharfage rates.

Hon. W. H. Kitson: I thought you were suggesting that they were paying the rates you mentioned.

Hon. J. J. HOLMES: I mentioned Wyndham as the furthest port to the north, but the position applies to Esperance, Albany, Carnarvon and other ports. When you come to apply the 20 per cent. charge, that levied at the outer ports is much higher than at Fremantle. It must be recognised that the effect is as I suggest.

Hon. G. W. Miles: We pay a higher rate in the North than in the South.

Hon. J. Cornell: There is no flat rate.

Hon. G. W. Miles: That is the position.

Hon. W. H. Kitson: Mr. Holmes stated that they were paying 6s. at Wyndham.

Hon. J. J. HOLMES: I did not. I mentioned that if they were paying that, the imposition of the 20 per cent. would mean so much more than the charge at Fremantle. The trouble is that the North has not sufficient power to rectify these things. In the far North we are a small band helping to develop the country, but we have been treated in this way by all State Governments. I am not condemning the present Government because they have not yet had a chance. They made plenty of promises during election time and I hope they will live up to them.

Hon. T. Moore: You will not allow them to do so.

Hon. J. J. HOLMES: The previous Government treated the North-West in exactly the same way as the Federal Government have treated Western Australia.

Hon. G. W. Miles: They have treated us worse.

Hon. J. J. HOLMES: We have no representative in the Federal Government and no representative of the North in the State Government. Now the Government have promised to remedy some of our difficulties, and if they do so they will earn the good wishes of the North. I do not intend to detain the House any longer, but I deemed it my duty to point out how our industries are being hit by such legislation, and the effect of the pinpricks to which I have referred. Those pinpricks will mean an increase in the number of officers, the annoyance to the public, and an ultimate result that will not be worth while. I support the second reading of the Bill and hope it will be considerably amended in Committee.

Hon. J. CORNELL (South) [5.27]: If there is one measure that is calculated to arouse members of Parliament and the general public into activity, it is a taxation assessment Bill. The measure is essentially one for Committee and I agree with Mr. Holmes that it would be inadvisable to pass the Bill before knowing what is proposed in

the taxing measure. We should know what the rate of tax will be and until we know that, we can form no idea as to the assessment. Regarding the imposition of the super-tax, that tax, too, will appear in the taxing Bill. Hon. members will remember the attitude I took up on the super-tax last session and I give fair warning that I intend to repeat the dose this time. I join with Mr. Kirwan and other hon. members who have preceded me in paying a small measure of praise and congratulation to the Government for granting long overdue relief to the mining industry. I think Mr. Hamersley was under a misapprehension. It is safe to say that out of the producing mines in Western Australia few, if any, will benefit by the proposal in this Bill. The proposal amounts to this: the owners or shareholders will not be expected to pay income tax or dividend duty until the capital expenditure on the mine has been recouped.

Hon. V. Hamersley: You must grant that is a very big concession.

Hon. J. CORNELL: It may or may not be. For the present we are depending on the mines that are producing, and we are certainly hopeful that in the future some more producing mines will be discovered. But generally speaking, the provision will apply only to the future. Let me instance the Associated Mine on the Golden Mile. It has 150 or 180 men on the pay roll, and though the mine has long ago returned the original capital outlay, it has long been carrying on at a loss. To mining men who like to draw dividends and to the worker as well, it is marvellous that that mine has managed to carry on so long. The employment of the 150 or 180 men means a big thing to the State. When we analyse the incidence of income tax, the principle is identical, irrespective of whether the tax be imposed by the State or the Federal Government. Mr. Kirwan ably pointed out that the members of the Federal Parliament last session regardless of the party spectacles they wore, recognised the position of the mining industry. The House of Representatives resolved that no taxation should be imposed on gold mining. When the Bill went to the Senate, which is really the States' House, members amended the measure so far as to make it apply to copper mines, provided that the output of gold from them was not less than 40 per cent. Senator Thompson, of Queensland, pointed out that that would extend consideration to the greatest mine Australia has known—the great Mt. Morgan mine—which to-day is in much the same state of impecuniosity as is the Associated Mine. There is a movement on foot to re-establish the great Mt. Morgan as a big producing mine. The provision as amended was passed by the Senate without a single dissentient. This clearly demonstrates that the Federal Parliament recognised the value that the gold mining industry has been to

Australia, and what would follow if we could revive it.

Hon. T. Moore: But the Federal Government robbed this State a few years ago.

Hon. J. CORNELL: We shall get over the question of robbery.

Hon. T. Moore: We shall merely be getting a bit of our own back.

Hon. J. CORNELL: The hon. member is referring to the gold commanded by the Commonwealth during the war. I held an open mind on that transaction—

Hon. J. W. Kirwan: It is disgraceful for anybody to refer to it as robbery.

Hon. J. CORNELL: If one sets aside the subterfuges that were introduced in the interests of party politics and also State parochialism, he must admit that no case of robbery can be made out.

Hon. J. W. Kirwan: That is so. No goldfields member has ever contended that there was robbery.

Hon. T. Moore: An ex-Treasurer of this State has said there was.

Hon. J. W. Kirwan: He was wrong.

Hon. E. H. Harris: And he has been proved to be wrong.

Hon. J. J. Holmes: It is not the first time he has been wrong, either.

The PRESIDENT: Order! That has nothing to do with the Bill.

Hon. J. CORNELL: Such unsubstantiated and often unwarranted charges made by a State against the Commonwealth do no good to either State or Commonwealth. The Government can advance only one reason for refusing to follow the lead of the Federal Parliament. They might plead loss of revenue. I do not suppose the State would lose £30,000 a year from this source. Assume that as a result of the State granting the concession, £100,000 of foreign capital was introduced, would not the State be the gainer? The Government would be more than recouped by the introduction of the capital and the number of men employed.

Hon. T. Moore: Do you honestly believe you could get £100,000 brought here for investment?

Hon. J. CORNELL: I honestly believe that the mining industry has drifted into such a state through the imposition of dual taxation that Western Australia is not regarded favourably as a country in which to invest money. Whether the concession would result in the introduction of £100,000 of capital, I am not prepared to say, but if we had uniformity in State and Federal laws and exempted gold mining altogether, we should be offering to mining investors abroad an inducement not offered by any other country in the world. If that inducement was not sufficient to attract capital to this State, we could at least say we had done our best to attract it. Had the present taxation been operating when our eastern goldfields were discovered, nothing like the capital that was introduced would have

been made available. In those days there was neither income nor dividend taxation, and that was an added incentive for investors to bring their money here.

Hon. T. Moore: As a matter of fact there should have been a tax at that time.

Hon. J. CORNELL: If we totted up the debit and credit sides we would find that for every million pounds made out of mining in this State, two millions had been lost.

Hon. T. Moore: A good many millions went out of the country.

Hon. J. CORNELL: I am not arguing that we should go as far as the Federal Government have gone in the interests of mining companies, but we should go that far in the interests of the State.

Hon. C. F. Baxter: You would find good results.

Hon. J. CORNELL: We should give the investor abroad facilities for investment in the industry that are not offering anywhere else. It may be argued that such investments would not be made by reason of there being nothing in our auriferous belt. I invite any member who holds that opinion to express it. In Western Australia we possess a larger and more continuous auriferous belt than is found in any other country in the world.

Hon. T. Moore: Did taxation prevent money from going into Hampton Plains?

Hon. C. F. Baxter: Yes.

Hon. J. CORNELL: Wherever I have heard Ministers and Parliamentarians speaking in public I have heard them say that the surface of this country has only been scratched. The mineral potentialities of Western Australia are enormous. No one can say how far our mineral belt extends until it has been properly exploited. I have heard it said that there are hundreds of abandoned mines in this country, and I know there are many that would handsomely pay if the capital were put up to work them. I believe if capital could be put into some of the mines in Coolgardie the investors would reap a good reward. Coolgardie has never had the exploitation it should have had because of the discoveries at Hannans shortly after the discovery of Coolgardie.

