Legislative Council,

Thursday, 12th December, 1912.

The PRESIDENT took the Chair at 3 p.m., and read prayers.

PAPERS PRESENTED.

By the Colonial Secretary: 1, Files relating to the closure of streets set out in the Roads Closure Bill. 2, Files relating to the permanent reserve the purposes of which are to be changed under the Permanent Reserves Bill. 3, Files relating to the dedication of certain streets in Perth referred to in the Perth Streets Dedication Bill. 4, Roads Act, 1911 — By-law of Greenbushes Road Board. 5, Municipal Corporations Act, 1906—By-law of municipality of Broome.

QUESTION — SAVINGS BANK, STATE AND COMMONWEALTH.

Hon. M. L. MOSS (without notice) asked the Colonial Secretary: Am I to get an answer during this session to the questions I asked in reference to the Savings Bank?

The COLONIAL SECRETARY replied: It is the intention of the Premier, I understand, to make a statement to-night.

Hon. M. L. MOSS: If no satisfactory statement is made to-night I give the Minister notice that I will move the adjournment of the House to-morrow.

QUESTION — STATE STEAMSHIP "WESTERN AUSTRALIA."

Hon. J. D. CONNOLLY asked the Colonial Secretary: 1, Will he fully answer my question of the 12th November *re* the Government steamship "Western Australia." 2, If so, when? 3, If not, why not?

The COLONIAL SECRETARY replied: 1, It is not possible to do so at present. 2 and 3, The information desired has not yet come to hand from the Agent General; when it is received it will be immediately made available.

Hon. J. D. CONNOLLY: Is the Minister serious in the answer he has now made to my question? I previously asked the Minister the total quantity of coal on board the Government steamer "Western Australia" on leaving England, and the price paid for it. Then I further asked what quantity of coal was taken on at Port Said and Colombo, and also the amount of the Suez Canal charges, the total tonnage of cargo carried and the freight received. I think the total tonnage was given in the reply, but no information was vouchsafed as to the freight received. Then I asked the total number of passengers carried, and the amount of the fares. Now I would ask, is the Minister serious in his answer of to-day, and does he think that by such an answer he is respecting the privileges of hon. members when he says that the information has not yet been received? I now formally ask: 1, Is the Minister serious in his reply? and 2, Does he consider that that is the way to carry out the State steamship business, namely, not to be able to answer these questions even after so lengthy a lapse of time?

The COLONIAL SECRETARY: It seems to me the hon. member is entirely out of order in suggesting that I am not serious. I am serious. The fact is, the Agent General has not yet supplied this information.

Hon. W. Kingsmill: You could get it from the boat.

The COLONIAL SECRETARY: The accounts have been paid, in some instances, by the Agent General and the information has not come to hand so far.

Hon. J. D. CONNOLLY: Then I desire to move, without notice, that the House at its rising adjourn till five o'clock to-morrow.

The PRESIDENT: What for?

Hon. J. D. CONNOLLY: For the purpose of discussing this matter of urgency.

The PRESIDENT: The Standing Orders say that you should communicate with me beforehand and supply me with a written message stating the matter of urgency.

Hon. J. D. CONNOLLY: Well, I will do that to-morrow, and I give the leader of the House notice that I will not be flouted, but will move the adjournment of the House to-morrow if I do not get a satisfactory reply before then.

MOTION — LEASEHOLD TENURE, TOWN ALLOTMENTS.

Hon. J. F. CULLEN (South-East) moved—

That this House having, by the emphatic majority of 18 votes to 7, rejected the Government Bill for applying the leasehold principle to Crown lands for rural settlement, is of the opinion that the Government should not further persist in its unauthorised enforcement of that principle against applicants for town allotments.

He said: There is a great deal that needs to be said on this question, but in view of the late hour in the session I shall be as brief as possible and only deal with the most urgent features of the matter. The Government, on the strength of having announced a leasehold policy and being elected thereafter, pronounced early after the general elections that they had a mandate from the people to substitute leasehold for freehold as the policy of land tenure in this country. I will not dwell upon the room for fallacy in such a pronouncement further than to say that very often a man or a party is elected in spite of much in the policy announced, and that it does not follow that everything mentioned by a candidate or a party is endorsed by the electors. On the Government's own contention it certainly became the duty of Ministers as early as possible to bring down legislation authorising the change from freehold to leasehold. Instead of doing that the Government waited 12 months before attempting any legislation of the sort. But meanwhile, the Government, by regulations of the Governor-in-Council, effected a change as regards town, suburban and village allotments. The Government cancelled regulations previously existing under the Land Act of 1898 and substituted regulations to work out their own views. And they have acted upon those regulations, I say, without authority; that is to say, without the proper authority of Parliament. They have acted on those regulations during the interval to the very serious blighting of the progress of country towns in this State. I am speaking advisedly, speaking of what I know. The towns of this State have been very seriously blighted by this action of the Government. Now whatever excuse the Government may have had prior to Thursday last, when their belated Bill authorising the introduction of the leasehold principle for rural lands was rejected by 18 votes to 7, has gone.

Hon. F. Davis: What about the majority in another place?

Hon. J. F. CULLEN: There can be no legislation without both Houses of Parliament agreeing, and no member of this House surely would take the ground for a moment that a majority in one House would give any authorisation to the Government on a matter of this kind.

Hon. F. Davis: Is not your argument based solely on the vote of this House.

Hon. J. F. CULLEN: Yes; because the authority of this House is essential. Any excuse which Ministers had up to Thursday last has gone, and my resolution affirms that they should not longer persist in their unauthorised forbidding of freehold in regard to town, suburban, and village lands.

Hon. J. Cornell: It is still authorised by the majority of electors.

Hon. J. F. CULLEN: Ministers are relying on Section 13 of the Land Act, 1898, which reads—

> The Governor may lease any town, suburban, or village lands on such terms as he may think fit.

No one objects to that. There are rare and exceptional circumstances which incline an applicant to take up leasehold. I say rare and exceptional circumstances, because I do not think that since 1898 there have been a dozen applications for leasehold until the present Government forbade any further sales of town, suburban, and village lands. Of course it is quite right that a section like 153 should be in the Act, because there may be exceptional circumstances which make an applicant desirous of taking only a leasehold for some extraordinary purpose. Now under cover of that section Ministers say not only that the Governor may give a lease, but that the Governor may refuse to sell. I maintain that this is utterly unauthorised. I refer Ministers and the House to Section 47 of the Land Act of 1898. That section is headed "Town, suburban, and village lands to be sold by auction," and reads as follows:—

> Town, suburban, and village lands throughout the Colony, after being surveyed into lots and notified in the *Government Gazette* as open for sale, shall, subject to Section thirty of the Goldfields Act, 1895, and to Sections thirty-nine, eighty-five, one hundred and fifty-two, and one hundred and fifty-three, and to Part IX. of this Act, be sold by public auction at upset prices to be determined by the Governor. Such lands shall be put up for sale by order of the Minister at such times and places as he may think fit, and any person may apply to the Minister to put up any lot for sale and shall deposit with his application ten per cent. of the upset price, which amount shall be refunded in the event of the applicant being outbid at auction. The application shall be in the form or to the effect of the Sixth Schedule.

That is the law to-day, and my advice has been sought by some intending purchasers as to what they are to do in the circumstances. The Government have instructed their land agents not to receive applications for purchase under this clause, and if applications were made the land agent would say, "By the new regulations I have no power to receive your application to purchase. I can only receive applications to lease." I have had applications for advice on the point and I have said—"There are two courses open; you can tender an application with a deposit and then, though the Crown's land agent may hamper you by saying he has no forms, that will not block you. You can still tender your application and your deposit, and if the Government refuse to carry out Section 47 of the Land Act the courts of the country will compel them to do so. I imagine no ordinary man will court litigation with the Crown that is a very serious step for a private man to take. The other course is this: accept under compulsion their wretched leasehold, for as sure as to-morrow's sun will rise this fad will be emphatically rejected by the country. And as has happened in every other State, where the leasehold has been tried, these leaseholds will be made convertible, and you as the holder of a leasehold, will have the first claim to buy. Therefore, you need not hesitate to take the leasehold although it is against your grain. No Britisher likes to be compelled unlawfully; still accept it, and the whole thing will be corrected shortly." In support of that advice of mine, look what happened the other day in New Zealand. If ever leasehold has had a chance it has had it in New Zealand. That country, as our Labour friends would say, has given the leasehold principle "sympathetic" treatment, and the other day by an emphatic majority, the policy was reversed and leaseholds are being made convertible, and I am certain that in 99 cases out of a hundred they will be converted. I take this strong ground, that whilst the Government are quite right in exercising the powers of Section 153 and giving leases to those who desire them, they have no authority to forbid the freehold purchase of town, suburban, and village lands, and they expose themselves to any amount of wasteful litigation if there were intending buyers, who had not sufficient faith in the

good sense of the country to know that this fad will be wiped out at the first opportunity for a general election, when those who hold it will be told that the country will not tolerate this unauthorised attempt to change the land tenure of the country. If the people of the country had not faith that this remedy would come soon, the Government would be subject to any amount of costly litigation. It is open to any man to-morrow to tender his application and deposit and take the Government to court and get a verdict straight away. Even though they might delay him for a little time the verdict is certain, for the Government, even though they obtained a big majority at the elections, cannot override the laws for any length of time. I wish to impress on Ministers this fact, that this action of theirs is seriously impeding the progress of the country. Whatever may be their wish, I confess I have grave doubts about there being any great number of believers in leasehold amongst Ministers. I believe if the truth were known there would be a majority amongst Ministers against this doing away with freehold.

Hon. F. Davis : Then why do you think it is brought in ?

Hon. J. F. CULLEN: Does the hon. member want to know why ?

Hon. F. Davis: I am asking the question.

Hon. J. F. CULLEN : Because it is a plank of the policy of the party, not made by Ministers but by "conference." Who are represented by the "conference?" I hold that this House should weigh this very seriously. Is it a fair thing that men who are only remotely concerned as members of the body politic, should determine this question of land tenure for the members of the body politic who are immediately and directly concerned ? The unions represented in conference who drew up the Government policy are mostly landless men, of their own choice. They do not want the hard graft on the land at all; they would not face it to-morrow. They say, "Oh no, let those who are foolish enough to take hard graft go on the land. We like an easier life and, for preference, employment by a Government from whom we can get "sympathetic" treatment. We will never go on the land, but we will lay down the conditions on which other people will go on the land." I say that is a monstrous condition of affairs. The men who have enforced upon the Ministers this fad of forbidding freehold are men who would never face the hard graft on the land, and I do not hesitate to say that there is no freeholding Minister to-day who would give up his freehold. Then why should they close the door on others who desire, like them, to become freeholders, although in a more modest way ? However, apart from the general principle, I wish Ministers to face this issue: that this House, which has the final voice in legislation, having thrown out by the emphatic majority of 18 votes to 7, their Bill embodying the principle of leasehold, they have no excuse left for hindering the progress of the country by refusing people, who want to buy allotments, the right to buy. I appeal to the sense of Ministers of what is fair, just, and right, to recede from this unauthorised action, and I am certain that if they do not, it will add further to the unanswerable case against them when the country next has an opportunity of speaking. I beg to move the motion I have already read.

Hon. M. L. MOSS (West) : I second the motion.

On motion by Hon. J. E. Dodd debate adjourned.

BILL—ELECTORAL ACT AMENDMENT.

Read a third time and returned to the Legislative Assembly with amendments.

BILL—INDUSTRIAL ARBITRATION.

Third Reading.

Hon. J. E. DODD (Honorary Minister) in moving the third reading said: I want to explain to the House that the first recommendation of the managers was to this effect—

> The managers have agreed that the court shall be constituted as it is at present constituted under the Indus-

trial Conciliation and Arbitration Act, 1902.

There was just one slight alteration the managers agreed upon which was somewhat different from the Act of 1902, and that was that the salaries of the two lay members of the court should be £400 instead of £300. That alteration was not explained to the Chairman of Committees, and I do so now in order that it may be placed right. I think Mr. Moss will bear me out in the statement. I therefore move—

That the Bill be now read a third time.

Hon. W. KINGSMILL (Metropolitan): I have not yet certified this Bill, partly for the reason touched upon by the Honorary Minister. The duty of the Chairman of Committees, as I see it in regard to a Bill subject to a conference, is somewhat different from that in the case of an ordinary Bill. Of course the only documents which I have to guide me are first of all the Bill which is now here as amended pursuant to agreement of managers appointed by each House, and the recommendations contained in the report of the conference of managers. The first recommendation dealing with the constitution of the court is as follows:—

> The managers have agreed that the court shall be constituted as it is at present constituted under the Industrial Conciliation and Arbitration Act, 1902.

To my mind that means that all and every provision in each section dealing with the constitution of the court contained in the Industrial Conciliation and Arbitration Act, 1902, shall be embodied in this Bill, that and no more. When I found that the provisions for the constitution of the court were contained in this Bill, but that an addition had been made, I naturally would not certify the Bill until I had explained the position to the House. In the first place Clauses 48 and 49 of the Bill as before members find no place in the Industrial Conciliation and Arbitration Act, 1902. These two clauses deal in the first place with salaries and in the next place with the appropriation by Parliament of the money for the salaries. There is another point which was not touched upon by the Honorary Minister, that in the Industrial Conciliation and Arbitrtaion Act, 1902, provision is made that year after year Parliament shall make such appropriations as it thinks fit with regard to the payment of the salaries. Section 114 is as follows:—

> All charges and expenses incurred by the Government in connection with the administration of this Act shall be defrayed out of such annual appropriations as from time to time are made for that purpose by Parliament.

It will be seen, therefore, that in two important particulars the Bill as members now have it before them differs from the apparent recommendation contained in the report of the managers. If, therefore, I am assured that in both of these particulars it was the wish of the conference that the Bill should appear in its present form, I shall have no hesitation whatever in signing the certificate which is now ready, that the fair print of the Bill is in accordance with the Bill as considered by the Committee of the whole Council and the conference of managers appointed by each House and reported. These are the reasons briefly why I hesitated before signing the certificate because I take it that in the signing of the certificate the greatest care has to be taken that everything is literally and absolutely accurate.

Hon. M. L. MOSS (West): I have made a cursory examination of the Bill and these two Clauses 48 and 49 of course do not appear in the Act of 1902. As an officer of the House Mr. Kingsmill is quite right in directing the attention of members to it. I thank him for directing my attention to it as it had escaped my notice. These were two of the principles, the fixing of £400 as the salary of each of the ordinary members of the court, and permanently appropriating these amounts from the Consolidated Revenue, which I think every member is quite well aware of and which was not objected to when the Bill went through its remaining stages. This is a great improvement on the Act of 1902, because if it is a permanent appropriation it will add to the

independence of the members of this bench and they will not be dependent on an annual vote for their salaries. In other respects I think the Bill comprises the arrangements effected by the managers of the two Houses. I am glad Mr. Kingsmill is satisfied on that point and is prepared to sign the certificate.

Question put and passed.

Bill read a third time and *passed*.

BILL—MELVILLE WATER AND FRESHWATER BAY ROAD.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said: This short Bill is the outcome of representations made by the local authorities adjacent to Claremont in order to have made available for the purpose of public recreation the foreshore of Freshwater Bay. The proposal is for a drive or promenade to be constructed around the shore of Melville Water and Freshwater Bay and on to Point Chidley. The question has been a prominent one with residents of the locality for many years, and successive Governments have expressed sympathy with the proposition. It is now presented to Parliament for the first time, and I hope the wishes of those interested in the Bill will be given effect to. The stumbling block in the way of the earlier realisation of the wishes of those who advocated the scheme has been that one or two owners of land on the foreshore have declined to second the efforts of the local body. Members are aware that considerable reclamation work has been carried out on the foreshore of Perth water resulting in considerably beautifying the river front. This has been rendered possible by reason of the fact that owners of land in the locality offered no objection.

Hon. J. F. Cullen: None of them?

The COLONIAL SECRETARY: So I understand. They placed no obstacle in the way of the Government carrying out the reclamation. The Claremont council endeavoured to do the same in regard to the foreshore under review, but while a majority of the owners were agreeable one or two stood out with the result that nothing could be done. As those owners under the old system of issuing titles were granted a title in the land to high water mark their position has been an effective bar to anything being done in the direction desired. Under this Bill it is proposed to give the Government authority to reclaim a road one chain wide a chain from high water mark which is to be defined by the Surveyor General. The whole of the reclaimed land will be below high water mark so that no interests of private holders will be prejudiced by the Bill. I beg to move—

That the Bill be now read a second time.

Hon. J. F. CULLEN (South-East): This is one of those Bills which the Legislature should be very careful about. Indeed I hold that every Bill of this kind should go to a select committee of one House or the other. I can quite understand the Minister's remark that the local authorities are unanimously in favour of this Bill. That is quite natural, but it is an entirely different matter for him to say that because the Government road is to be below high-water mark, therefore no interest is prejudiced. I assume no member of Parliament is interested in this part of the river, but suppose that the Minister owned a block of land with a title to high-water mark and the Government came along and said, "We will not touch your rights: we are going to put a road in front of you, and therefore will not injure you, although we take away your frontage." Any owner of a water frontage knows that high-water mark always commands an immense premium in the purchase of land. The high-water frontage may multiply the value of a block of land four or fivefold and yet the Minister in the most innocent way says, "Although we put a street between you and your frontage to the river we do you no harm." In the first place, to make a road, it will be necessary to make a causeway and leave a large space to be filled in behind the road. That is a small matter compared with the deprivation of the water frontage. There was a case reported in the Press the other day, a case

that will help members to understand what this may mean. There was an occupation claimant to a block of land and he was successful because of his long occupation, but when he went to take possession he discovered that his predecessor had put the fence a foot back from the street and, although he had gained the block, the rightful claimant to that block held a foot between it and the street and his Jew business was completely beaten. I hold that this Bill is a bit of the Jew business. It says, "Your water frontage is perhaps three-fourths of your value, perhaps not so much, perhaps more; we are going to take that away from you but we are not taking anything from you." I hold that no man with any knowledge of land is simple enough to swallow that sort of statement. What are we to do with a Bill of this sort? It should be referred to a select committee. We are told the matter has been mooted for years. That means nothing. How long has it been in the shape of a concrete Bill before the public? Only three or four days. Is it a proper thing for any Legislature to take up a Bill of this kind affecting the rights of a great number of people and rush it through in three or four days before there is an opportunity for a protest, and then say, "We did not hear anything against it." What is to be done? I submit that at all events there must be no attempt in this Bill to take away any lawful redress that anyone who is injured might have. I would draw attention to Subclause 2 of Clause 2, and to Clause 4. The former reads—

> The land on which the said road is hereby authorised to be constructed shall on the commencement of this Act vest in His Majesty the King freed and discharged from all rights and claims of the owners of adjacent lands and to other persons howsoever arising.

Mark the words, "freed and discharged from all rights and claims." For instance, an owner may have a title and you are taking the high-water frontage away from him and putting a mound 4ft., and it may perhaps be 10ft. high, in front, and yet he has no right to consideration. We say that any right or rights are wiped out by this piece of legislation; and as if that were not enough Clause 4 says that no compensation shall be payable to any person in respect of any injury sustained. That is a monstrous provision to put in a Bill that is being rushed through within a week and no opportunity given to an aggrieved person to make a protest. I shall certainly invite the House in Committee to modify these two clauses if the Minister insists on going on with the Bill. I hold it should not be pressed through but that it should go to a select committee. Failing that I will endeavour to effect the amendment of the two clauses mentioned.

Hon. D. G. GAWLER (Metropolitan-Suburban): After the many questions raised by Mr. Cullen as to private rights I would strongly recommend this measure to the favourable consideration of the House. Interested as I have been for a long time in Peppermint Grove and in the surrounding districts, I can safely say that this scheme has been advocated by these districts for a number of years. I remember when Senator Lynch was Minister for Works, waiting on him with a deputation from the bodies interested in reference to this question, and the deputation urged, as far as it could, that this was a national work, but the Minister refused to take that view and he gave us an unfavourable reply. The scheme then was to construct a road inside high-water mark, and I may say that from inquiries I made, with others, the owners of the frontages, especially in Claremont, raised no objection whatever except perhaps one or two, certainly not more than two, to give up this land so that the road might be made. This scheme does not take away any owners' rights. It is not to construct a road inside high-water mark but outside high-water mark, and it will take in a portion of the river. I would point that out specially. I sympathise with Mr. Cullen but I cannot go with him to the full view that he takes. None of the titles extend below high-water mark, so that any ground below high-water mark cannot belong to a private individual. I believe some few owners contend that it

does, I do not know on what ground, but I do not think there can be anything in such a contention. Although they have no legal rights it might perhaps be a matter of inconvenience and disappointment to a man who has a large frontage and a nice piece of sandy patch to have his access to that taken away.

Hon. J. F. Cullen: And the water.

Hon. D. G. GAWLER: Access to the water is thrown back a little further, that is all. When the road is built there will be an embankment probably of stone or rubble leading to the water and it will be interfered with to that extent, I admit, but beyond those sentimental objections——

Hon. J. F. Cullen: You do not own a water frontage.

Hon. D. G. GAWLER: And if I did I would perhaps regret being deprived of it, but I claim that this road should be constructed because I believe its construction will be of national benefit. I believe the road from Perth, when constructed, will give us one of the most magnificent drives in Australia, and I do not believe that it will take away from the value of the frontage, but rather that it will add to the value. There is another point and it is as to whether the taking away of the rights to a nice strip of sandy patch is not to be deprecated, but there, I think, it should give way in favour of something which will be of a national benefit. I would point out that the Government are not going to construct this road. The proposal is merely that the Government should resume the strip and then the local authorities may construct that road and it will be constructed at the expense of the ratepayers. I would point out that any of those dissatisfied ratepayers will have a voice through their local authorities in objecting to the construction of the road, so that their rights are to that extent safeguarded.

Hon. J. F. Cullen: After the Government have taken it away: there is nothing in that.

Hon. D. G. GAWLER: There is one well known owner of land who has objected and objected to me personally. I respect his objections but I do not think he was aware that he would still have the right to object to the road being constructed. His objection was chiefly on the ground that he would have to pay through the local authority the cost of the construction of the road. That is so but he will still have a voice in objecting to the construction. I entertain every respect for the wishes of that ratepayer but I do not think he is fully aware of the provisions of this measure. If he were I think possibly his objections would be overcome. He is one to whom access to the river is of great importance, but I think his objection in that respect can be got over. It is just a question of obtaining access to the water for his boat, which at the present time is inside high water mark, but there will be no insuperable obstacle there. I would, however, like to see him give way with the majority of owners, so that the scheme might be carried out in the interests of the great body of the people.

Hon. A. SANDERSON (Metropolitan-Suburban): I have made inquiries about this road and without wasting the time of the House I can simply say that I endorse the remarks of my colleague. I quite understand that every one is anxious to get on with the business of the House. This is an important matter from a local and national point of view so far as the road is concerned, and I sincerely hope that the Bill will be put through with as little delay as possible.

Hon. F. DAVIS (Metropolitan-Suburban): It seems to my mind that the Bill has been brought forward for the purpose of giving effect to the wish of a large number of people concerned. My reason for stating that is that I have received from the Claremont municipal council, as no doubt my colleagues have also, a letter requesting me to support the Bill before the House. The council represents the ratepayers who are affected and when a public body who are on the spot and who are conversant with the requirements of the people, ask for a certain thing, it seems reasonable that that request should be granted, especially as in this case they would have to bear

whatever expenses are incurred in connection with the construction of the road. To my mind the greatest good for the greatest number is the object that should be aimed at by legislation, and if this Bill is not agreed to it will mean that the wish of the minority who have river frontages there will prevail over the wish of the great majority.

Hon. W. Kingsmill: Nearly all the land owners are supporting the Bill.

Hon. F. DAVIS: Certainly, and the council are supporting it, therefore the Bill should have some consideration at the hands of members of this Chamber. It seems to me that no very great hardship is likely to accrue in making the road so far as the access to the river is concerned. The case mentioned by Mr. Gawler may stand alone, at any rate there may be only one or two persons inconvenienced. Still the difficulty may be overcome by a little expenditure of money to place these people in the same position as they previously were, so far as conveniences are concerned. The conveniences of one or two individuals should not stand in the way of the majority. Those who use the road from Fremantle to Perth admit that this is an exceedingly pretty drive and if it could be continued and the road made right from Fremantle to the capital along the river it will be helpful and beneficial to those who visit the City and also to those who live here. As far as referring the Bill to a select committee is concerned, some members seem to be getting a mania in the matter of select committees. Surely the House should take the responsibility on itself without everlastingly referring Bills to select committees. I trust the practice of referring Bills to select committees will not be so prevalent in the future as it has been in the past, but that Bills will be dealt with on their merits as they come before the House.

Hon. V. HAMERSLEY (East): I do not care to allow the Bill to go through without adding a few words to the debate, and if a division is called for my vote will go against the Bill. It was introduced on the 20th November, and is brought here in the hurried moments of the close of the session, and we are asked to pass the measure which will take away rights which have accrued to people under our Constitution. There is a clause in the Bill that no compensation should be paid to people for losing their rights, and after hearing the remarks made in connection with this Bill it makes me go back in my mind to probably some of the early people from whom we sprung, to some of those good old freebooters who went around the world in their galleys taking possession of land without permission.

Hon. W. Kingsmill: You mean that the galleys went aground on the Treasury bench.

Hon. V. HAMERSLEY: They certainly seemed to help themselves. The benefit of the people as a whole should not override the rights of the individual. If the people as a whole require to take back something they have parted with it seems only reasonable and fair that they should pay the person from whom they are taking the land, something for that which they are taking away.

Hon. J. F. Cullen: They should do it honestly.

Hon. V. HAMERSLEY: Yes, they should do it honestly and not do it by means of a Bill which is brought in and passed within several weeks. I doubt if the majority of the people concerned know anything about this measure and they will be surprised to discover directly a party of surveyors sent round to carve out a road along their boundaries. It is a very unjust proposition. The people concerned should have had an opportunity of putting up some request to the House as to what their wishes are. We know that local authorities frequently do not carry out the dictates of a great number of the people living in their districts, and these people are relying on Parliament to safeguard their interests, and now I see the representatives of these people are agreeing to allow the Constitution to be ignored. I do not know this locality very well, but I take it that some of the owners of the foreshore may have spent a considerable sum of money in improving their properties. But there is a clause in the Bill which will debar the Government from

giving any compensation for any injury that may be done or any value that may be taken away. Clause 4 absolutely debars the Government from giving compensation, although money may have been expended apart from the value of the land itself. I should like to see the Bill held up for further consideration. I admit that the members concerned may know more of the circumstances of this case than I do, but the Bill has been placed before us in so hurried a manner that I do not think we should pass it, and I intend to vote against the Bill if a division is called for.

Hon. J. D. CONNOLLY (North-East): This is a little Bill, and although it is a small measure it brings forcibly to one's mind the great risk taken in rushing through Bills at the last moments of the session. After some difficulty I was able to get a map showing the full extent of the proposed road. I thought I knew the locality pretty well. The idea is to give further access along the river from Fremantle to Perth. Through the purchase of the Dalkeith and Crawley estates the road is made through as far as the Old Men's Home at Claremont. From the Old Men's Home the road runs on the high ground very close to the river right round to the Claremont baths. The road is in sight of the river all the way. When one comes to the Claremont baths, and as far as Leake-street in Cottesloe, where Sir Walter James used to live, the access to the river is cut off because the grants are very long. I did think that the only portion where there was no road was between the Claremont baths on the eastern side and Leake-street in Cottesloe on the western side and I do not see any objection to that. I know the majority of land owners have no objection, and it cannot be objectionable because their land stands 150 feet above the river level therefore, a road underneath would not be objectionable. But when I look at the map, I find that the Government are going to take the whole of the river frontage from the Old Men's Home to Freshwater Bay to what is called Butler's Hump. I doubt if this road will ever be constructed, but if it is it will be at enormous cost. Those who travel down the river know the high land by Buckland Hill and there is very deep water there, I suppose 20 feet, and if a road is constructed it will be less beautiful than a road on top of the hill. I agree with Mr. Cullen we are taking away rights and creating a dangerous precedent, and I do not think there is any need for it. There is no necessity for the road in the way suggested, and I think the Bill should be amended so that the road should be taken from about the Claremont baths to Leake-street in Cottesloe. I do not think such a Bill should be rushed through when it is taking water frontages from all the land owners for six or seven miles, from the Old Men's Home, past Freshwater Bay to Blackwall Reach.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair, the Colonial Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Power to construct road:

Hon. J. D. CONNOLLY moved an amendment—

> *That in lines 3 and 4 the words "Melville Lot 8 to Point Chidley" be struck out and "Chester-road Claremont to Irvine-street, Peppermint Grove" be inserted in lieu.*

The proposal in the Bill went too far. Without sufficient notice having been given to the owners of the river frontages it was proposed to resume for seven miles. The length dealt with in the amendment would serve all the purpose to give a road along the river from Perth to Fremantle.