Hon. C. F. Baxter: The same thing applies to every district.

Hon. J. CORNELL: I appeal to members to support the project mooted by Mr. Kirwan. Let us show the mining investor of the world that we are prepared to say, "You shall not be taxed until you are recouped for the whole of your capital expenditure." I know of three instances of mines that have been worked by bona fide prospectors without a penny of outside capital. Two of these are rich mines, and their operations are governed entirely by the income tax. The owners only take out a limited amount

of gold every year in order to escape the tax. That policy is unsound.

Hon. H. Seddon: There are several instances of that kind.

Hon. J. CORNELL: I know of one rich mine of which the possibilities are as yet unknown. If there were no income tax the owners would get out as much gold as they could, and we should then know whether it is as rich as it is said to be. As things are now, the owners cannot afford to take out any more gold than they do. I know of one mine that has been worked by two men for 14 years, and they take out only one crushing a year. The mine was recently sold for £14,000, and is to-day employing 30 or 40 men. I trust members will give the proposal the consideration it deserves. I wish to bring under the notice of the Minister the position of the Kalgoorlie Electric Power and Lighting Corporation. To all intents and purposes this is a gold mine. I have received the following letter from the manager (Mr. Marmion):—

As you are no doubt aware, this company stands or falls with the mines. Our capital expenditure on plant, after being gradually written down from £300,000 to £179,333 at the end of last year, would not be worth a scrap of value if the mines closed down. Out of our usual monthly output of 900,000 units only 6,000 is lighting and about 35,000 tramways. So you will see that over 95 per cent. of our output goes to the mines; or if we include the tramways, who are in exactly the same position as ourselves, over 99 per cent. of our business depends on the mines, as does the existence of every individual in the community. Even now we are spending £13,000 on new plant to provide for efficient operating units to cope with the new business of the Lake View and Star and South Kalgurli mines, and we are spending it in the optimistic hope that the mines may at least live long enough to repay us. We paid full duty on all new machinery. The Tariff Board would not hear of any part being entered free on the plea of assisting the mining industry.

The State Government are therefore not the only people with a grievance. I replied to Mr. Marmion to the effect that his case was an insular one. To all intents and purposes he was a miner, and part and parcel of the goldmining industry. If the corporation closed down, not less than 50 per cent. of the gold mines in the locality would also close down. It is only by the concentration of power in the hands of this corporation that the mines can get efficient power at a reduced cost. I replied that I thought the matter could not be dealt with by the House as it was an isolated case. I also pointed out that the proposed amendment to the Income Tax Assessment Act was one which he would probably understand, inasmuch as if all the capital outlay had been returned to the company there would be no need for

him to seek assistance at the hands of the Minister. This was his reply to me:—

Our shareholders have had scarcely anything in the way of dividends returned.

The last dividend, a very small one to the ordinary shareholders, was in 1908.

I know the Minister is not aware of these circumstances. There is a difficulty in the way of affording relief in this case, but I am confident that the Minister is with me in thinking that this undertaking is as much worthy of consideration as is any mine on the Golden Mile. I hope at all events he will give consideration to the matter. Mr. Holmes referred to the taxation of the pastoral and agricultural industries. He cited the case of a pastoralist who imported sheep, shorn them, and then was assessed differently from the manner in which he had been assessed by the Federal authorities. The circumstances were the same, the incidence the same, the deal the same, and yet there was an imposition of two different taxes. This is on the borderline of the absurd. If Mr. Holmes buys sheep why should he be subject to one assessment by the Federal authorities and another by the State? Either the State is right, or the Federal people are right, or both are absolutely wrong. In such a clear case as this there should be no quibbling. I intend to give the agricultural and pastoral industries fair consideration in any vote that I may cast in Committee. If any rectification is necessary to bring about uniformity and more general satisfaction, as well as a fairer incidence in the taxation with respect to these two primary industries, we should see that it is brought about. I support the second reading of the Bill.

Hon. E. H. GRAY (West) [5.58]: I support the arguments brought forward by Mr. Burvill last night with respect to taxation on dividends. He made out a good case for the exemption of co-operative companies. If he cares to move an amendment to carry out his suggestion I shall have pleasure in supporting it.

Hon. J. Cornell: Why should they be exempt?

Hon. E. H. GRAY: A bonus share in a co-operative company is not a dividend. It represents a saving, and yet this impost is placed upon the farmer through this being declared to be a dividend. A dividend in a co-operative society is different from one in any other form of business.

Hon. G. W. Miles: Why?

Hon. E. H. GRAY: It represents a saving, and could be eliminated altogether if the goods were sold cheaper. It has been found from practical experience that co-operative companies and societies can trade more successfully at current rates on merchandise, machinery, etc. Therefore such a dividend is not a dividend in the strict sense of the word, but really represents a saving on the part of the share-

holders. The Government should extend to the co-operative movement every possible assistance. I wish the workers in the metropolitan area would pay as much attention to that movement as the farmers do. It is one of the finest methods of reducing the cost of distribution, and incidentally it helps to bring the Labour ideal nearer. I understand that the Government intend to bring down next session a comprehensive measure dealing with the co-operative companies. I have much pleasure in supporting the second reading of the Bill.

On motion by Hon. H. Seddon debate adjourned.

BILL—DIVIDEND DUTIES ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

Hon. E. H. HARRIS (North-East) [6.4]: This Bill has been framed partly with the object of relieving mining companies from the payment of duty until profits have been earned to an amount equalling the share capital subscribed. The proposal will, I feel sure, meet with the approval of the Chamber, having regard to the condition of the mining industry and the general desire to assist that industry. At one time the amount of duty derived from the dividends of mining companies was very considerable. The Mines Department's report for the year 1923-4 contains the information that the amount in question was some £50,000 for the buoyant year of 1913-14, whilst for the year 1923-24 the amount was only £3,790. A further illustration of the steady decline of the mining industry since 1914, when the dividend percentage upon production by gold mining companies was $19\frac{1}{2}$, is afforded by the fact that for 1923-4 that percentage has dropped to $4\frac{1}{4}$. The fall is worthy of close consideration. This Bill seeks to relieve mining companies other than those engaged in mining coal. The reports of the Mines Department disclose that 85.02 of the men engaged in the mining industry are engaged in gold mining, and that 70 per cent. of the State's gold yield is produced in the North-East Province. Members representing that province, therefore, consider the proposed relief a matter of the utmost importance. The suggested amendment, however, does not go as far as the Federal Parliament has gone. To Western Australia and its Government the mining industry is of infinitely greater benefit than it is to the Commonwealth; and therefore it may reasonably be submitted that this Bill should give the industry equal consideration with that granted by the Federal Parliament. When visiting Kalgoorlie in August last, Mr. Troy made reference to

his efforts to induce the Federal Government to assist in relieving taxation in Western Australia. After addressing himself to the wasting asset aspect of mining, our Minister for Mines drew attention to what the Commonwealth Government intended to do to relieve taxation on the mining industry; and he made the pleasing announcement, on behalf of the Western Australian Government, that a similar concession would be granted by the State. However, as I have said, this Bill does not go as far as Commonwealth legislation. When the measure is in Committee, I shall submit an amendment providing that—

A company deriving profits from the working after the 30th day of June, 1924, of a mine in Western Australia principally for the purpose of obtaining gold or gold and copper shall not be liable to pay duty on such profits where the output of gold from the mine has been not less than 40 per centum of the total value of the output of the mine.