Hon. F. DAVIS: To carry the amendment would defeat the object of the Bill, which was practically to make a river road from Perth to Fremantle. The amendment would make a big break in that road and would not be what was asked for by the people. It certainly would be a road within sight of the river all the way, but not a road alongside the river. The wishes of the people should be respected. There was no reason why we should proceed peicemeal with this work. If the principle was good in

regard to portion of the road, why not in regard to the whole of the road ?

The COLONIAL SECRETARY: If the amendment were carried the Bill would not be proceeded any further until Cabinet was consulted, because he was not acquainted with the circumstances of the case, and could not say whether the amendment was desirable or properly drafted. . . . . .

Hon. D. G. GAWLER: Mr. Connolly should not insist on this amendment because it would upset the Bill. Though the part dealt with by Mr. Connolly was the most difficult part to deal with, the whole should be part of a national scheme to make one of the finest roads in Australia.

Hon. C. SOMMERS: No doubt it would be a magnificent drive to carry out the whole proposal, but there was no need for this hurry. Many owners were not acquainted with the proposal. It should be sufficient to proceed with the part covered by Mr. Connolly's amendment. The work of resumption for that stretch could not be completed before next session ; and then next session, when the owners had full notification of the intention of the Bill, the Government should bring down a measure to deal with the balance of the river frontage.

Hon. F. DAVIS: There could be but few individuals who did not know what the proposal meant. Several owners had requested him to support the Bill, and he took it that they spoke generally on behalf of the people concerned. The road when completed, would improve the appearance of the river considerably, and would certainly be to the best interests of the State, and at the same time could do little harm.

Hon. E. M. CLARKE: Members were asked to vote for measures they knew nothing of. In such circumstances, the safest course was to vote against them. To be asked to rush important measures through at the tail end of the session was a shame. The only other course was to vote against those there was not time to consider.

Progress reported.

BILL—LAND AND INCOME TAX.

Received from the Legislative Assembly and read a first time.

Second Reading.—Amendment (six months) carried.

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said: It is not my intention to inflict on hon. members a dissertation on the equity of this form of taxation. Parliament has in former years approved of the principle of taxing on land and incomes, and it is now my duty only to outline for the information of hon. members the salient points of this Bill, which is largely what may be termed a Committee measure. In the first place it is proposed that there shall be no exemptions to private owners of land. Under the present Act there are certain exemptions, but these are now removed, and all owners of land shall be obliged to pay tax, with the reservation that conditional purchase land taken up prior to the passing of this Bill will not be liable to be taxed. That is, I think, only fair, seeing that the holders have selected on the promise, which is given effect to in the existing Act, that conditional purchase lands are to be exempted for five years after selection. While that undertaking has been honoured, it will operate retrospectively only ; that is to say, future selectors under conditional purchase will not be able to claim this exemption. No hardship will be inflicted by this, because the Government are fully alive to the desirability of assisting selectors in their pioneering years. We are of opinion, however, that more material assistance can be rendered by remitting or deferring rents in the first few years than by exempting the selectors from the payment of a few shillings in land tax. While therefore, we say that the selectors must pay land tax in common with every other private holder, we are prepared to assist them in their early years by exempting them from the payment of rent for, probably, three years.

Hon. C. A. Piesse: Is that law now ?

The COLONIAL SECRETARY: No, but if the Bill is passed we intend to introduce a measure making the deferr-

ment of rent apply to conditional purchase lands. In face of the fact that the Bill by which we endeavoured to introduce the leasehold system was defeated we feel that we ought to give to conditional purchase holders the benefit of that part of the policy which says that for the first three years no rent should be required from them. This tax will not operate against lands vested in local authorities and used *bona fide* for the public good, such as parks and reserves; nor is the tax to be collected on land occupied by churches, charitable institutions, mechanics' institutes and such like. The differentiation made in the present Act between improved and unimproved land is omitted, and the tax will be uniformly applied to all land whether improved or unimproved.

Hon. J. F. Cullen: Is that not a bad policy?

The COLONIAL SECRETARY: I do not think so. It seems to me to be a fair policy. The tax will be at the uniform rate of 1d. in the pound on the capital unimproved value. There is a provision, however, under which absentees will be required to pay 50 per cent. more than those who are resident in the country. The minimum tax on any individual parcel of land is fixed at 2s. 6d. Members will realise that no smaller sum than 2s. 6d. could be annually levied, because anything under that amount would not pay for the cost of collection. Comparisons have been declared to be odious; yet sometimes they are useful, and I propose to quote for the information of the House the basis of the Land Taxation Acts operating in the other States and in New Zealand. This will show that the proposals contained in this measure are not burdensome. In New South Wales the taxation is 1d. in the pound with an exemption up to £240. In Victoria the tax is ½d. in the pound with an exemption up to £250; but there is no exemption at all when the value of the land is £500 or over. In South Australia the rate is ½d. in the pound on all lands valued from £1 to £5,000, and 1d. on the unimproved value exceeding £5,000, while absentees pay 20 per cent. in addition to this rate. In New Zealand they have a graduated land tax starting at 1d. in the pound, and the graduations when the value reaches £5,000 make a very severe imposition on large owners. We propose to make the levy uniform at 1d. in the pound on all lands.

Hon. M. L. Moss: In New Zealand they have no Federal land tax to pay; you have forgotten that.

The COLONIAL SECRETARY: And we provide that every owner shall furnish a return. The onus of placing a fair valuation on the land is put on the owner. If he should undervalue the land the Crown will have the right to compulsorily acquire the land on payment of a sum 10 per cent. in advance of the owner's own valuation with, of course, full compensation in every instance for improvements. The effect will be that owners will be extremely careful to make honest returns and will not, as they have done in the past, seek by undervaluing the land to avoid their responsibility towards the general revenue.

Hon. C. A. Piesse: That is unfair. Our valuations are made by your own officers.

The COLONIAL SECRETARY: Many of the valuations sent in have been found to be grossly unfair from the standpoint of the State, and after the land valuer appointed by the Government has been setn round, the valuations in many instances were more than doubled. In the first place it was left to the owner to make his own valuation, but it was discovered that in numerous instances he put in a valuation which did not justify further reliance upon his computations. I wish to again point out that the tax is leviable only on the unimproved value of the land, and I would draw attention to the very clear interpretation of "unimproved value" in the Bill. According to the interpretation clause "unimproved value" means, in respect of land granted in fee simple, the capital sum for which such land would sell under such reasonable conditions of sale as a *bona fide* seller would require, assuming the actual improvements, if any, had not been made.

I wish to make it clear that improvements made on land by the owner do not in any way create an unimproved value. The only factors which would contribute to a rise in the values of land are an expenditure of public funds in the neighbourhood, and the settlement of population.

Hon. J. F. Cullen: What about improvements by private funds; do they not increase the unimproved value?

The COLONIAL SECRETARY: No, not in most instances. In the vast majority of cases I fail to see how this would occur. An illustration of how this operates is afforded by the Mount Lawley estate. That property was purchased a few years ago by its present owners for something between £7,000 and £8,000. Since then there has been a considerable advance made by the State generally, particularly in the agricultural districts, and this general prosperity has been reflected in the advancement of the City. Land values have increased largely in the metropolitan area because of the extensive development of the country outside. It has been computed that the present owners of that estate, who are selling the property as building blocks, will obtain something approaching £300,000 for it, although only a few years ago they bought it for something like £7,000 or £8,000. That is an instance of a substantial advance in unimproved land values, and it must be admitted that the owners of that land have done next to nothing themselves in the direction of increasing its value.

Hon. C. Sommers: Why, they have spent thousands of pounds on roads through the property!

The COLONIAL SECRETARY: To what is the advance in this land due? Clearly to the State's activity, to the construction of agricultural and other railways, the increased agricultural settlement, and such other public concerns. These have materially assisted in bringing about the large advance in the values of this property. Referring now to the income tax, the principal alteration effected by the Bill is the substitution of a graduated income tax for the present tax of 4d. with exemptions. The experience of the operation of the income tax legislation in recent years has shown that many companies have avoided their responsibility under the Dividend Duties Act. This Bill amalgamates the Land and Income Tax Act and the Dividend Duties Act, so it will not be possible in future for companies, by a system of profit sharing, to obviate the declaration of dividends, as has been done in numerous instances, in order to escape their responsibilities in the matter of taxation. Under the Bill companies operating in the State will be called upon to pay income tax on profits earned.

Hon. Sir J. W. Hackett: Will this forbid co-operative companies from sharing profits?

The COLONIAL SECRETARY: It will forbid profit sharing, certainly, but I do not think there is any provision dealing with co-operative companies. I will be preapred to go into that when the Bill reaches the Committee stage. Many companies have, by the means I refer to, escaped their responsibilities and made available for investment in other parts of the world the money they have earned in Western Australia. Hon. members will agree that these companies should be obliged to shoulder to the fullest extent their responsibility. If the Bill is passed it will serve to do that much, at any rate. Members will notice, too, that the definition of "business" has been extended so as to include clubs licensed under the Licensing Act, and also racing clubs. Under the existing Act the W.A. Turf Club, for instance, is not liable to pay any income tax, because it was not established for the purpose of making profits. The Bill will, rightly I submit, bring that club under the purview of the Commissioner of Taxation. Another defect in the existing Act has been remedied, not until an expensive legal action had been taken to the Federal High Court. The reference of this action to the Federal High Court established the circumstance that the taxpayer was entitled under the existing Act to make deduction from his income tax in respect of any pro-

portion of his income derivable from the land. This Bill makes the point clear that such deduction can only be made in respect of the particular parcel of land from which the income is directly derived, and if my memory serves me right it was the impression of members of this House when the former Bill was passed that it would have a similar effect. However, the High Court has held otherwise and the provision in this Bill will remedy that defect. To put the position clearly, the amount of land tax paid in respect of a certain parcel of land may be set off against the amount of any income tax payable on account of income derived from that particular parcel of land.

Hon. M. L. Moss: You have a very drastic alteration there.

The COLONIAL SECRETARY: I think it is an alteration in harmony with the idea of this House when the previous Bill was under consideration. The clause reads—

> Whenever any person is assessed for income tax on profits derived directly from the cultivation of any parcel of land, such person may claim and shall be allowed an abatement of so much of the amount payable for income tax on such profits as equals the amount paid by him for land tax in respect of the same parcel of land.

That will only permit the deduction to be made by those actually engaged in occupation and cultivating the land. The income tax will be on the graduated principle commencing at fourpence in the pound and rising to one shilling in the pound on incomes of £5,000 and over. There is a provision for the exemption of all incomes up to £250.

Hon. J. F. Cullen: That lets off all our friends.

The COLONIAL SECRETARY: It lets off those who are entitled to be excluded from the operation of the Bill in order that their means of existence should not be attacked. A man with an income of £500 would pay income tax on £250 only. The exemption under the present Act of £10 for each child dependent on the taxpayer has been increased to £20. As in the case of the land tax, the minimum tax payable is 2s. 6d., for the same reason as I have already given in the other instance. This will mean that a man in receipt of £252 a year would pay an income tax of 2s. 6d. and not 8d., as would be the case if there was not this provision for a minimum tax. The graduations are fixed on the following scale:—On incomes from £250 to £500, 4d. in the pound; from £500 to £750, 5d. in the pound; from £750 to £1,000, 6d. in the pound; from £1,000 to £1,500, 7d. in the pound; from £1,500 to £2,500 8d. in the pound; from £2,500 to £5,000, 9d. in the pound; £5,000 and over, 1s. in the pound. In the case of companies, however, there is to be no deduction whatever. Companies will pay taxation at the rate of 1s. in the pound on all profits earned in the course of their business.

Hon. J. F. Cullen: Are these companies public enemies?

The COLONIAL SECRETARY: There is provision already for the taxation of companies, and if they are public enemies they have been so regarded for many years, because there has been a dividend tax in existence in this State for a long time. The peculiar circumstances of mining companies are recognised to the extent that a deduction may be made of the cost of development work done on a mine in any single year from the gross earning in arriving at the profits payable under this Bill. In other words, we propose that the mine owner shall not be called upon to pay income tax until his proposition has become revenue producing, and before it can become so the cost of sinking and other developmental work must be met, and he is allowed to deduct to that extent.

The Hon. M. L. Moss: What clause is that?

The COLONIAL SECRETARY: I cannot give the hon. member the clause at this moment. With the object of insuring that returns shall be made promptly, it is provided that there shall be a system of penalties for overdue returns. Those penalties, however, may be remitted by the Commissioner of Taxation whenever he con-

siders that the circumstances justify such a course. If a man's returns are one month late he will be penalised to the extent of an extra 10 per cent. on the sum payable. If they are overdue two months he will be penalised at the rate of 15 per cent., three months at the rate of 20 per cent,. and so on. A similar provision is contained in the taxation laws of other States. Those briefly are the salient points of the Bill. I have drawn attention to the principal alterations in the existing legislation, but there is one other point to which I would draw attention. Under the present law it is necessary to introduce a Tax Bill each s ssion ; that has been avoided by the amalgamation I have already referred to, and it will not be necessary in future for the Government to present a Bill to Parliament each session. I shall not take up the time of the House any more at this stage, but if any furthe information is required I shall be in a better position to supply it when the Bill is in Committee. Parliament has already determined that land and incomes are fit subjects for taxation and I submit this Bill for the consideration of members, confident that its principles are equitable and that it will return urgently needed revenue without being burdensome on the people. I beg to move—

That the Bill be now read a second time.

Hon. M. L. MOSS (West): The present session commenced on the 27th June, and according to the index on hon. members' files 63 Bills have been already introduced into this Chamber, and two other Bills, of which this is one, have been received to-day by Message from another place. This is one of the most important of the 65 Bills, and it should have been introduced six months ago at a time which would have given hon. members, including the Colonial Secretary—and I lay emphasis on the last phrase—an opportunity of knowing something about the Bill. But a measure of this importance is left until the second last day of the session, when no single member of the Chamber can get an intelligent grasp of what the measure contains; in fact, it is quite obvious to hon. members that the Colonial Secretary knows nothing about it, because on one vital provision he alluded to in his speech—or I might more properly call it a recitation because it was obviously prepared for him to read off to this House—he was not able to give me the clause containing an important principle dealing with the taxation of mines. I cannot find it, and I will defy any member of the House, who speaks honestly, to say that he can have any notion of what alteration the measure makes in the Act of 1907. We have had many flagrant examples in this Chamber of business being rushed on members for their consideration, but this is the worst example that has ever come before an intelligent body of public men for their consideration. We have strong grounds for making an indignant protest against the actions of the Government in this regard. This is a measure which attempts to extract heavy taxes from the people and the corporate companies; in fact, it is nothing more nor less than a piece of political brigandage, and we do not get a reasonable opportunity of considering the provisions of the measure with the idea of giving an intelligent vote on the questions submitted for our consideration. The law with regard to the imposition of taxation on land and incomes at present is contained in the Land and Income Tax Assessment Act of 1907, and when that measure was introduced by the Moore Government there was an excellent principle laid down, following out the principle adopted in the State of New South Wales with regard to the imposition of similar taxation. There was a measure on the one hand providing all the necessary statutory machinery for the collection of the tax, and there was to be another independent measure brought down annually for the imposition of a tax. There has been a departure from that, and it is an important departure taking place on the second last day of the session, when, if this House was stupid enough to agree to the proposals submitted by the Government, there would be something irrevocable placed on the statute-book. That is to

say it would be irrevocable until another place agreed with this House that it should come off the statute-book. In the interests of those whom we represent we have no right to agree to a measure of that character which would almost irrevocably shut the door on any revision in future. It is all very well for members of another place, but we know that the majority of them are creatures of the Labour caucus who have had their instructions to bring down confiscatory legislation of this kind.