The object of the amendment is to bring this measure into line with recent Federal legislation. I shall not dwell on the point, which has been dealt with by other goldfields representatives. Gold mining differs somewhat from other forms of mining, in that there is a standard value for its products. Except for the gold bonus, which obtained during a limited period only, the output of a gold mine is paid for according to standard value. The prices of other metals than gold vary so much that any increased cost of production can, as a rule, be passed on. We are very hopeful that in the near future Western Australia's gold production will improve, thanks to increased activity on the northern fields, where money has been made available for development purposes. It will be a fine thing for us to be able to tell people in other parts of the world that both the Commonwealth and the State Governments have remitted all taxation on the mining industry, as being unable to bear the expense. The complaint is frequently made against Western Australia that taxation here is much heavier than it is in other parts of the world, and that therefore there is no inducement for capital to come to Western Australia. With the relief now proposed, there is reason to hope that the future of our goldfields will prove brighter than their recent past, and that Western Australia's production of gold will continue and increase. This would mean the employment of a far greater number of men in gold mining than has been the case within the last year or two. The number has decreased to something between 5,000 and 6,000. It would be an immense benefit to this State if a greater number of men could be employed producing a greater quantity of gold, and so inducing the in-

vestment of further capital in our mining industry. I support the second reading.

Hon. J. NICHOLSON: I move—

That the debate be adjourned to the next sitting of the House.

May I be permitted to explain that my reason is that consideration may be given to this measure in conjunction with the other tax Bills.

Motion put and passed; the debate adjourned.

Sitting suspended from 6.10 to 7.30 p.m.

BILL—NOXIOUS WEEDS.

Assembly's Message.

Message received from the Assembly notifying that it had agreed to Nos. 2, 3 and 5 of the amendments made by the Council; that it disagreed with No. 1, and agreed to No. 4, subject to a further amendment in which it desired the concurrence of the Council.

BILL—INSPECTION OF SCAFFOLDING.

Further Recommittal.

On motion by the Colonial Secretary, Bill further recommitted for the purpose of amending Clauses 1 and 2. Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

Clause 1—Short title and commencement of Act:

The COLONIAL SECRETARY: I move an amendment—

That the following be inserted to stand as Subclause 2: "This Act shall be in force and have effect only in the metropolitan area, consisting of the following electoral provinces, namely, the Metropolitan Province, the Metropolitan-Suburban Province, and the West Province."

This is a consequential amendment due to the restriction of the operation of the Bill to the metropolitan area.

Hon. J. CORNELL: I think it would be better to embody the amendment in a new clause to stand as Clause 2. Invariably the short title stands as one clause, the subsequent clauses being devoted to the scope of the Bill. The amendment cannot properly be taken as a subclause.

The COLONIAL SECRETARY: This has been carefully considered, and the amendment should be allowed to stand as Subclause 2.

Hon. J. EWING: I agree with Mr. Cornell that it would be better if the amendment were made as a new clause, leaving the title of the Bill standing alone.

Hon. J. NICHOLSON: There is not very much reason to be advanced for having the proposed provision inserted as a separate clause; yet if we insert it as a subclause the marginal reference to the clause will have to be altered to embrace the amendment, whereas if the amendment be included as a separate clause, it will have its own marginal reference, and so confusion will be prevented. However, I have no very serious objection to the Minister's proposal.

The CHAIRMAN: If the amendment be accepted as a subclause, the marginal note will be altered to read "Short title and scope of Act."

Hon. A. LOVEKIN: It does not make much difference, but I think it would be better to have the new provision as a separate clause. The Bill has been taken from Queensland, and it is about the crudest we have had in the House. There is no reason why we should follow its form closely.

The COLONIAL SECRETARY: I will withdraw the amendment.

Amendment by leave withdrawn.

Clause put and passed.

New clause:

The COLONIAL SECRETARY: I move an amendment—

That the following be inserted to stand as Clause 2:—"This Act shall be in force and have effect only in the metropolitan area, consisting of the following electoral provinces, namely, the Metropolitan Province, the Metropolitan-Suburban Province, and the West Province."

New clause put and passed.

Clause 2—Interpretation:

The CHAIRMAN: In view of the amendment just passed, the numbers of the clauses will be altered.

Hon. J. CORNELL: Has the Minister made any provision for the commencement of the Act? When the Bill originally came to us it was provided that it should come into operation in various parts of the State by proclamation. That has been struck out, and it is now provided that it shall be restricted to the metropolitan area. But when is it to come into operation?

Hon. J. Nicholson: When assented to.

The COLONIAL SECRETARY: I move an amendment—

That the definition of "This Act," at the end of the clause, be struck out.

Amendment put and passed; the clause, as amended, agreed to.

Bill again reported with further amendments.

BILL.—WORKERS' COMPENSATION.

Second Reading.

Debate resumed from the 18th November.

Hon. H. SEDDON (North-East) [8.0]: Without doubt there is great need for an amendment of the Workers' Compensation Act. We have recognised that the manual worker's great asset is his health and strength, and that when he loses both he loses everything. For that reason it is necessary that the provisions of the workers' compensation legislation should from time to time be revised and brought up to date. One great factor in connection with the old Act, and which I hope will be amended by the Bill, is the obscurity of some of the clauses. There has been a general complaint from the workers and the representatives of the insurance companies about the lack of definite meaning of some of the clauses. This has given rise to a great deal of misunderstanding in the past and I trust that the Bill will improve that position. There is nothing that tends to cause irritation and ill-feeling more than the fact that a man who has suffered an injury and who appeals for the compensation to which he is rightly entitled, finds that certain deductions are made from time to time. He naturally concludes that he is being chiselled out of his due rights. In addition to causing ill-feeling, that kind of thing does not tend towards creating satisfaction with regard to the legislation. For that reason I trust that the position will be made more definite. There is one point that is worthy of attention and it is the making of provision for compensation to date from the time of the accident. That is necessary, and will work to the advantage of all concerned. The existing provision is that a man must be away from his work for three days before he can claim compensation. By bringing the compensation up to the time of the accident, the result will prove more satisfactory to all. I have in mind the case of a man who was injured as the result of a fall from a ladder. He had to be off work for a couple of days, but he was anxious to return, and he did so on the third day. Imagine his feelings when he found that he was docked for the two days, although he had suffered an injury in the course of his duties. Had that man been a malingeringer he would have taken advantage of the position and remained off sufficient time to permit him to claim compensation. It will make for honesty if we provide in this amending Bill that a worker shall be able to claim compensation from the date of the accident. Friendly societies, in the case of an accident, pay from the date of that accident and therefore if we amend the Bill in the direction I have suggested we shall be falling into line with a provision that already exists in connection with friendly societies. A point already stressed upon other mem-

hers is with regard to the necessity, which no doubt will be insisted upon by employers for a medical examination and frequent medical examination. This provision is liable to work unjustly to those employees who are seeking work, especially the men engaged in casual labour. We should recognise that fact and insert a provision whereby a medical examination may be made at stated intervals, and that a particular examination should be accepted as proof of the freedom of the worker from disease or injury. If we face that position, it will remove a hardship and will also prove to be an advantage, in this way: frequently a man finds, after a lapse of time, that he is being overtaken by an insidious illness that he did not realise was coming on him until he went to a doctor. I can quote a case in point, where an individual was suffering from increasing blood pressure. I understand that can occur to men who are advancing with age and that it can overtake an individual before he suspects what is wrong. A medical examination will in cases of that description result in individuals taking precautions where in other circumstances the trouble may be allowed to go on until it reaches a dangerous stage. In this way a medical examination at stated intervals will have its advantages. There are minor injuries that can befall a man through his occupation and the schedule to the Bill recognises the more important ones. These, too, could be detected and it should be possible to introduce safeguards in industries. To be forewarned is to be forearmed, and that applies in this as in other cases. The inclusion of occupational diseases I regard as a proper step, and together with other goldfields representatives I express my appreciation of the support accorded the proposal. One is glad to know also that the claims of those who are suffering from miners' phthisis are recognised. At the same time I should like to support what has been pointed out by Mr. Cornell, that the proposal is liable to operate adversely with regard to the miners unless precautions are taken. The Mine Workers' Relief Fund at the present time operating on the goldfields is a voluntary institution contributed to by the Government, the employers and the employees. There is not the slightest doubt that if the Bill becomes law, the employers will insist upon a medical examination of all the workers, and the result will be that many men will be thrown out of employment. Some will fall back on the Mine Workers' Relief Fund, which at the present time is at a very low ebb. There is a great probability, too, that the employers will withdraw from the fund, and in that event we shall find ourselves in a serious position with regard to the men and the widows and children who are already being supported by it. In bringing into operation the Bill we are now considering, we should insert a

clause that will define the position and save us from being confronted with the difficulty to which I have referred through the cessation of the fund. The Miners' Phthisis Act passed a couple of years ago was intended to deal with certain sections of mine workers who were to be taken out of the industry. Before the Bill we are now considering becomes law, we should include in it a clause that will provide for its being brought into operation simultaneously with the Miners' Phthisis Act. If we do that we shall avert a serious financial difficulty that might otherwise arise. The matter having been brought under notice, I trust members will move in that direction. There is not the slightest doubt that the proclamation of the Miners' Phthisis Act has been far too long delayed, and I trust the Government will be able to see their way clear to proclaim it as soon as possible. The Miners' Phthisis Act, to be effective, should work in conjunction with the Bill we are now discussing. There is one difficulty which I think will be brought about by this Bill, and it is the effect it will have on the conditions in our workshops and factories. The present schedule is based on past statistics, and those statistics were founded on experience gained in shops and factories working under the old conditions. There has been a considerable improvement in those conditions, and that improvement has been reflected in the health of the worker and in the freedom from accidents. It ought therefore to be possible, and I think it will be shown that the result should be the introduction of a workable schedule if the Bill comes into operation. I trust it will come into operation, and if it does it will result in a revision of conditions in our workshops for the benefit of the workers, a revision in the direction of improved conditions and comfort which will also result in benefit to the industries concerned. We have to recognise that a considerable amount of work has been done in the past with regard to the improvement of the conditions of workers and that that improvement, for instance in respect of better lighting conditions, has been immediately reflected in safeguarding the eyesight of workers, whilst there has been freedom from accidents by reason of men not having to bend down close to their work. In addition there has been an increase in the accuracy of the work done. The improved ventilation that has been provided is reflected in the health of the workers. Improved temperature, too, has also had a beneficial effect, and we know that better temperature means better manual work. All these conditions must result in benefit to both sections concerned. For these reasons and also for the reason that the Bill will make for the betterment of conditions generally, I intend to support the second reading.

Hon. J. R. BROWN (North-East) [7.57]: One needs to have the wisdom of Solomon and the patience of Job to convince the disbelieving Thomases, even after seeing the nail prints, that any good is contained in measures that come from the lower Chamber.

Hon. A. J. H. Saw: One may also require to have the jawbone of an ass.

Hon. J. R. BROWN: The wisdom that is contained in Bills that come from another place is questioned by some members here, whilst others appear to fall to zero whenever anything is quoted from Queensland. Queensland seems to be a thorn in the side of some of the members of this Chamber. It has been said that Queensland has made a loss over its workers' compensation law. That is not correct. Queensland has made a profit. Where it did make a loss was in connection with occupational diseases.

Hon. J. J. Holmes: What was the loss on occupational diseases?

Hon. J. R. BROWN: I will come to that directly. The Bill before us does not go far enough. In Queensland when the private insurance companies were operating, for every £100 that the workers paid in, the companies returned in compensation only £34. When the Government of that State took up the matter, for every £100 that was paid in no less than £83 went back to the injured or to the dependants. A profit has been made out of the insurance business by the Queensland Government. Private companies prior to the advent of the Government had attempted to evade the payment of compensation to the injured workers. The Government, however, took a different view of the position. The same will apply here.

Hon. A. Lovekin: That is not quite correct.

Hon. J. R. BROWN: It is true.

Hon. A. Lovekin: I say it is not.

Hon. J. R. BROWN: I know of an instance in which a man was working in the bush at Yunddaga cutting wood for a man named Johnson. On one occasion a splinter injured the man's eye and he lost the sight of it. He came to Kalgoorlie and I went with him to the insurance company and was told that Johnson had not insured the man. We later found out that Johnson had covered his employee and the company paid the man's expenses to Perth to consult a specialist. He did so and returned to the fields. He was then informed by the company that they could not pay compensation to him, because his eye would get better. He is still blind in that eye! Legal proceedings had to be taken at Menzies at great expense and the man lost his case. In Queensland the Government take up a far different attitude. There was one instance in which a farmer who had been struggling for 15 years had just got on his feet and had started to

employ labour. He had procured the necessary papers for taking out an insurance policy but before he had completed the business one of his employees was killed. If the Government had forced their claim upon the farmer he would have been ruined and his work of 15 years would have been lost. On the other hand, the Government recognised that the intentions of the farmer had been honourable and that he had intended to insure the man and they therefore paid the compensation.

Hon. A. Lovekin: That is how they make their profits.

Hon. J. R. BROWN: No private company would do a thing like that.

Hon. J. J. Holmes: They would make a loss if they did.

Hon. J. R. BROWN: I do not contend for one moment that the Queensland Government do that sort of thing every day in the week. In a publication entitled "Administrative Actions of the Labour Government in Queensland," which was compiled under the authority of Mr. J. Mullan, Attorney General of Queensland, the following reference to State insurance and workers' compensation appears:—

For the financial year ended 30th June, 1923, the premiums received were—

	£	s.	d.
Workers' compensation	348,191	2	7
Miners' phthisis	15,857	12	0
Fire	146,686	18	8
Life	195,990	2	8
Miscellaneous accident	20,866	19	8
Marine	10,532	9	1
Total	£738,125	4	8

At 30th June, 1923, the organisation consisted of head office, 10 branches, 440 salaried officers and approximately 700 local agents. The balance-sheet at 30th June, 1923, showed investments, apart from loans on mortgage and loans on policies, of £763,827, of which £702,263 was invested in Queensland Government securities. Workers' compensation:—There can be no doubt about the absolute success of workers' compensation business in Queensland following on the passing of the Workers' Compensation Act of 1916 by the Queensland Labour Government in September, 1915. This class of business, when the Government attained power, belonged to private companies, and it was immediately decided to give about double the benefits for the rates which were then being charged by private companies. This Act has always been satisfying to injured workers and to employers, apart from the fact that private individuals or officers should not be allowed or permitted to make profits out of the misfortune of the worker. It would be interesting to go into the claims and other figures, but it is sufficient here to

state that for the year ended 30th June, 1923, the amount of £264,500 was paid to injured workers.

Hon. J. J. Holmes: Was there a profit or a loss on the transaction?

Hon. J. R. BROWN: You can work it out for yourself. They received £348,191 and paid out £264,500. The Queensland Government have made a success of the business, and it is improving every day. I do not intend delaying the House any longer, for there has been enough stone-walling already. We should get on if we want to clean up the mess before Christmas.

Hon. A. J. H. Saw: It is a mess, too.

Hon. J. R. BROWN: There has been enough stone-walling already, and if hon. members repeat themselves we will not be able to get through our business before Christmas. I think that if a man repeats himself three times he should be politically shot. I wish to see the Bill taken into Committee to-night, and I therefore support the second reading.

Question put and passed.

Bill read a second time.

BILL—CLOSER SETTLEMENT.

In Committee.

Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—The board.

Hon. J. NICHOLSON: I desire to move an amendment to Clause 2.

The CHAIRMAN: Mr. Ewing has an amendment on the Notice Paper, and he is entitled to proceed with it.