Hon. R. G. Ardagh: No.

Hon. M. L. MOSS: The hon. member may laugh but that is the position. Here is huge taxation of incomes and of land, and I will show the House in a minute or two that in the operation of this Bill in regard to corporate companies there is repudiation spelt in capital letters in every line. The best examination that can be given to the Bill, at any rate from my own point of view, is contained in the two excellent leading articles which have appeared in the *West Australian*.

Hon. J. F. Cullen: Hear, hear; a wonderful improvement in the articles.

Hon. M. L. MOSS: I am not talking about other articles, but about these particular two, and any hon. member who has read those articles must be impressed with the absolute necessity of rejecting this measure.

Hon. Sir E. H. Wittenoom: Not impressed—convinced!

Hon. M. L. MOSS: The Colonial Secretary told us in the imposition of this taxation clubs have been included and are included to catch the W.A. Turf Club. Now the turf club is an institution that is doing a very vast amount of good. None of the money that the turf club makes goes into the pockets of any private individuals; but the whole of it is utilised to improve that magnificent reserve which it controls. I want to tell the Government that they are aiming not only at the W.A. Turf Club, which, by the way, is contributing largely to the revenue by means of the totalisator tax, but all other sporting clubs, cricket clubs, or football clubs that are formed for legitimate sport are brought within the purview of the Bill, and are made objects in respect of which the Government may go along, ransack their revenues, and bring them under this act of political brigandage that I have already referred to. The operation of this Bill with regard to companies is probably as scandalous a piece of legislation as has ever been submitted for the consideration of any body of men. Let me tell members what the position is to-day. We have to understand the position under the Dividend Duties Act in order to realise what this measure means.

The Colonial Secretary: Are you aware that the previous Government——

Hon. M. L. MOSS: I do not care what they did. I condemned them on numerous occasions, and if they brought down such a measure as this they would receive the same reprobation as I am directing against the present Government. The Dividend Duties Act provides for the raising of revenue from two classes of companies. Under Section 6 where a company carried on business in Western Australia and not elsewhere there was a tax of a shilling in the pound payable by the company on all dividends declared; when the company carried on business in Western Australia and elsewhere there was an imposition of a shilling in the pound on profits, and so from the time the Dividend Duties Act, 1902, came into force, and that replaced a similar Act passed in 1899, known as the Companies Duties Act, from then on the method of collecting this taxation from the companies was one shilling in the pound on dividends in the case of companies carrying on business in Western Australia and not elsewhere and one shilling on the profits of all companies carrying on business in Western Australia and elsewhere. These companies have been paying that duty of a shilling in the pound in the one instance on profits and in the other instance on dividends under these circumstances. Until 1907 there was no income tax in this State: they paid that shilling on dividend or on profits when the rest of the community contributed nothing by way of income tax or land tax. They have continued since 1907 to pay that after the

Income Tax Assessment Act and the taxation measure incidental to it were put on the statute-book—for the four or five years since 1907—whereas private individuals who have not taken the benefit of incorporation pay only fourpence in the pound.

The Colonial Secretary: Many of them paid nothing.

Hon. M. L. MOSS: They paid according to the provisions of the Dividend Duties Act, if they were liable. If they were not liable they did not pay. If they contravened the provisions of the statute, the duty of the Government and of the Commissioner of Taxation is as plain as noonday.

Hon. D. G. Gawler: He made them pay.

Hon. M. L. MOSS: Yes. The point I want to establish is this. I want to show what the law was I want to show that these people were penalised for many years when there was no land and income tax, and they were penalised to three times the extent of private individuals when this legislation came along. The Colonial Secretary states that some of them paid nothing. No company incorporated in Western Australia and carrying on business here and elsewhere could possibly escape paying a shilling in the pound on the profits. I know too much of the operations of the measure not to be able to assure the House most positively that in regard to many of them legal proceedings were taken by the commissioner recently, and also when the Act was administered by the Treasury, previous to that. Those carrying on business here and not elsewhere were only liable to pay on dividends declared. They were bound to make a statutory declaration and pay their shilling in the pound.

Hon. J. Cornell: They would not declare a dividend.

Hon. M. L. MOSS: If they did not they utilised the money by further capitalising their business, and if we make the Bill restrospective, as it is sought to do, in some instances we shall simply put people headlong into the bankruptcy court. Let me for a moment deal with Clause 16 of this Bill. Clause 16 is intended to replace Section 17 of the present Act, but there is a very great difference between the two, and I will ask the House to bear with me while I read the present law, and we shall then see at a glance the difference between the two proposals. It is provided under Section 17 of the present Act as follows—

> Whenever any person is assessed for income tax on profits derived directly during any year from the ownership of any parcel of land, or derived directly from the use or cultivation of any parcel of land, such person may claim and shall be allowed an abatement of so much of the amount payable for income tax on the profits derived from the ownership of such parcel of land, or directly from the use or cultivation thereof, as equals the amount paid by him for land tax in respect of the same parcel of land.

There had to be a concession made where the land and income tax were assessed on the same land, and that was irrespective of the use to which the land was applied. Even if it were city land, if the income derived from the land gave the Government greater taxation than the amount assessed for land tax, the one had to be set off against the other. Clause 16 of the Bill reads—

> Whenever any person is assessed for income tax on profits derived directly from the cultivation or grazing, or cultivation and grazing of any parcel or parcels of land, such person may claim and shall be allowed an abatement of so much of the amount payable for income tax on such profits as equals the amount paid by him for land tax in respect of the same parcel or parcels of land. Provided that this section shall not apply if the land is held for grazing purposes under a leasehold tenure without a right to acquire the freehold.

Of course it is quite obvious that with regard to all the city lands and town lands, where there are dwelling houses, they are going to pay the land tax and the income tax also, and unfortunately, to a good many of these people who pay this heavy land tax and who as I mentioned in

the House some years ago receive no reduction in respect to a mortgage, the land tax is a serious burden, particularly where the land is mortgaged to a large amount, because the man's interest in the land might be very small indeed. Under this Bill, however, we are asked to double bank it. The man will have to pay the land tax to the full unimproved value; he will receive no reduction in respect of any mortgage, and the Government will also get him under the graduated income tax as well. Is that a fair proposal? It is a splendid proposal for members in another place, or their constituents, the bulk of whom cannot be got at in this way. They will raise this revenue; they will contribute little of it, and will have the whole say in spending it.

Hon. A. Sanderson: Irresponsibles.

Hon. M. L. MOSS: It does not appear to me to be fair, unless fairness can be interpreted in the light of an observation made by the Attorney General at a Trades Hall meeting when he said he would put the cupping apparatus on the fat man. But it is scandalously unfair when looked at by an unbiased person. Can the Government reasonably ask that provisions of this kind will be listened to for a moment by unbiased people? It is all very well for a secret Trades and Labour Council and Caucus to lay down for the Government that this class of legislation shall be put on the statute-book, and that this is the way in which money is to be obtained in order to indulge in the extravagances referred to yesterday by Mr. Connolly; but it is another and a very different proposition to get this House to agree to it when the provisions are clearly and thoroughly explained.

Hon. J. Cornell: There are two sides to the clauses.

Hon. M. L. MOSS: When we come to the income tax there is a group of provisions. I am sorry I have had to chop and change from income tax to land tax, but I have had to make this speech from a few notes jotted down when the Colonial Secretary was speaking. Coming to Clause 13, however, there is a number of sub-clauses, 2 to 5, which incorporate quite new provisions with regard to the imposition of this class of taxation on income. I am not going to say that it might not be eminently fair and desirable that the provisions contained in these four sub-clauses should be placed on the statute-book, but they are widely different from what exists under the present Act, because they are an attempt to tax profits which may be made as a result of business transacted in places outside of Western Australia. Where goods from Western Australia are consigned say to the United Kingdom, the effect of the sub-clauses, it seems to me, will be that on the profit derived in the United Kingdom this income tax will have to be paid. I think that will be a serious thing as regards many of the primary industries of the State, because these earnings have to pay 1s. 2d. in the pound income tax in England, and if we make this great extension in Clause 13 we will heap more burdens on the primary producer. The small agriculturist and the small pastoralist are the people who will suffer, because their commodities have to go to the markets of the world, where there is no charity. Western Australian wheat and other produce is only purchased because it can compete on favourable terms with that of other countries, and we will be heaping additional burdens on the producers under this measure. I referred to the question of these dividend duties. Clause 46 is about the most scandalous proposition which could emanate from any Government. It is retrospective in its operations, and the effect, members will soon see when I have given one or two illustrations, will probably be to drive some people into the bankruptcy court. Clause 46 says—

> (1.) Income tax shall be payable by all companies to which section six of the Dividend Duties Act, 1902, applied, or, prior to the commencement of this Act, was deemed to apply, upon any profits of the company acquired before the first day of January, one thousand nine hundred and twelve, and distributed after the commencement of this Act; and the tax shall be paid by the company before any dividend is declared in respect of such profits. (2.) Any

dividend declared by any such company after the first day of January, one thousand nine hundred and twelve, shall be deemed to have been paid out of its profits (if any) acquired before such date, until it is proved that all such profits have been distributed.

Take the Western Australian Bank first. I believe that institution has a reserve of about half a million. That reserve has been built up through long years. It was built up at a time when we never dreamed of a Dividend Duties Act or an Income Tax Act. It was built up at a time when no person resident in Western Australia had to contribute any of this kind of taxation at all, and that capital now is part of the working capital of that institution. Under Clause 46 whenever the Western Australian Bank distributes a dividend after the commencement of this Act it will be deemed profits acquired before the commencement of the Act and they will have to pay a tax on it. I will leave the bank for a moment and take the case of a private person who has decided to incorporate his business. We know that proprietary companies exist in numbers throughout the State and that their profits of times gone by have become capital. The profits were not distributed because the law provided at that time that if they did capitalise this money they would not be penalised in the future. This Bill says "We will penalise you in respect to profits you made ten, fifteen, or twenty years ago." I do not profess to have made an exhaustive examination of this Bill. That is an absolute impossibility. Here is a Bill of 75 clauses full of highly controversial matters. Those of us who have read the newspapers know perfectly well the methods adopted in another place to get the Bill through that Chamber. We have the right to demand that the Government should give us a reasonable opportunity to make an adequate examination of such a measure. We have not had that reasonable opportunity. I cannot for one moment believe that this taxation measure is the creation of yesterday. They must have known long ago, certainly as far back as when they took office in October of last year, that they were going to bring down a measure of this kind, and it was due to the House and to the country that this Bill should have been introduced at a time when every hon. member and every person likely to be affected could have had a reasonable opportunity of putting up such protests as were thought fit. It is, however, idle to suppose that the Government can expect this House on the second last day of the session to swallow a Bill of this magnitude and importance. When we come to the schedule of the Bill—and the greatest iniquity is in the schedule—there is taxation there on land and incomes. In the Bill that the Moore Government introduced—and they were subjected to a considerable amount of criticism over it—there was this in the Bill, that in respect of land which was improved in the manner prescribed in the Assessment Act of 1907 that the taxation should be ½d. in the £; but in this Bill, improve your property as you may, you are put on precisely the same footing as the man who makes no improvements. You are to pay 1d. in the £ and you are to pay it on land that exceeds £5,000 in value in spite of the fact that there is a Federal land tax in operation to-day which was not in operation in 1907. The Labour Government not only have crushed out the right to grant relief to the man who improves his land, but they want to impose this burden at a time when we are saddled with additional taxation in the shape of a Federal land tax. That is not all. Under the scheme contained in the Assessment Act of 1907 the maximum amount of income tax is 4d. With such an income tax there was then a rebate in respect to improved property. Now in this schedule we have about as scandalous an impost as can be put upon a community. They say this is graduated tax. This is graduated, but the graduation is such that the more a man gets the more he is rooked. He is not paying it in the proportion that the other man pays. I shall leave out the exemption for a moment, and I will take the income of £500. On that £500, according to this measure, there is £250 available

for taxation, and I will assume for my purpose that there is to be no rebate for children. At 4d. in the £ the income tax would amount to £4 3s. 4d. If a man happens to earn £501 a year—and every penny over is additional taxation—he has to pay an additional £1 0s. 11d., so that at 5d. it comes to £5 4s. 3d. as against £4 3s. 4d. on £500. This is offering a direct inducement to a man to falsify his return. Take the case of the man who earns £750 a year, and with the £250 exemption his tax would be £12 10s. A man who earns £751 pays tax on £501, and instead of it being £12 10s., that extra £1 penalises him to the extent of the difference between £12 10s. and £14 11s. 9d. If there is to be a graduated income tax, I think the kind of graduation that appeals to fair-minded people is that the graduation must be on the excess over these amounts. That is to say, if a man earns £501 he shall pay 4d. on £250, and 5d. on the £1. As we go on in the scale we see that the unfairness of this is intensified the whole time. I think that is scandalous legislation. It is quite obvious that this is the worst of class taxation. By all means let the man who can afford to pay his fair share do so, but he should be called upon to pay no more. If this graduation is to form part of the method of raising revenue in this country, the graduation should not be on anything more than the excess of all these amounts indicated in the schedule. It is intended that the exemption shall be £250. I have been all along opposed to exemptions. This is not my cry of to-day; it was my cry against the Ministry that Mr. Connolly represented. If there is to be any exemption, I hold and have always held that it should not be more than £150. I do not say tax a man between £150 and £250 the whole 4d. I would not make him pay 4d.; I would make him pay 2d. Among the whole mass of workers on the Golden Mile not one will pay 6d. under the system the present Government proposes. I would not attribute to the Government that the reason for increasing the exemption to £250 is to catch votes.

Hon. J. E. DODD (Honorary Minister): You would exclude people down here as well.