Hon. A. LOVEKIN: I understand that Mr. Nicholson's amendment deals with an earlier part of the clause, and if that is so, he will be debarred from moving it if Mr. Ewing deals with a later part of the clause.

The CHAIRMAN: If that be so, Mr. Nicholson has the right to move his amendment first.

Hon. J. NICHOLSON: I move an amendment—

That all the words after "Act," in line 2 of Subclause 1, be struck out, with a view to inscribing the following: "The Governor may by notice in the 'Gazette' give notice of his intention to resume any land situate in an agricultural and road board district outside the boundaries of a municipality for the purpose of subdividing the same for closer settlement."

It will be noticed that, instead of moving the amendment standing in my name on the Notice Paper, which would mean defeating the whole clause with a view to inserting my proposed amendment as a new clause, I

take my present course of striking out the greater part of the clause and inserting the necessary words contained in my amendment on the Notice Paper.

Hon. T. Moore: What has that to do with the board?

Hon. J. Ewing: On a point of order, the hon. member's proposal is not strictly an amendment. He really wants to negative the clause.

The CHAIRMAN: I gave my ruling on the assumption that Mr. Nicholson was moving the amendment on the Notice Paper. I was subsequently informed that the amendment was differently worded, inasmuch as the hon. member now proposes to strike out all the words after "Act" in the second line.

Hon. J. NICHOLSON: I am seeking to do away with the proposed board.

Hon. J. R. Brown: On what will the Bill stand if you pull away the board?

Hon. A. Lovekin: On the acquisition of land.

Hon. J. NICHOLSON: Under the Public Works Act the Governor-in-Council may by notice resume land. No board is required.

Hon. G. W. Miles: Who will decide whether the land is wanted?

Hon. J. NICHOLSON: Resumptions at present are made on the motion of the Minister. The proposal to appoint a board is cumbersome and unnecessary.

Hon. E. Rose: Who is to say it is suitable land?

Hon. J. NICHOLSON: The Government would send out their officers to determine whether the land was suitable.

Hon. G. W. Miles: That is what they want a board for.

Hon. J. NICHOLSON: If they want land, let them have it so long as they pay adequate compensation.

Hon. J. A. Greig: Who will fix the compensation?

Hon. J. NICHOLSON: That is provided for later in the Bill.

Hon. T. Moore: You want to recast the whole of the Bill.

Hon. J. NICHOLSON: It is for the Government to decide whether they are going to resume certain land. If they adequately compensated the owner it would save all the unnecessary procedure with the board.

Hon. T. Moore: This Bill deals with land unutilised, and the circumstances are entirely different.

Hon. J. NICHOLSON: I wish to apply to the resumption of land for closer settlement the principles that apply to the resumption of land under the Public Works Act. By doing so the board can be dispensed with. If the owner is adequately compensated there can be no cause for complaint, so why have all the necessary procedure set out in the Bill?

Hon. G. W. Miles: How will the Government determine as to taking land without inspection?

Hon. J. NICHOLSON: Do they take land for public works without inspection?

Hon. A. Lovekin: Is it not your object that if they wish to acquire land they shall do it under the Land Resumption Act?

Hon. J. NICHOLSON: I wish to preserve to some extent the provisions of the Bill, but I want the board eliminated and the procedure simplified. If the board were created and they inspected certain land, a man about to start seeding would resolve to leave his land idle.

Hon. V. Hamersley: That is what is happening under the other Act.

Hon. J. NICHOLSON: Without doubt the man would leave his land idle.

Hon. E. Rose: That would be what the man had done previously.

Hon. J. NICHOLSON: Other men in the district might also leave their land idle, not knowing whether it was to be taken from them. Is that good for the country? If the Government are satisfied that certain land is required, the unnecessary delay that would result from inspection, examination, appeal, and all the other procedure must be detrimental to the State.

Hon. J. J. HOLMES: I voted against the second reading of the Bill because of a principle from which I could not get away. I object to land being taken from people who were given to understand that it was to be theirs for generations to come. I now desire, however, to do the best I can to make this Bill as good as possible. I wish the Government to be in a position to get all the land they want, but I wish to see a tribunal appointed that will give the owner a fair and legitimate price for it. Some inspection of the land must be made. I presume, if Mr. Nicholson's amendment were carried, the Government would at once appoint officers of the Lands Department to inspect the land. They would then report, and if it were suitable notice of resumption would immediately be given. If the owner and the Crown could not agree, a separate arbitrator would be appointed to decide between them. The owner would appear either in person or by deputy, the Crown would be represented, and the arbitrator would decide as between the two. I can see no necessity for the appointment of a board to consist of three members nominated by the Government. Surely the owner has a right to some say in the personnel of the board. Mr. Ewing said that my remarks concerning the board were a reflection upon some of our civil servants. No reflection was intended, nor do I think any was made. I said it was quite an easy matter for the Government, when constituting the board, first to find out which officers held the same view as they did. I did not suggest that the Government influenced members of the Civil Service to sacrifice their ideals and become subservient to their wishes, but I said that the Government, in looking round to constitute a board, would say that one man was in favour of their policy and would be

appointed, and that another who was opposed to it would not be appointed. The Government reconstructed the board that acquired the Peel Estate. The first board turned down the proposition, but the second one approved of it. We should have the most simple and expeditious method possible for resuming lands and the way I have suggested seems to be the best.

Hon. A. LOVEKIN: Mr. Nicholson's intention is to cut out this method of acquiring land and revert to the principles that apply in the case of ordinary land resumption. If that is the wish of the Committee, there is a ready way of doing it. The land may be acquired for closer settlement under the Land Resumption Act of 1894. It may also be acquired under the Land Act, 1898, Section 9 of which gives the Governor power, by proclamation, to resume land for any of the purposes specified in Section 39. We could amend the last subsection of Section 39, which says that other purposes for which the Governor may resume land include "public health, safety, utility, convenience or enjoyment, or for otherwise facilitating the improvement and settlement of the colony." We could then add the words "for closer settlement." This will give us the machinery by which land can be resumed for closer settlement, if the Act does not already embrace that. If the land were then resumed, the owner would receive fair compensation for it. I understand, however, it is intended to go further than this, and to put up closer settlement as a separate proposition.

Hon. V. Hamersley: As another department.

Hon. A. LOVEKIN: As the Bill stands, the owner cannot get a fair deal. I suggest we first vote upon the principle of Mr. Nicholson's amendment. If we favour the acquirement of land through the Land Resumption Act, let us vote for the amendment, and practically all the rest of the Bill can go. If we do not wish to do that, we can test the feeling of the Committee as to whether the land shall be acquired under the Land Act. If not, we can amend the Bill and make it something like a workable proposition.

The COLONIAL SECRETARY: I can hardly believe my ears after hearing the remarks of Mr. Nicholson, Mr. Holmes and Mr. Lovekin. They desire to give the Government unlimited power to resume land in agricultural areas.

Hon. J. J. Holmes: The principle has been agreed to by this House.

The COLONIAL SECRETARY: It is too much power to give any Government. The Government should have the responsibility of making proper investigations before any land is resumed, except for a police station, school or some such purpose. Under Mr. Nicholson's amendment any Minister for Lands might at once re-

sume any large estate without question. He is not offering the owners of estates any further concession than the Government are offering under this Bill. If the land is resumed, in nine cases out of 10 the matter will go to arbitration. If the amount in question is over £500, the matter goes to the Supreme Court, and a judge sits as umpire, the owner of the land and the Government each appointing an arbitrator.

Hon. A. Lovekin: That is after the land has been acquired by the Government.

The COLONIAL SECRETARY: Yes.

Hon. A. Lovekin: Why not take the same power to acquire under the Bill as you do to fix the compensation?