Hon. M. L. MOSS: No. The hon. member is not justified in saying that my desire would be to exclude people down here, but I want to say as forcibly as I can that I would exclude no one. If my idea were carried out it would have the effect that if a man had to pay 10s. or 15s. income tax it might induce him to keep a watchful eye on what is going on in the country. In this case direct taxation is contributed by only a small percentage of the people. The Government resent any interference by this Chamber in such measures, but this is our only opportunity of putting up a protest and saying, "You shall stay your hand; you are not going to proceed to carry out such a system of political brigandage as is contained in this Bill." I believe that the opinion of a large majority of members is that this Bill should go out, if for no other reason, for the time at which it has been brought down, and doubly on account of the injustice the Bill will perpetrate. I recognise that the Government must not be hampered. They have got the finances into a dreadful tangle, a worse tangle than even we can imagine them to be in, if reliance is to be placed on the report of the Auditor General. The position is something appalling and if there is any ground for the statements made by that responsible officer, the deficiency at the present time is something approaching three-quarters of a million.

The Colonial Secretary: You know that is not correct.

Hon. M. L. MOSS: I know it is. I tried at the beginning of this session after the amendment was carried to the Address-in-reply to find out how the steamers were paid for. The money did not come out of Loan, nor did it come out of Revenue, and I was never able to get a straight answer to the question I asked. Now I can see from the report of the Auditor General that the money has been buried in some of the amounts referred to in the report. Mr. Connolly has not been able to get a straight statement either. We have never had a straight

statement, and the Budget which has been delivered in another place is nothing more nor less than a piece of political humbug. I do not want to hamper the Government. I am quite prepared, and other members are quite prepared, to give them more than the 4d. in the £ income tax, but we are not prepared to give it to them on this scheme. I tell the Colonial Secretary that so far as I am concerned he must leave the Land and Income Tax Assessment Act of 1907 on the statute-book unimpaired. I cannot find language strong enough to condemn the impudence of coming down with a Bill like this at this stage of the session. No one has had the opportunity of reading it and the only criticism to which it has been subjected has been contained in two leading articles which were published in the *West Australian.*

Hon. J. Cornell: It has twisted lately.

Hon. M. L. MOSS: What I want to do is to make some hon. members over there twist also. The present legislation should stand where it is. There is a certain amount of justice and equity in that, and I want to remind hon. members sitting around these benches that before the present machinery measure was put on the statute-book the Moore Government came down with a measure to impose taxation on land only, and that this House took a serious step with regard to that measure and declined to agree to it. We insisted that that taxation should be put on a fairer basis than was indicated in the first Bill if additional revenue was required. I shall take up the same attitude with regard to the Bill before us now. It troubles me not one iota what attitude the Government will take up.

Hon. J. E. Dodd (Honorary Minister): And the man who will squeal the most will be M. L. Moss.

Hon. M. L. MOSS: Please do not make any threat. If I am going to squeal, the squealing will be done in this Chamber.

Hon. J. W. Kirwan: Hear, hear.

Hon. M. L. MOSS: Mr. Kirwan says "hear, hear." I am prepared at the proper time to give a proper account to the people who sent me here for what I do, and I am prepared to go before any body of unbiassed men and place before them all the condemnation of the measure which I am placing before members now, and I am sure that every right-thinking person will support me. The idea of suggesting to a reasonable body of people that this measure is to be swallowed at this late hour of the session when there is no opportunity to discuss it, and no opportunity to make an examination of its provisions. It is too absurd for words. I say the machinery measure which we have on the statute-book must remain where it is. I am quite prepared to give my support to the Government if they bring their annual taxation Bill down, and they can graduate the income tax right up to the shilling if they like provided the graduation is to the excess in every instance. It is a very crushing impost to put at that. I am only induced to make these observations because I know the finances of the State demand more revenue. When you get your taxation up to 1s. in the pound and 50 per cent. is added in respect to absentees, I will tell the House exactly what that means in regard to the introduction of foreign capital. We look for our foreign capital to come from the United Kingdom where incomes are taxable to the amount of 1s. 2d. in the pound. People who have made money in Western Australia have gone to live in the old country and have placed their money in Western Australian investments, the bulk of them are living in the United Kingdom, therefore any of those who draw over £5,000 from this State will pay 1s. in the pound and 6d. for non-residence, which makes it 1s. 6d., also 1s. 2d. in England, making it 2s. 8d. in the pound.

Hon. F. Davis: We are not concerned in that.

Hon. M. L. MOSS: Oh yes, we are concerned in that. I will show the hon. member how we are concerned. The man who has lent his money in the past is so concerned that he will say, "I will take my money to the Argentine. I will take my money to Canada. I will lend my money to the United States if I am imposed on in that way."

The Colonial Secretary: He is not doing it.

Hon. M. L. MOSS: He will take his money to the Dominion of Canada where there is tens of millions of British capital now. He will take it to the Argentine where they have stable Government and honest administration.

Hon. F. Davis: Stable Government did you say?

Hon. M. L. MOSS: Yes, if the hon. member had gone to the old country and mixed with the people who invest in securities he would find that the Argentine securities are just as gilt-edged as those of Western Australia.

Hon. J. W. Kirwan: So is Mexican stock.

Hon. M. L. MOSS: Let us leave the Argentine and the Mexican stock. The great Republic of the United States is hungering for British capital, the great Dominion of Canada likewise. There is also the Union of South Africa where British capital pours in to the tune of millions a year. Now I will tell hon. members how it will affect the Labour party. This country has not sufficient money and not sufficient capital to carry on its industries. The Government have been at their wits' end to find money. We have had Mr. James Gardiner going to the Eastern States, cap in hand, trying to obtain money. We have had the Government post haste coming down to this House for the purpose of passing a Loan Bill because the market was ripe to borrow a paltry million of money, and the money was borrowed at £99 at 4 per cent. I only instance this to show members that we have not the capital here for all our necessary and urgent purposes in this country. We should do all we can in our power to induce the British capitalist to send as much of his money to this country as we can get and the man who benefits primarily from the introduction of capital is the working man. The stoppage of capital means the stoppage of work and the stoppage of work means huge unemployment and huge unemployment means distress among the working people, and worry and distress among the business people. It ought to be the aim and endeavour of the Government who run the country to avoid anything in the nature of the impost of 1s. 6d. in the pound on foreign capital. What kind of return must people expect to get to induce them to send money to this country?

Hon. J. Cornell: Raise the rate of interest.

Hon. M. L. MOSS: With all these things, the raising of the rate of interest and so on, the member's constituents will squeal out about the cost of living going up. When you raise the amount of interest you increase the cost of production and every Bill that comes down to this House has that tendency; and a taxation measure on top of that containing a crushing impost. If it is the policy of the Government to do that, then let them do that. I will agree to the proposal to put 50 per cent. impost on the absentee. It was a heavy impost with the tax at 4d. in the pound, but it will become an insuperable barrier when it is up to 1s. in the pound. The Government are going to run the country for the next two years and they must be responsible for the position brought about by legislation of this kind. It is not my intention to vote for the second reading of this Bill. There is not a principle in it other than those copied from the present machinery measure that one can find to commend, but there is ample in it that any reasonable person can be found to condemn. I move—

That the word "now" be struck out and "this day six months" added to the motion.

The COLONIAL SECRETARY (Hon. J. M. Drew—on amendment): The hon. member, Mr. Moss, in the course of his speech characterised this Bill as a piece of political brigandage.

Hon. C. A. Piesse: So it is.

The COLONIAL SECRETARY: If it is it is a piece of political brigandage which has been endorsed by both political parties who have held the reins of power during the past six years. They must have realised that it was imperatively necessary that there should be increased taxation. Our predecessors in office proposed to introduce a Bill very much on these lines. It is true there was provision

for the repeal of the land tax, but in every other respect, as far as we can discover, it was almost identical with the one submitted for the consideration of the House now. In addition to that there was a provision for the introduction and imposition of a stock tax. In this Bill no such provision has been made. We do not propose to tax the stock producers of Western Australia. The increase in the income tax is provided for in the Bill a previous Government proposed to introduce and also a Bill to tax the profits of companies. Mr. Moss was not fair in stating the case in regard to companies when addressing the House, and it was only after an interjection by me that he placed the case correctly before hon. members. It is true companies carrying on business in Western Australia and elsewhere are taxed on their profits, but companies carrying on business in Western Australia are only taxed on their dividends and there is only a small percentage of companies in Western Australia who pay that tax. They manage by some means or other to secure an evasion. They pay high fees to directors and although the directors pay 4d. in the pound income tax the companies themselves are relieved of the liability of paying 1s. in the pound that the Bill proposes to introduce. Our predecessors in office realised 12 months ago that such a measure was necessary. It is even more essential at the present time. A large number of agricultural railways have been built in Western Australia and everyone of these railways built means a loss for a certain period of time. There is no doubt that even with the best possible prospects some years must elapse before the railways become payable propositions. There is not the slightest doubt they will pay, and pay handsomely, but in the meantime there is loss of interest. There is the deficiency between income and expenditure and the money has to be made in order to provide interest and sinking fund. Mr. Piesse says they are payable propositions. I will be able to relieve him from such an impression. Let the hon. member read the annual report of the Commissioner for Railways to the 30th June, 1912. He will find in the report of the commissioner a paragraph to this effect—

> The results of working light lines which have been declared district railways under the provisions of the Government Railways Amendment Act, 1907, are shown in the usual form in Appendix R. Two sections, carrying a considerable timber traffic, return profits, but the net return is a deficiency amounting to £36,448.

not include sinking fund. Therefore, there has been a loss of £36,448 on the light lines, the district railways of Western Australia, not taking into account the amount provided for sinking fund.

Hon. C. A. Piesse: It is wrongly concluded.

Hon. M. L. Moss: I rise to a point of order. The hon. member in replying is only entitled to touch on those matters which have been alluded to in the course of the debate.

The PRESIDENT: The Colonial Secretary is speaking to the amendment.

The COLONIAL SECRETARY: The hon. member is insinuating that there is no necessity for this taxation, that it is a piece of political brigandage. I am endeavouring to show that it is necessary and it is a serious matter to the country if the House does not consent to the passage of the Bill. May I proceed?

The PRESIDENT: Yes, the hon. member may proceed, but he must speak to the amendment and touch on matters which have been mentioned.

The COLONIAL SECRETARY: I am endeavouring to show that it will be fraught with serious consequences to the country if the Bill be read this day six months. I am endeavouring to show that in assisting the agricultural industry the finances of the country have been enormously affected. We have assisted the agricultural industry in every possible direction, and this land tax cannot possibly be a severe blow to the man on the land. It will be only a small amount in comparison with what he may expect from us if the Bill becomes law. At the present time there are many concessions made to the agricultural community. I speak in this strain because there are

many members of the agricultural community in this House. Fertilisers are carried on the railways at a loss and produce is carried at the lowest possible rate. In addition to that we propose, as I have already indicated, to defer the payment of rents for three years. The man who goes on the land will not be asked to pay rent for three years. He will have to pay the rent ultimately, but he is given every possible show. All this has necessitated more revenue. We require more. We could retrench, but that would hamper the progress of the country and is by no means desirable. In addition to that, last year we lost by the carriage of water for the supply of farmers no less than £50,000 on the railways. That is a matter that also should be taken into consideration. The same condition of things may arise again, and it is advisable that every consideration should be given to our efforts to assist those who are engaged in the development of the land. We have also undertaken the putting down of bores in all the dry areas in the State, which has entailed considerable expenditure. Every million pounds' worth of loan money it is necessary to secure for the development of the industries means the annual expenditure of a large sum for the provision of interest and sinking fund. Nothing has been left undone to assist the progress of Western Australia, and if the House agrees to the amendment submitted by Mr. Moss I feel certain that we shall be considerably hampered in our efforts to do our duty to the producers of Western Australia. We have endeavoured to shoulder the obligation on those best able to bear it. If we cannot get revenue by one means, we must get it by others; we must secure a greater return from services rendered. Wages have gone up in Western Australia all round, but the State in every direction has charged no more for services rendered than was charged seven or eight years ago. I hope there will be no necessity for the Government to resort to any such course, but there is an obligation on the Government to see that something is done in order to prevent the finances getting into a very disordered condition. They have been in as bad a position before; they were drifting for years; but owing to the heavy obligations imposed on us, if they are not to be allowed to reach that stage again we must have revenue.

Hon. M. L. Moss: Where did you get the money to buy those steamers? We have never had that explained.

The COLONIAL SECRETARY: It would be very easy to tell the hon. member, but it has nothing to do with this question. My contention is that the previous Government found it necessary, fifteen or sixteen months ago, to announce just before the general election, at the very time one would expect them to keep such a thing in the background, that it was their intention to bring in a form of very drastic taxation, and no doubt if they had been returned to power they would have submitted their Bill and the Legislative Council would have given it very serious consideration and I daresay would have seen the necessity for passing it into law.

Hon. V. Hamersley: They were going to repeal the land tax.

The COLONIAL SECRETARY: The deficit is mounting up, and it will be impossible to overtake it without this taxation unless by hindering progress. We could do it by cutting down municipal and road board grants; but, instead of that, we have been giving larger grants than any Government for years back.

Hon. M. L. Moss: It is very easy to be a good fellow with the other fellow's money.

The COLONIAL SECRETARY: If such a scheme of retrenchment were entered upon who would be the greatest sufferer? The big landed proprietor would suffer more than anyone else, and he should be the very last to oppose a measure that will provide revenue for the development of the State.

Hon. Sir J. W. Hackett: What do you expect to get from these two taxes?

The COLONIAL SECRETARY: I think it is about £50,000. Mr. Moss doubted me when I said that there was an exemption for the amount spent in developmental work. I daresay by this time he has discovered his mistake.

Hon. M. L. Moss: I did not dispute the Minister. I said that he could not give the clause, and I used it as an argument to show how little time we had to consider the Bill. I did not doubt the hon. member's word.

The COLONIAL SECRETARY: If the hon. member will look at page 12 he will discover ample provision is made. He led the House to believe that I had given no consideration to this Bill and that my speech was based on copy supplied to me from someone outside.

Hon. M. L. Moss: I said it was a recitation.

The COLONIAL SECRETARY: That was certainly not correct. I had not very much time, but it was prepared after a thorough investigation of the provisions of the measure.

Hon. J. D. Connolly: Why was not the Bill brought down two months ago?

The COLONIAL SECRETARY: I hope the hon. member will not ask me that question. It would have been far better for me if it had been, for then I should have been able to devote more attention to it; but I can assure hon. members that I gave it very fair attention and devoted a considerable amount of time to preparing my views for submission to the House. I hope the amendment will not be carried.

Amendment (six months) put and a division taken with the following result:—

Ayes	20
Noes	7
Majority for ..	13

AYES.

Hon. E. M. Clarke	Hon. R. D. McKenzie
Hon. J. D. Connolly	Hon. M. L. Moss
Hon. H. P. Colebatch	Hon. W. Patrick
Hon. J. F. Cullen	Hon. C. A. Piesse
Hon. D. G. Gawler	Hon. A. Sanderson
Hon. Sir J. W. Hackett	Hon. C. Sommers
Hon. V. Hamersley	Hon. T. H. Wilding
Hon. A. G. Jenkins	Hon. Sir E. H. Wittenoom
Hon. W. Kingsmill	Hon. E. McLarty
Hon. R. J. Lynn	*Teller.*
Hon. C. McKenzie	

NOES.

Hon. R. G. Ardagh	Hon. J. W. Kirwan
Hon. J. Cornell	Hon. B. C. O'Brien
Hon. J. E. Dodd	Hon. F. Davis
Hon. J. M. Drew	*Teller.*

Amendment thus passed; Bill rejected.

BILL—ESPERANCE NORTHWARDS RAILWAY.

Received from the Legislative Assembly and read a first time.

BILL—GOVERNMENT TRAMWAYS.

Second Reading.

Debate resumed from the previous day.

Hon. W. KINGSMILL (Metropolitan): I presume it is necessary for the Government to have some Bill for the purpose of running these tramways; otherwise, I should feel inclined not to support the second reading of the measure now before us. The part of it that deals with the running of the trams in a legitimate and reasonable way I have no objection to, but it seems to me that in this Bill, as in several others brought down this session, the Government are again striking a blow at local self-government; they are again infringing on the privileges of municipalities, again endeavouring to take away from the municipalities the control of their own affairs, and take away from them all opportunity of revenue and seize it for themselves. I shall be as brief as possible in pointing out the few sources of objection I find in this Bill. Principally in Clause 3 do the Government commit the action of which I am accusing them. In Clause 3, which gives general powers for the construction and maintenance of tramways, the Government seem to ignore the existence of those local authorities which are within the area of the tramways lately purchased by the Government. For instance, it is proposed to break up, open, or alter the surface or level of any road absolutely without reference to the local authority, and to temporarily stop all traffic upon any road. There again is a very drastic power, if it is exercised, as it may be exercised, against the wish of the local authority; and in this connection, with regard to the building of new tramlines, would it not be at least an act of grace, if not an act of right, if the Government

were to consult the local authorities as to the position upon the road-way which a tramline was to take? Now that the Traffic Bill has been withdrawn, and the local authorities for a brief space at all events are enabled to maintain that measure of control over the traffic that is conferred on them by the Municipalities Act, would it not be wise for the Government to insert in Clause 3 such reservations of power, such little granting of the privilege of being consulted, to the local authorities, as would confer on them some little measure, at all events, of control over these important subjects? Again, in Subclause 4, I should like an explanation, which I presume might be given in Committee when I have no opportunity of commenting on it, as to what the last words of the subclause mean. It says that "the Government may remove all surplus material," meaning thereby, I presume, that, after taking up the Council's good road and putting their tramline into it, if they find there is any surplus material left they may cart it away for their own use—take it from the original owner, namely the local authority. Again, Subclause 5 of the same clause reads as follows:—

> The Minister and the local authority may make, alter, renew or vary contracts or arrangements with one another with respect to the paving and keeping in repair of any road or portion of any road on which there may be a tramway.

In this connection I would like to know from the leader of the House how far it is proposed to endeavour to vary the responsibilities of the Government which they assumed under the schedule of the Tramways Purchase Act, those responsibilities laid down under the various agreements. Is it the intention of the Government under this subclause to vary these agreements which they took over from the tramway people when they purchased the trams? Again, I would like to ask the same question with regard to Sub clause 2 of Clause 4, which reads as follows:—

> The Commissioner may exercise the powers conferred on the Minister by Section 3 for the maintenance, alteration, renewal or repair of all Government tramways open for traffic.

Now, as evidencing my anxiety not to take up the time of the House unduly, I will go right on to Clause 20. There it is provided that no rate, tax or assessment shall be made, charged or levied on any Government tramway. Is that not inconsistent with the proposal to pay three per cent. to the local authorities, which is laid down in the Tramways Purchase Act? If it has even the appearance of inconsistency, will the leader of the House accept an amendment to insert after "assessment" the words "save and except those agreed upon under the Tramways Purchase Act, 1912"? At present there is a good deal of anxiety among the local authorities as to how far this will affect their agreements. Now I come to the darkest spot of all, namely Clause 21. Here we have a proposition for the starting of yet another system of Government enterprise, the starting of the running of motor omnibuses in the city of Perth. I do not think this is the Government's own idea. I have reason for not thinking so. I think that in taking the power from the municipal authorities to do this they have not only taken the power, but the idea.

Hon. F. Davis: Is that very much of a crime?

Hon. W. KINGSMILL: I do not think it claims the dignity of a crime. It has not sufficient dignity; it is not large enough.

Hon. J. E. Dodd (Honorary Minister): Call it a misdemeanour.

Hon. W. KINGSMILL: That is getting down to it. I would call it an unworthy act.

Hon. D. G. Gawler: A mistake.

Hon. W. KINGSMILL: Yes, and a mistake is often worse than a crime. My reason for thinking they have taken the idea from the municipality is this: On the 19th December, 1911, shortly after the present Government came into office, the following letter was written by the Town Clerk of Perth to the Minister for Works:—

> Sir, I beg to inform you that the council has decided to purchase 30 motor buses for the purpose of improv-

ing the traffic facilities of the City, against which there has been, for some time past, so much complaint. The council has decided to float a loan of £40,000 to effect the purchase. Will you please submit the matter to His Excellency the Governor for confirmation at the earliest possible moment, pursuant to Section 438 of the Municipal Corporations Act, 1906. The Council is desirous of ordering the buses with the least possible delay, and I shall therefore be glad if you will expedite the matter as much as possible.

Now it is a strange thing that, in addition to this picking up of stray ideas, the Government have also been guilty of an act of discourtesy in that no definite reply has ever been received to that letter, which has remained unanswered until to-day. At all events the subject has never been considered by the Minister for Works, and no definite answer has been returned.

The Colonial Secretary: They got a verbal reply.

Hon. W. KINGSMILL: Fancy sending a verbal reply! What was the nature of it?

The Colonial Secretary: The Mayor was told that it would be necessary to amend the Act.

Hon. W KINGSMILL: Why?

The Colonial Secretary: Because we were advised that it would necessitate an alteration of the Act.

Hon. W. KINGSMILL: But it is provided for under the Municipalities Act. At all events, they were quite satisfied that sufficient provision was made in the Municipalities Act. And if a verbal reply was given to the Mayor, why had the Government not the courtesy to send a written reply to that effect to the Town Clerk, from whom the letter came?

Hon. J. E. Dodd (Honorary Minister): Knowing the late Mayor as you do, do you think that is the only thing the Government have to do in the matter?

Hon. W. KINGSMILL: Whether or not the action of the Government can be defended this further incursion into the realms of municipal trade should not be approved of by the House. I hope that in Committee Clause 21 will be struck out. I have little more to say about the Bill. For the reason that I have alluded to, namely, that it is necessary the Government should have some power to run tramways, I intend to support the second reading, but I hope that amendments in the direction I have indicated will be made in Committee; otherwise I shall be inclined to vote against the third reading.

Hon. H. P. COLEBATCH (East): In supporting the second reading I can scarcely refrain from remarking that had the hon. member who has just resumed his seat foreseen, by a few months, the provisions which must necessarily be contained in the Bill, it is highly probable the necessity for its introduction would never have arisen. As one who strongly opposed the purchase of these tramways, I feel bound to say that now they have been bought, I desire to give the Government the freest possible hand in the working of them. I propose to show the necessity for that. We all desire that the tramways should be made to pay. We recognise that a promise of cheaper fares has been made to the people of the metropolitan area, and none of us wish to see any possible loss on the trams become a charge on the general revenue of the State. During the debate on the Bill for the purchase of the trams we were told a good deal about the profits the company were making. Quite recently, within the last six weeks, the directors of the late company submitted to the shareholders the proposal that they should sell their interests to the Government; and in submitting the proposal the chairman of the company tabled a report. I just want to read one or two very brief extracts from that report to illustrate the very great need there is for us to give the Government the best possible chance of making the tramways pay, and to give the Commissioner of Railways our sympathetic consideration. The chairman of directors said—

Most of the rails, overhead work, engines and dynamos and the cars had been in constant service for about

13 years, and would therefore required to be renewed in the near future, provision for which must come out of revenue. The annual charge for renewals upon the basis of 1d. per car mile run, now generally accepted as a fair allowance, would amount to between £5,000 and £6,000, and on this basis the renewal fund should now amount to approximately £50,000, whereas it was only £19,000. Under these circumstances the directors would feel bound to recommend that until a sufficient renewal fund be accumulated, the dividends should not be increased.

At a later stage the Chairman went on to say—

It was estimated that the capital expenditure during the next two or three years would amount to at least £50,000, which would have to be provided either out of the profits—thus starving the renewal fund—or by the issue of new capital, involving a further annual charge for interest and redemption.

It will be remembered that some reference was made at the time with a view to placing the exact value of the asset which it is proposed in the Bill that the Government shall operate. It was stated that before negotiations arose for the purchase, ordinary shares were quoted at 14s. and preference shares at 20s. By the time the measure reached this chamber ordinary shares had risen to 22s., while of course, preference shares were still at 20s. The preference shareholders were clamouring for some advantage of this sale. The report goes on to say:

Assuming that the sale be carried through, it is calculated that the accounts at December 31st, 1912, will show a return of 27s. 6d. per share to each class of shareholder after payment of dividends for the year 1912, and as the final completion will probably be delayed until the summer of 1913, it is hoped that there will be an additional return of another 1s. or possibly 2s. per share.

In submitting these proposals to their shareholders the directors did not say "If you accept this offer you will get 27s. 6d. a share, or whatever you are entitled to, but it will not be less than 27s. 6d." They put it all in one resolution, to this effect: "If you accept this offer and agree to take 27s. 6d. you will give the balance"—I cannot say precisely what the balance will amount to; I have done my best to work it out, and the nearest I can get to it is it will approximate £16,600. The directors said in effect, "You will give the balance, not as a gift, but as a condition of sale to the directors; not for services rendered in carrying out this undertaking, but as remuneration for their services in negotiating the said sale." This is stated in the report, and made a condition. The shareholders could not accept the Government's offer without making the directors this present of over £16,000 in consideration of their services in negotiating the sale. However, I intend to support the Bill as it stands. There is one clause which compels the Commissioner of Railways to submit quarterly reports, and if at any time Members of the House feel dissatisfied with these reports, I hope they will realise that they are themselves responsible for endeavouring to make the Commissioner pay working expenses, interest and sinking fund on a capital of over half a million, by the operation of an asset which he himself valued at about £180,000.

Question put and passed.

Bill read a second time.

Sitting suspended from 6.15 to 7.30 p.m.

In Committee, etcetera.

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

Clauses 1, 2—agreed to.

Clause 3—General powers for construction and maintenance of tramways:

The COLONIAL SECRETARY: On the second reading it had been contended that these were extreme powers to give to the Commissioner, but equally extreme powers were given in the railway Act, and necessarily so. Amongst the powers contained in the clause was that

to "break up, open, or alter the surface or level of any road." That was necessary, because, if the Government had to wait for the permission of the municipality, a considerable delay might be involved. There was also power to temporarily stop traffic on any road. That, too, was necessary, and the Committee would remember that the Commissioner or the Government had recently resumed half a mile of city streets. These powers might appear to be extreme, but it was necessary that the Government should have them. There was nothing wrong in giving power to the Minister and the local authorities to make arrangements and vary them as necessity might arise from time to time. . . . .

Clause put and passed.

Clause 4—Commissioner to manage tramways:

The COLONIAL SECRETARY: Attention had been drawn to Sub-clause 2 which said that the Commissioner might exercise the powers conferred on the Minister by Clause 3 for the maintenance, alteration, renewal, or repair of all Government tramways open for traffic. Seeing that the Commissioner had almost absolute control over the railways, and would have the same control over the tramways, it was just as well that he should be given the right to exercise the powers under Clause 3, provided the Minister allowed him to do so.

Clause put and passed.

Clauses 5 to 19—agreed to.

Clause 20—Exemption from rates:

The COLONIAL SECRETARY: This clause read "no rate, tax, or assessment shall be made, charged, or levied on any Government tramways." The intention was to prevent the local authorities imposing municipal rates in connection with the tramway buildings.

Hon. J. F. Cullen: There is no intention to interfere with the three per cent.

The COLONIAL SECRETARY: No.

Clause put and passed.

Clause 21—Motor omnibuses:

The COLONIAL SECRETARY: This clause had been inserted at the request of the Commissioner, who was of opinion that if the Government had power to run omnibuses in certain parts they would add to the revenue of the system. There were localities in which it was not convenient or possible to construct tramways, and in such cases omnibuses would be employed. They would be only used where actually required, and where they would increase the tramway traffic. This clause did not give any exclusive right to the Government.

Hon. J. F. CULLEN: Occasions might arise where it was just and necessary that the Commissioner should have feeders to his tramway system. A tramway might go a certain distance and the traffic not warrant it going further, and yet the development of the traffic beyond might make it necessary for the Commissioner to put on motor omnibuses. The clause was very necessary.

Hon. J. D. CONNOLLY: There was no necessity for the Government to run motor buses. It was going far enough to give them authority to run trams and railways. This clause was only extending the principle of State socialism. The State had descended to running butcher's carts and milk carts, and now the Government were seeking authority to run motor busses. This business could be well left to private enterprise or to the local authorities.

Hon. J. W. KIRWAN: The clause was an extremely wise one. A gentleman connected with the Kalgoorlie and Boulder tramway system, who had arrived from London only a few days ago, had told him that the days of tramways, as we understood them, would not be of much longer duration. In London, motor buses were taking the place of tramways everywhere. They were more economical, travelled faster, and when the streets were narrower and the traffic congested, they had a better opportunity of moving about. No matter who was in charge of the tramway system in Perth, the use of motor buses must increase rather than diminish. The authorities controlling the tramways would find that the buses would considerably facilitate their operations.

Hon. W. PATRICK: The remarks made by the last speaker would have been a strong argument against the purchase of the tramways. Every

member who had opposed that purchase would look back with pride on having fought one of the most foolish things which had ever been done by the State. The Government had taken enough from the local authorities, and we should leave them the right to run motor buses.

Hon. E. M. CLARKE: There was no comparison between Perth and London. It was true that the motor buses had replaced the horse buses in London. but there were between six million and seven million people in London, whilst the entire population in Western Australia was only a little over 300,000. This clause meant the employment of a number of buses as tail-ends to the tramways on the outskirts of a small city like Perth. He did not think this was necessary, but at the same time, if the Government thought that the buses would pay, he would offer no objections. If in the suburbs around Perth there were two or three hundred thousand people, there would be some argument for the employment of buses, but he did not think they would be required in the present circumstances. . . . . .