The COLONIAL SECRETARY: I object to a Minister for Lands being given power to resume without consulting his officers, or perhaps without consulting any but subordinate officers. I hope there will be no serious amendment of the Bill in this direction.

Hon. H. STEWART: I opposed the second reading of the Bill because I thought the measure weakened the security of tenure of freehold owners of land, and I pointed out that the object of the Government could be attained by a slight amendment of the Agricultural Lands Purchase Act. That Act is intended to be used only for the purposes of soldier settlement, and its application is limited to holdings of an unimproved value not exceeding £5.00. The removal of those restrictions would have served practically all the purposes of the Government. The acquisition by the Government of unutilised and unimproved land is not objected to. What is objected to is the interpretation of the term "unutilised and unimproved land" being left to a departmental board. Appeal might show that land which the board considered to be unutilised was being quite legitimately utilised. In my opinion, Mr. Nicholson's amendment had better stand over until other amendments, which have for their object the making of the Bill a fair and equitable measure, have been dealt with. I cannot support Mr. Nicholson's amendment at this stage, as I do not think it carries out either the intention of the Government, or the intention of the House when passing the second reading.

Hon. A. J. H. SAW: I can hardly imagine that this amendment is seriously intended. The objects of the Bill are the promotion of closer settlement and the utilisation of hitherto unutilised lands. For those purposes it is necessary to have a board which shall function continuously. The board would determine firstly whether the land was suitable for closer settlement, and secondly whether the land was utilised. Surely it is more reasonable that the Government should set up the machinery necessary for the purposes of the measure,

than that the matter should be left entirely to the Minister. It is an important consideration that the owner should receive proper compensation, but it is not the only object, nor even the most important object, of the Bill.

Hon. A. BURVILL: I cannot support the amendment. This is a special Bill for a special purpose. On the second reading I pointed out the undoubted necessity for the Bill in view of the demand for land and of our enormous railway mileage. The Government, I take it, want a board specially qualified to choose land for closer settlement. One part of the board's functions seems to me to be wanting: the Government regard the board purely from their point of view, and not at all from the owner's point of view. If the owner does not agree with the board, he will be subjected to too much trouble before getting his case heard by a proper tribunal. When the next clause is reached, I shall move an amendment remedying that defect. But the proposed board seems to me well fitted to deal with the selection of land, especially as its personnel will include a man possessed of local knowledge. The interests of the owner can be better safeguarded in the next clause.

Hon. J. NICHOLSON: The argument used by Mr. Burvill, like the observations of Dr. Saw and Mr. Stewart, serves to strengthen the amendment. In reply to Dr. Saw I say that only after due consideration do I ever move an amendment. There are three parties concerned: the Government, the community and the owner of the land. Nevertheless the board sought to be constituted will not be representative of the interests of all three parties. There is to be on the board no representative of the owner—a most serious omission. Again, every member of the board will be a nominee of the Government. If members desire to retain the board, the Bill will require to be very carefully revised. Under the Agricultural Lands Purchase Act there is no provision for a board.

Hon. J. J. Holmes: No, under that Act the land is taken on the recommendation of an expert officer.

Hon. J. NICHOLSON: That is what I require here.

Amendment put and negatived.

Hon. J. EWING: I move an amendment—

That in lines 2 and 3 of Subclause 2 the words "and one member shall be an officer" be struck out and "or" inserted in 'ic'.

Mr. Holmes seems distrustful of boards, and says they are likely to be influenced by the Government.

Hon. J. J. Holmes: On a point of order. I said nothing of the kind. I have never accused the Government of influencing a

board. But I have proved that the Government did not or could not influence a board, and so they reconstructed it to suit their own ideas.

The CHAIRMAN: That is not a point of order. It is a personal explanation. I take it Mr. Ewing will accept it.

Hon. J. EWING: Yes, but the hon. member was quite wrong in misconstruing what I said. Had he allowed me to finish he would have seen that my words had quite a different meaning. He had made certain statements regarding the Peel Estate.

The CHAIRMAN: That has nothing to do with the Bill.

Hon. J. EWING: But Mr. Holmes mentioned it when speaking, and he said the Government would appoint men of their way of thinking, as had been done before. I do not think the Government have ever done that sort of thing. I have never known of a man appointed because his ideas were in accordance with the views of the Government.

Hon. A. J. H. Saw: Mr. Chairman, can't we get on with the dance?

Hon. J. EWING: The hon. member had his say, and he should allow me to have mine.

The CHAIRMAN: Yes, but I suggest to the hon. member that he confine himself to the amendment.

Hon. J. EWING: The amendment will leave the Government but one departmental official. By a later amendment I will provide that the other member shall be an experienced agriculturist outside the Government service.

Hon. J. NICHOLSON: The amendment will not achieve the object Mr. Ewing has in view. He desires to see on the board someone who will be representative of the owner. But there is no owner concerned until the land is actually resumed. This proposed outside agriculturist will still be a nominee of the Government, not of the owner.

Hon. G. Potter: He will be an agriculturist outside the Government service.

Hon. J. NICHOLSON: It is true that this person will be an agriculturist outside the service, but the hon. member is desirous of having the owner of the land on the board.

Hon. A. BURVILL: The amendment is not necessary. It will be better to leave the clause as it is and to accept Mr. Stewart's amendment later on. The board must be advisory and it will be so if the two officers proposed, together with a third as suggested by Mr. Stewart, constitute it.

Hon. H. STEWART: Mr. Ewing's amendment should be dealt with on its merits. We want an impartial board; it should not be loaded with two Government officers. I would not mind two Government officers if one was an officer of the Agricultural Department appointed with the approval of the Director of Agriculture, be-

cause he would know whether the place was suitable for sheep, whereas the officer of the bank would not have that knowledge. My amendment, I consider, is more specific. I would be content to take an officer appointed with the approval of the Director of Agriculture, but the third man must be one who has a practical knowledge of agriculture in the specific locality wherein the inquiries are being made.

Hon. E. ROSE: One member of the committee should be a qualified farmer with practical experience of the district. Mr. Stewart's amendment is similar to that which I moved two years ago. I care not whether the other two are officers of the Lands Department and the Agricultural Bank, but the third should certainly have the qualifications referred to in Mr. Stewart's amendment. I have supported the Bill on previous occasions, and I intend to support it now.

The COLONIAL SECRETARY: The Government desire to appoint an honest and capable board, a board that will faithfully carry out its duties. We do not require a board that will rush the Government into immense expenditure or that will recommend wholesale resumptions. I agree with the opinions expressed by Mr. Burvill and Mr. Rose. In the first place we propose to have an officer of the Department of Lands and Surveys. That officer will be there no matter what Government is in power. Then there will be an officer of the Agricultural Bank. He too must be a responsible official and it must be his aim to perform his duties honestly and well. I agree that it would be wise to insert Mr. Stewart's amendment to provide that the third should be a practical farmer with a knowledge of the district, because that is most important.

Hon. J. EWING: If my amendment is carried one member will be a member of the Lands and Surveys Department or of the Agricultural Bank. My idea is to meet the wishes expressed by members on the second reading of the Bill. I desire to provide that one shall be a member of the Lands Department or of the Agricultural Bank, that the other shall be an experienced agriculturist outside the Government service, and that the third shall come in afterwards.

Hon. J. J. HOLMES: The clause is not as simple as the Leader of the House would have us believe. Governments come and Governments go, and if the Minister reads the Bill he will realise that the officers will not be there from Government to Government, they will be there so long as a Government may choose to keep them there.

Hon. T. MOORE: After all, whoever may be appointed to the board will become a Government officer. If a Government wished to do something that may not be right, they would appoint a certain man, and he would be selected with a special object in view. No one ever thinks that

anything like that is likely to happen. After all, Governments are responsible and they do not resort to tricks of that description; their desire is to see that everyone gets a fair deal. I am satisfied with the clause as it stands.