The COLONIAL SECRETARY: Some members seemed to be under the impression that it was the intention of the Government straight away to put on a whole bevy of motor omnibuses in Perth. That was not intended, but it might be necessary to provide for the convenience for people half a mile away from a tram or a railway, and probably three or four of these buses would be required. If they paid there surely should be no objection on that score. . . . . .

Hon. J. LYNN: Where an extension was necessary it was exceedingly useful to have the power to run motor buses before the extension took place, because it would encourage traffic. These motor buses would also act as feeders where it would not be profitable to lay down lines.

Hon. F. DAVIS: The people of South Perth, Belmont Park, and Redcliffe, who frequently urged that tram conveniences should be provided for them, could be supplied with motor buses until such time as tram lines could be laid down for them. It was a reasonable power to give the Government.

Clause put and passed.

Clauses 22, 23—agreed to.

Title—agreed to.

Bill reported without amendment and the report adopted.

Read a third time and *passed.*

BILL—ROADS ACT AMENDMENT.

In Committee.

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

Clauses 1, 2, 3—agreed to.

Clause 4—Amendment of Section 22:

Hon. R. D. McKENZIE moved an amendment— . . . . .

That the following be added to the clause:—"And by the addition of the following—'Provided that for the purpose of this section a member elected under Section 18 of the Roads Act, 1902, shall be deemed to have been elected on the second Wednesday in April of the year in which he was actually elected,'"

Under the Act of 1911 elections took place in April, but under the provisions of the 1902 Act elections took place in March so that a member elected under the provisions of that Act would retire in March. It was to overcome the gap between March and April that this amendment was moved.

The COLONIAL SECRETARY: The amendment was rendered unnecessary by the provision of Section 4 of the Act of 1911 which overcame all inconsistencies in the previous Act.

Amendment withdrawn,

Clause put and passed.

Clauses 5 to 23—agreed to.

Clause 24—Amendment of Section 199:

Hon. J. F. CULLEN: What did the five shillings refer to?

The COLONIAL SECRETARY: The valuation of timber leases was to be on the same basis as pastoral leases, namely twenty times the annual rent, but there were old timber leases on which no rent was paid. This amendment was to arrive at the valuation of such leases. The timber companies themselves suggested the valuation should be from 3s.

to 4s. The other timber leases were valued at 11s. 4d. an acre, so this was actually reducing it all round to 5s. an acre.

Clause put and passed.

Clauses 25 to 28—agreed to.

Clause 29—Repeal of Section 328 and substitution of new section:

Hon. C. A. PIESSE: The Government were to be congratulated on introducing this very common sense clause because the old provision was ridiculous.

Hon. H. P. COLEBATCH: In Subclause 2 it was provided that rights-of-way must be provided for blocks less than half an acre in area, but in subdivisions adjacent to the city where sewerage connections would soon be made these rights-of-way did not seem essential, as they merely became a sort of no man's land and a dumping ground for everyone's rubbish. He moved an amendment—

That after "area" in line 2 the words "and if so required by the roads board" be inserted.

The COLONIAL SECRETARY: No objection would be offered to the amendment.

Hon. C. SOMMERS: The amendment would be an improvement on the clause, but for his part he would rather see the rights-of-way cut out altogether. They were only legalised highways for bad characters to collect in, were receptacles for rubbish and constituted a great waste of land, in addition to which they involved a heavy cost to macadamise. These roadways prevented many people from having decent-sized pieces of ground around their homes.

Hon. J. D. CONNOLLY: For his part he would cut out all rights-of-way. They were merely receptacles for rubbish, were unsightly and were harbours for undesirable characters. There was no necessity for them. The existence of a right-of-way would always tend to induce a man to build on a smaller area than he otherwise would do.

The COLONIAL SECRETARY: It was very necessary to have right-of-ways if only in order to enable the sanitary man to get in at the back and the wood carter to deliver his firewood. The question should be left with the board to decide.

Hon. J. D. Connolly: Why should not those people go in at the front gate?

Hon. H. P. COLEBATCH: It would be a pity to see the subclause struck out altogether; in many cases right-of ways were necessary. If, as suggested by Mr. Connolly, the sanitary man were to go in at the front gate his task would take twice as long and the service would cost twice as much as it did to-day.

Amendment put and passed.

Hon. J. F. CULLEN moved an amendment—

That in line 2 of Subclause 3 the words "on which the area of any allotment is less than half an acre" be struck out.

If there was a subdivision at all there should be a deposit towards making any new roads. It did not matter whether the allotments were half an acre or an acre, the subdivider should contribute towards the necessary roads. If the words were left in the clause, the subdivider need not pay a penny towards the roads if the blocks were half an acre or over.

Hon. C. SOMMERS: It was to be hoped the amendment would not be agreed to. In some country subdivisions of large areas the subdivider might be called upon to pay up to £1 p r chain for the roads, which would impose an undue hardship, if indeed it did not absolutely preclude any such subdivisions.

Hon. J. F. CULLEN: The provision made in the subclause was that the sum should not exceed £1 per chain. On a country subdivision with, perhaps, 10 miles of road to be put in, the amount charged would probably be 1s. a chain instead of £1 per chain. If the lots were acre lot it would be irrational for the subdivider to throw a long road on the municipal authority and snap his fingers. The Bill said that unless the blocks were less than half an acre the subdivider would pay nothing at all towards the roads.

Hon. C. A. PIESSE: This was the very point upon which he had congratulated the Government as being a marked advance over the existing legislation. He trusted the Committee would not agree to the amendment.

Hon. H. P. COLEBATCH: Apparently Mr. Cullen had not reflected upon the meaning of the amendment. A man might be subdividing his farm into four small ones, and under the amendment he would be at the mercy of the roads board up to about £80 per mile of road. Besides, it was foreign to the policy of the Act that the man selling large quantities of land should provide the roads.

The COLONIAL SECRETARY: It was to be hoped the clause would be allowed to pass as it stood. The Government wished to encourage the cutting up of large blocks, and he was informed that there were several plans awaiting the passage of this measure.

Hon. J. F. Cullen: Why fix half-acre blocks?

The COLONIAL SECRETARY: Why not? The clause should be passed as it stood.

Amendment put and negatived.

Hon. H. P. COLEBATCH: It seemed that a proviso was necessary to carry out the real intention of the clause. He moved—

That at the end of Subclause 3 the following proviso be inserted—"Provided that where a plan of subdivision embraces allotments both over and under half an acre in area, the deposit payable under this subsection shall apply only to such portions of the said roads as abut on allotments of less than half an acre in area."

Amendment passed.

Hon. H. P. COLEBATCH: The last four lines of Subclause 4 should be struck out. Supposing a plan was submitted and approved, and then, as often happened, the person depositing the plan did not make the subdivision, or perhaps sold the land in one lot, how could the land for roads be got back? He moved an amendment—

That the words from "and," in line 11, to "board," in line 14, be struck out.

The COLONIAL SECRETARY: This portion of the clause was necessary. It provided that when land was resumed by the board the soil should be vested in the board. There was also provision that, if at any time subsequently it was found necessary to close the road, the soil would revert to the original owner.

Hon. H. P. COLEBATCH: The explanation did not appear to meet the objection.

Hon. C. A. PIESSE: There was nothing in the Bill excepting this reference to compel the boards to take over the roads. If a man handed over land for the roads he should not be able to withdraw. The words should be allowed to stand.

Amendment put and negatived.

Clause as previously amended agreed to.

Clauses 30 to 32—agreed to.

Clause 33—Continuation of the principal Act:

Hon. C. A. PIESSE: Was it intended that this measure should remain in force for only twelve months?

The COLONIAL SECRETARY: Perhaps it was desirable to extend the time. Next session a more comprehensive measure would be brought down. He moved an amendment—

That the words "nineteen hundred and thirteen" in lines 3 and 4, be struck out, and the words "the thirtieth day of June, nineteen hundred and fourteen" be inserted in lieu.

That would enable the machinery to remain in operation until the end of the financial year.

Amendment passed; the clause as amended agreed to.

New Clause:

Hon. J. W. KIRWAN moved—

That the following be added to stand as Clause 25—"Section 205, Subsection (4), of the principal Act is amended by inserting after the word "be" in line 14 the words "not more than."

This was to rectify an obvious error in the principal Act. It was the intention of the framer to insert the words "not more than" in order to give the local authority power to use discretion in the amount fixed. As the section stood, it

adopted the unusual course of making a fixed charge from which there could be no possible departure.

Hon. J. F. CULLEN: Subsection 4 referred to lighting and the proviso to power. Would that affect the amendment?

Hon. J. W. KIRWAN: It was very plain to anyone who read the amendment with the original Act that the intention was that in the Act as it stood the local authority had no option whatever but to make a certain fixed rate which would be 5s. per cent. of the gross receipts. The amendment would give the local authority the power to charge less if necessary. It provided "not more than."

New clause put and passed.

New clause:

Hon. M. L. MOSS moved—

That the following be added as new clause:—Where any rateable property is occupied or leased to any person who has contracted to pay the rates thereon the occupier or lessee may appeal against any entry in the rate book in the same manner as if he were the owner of the said property and as if his name had been inserted in the rate book as such owner.

Under the Municipalities Act it was incumbent upon the local authority to serve the owner or occupier with the rate notice and either could appeal. Under the Roads Act, 1902, which the principal Act replaced it was provided that any person might appeal against any valuation or alteration on a number of grounds which were set out. In the present Roads Act the right of the occupier or lessee to appeal was taken away. In one case that he knew of a property was leased by an owner to lessees, and the rates amounted to between £80 and £90. The owner had leased the property for a term of years and the lessees contracted to pay the rates. They had no right to appeal against an unjust assessment. Under the Municiplaities Act both owner and occupier and also under the old Roads Act the owner and occupier could appeal. He (Mr. Moss) remained quiet while the existing Act went through Committee at the end of last session, but there were hon. members who were in the House when Mr. Connolly introduced the measure who would remember that he (Mr. Moss) almost begged of them not to agree to it because there were things in it which members had not been given an opportunity to consider. He said at that time that he would take no responsibility in connection with it. The result was that the Act was now found to be full of anomalies, and the one he was correcting was among them, while the present Bill itself was an illustration of the absurdity of rushing through big bills at the end of the session.

New clause put and passed.

Title—agreed to.

Bill reported with amendments, and the report adopted.

BILL—PERTH STREETS DEDICATION.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said: A Bill of this character almost invariably finds its way before Parliament during a session. In this instance the object of the Bill is to effect the dedication of certain streets in the municipality of Perth as streets. under the Municipalities Act. Under that Act before a street can be dedicated by the municipality to the public use, the thoroughfare must be of a minimum width of 66 feet. Prior to the passing of the Act there were numerous streets in almost every municipality which were very much less than 66 feet in width, and of course in consequence of that an exemption had to be made in respect of such streets before municipal money could be spent on them. The result is that from time to time Parliament is called upon to pass Bills for the dedication of these streets. It would be inadvisable that the municipalities should be allowed to spend public money upon these thoroughfares perhaps illegally. The streets comprised in the Bill will be found enumerated in the Schedule. These are

all of less width than 25ft. All other streets in the City of more than 25ft. and less than 66ft. in width have been dedicated under Section 224 of the Municipalities Act. The opinion of the Solicitor General however, was that as the streets enumerated in the schedule were of a less width than 25 feet an Act of Parliament was necessary to effect their dedication. I move—

That the Bill be now read a second time.

Question put and passed.
Bill read a second time.

In Committee, etcetera.

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

Read a third time and *passed.*

BILL—ROADS CLOSURE.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said: This is another formal measure in respect of which Parliamentary sanction is required for the closure of certain declared roads. The roads included in this measure will be found in the schedule to the Bill, and as the local authority has been consulted and its approval to the contemplated action obtained, members need have no misgivings in passing the Bill. The first road dealt with is in the municipality of Victoria Park and its closure is desired as the municipality has now provided for a deviation, which has been duly approved. The second closure is a portion of two streets at Narrogin, and is desired as the land comprised therein must be closed before an area approved to the Commonwealth as a rifle range can be put into use as such. The Commonwealth is also interested in the third closure, which is situate in Samson Street, Perth. A three-cornered area has been acquired by the Commonwealth for store purposes, and the street has in consequence been rendered inaccessible. The next is in Greenbushes and the area proposed to be closed in this instance is a right of way which it was agreed should be granted to the Roman Catholic Church authorities in exchange for another right of way of a similar area. North Fremantle lands are included in the next two, the first closure being necessary in connection with the erection of the proposed abattoirs and the second is an area resumed by the Public Works Department for water supply purposes, in the vicinity of Buckland Hill. The remaining area is a 25 links way in the townsite of Collie. Lithos showing the different routes proposed to be closed are available for the information of members. I beg to move—

That the Bill be now read a second time.

Question put and passed.
Bill read a second time.

In Committee, etcetera.

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

Read a third time and *passed.*

BILL—MONEY LENDERS.

In Committee.

Hon. W. Kingsmill in the Chair, Hon. R. G. Ardagh in charge of the Bill.

Clause 1—Short title:

Hon. D. G. GAWLER: The clause provided that the Bill should come into operation on the 1st January, 1913. It would take some considerable time for the money lenders and the public to become acquainted with the provisions of the Bill, especially in regard to the registration of money lenders. He therefore moved an amendment—

That in line two the word "January" be struck out and "July" inserted in lieu.

Hon. R. G. ARDAGH: There was no objection to the amendment. This year was nearing its close, and it was necessary that further opportunity than was proposed in the Bill should be given the people to become acquainted with the provisions of the measure.

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

Clause 2—agreed to.

Clause 3—Definition of money lender:

Hon. A. G. JENKINS moved an amendment—

That in lines five and six the following words be struck out, "Who lends money at a rate of interest exceeding ten pounds per centum per annum."

The effect of the amendment would be that the Bill would be confined to those who carried on the business of money lenders, and would not require the registration of those who occasionally in the course of business transactions lent money at a rate of interest exceeding ten per cent.

Amendment put and passed.

On motion by Hon. A. G. JENKINS clause further amended by striking out of paragraph (*d*) the words "at a rate of interest not exceeding ten per centum per annum."

Clause as amended agreed to.

Clause 4—Re-opening of transactions of money lenders:

Hon. D. G. GAWLER: The desire of hon. members was that the Bill should be on all-fours with the English Act, and wisely so, because we had the benefit of the English decided authorities.

On motions by Hon. D. G. GAWLER clause amended by striking out of line two, the words "or the assignee or transferee or holder of a debt or security;" by striking out of Subclause 2, line three, the words "or the assignee or transferee or holder of a debt or security in respect of a loan by a money lender"; and by striking out of Subclause 4 the words "or the assignee or transferee or holder of a debt or security from a money lender."