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

Ayes	..	..	..	11
Noes	..	..	..	13
Majority against				2

AYES.

Hon. J. Duffell	Hon. G. Potter
Hon. J. Ewing	Hon. H. A. Stephenson
Hon. V. Hamersley	Hon. H. Stewart
Hon. J. J. Holmes	Hon. H. J. Yelland
Hon. A. Lovekin	Hon. J. A. Greig
Hon. J. M. Macfarlane	(Teller.)

NOES.

Hon. J. R. Brown	Hon. G. W. Miles
Hon. A. Burvill	Hon. T. Moore
Hon. J. M. Drew	Hon. J. Nicholson
Hon. E. H. Gray	Hon. E. Rose
Hon. E. H. Harris	Hon. A. J. H. Saw
Hon. J. W. Hickey	Hon. J. Cornell
Hon. W. H. Kitson	(Teller.)

Amendment thus negatived.

Hon. V. HAMERSLEY: I have an amendment on the Notice Paper with the object of providing that one member of the board shall be an officer of the Agricultural Department instead of, as suggested, an officer of the Agricultural Bank. In view of the decision of the Committee just recorded, I shall not proceed with my amendment.

Hon. H. STEWART: I move an amendment—

That all the words after "reappointment" in line 5 of Subclause 2 be struck out with a view to inserting the following:—"and shall be a person having practical experience as a farmer and with a knowledge of the conditions and values of land in the district which the board is at the time inquiring into."

The COLONIAL SECRETARY: Mr. Stewart would achieve his object if he struck out the word "person" in the fifth line, and inserted in lieu the words "practical farmer." The amendment proposed by him is not very clear; in fact it is vague.

Hon. H. STEWART: That would not meet the position, because a man might be a retired farmer and yet have practical experience. I suggest that my amendment shall be altered to read "and shall be a person having experience as a practical farmer and having a local knowledge of matters under inquiry for the time being."

The CHAIRMAN: Does the hon. member wish to withdraw his amendment?

Hon. H. STEWART: Yes.

Amendment by leave withdrawn.

The COLONIAL SECRETARY: I move an amendment—

That in line 5 of Subclause 2 "person" be struck out and "practical farmer" be inserted in lieu thereof.

Amendment put and passed.

Hon. A. LOVEKIN: I move an amendment—

That in line 2 of Subclause 3 the words "think fit" be struck out, and "direct" inserted in lieu.

The phrase "think fit" is meaningless and with the alteration the clause will be effective.

Amendment put and passed; the clause, as amended, agreed to.

Clause 3—Inquiries of board:

Hon. A. BURVILL: I move an amendment—

That the following be added to Subclause (1):—"and may enter into negotiations with the owner of any such land for the purchase thereof by private treaty for closer settlement. Failing such negotiations resulting in the completion of the purchase of the land and if no agreement is arrived at as to—(a) the land being unutilised and unproductive; (b) the price offered being satisfactory to the owner, these questions shall be referred to arbitration by two arbitrators and an umpire under the provisions of the Arbitration Act, 1895."

If the board have power to immediately negotiate and come to an agreement by private treaty, there is no reason why they should go to any further trouble. An owner, however, may contend that his land is properly utilised or that the amount of compensation offered is insufficient, and if an agreement be not reached he should have an opportunity to go to arbitration as quickly as possible.

The COLONIAL SECRETARY: This is a most revolutionary proposal. It will give the board even greater power.

Hon. A. Lovekin: Whether the owner wishes to subdivide or not.

The COLONIAL SECRETARY: Quite so.

Amendment put and negatived.

Hon. A. LOVEKIN: I move an amendment—

That after "land" in Subclause 2 the words "if within 12 miles of an opened railway" be inserted.

I assume the Government do not wish to go outside that radius to resume land for closer settlement, the object being to bring into use unutilised land adjacent to rail-

ways. It would, therefore, be wise to limit the distance, in order to ensure to outside people some measure of security, at any rate, until a railway was built.

The COLONIAL SECRETARY: At first sight the amendment appears to be justified, but there are serious objections to it. The Government would not immediately operate on land in excess of 12 miles of a railway, but they might have in view the construction of a line to a certain district where it might be advisable to secure a big estate before the projected construction of the railway was announced.

Hon. J. Cornell: Then on your reasoning this is not a Closer Settlement Bill.

Hon. A. Burvill: Is not that power already granted under the Railway Act?

The COLONIAL SECRETARY: No. A proposal to build a railway to a certain district would cause land values to increase, and the Government might be compelled to pay more than the real value of the land.

Hon. A. LOVEKIN: The Colonial Secretary's argument shows the necessity for the amendment. If a man owned land outside the 12 miles radius, the Government could take it at a cheap rate and then sell it to newcomers, and give them the advantage over the original holder. The object of the Bill is to bring into use unutilised land adjacent to railways. Now the Minister proposes to go miles away, oust the people from their land, and then build a railway to it.

Hon. J. Cornell: Twelve miles is too short a distance.

Hon. T. MOORE: We are settling groups in the South-West at greater distances than 12 miles from a railway. I do not know how much money we are spending for drainage and other works that will make more valuable adjacent land on which very little development work has been done.

Hon. J. M. Macfarlane: Where is that?

Hon. T. MOORE: In the Busselton area. I hope the Government will not be restricted to land within a distance of 12 miles of a railway.

Hon. J. CORNELL: I understood the main principle of the Bill was to force into use land adjacent to railways, such as that in the Avon Valley. The amendment seeks to bind the Government to that policy. It is not the policy of the Agricultural Bank to assist settlers who have holdings beyond a radius of 12 miles from a railway. It is now put forward that the Government may take land up to within a radius of say, 30 miles from a railway. This would be an injustice to one section of the community. It will mean giving to those who hold land adjacent to a railway an advantage over those who are situated a long way off. Much of the land in the Avon Valley, for instance, has been held for many years, and because it was held other people had to go a long distance from a railway. We

should not give to those who acquired the Avon Valley land a premium that is not given to the man who has been forced further out. I do not care about giving special privileges to one person and denying them to another.

Hon. J. J. HOLMES: This is the thin edge of the wedge for the abolition of the private ownership of land. I am alarmed to hear from Mr. Moore that settlers in the South-West are being sent more than 12 miles from a railway in order that they may build up dairy farms.

Hon. T. Moore: I said up to 17 miles.

Hon. J. J. HOLMES: It is two or three years since we authorised the construction of a railway from Pemberton South and one from Denmark North. We were then told it was all Crown land that was to be served, and that it would remain Crown land until the railway was built. It was stated that the railway would be built in sections of 10 miles, and that the people would be settled along it as it was built. The money, however, has been spent in other directions. The railway has not been built, and the people who did not know any better have been induced to go into these areas, which are too far away from settlement to enable them to make a success. I am in favour of Mr. Lovekin's suggestion.

Hon. J. M. MACFARLANE: I can bear out what Mr. Holmes has said about the Pemberton railway. Northcliffe is 21 miles from Pemberton. When I was there recently no provision had been made for the group settlers, and there was no intention of going ahead with the line. The settlers had no shacks to live in, and were using the earthen floor although the rainfall of the district is over 30 inches. It is scandalous to think that the promise made to this House, that settlers would not be placed more than 10 miles from a railway, should have been broken. I shall support the amendment.

Hon. V. HAMERSLEY: Under Clause 10 the owner of resumed land has the right to demand that any other adjoining holding that he may own shall also be resumed. This holding may be outside the limit of 12 miles. The amendment would, therefore, have to be so worded as to embrace that land.

Hon. A. Lovekin: I do not mind if the radius is increased to 15 miles.

Hon. V. HAMERSLEY: There is a danger of the owner of the land being left with that which is beyond the radius mentioned in Mr. Lovekin's amendment.

Hon. A. BURVILL: The object of this Bill is to enable land near a railway to be acquired for closer settlement purposes. The Colonial Secretary now wishes it to apply to the acquisition of land more than 12 miles from a railway. I do not know of any settler around Denmark, in a successful way, who has to cart his produce more than seven miles, and that is far

enough. If the settlers had to travel 15 miles with their produce, or had to make use of petrol-driven vehicles for the transport of their goods, it would be a bad look-out for them. In the South-West no land further than 12 miles from a railway should be settled. It would, in fact, be better not to settle people there until the railway had been built.

Hon. J. A. GREIG: I cannot agree with the amendment. If the Government make up their minds to build a railway 20 or 30 miles back into the bush, and if they see an opportunity to purchase estates there which would be useful for closer settlement in a year's time, they should not be prevented from making the purchase. A man might sell the Government his estate within 12½ miles of a railway, and have an adjoining holding, which means within 10 miles of the other holding. If the Government then purchased the adjoining holding, they would have land for settlement 21 miles distant from a railway.

Hon. W. H. KITSON: I support the last speaker. No restriction should be placed on the board. If the board considered land too distant from a railway for closer settlement, they would not recommend its purchase. The Bill will cover the whole State, and not only the South-West or the Albany and Denmark areas. In the wheat belt there are large estates more than 12 miles from a railway which have not been utilised to the best advantage. They may be served by a railway in future. I am not in accord with Mr. Cornell's views, the adoption of which would lead to the reaping of unearned increment by private landholders. If the Government are prepared to spend huge sums of money in building a railway through unutilised land, the unearned increment thus arising should accrue to the Government.

Hon. H. STEWART: Mr. Kitson does not appear to be conversant with the policy of Governments for some years past as to agricultural settlement. It is an accepted principle that 12½ miles' carting is the limit for profitable wheat growing, and for that reason no rates are payable for the first five years on land outside the 10 or 12 miles limit. Further, it is recognised that the owner of land under such conditions should not be required to utilise it. The Bill applies to land which is served by railways and which, in the opinion of the proposed board, is not utilised. The policy of the Agricultural Bank is not to advance money to settlers at a distance of more than 12 miles from a railway. At the late Premier's instance the limit was increased to 15 miles, and later to 17 miles, in respect of land at Lake Grace. Again, there was to-day's deputation of Newdegate settlers, who are on the average 35 miles distant from a railway. They have been informed by the Government that they will get a railway within 12 months, and they

believe that assurance will be sufficient to induce wheat buyers to make them advances.

The CHAIRMAN: Will the hon. member connect his remarks with the question before the Chair?

Hon. H. STEWART: I am dealing with the Government's desire to include within the scope of this Bill any land, without restriction as to distance from railway. The Newdegate settlers stand to lose two-thirds of the value of their wheat this year, because no wheat buyer would pay more than 4s. per bushel for their wheat when the market is expected to fall after June. How can we expect land 20 miles from a railway to be utilised and improved? To require that would be absurd, illogical, and unfair.

Amendment put, and a division taken with the following result:—

Ayes	..	..	..	..	17
Noes	..	..	..	..	6

Majority for 11

AYES.

Hon. A. Burvill	Hon. J. Nicholson
Hon. J. Cornell	Hon. G. Potter
Hon. J. Ewing	Hon. E. Rose
Hon. V. Hamersley	Hon. A. J. H. Saw
Hon. E. H. Harris	Hon. H. A. Stephenson
Hon. J. J. Holmes	Hon. H. Stewart
Hon. A. Lovekin	Hon. H. J. Yelland
Hon. J. M. Macfarlane	Hon. J. A. Greig
Hon. G. W. Miles	(Teller.)

NOES.

Hon. J. R. Brown	Hon. T. Moore
Hon. J. M. Drew	Hon. E. H. Gray
Hon. J. W. Hickey	(Teller.)
Hon. W. H. Kitson	

Amendment thus passed.

Hon. A. LOVEKIN: I move an amendment—

That after "use," in line 4 of Sub-clause 2, the words "having regard to its economic value" be inserted.

I think those of us who support this might well get together and recast the clause, which is not in the best possible shape. We could then have the new clause inserted on recommendation. The object of the amendment is that the board shall give due consideration to the economic value of the land. For instance, the board might think that the land could be best used for wheat growing, whereas the holder might think he was using it to the best advantage when running sheep on it.

The COLONIAL SECRETARY: I have no objection to the amendment.

Hon. A. J. H. SAW: I support the amendment. In fact, when speaking on the Address-in-reply I foreshadowed some such amendment to ensure that no arbitrary method should be used in arriving at the proper valuation of the land in reference

to its use. But I am not sure that the words proposed to be inserted should not find their place after the word "land," in the same line.

Hon. A. LOVEKIN: I agree that the words would be better placed after "land." However, we might let it go now and, as I say, recast the clause on recomittal.

Hon. G. W. MILES: It is not certain that the Committee will agree to the recommittal of the clause.

Hon. A. LOVEKIN: Very well. With the leave of the Committee I will move that the words proposed to be inserted be inserted after "land," in line 4.

Leave given.

Amendment put and passed.

Hon. H. STEWART: On behalf of Mr. Seddon I move an amendment—

That the following be added to stand as Subclause 3:—"No land shall be declared subject to the Act on which the Agricultural Bank will not make advances to the owner."

Throughout the areas between the Great Southern railway and its spur lines there are thousands of acres of second-class and third-class land carrying a sprinkling of first-class land. The Agricultural Bank will not advance on such land. Therefore it is not fair that such land should be subject to the Bill.

The COLONIAL SECRETARY: I really do not know what this means. What owner is alluded to; the man who owns the estate or the man who will own one of the blocks after subdivision? There may be good reason for the bank refusing to lend to a particular owner. I do not approve of the amendment, but I suggest the hon. member could best achieve his purpose by making the amendment read, "No land shall be declared subject to the Act unless the Agricultural Bank trustees certify that such land would be deemed suitable for advances by the bank." I will oppose the amendment.

Hon. H. Stewart: Why not take out the words "to the owner"?

Hon. H. J. YELLAND: The difficulty could be overcome by deleting the words "to the owner." The Agricultural Bank officials take into consideration the value of the land and the personal equation. A man may be in possession of good land, but the personal equation may not warrant the bank making an advance.

Hon. H. STEWART: With the approval of the Committee, I accept the excision of those words.

Progress reported.

House adjourned at 10.43 p.m.

Legislative Assembly,

Thursday, 20th November, 1924.

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

AUDITOR GENERAL'S REPORT.

The SPEAKER: I have received from the Auditor General, in pursuance of Section 53 of the Audit Act of 1904, the 34th report for the financial year ended the 30th June, 1924, which I now lay on the Table of the House.

BILLS (2)—FIRST READING.

(1) Norseman-Salmon Gums Railway.
Introduced by the Minister for Works.

(2) Fair Rents.
Introduced by the Minister for Justice.

BILL—MAIN ROADS.

Message.

Message from the Governor received and read recommending appropriation in connection with the Bill.

Second Reading.

The MINISTER FOR WORKS (Hon. A. McCallum—South Fremantle) [4.38]: The Bill itself is a simple one and there is no need for me to give an elaborate exposition regarding the subject matter of the measure, even if I felt inclined to do so. It is a measure that has been under consideration for many years. I notice that the previous Minister for Works had such a measure under consideration for some time, but nothing definite was done by him. From time to time road board conferences have urged the necessity for this legislation, and it has become increasingly evident that the upkeep of main roads has got altogether beyond the powers of the existing local authorities. They cannot, as it is, give the necessary attention to all the work required on subsidiary roads in their districts and at the same time keep the main roads in order. Motor traction has revolutionised the position and whereas a few years ago the roads in a district were used mainly by the residents in that particular district, motor traction