Clause as amended put and passed.

Clause 5—Registration and restrictions on money lenders:

Hon. D. G. GAWLER: moved an amendment—

That in Subclause one paragraph (a) line two, the word "and" before "usual" be struck out and "or" inserted in lieu.

The clause provided that a money lender should register himself as a money lender in accordance with regulations under this measure under his own and usual trade name. The amendment would make the clause read "own or usual trade name."

Amendment put and passed.

On motion by Hon. D. G. GAWLER, the clause further amended by striking out paragraph (*e*) of Subclause 1.

Clause as amended put and passed.

Clause 6—agreed to.

Clause 7—Penalties for false statements and representations:

On motion by Hon. D. G. GAWLER clause amended by inserting "material" before "facts" in line 5 and by inserting "fraudulently" before "induces" in line 6; and the clause as amended agreed to.

Clause 8—agreed to.

Clause 9—When rate of interest not per annum:

On motion by Hon. A. G. JENKINS, the words "ten" in line 5 of Subclause 1 was struck out, with a view to inserting "twelve."

Hon. C. SOMMERS moved—

That "twelve and a half" be inserted in lieu.

Amendment passed; the clause as amended agreed to.

Clause 10—Duplicates of contract to be supplied:

On motion by Hon. A. G. JENKINS the clause was amended by striking out "ten" and inserting "12½" in lieu, and as amended was agreed to.

Clause 11—Limit of charge for obtaining or guaranteeing loan:

Hon. A. G. JENKINS moved an amendment—

That the words "two" in line 4 of Subclause 1 be struck out and "five" inserted in lieu.

This was to bring the commission charged into line with the Victorian Act.

Amendment passed.

Clause also verbally amended and, as amended, agreed to.

Clause 12—How loan to be made:

Hon. A. G. JENKINS: According to Subclause 3 this provision was not to apply to deductions for the current rate of discount. How was that to be arrived at? Though this provision was in the Victorian Act it seemed rather unworkable.

Clause passed.

Clause 13—agreed to.

Title—agreed to.

Bill reported with amendments and the report adopted.

BILL—WORKERS' HOMES ACT AMENDMENT.

Second Reading.

Hon. J. E. DODD (Honorary Minister) in moving the second reading said: When the Workers' Homes Act was introduced last year the provisions were largely taken from the Acts passed in South Australia and New Zealand, but the year's operations of the measure have shown that the conditions are not altogether the same here as they are in those States, and it has been found necessary to bring in a short amending Bill to make matters run somewhat more smoothly. There are very few clauses in the Bill and they are easily explained. The term dwelling house is extended to include a shop that may be attached to a dwelling house. Money cannot be advanced for a shop unless it is attached to a dwelling house. Section 6 of the principal Act is repealed to provide that instead of bringing in an amending Bill every time more money is required for the operations of the board, the money may be secured by an appropriation of Parliament. Provision is also made for additional repayments of the money advanced in instalments of not less than £10. The Act does not allow any variation from the ordinary instalments unless the whole amount owing is paid off. Section 5 is amended in order to allow of applications being received for land before a house is erected on it. At present that cannot be done. An application can only be received after a house is erected, consequently the applicant has no choice in the design of his house. It is provided in the Bill that he can have a choice of making an application for the land before a house is erected. The deposit is also reduced from £10 to £5. Another section has been inserted in the Act to provide that a worker may request the board to purchase an allotment of land specified in the application and to dedicate that land for the purpose of the Act and erect a worker's dwelling thereon, and grant a lease of it to the applicant. He has to satisfy the board in the same manner as is provided for in the principal Act. Section 23 of the principal Act is amended in the direction of allowing a person who has surrendered a portion of his land to apply, but if he does not go on with his application another person may apply for that land and have it granted to him. At present only the person who surrenders the land has the right of having a home erected on it, no one else can have a house built on the land, but this Bill provides that anyone may have that right after a period of one month has elapsed. It is further provided that in the event of the lessee or borrower not paying the amount due within a period of fourteen days he shall be liable to a fine of 1d. in the pound or portion of a pound for every month or portion of a month. That is really all that is contained in the Bill. If any member wishes any other information in Committee I shall be happy to give it. I move—

That the Bill be now read a second time.

Hon. J. F. CULLEN (South-East): If the Bill had come down earlier I should have had a number of amendments to suggest, but at this late hour I am only going to ask for two of them. One is in the form of a new clause to amend Section 24 of the original Act. Section 24 provides that the board may take over a mortgage exisitng on a man's holding. I am going to add "or liability." It will cover cases of this sort: Perhaps a small man is at present involved, and his bank has notified him that it cannot help him any more. There will be no difference between taking over a mortgage and taking over a liability not yet covered by a mortgage, so I do not think the Minister will object to that. The other amendment he may object to, but I hope the House will carry it. It is to amend Section 29, and will place a freehold borrower and a leasehold borrower on the same basis. I think that is only fair. At present the

Act provides that leaseholder shall be charged five per cent., and the freeholder six per cent. I think that is an unnecessary act of partiality, and a kind of bribe to the leaseholder which ought not to be put forward by any self-respecting Government. There can be no earthly objection to my amendment. In the meantime I shall vote for the second reading.

Hon. H. P. COLEBATCH (East): I rise to support the remarks of the last speaker. To my mind, that differentiation between the leaseholder and the freeholder has always been most unfair to the applicant and entirely wrong from the point of view of the State. In the case of a settler requiring an advance from the Agricultural Bank a difference has recently been made in the amount of the advance and in the rate of interest charged, and the argument used is that the security in one case is better than that in the other, and therefore the one advance can be made at a lower rate of interest than the other. But in this case the security offered by the freeholder is substantial, whereas that offered by the leaseholder does not exist at all. Yet, most illogically, and for the deliberate purpose of trying to foster and encourage a system which the Government know to be unpopular, they charge a lower rate of interest to the leaseholder than to the man who has some security to offer.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair, Hon. J. E. Dodd (Honorary Minister) in charge of the Bill.

Clause 1—agreed to.

Clause 3—Amendment of section 3;

Hon. J. W. KIRWAN moved an amendment—

That the following be added at the end of the clause—"and by striking out from the interpretation of the term 'worker' the word 'three' in the fourth line of such definition with a view of inserting the word 'four'"

The amendment would somewhat widen the scope of the Act. The Act was undoubtedly a piece of class legislation intended to apply to people with an income of £300 a year or less. Personally he would extend the Act to everyone who desired to build a home; but he was not inclined to go so far as that at present, because he was afraid the Committee would not be with him. Originally the Bill of last year had contained the £400 provision, but this was reduced to £300 in Committee. The amendment would therefore only bring the Act into accordance with the ideas of its original framer. Ths man who had £400 per annum offered a better security than one who had less. In his opinion the Government would be justified in assisting anybody who desired to build homes for themselves, for what the State undoubtedly required was to see the people firmly established in their own homes.

Hon. H. P. COLEBATCH: For the reasons given by Mr. Kirwan, he would support the amendment. Mr. Kirwan had spoken of the better security offered a man in receipt of £400 as compared with the man getting a lower wage. It was to be hoped that when another clause came to be discussed Mr. Kirwan would recognise that the freeholder offered a better security than the leaseholder. Mr. Kirwan had said that people ought to be firmly established in their own homes. That was his (Mr. Colebatch) desire also, and was what he thought the State should help people to do. But this could never be brought about under any leasehold system.

Hon. E. M. CLARKE: Like Mr. Colebatch, he was thoroughly in accord with the views of Mr. Kirwan, and he would support the amendment.

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

Clauses 3 to 13—agreed to.

New Clause:

Hon. J. F. CULLEN moved—

That the following be added to stand as Clause 8, "Section 24, Subsection I., paragraph (c) of the principal Act is amended by inserting after the word 'mortgage' the words 'or liability.'".

Hon. J. E. DODD: As far as he could see, there was no objection to the new clause.

New clause put and passed.

New Clause:

Hon. J. F. CULLEN moved—

That the following be added to stand as Clause 10, "Section 29, paragraph (c) of the principal Act is further amended by omitting the words, 'six per centum per annum, (but subject to rebate as provided by Section 30' and inserting the words 'five per centum per annum' in lieu."

That would place the freehold borrower on exactly the same terms as the leasehold borrower. If it was carried a consequential amendment would be necessary.

Hon. J. E. DODD: The amendment would have his opposition. It would alter one of the most important principles of the Bill, and that was not sought under the present measure. A man with freehold had a better security than a man with leasehold. The latter could only dispose of his holding to the board, but the man with freehold could, after having paid off his loan, dispose of it to anyone.

Hon. J. F. Cullen: Therefore he is a good borrower.

Hon. J. E. DODD: That should make some difference.

Hon. J. F. Cullen: Yes, he should get better terms.

Hon. J. E. DODD: No. Until we could do away with the dual title and get leasehold or freehold there would be trouble.

Hon. H. P. COLEBATCH: The Minister did not recognise that the Government was lending money, as Mr. Kirwan had said, to firmly establish people in their own homes.

Hon. J. W. Kirwan: Leasehold will do that.

Hon. H. P. COLEBATCH: It was a differentiation between the two classes of borrower that was unfair. A man having nothing could go on leasehold property, and he paid only three per cent. on the value of the land, whereas the freeholder paid what his money was worth, six or seven per cent. The leaseholder might look after the property well, or he might not, because he was not interested in it and could step out at any time with little loss.

Hon. E. M. CLARKE: The Minister by experience would find that the best borrower was the man who owned his own property. A tenant did not look after the place he rented as the owner looked after his property, and he challenged the Minister to find a landlord who would say otherwise. Of course, there were tenants and tenants, but the majority did not trouble.

Hon. C. SOMMERS: This amendment should be accepted. The main desire of the freeholder was to pay off his mortgage as soon as possible and obtain possession of his deeds.

Hon. J. E. DODD: The object of the Bill was to provide homes for workers. It was not a moneylenders Bill. The leaseholder was a poor man.

Hon. J. F. Cullen: He will always be poor if he is a leaseholder.

Hon. C. Sommers: Lend him the money to buy the freehold.

Hon. H. P. Colebatch: We are not objectin to the leaseholder getting money at the same rate.

Hon. J. E. DODD: The poor man should have more encouragement. Under leasehold there would be a reappraisement every twenty years.

New clause put and a division taken with the following result:—

Ayes	14
Noes	8
Majority for ..	6

AYES.

Hon. H. P. Colebatch	Hon. M. L. Moss
Hon. J. D. Connolly	Hon. W. Patrick
Hon. J. F. Cullen	Hon. A. Sanderson
Hon. D. G. Gawler	Hon. C. Sommers
Hon. V. Hamersley	Hon. T. H. Wilding
Hon. R. J. Lynn	Hon. C. A. Piesse
Hon. C. McKenzie	(*Teller.*)
Hon. E. McLarty	

NOES.

Hon. R. G. Ardagh	Hon. J. W. Kirwan
Hon. E. M. Clarke	Hon. B. C. O'Brien
Hon. F. Davis	Hon. J. Cornell
Hon. J. E. Dodd	(*Teller.*)
Hon. J. M. Drew	

New clause thus passed.

New clause:

On motion by Hon. J, F. Cullen new clause added as follows :—"Section 30 of the principal Act is hereby repealed."

Title—agreed to.

Bill reported with amendments, and the report adopted.

BILL—PERMANENT RESERVES.

Second Reading.

The COLONIAL SECRETARY (Hon. J. M. Drew) in moving the second reading said : The object of this Bill is the rededication of certain reserves. Almost every year it has been found necessary to introduce Bills having a similar object in view. There are three parcels of land which it is proposed to dedicate under this Bill. One is at Toodyay, and it appears that some years ago certain land there was handed over to the Education Department as an endowment and subsequently it was discovered that it belonged to the Police Department and had been occupied by them and had been in their possession for some 40 years. Some friction occurred, the Police Department strongly objected to be dispossessed of the property, and in the end an agreement was arrived at between the Education Department and the Police Department that the former should obtain another piece of land instead of this particular block. At the same time, it is necessary to rededicate the land. The next piece of land which comes under the operation of this Bill is portion of a reserve at South Perth. Some years ago the South Perth municipal council, believing they had a right to it, and with the consent of the Government, granted a 21 years' lease of this land to the Perth Golf Club, but after the expiration of some time and after the golf club had made very costly improvements on the block it was discovered that it was a Class A reserve and that neither the South Perth council nor the Government had any right to agree to this lease being given without referring the matter to Parliament. In view of the fact that there has never been any public objection to the action of the South Perth council it is considered advisable that the agreement entered into should be fully adhered to and this Bill is submitted for the purpose of rededication. The third proposal is for the rededication of that portion of King's Park utilised by the Works Department for the Water Supply and Sewerage Department for the purpose of a service reservoir.

Hon. J. D. Connolly : What is the area ?

Hon. J. F. Cullen : Seven acres.

The COLONIAL SCERETARY : This land was resumed under agreement between the King's Park board and the Works Department. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee, etcetera.

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

Read a third time and *passed.*

BILL—EMPLOYMENT BROKERS ACT AMENDMENT.

Second Reading—Amendment (six months) negatived.

Hon. J. E. DODD (Honorary Minister) in moving the second reading said : This is a short Bill which has been found necessary to introduce to more effectually regulate the operations of employment brokers. The first object of the Bill is to bring employment brokers licenses under the present licensing magistrates. The Act now defines the licensing area as the magisterial district, but under the Licensing Act of 1911, licensing districts were considerably altered. It is proposed in this Bill to provide that the licensing district under the Licensing Act, 1911, shall also be the licensing districts for employment brokers. For instance, Claremont is a distinct licensing district from Perth under the Employment Brokers Act, but Claremont is under the control of the Perth magisterial district. Power is given to the Governor in Council to say to what licensing court persons applying for employment brokers licenses shall apply. The

real purpose of the Bill, however, is to bring the brokers more under the jurisdiction of the factories inspectors.

Hon. J. F. Cullen: What for?

Hon. J. E. DODD (Honorary Minister): So that they shall have control.

Hon. J. F. Cullen: But this is not a factory.

Hon. J. E. DODD (Honorary Minister): But factories inspectors do other things than inspect factories.

Hon. J. D. Connolly: Employment brokers are under the Chief Inspector of Factories now. . . . . .

Hon. J. E. DODD Honorary Minister): Yes, to some extent, but it is desired to bring them more under the administration of the inspectors of factories. For instance, the inspector at the present time has no power to inspect the books of the employment brokers. This Bill will give that power. The principal amendment is that dealing with the scale of charges that may be made and that scale is to be fixed by regulation.

Hon. J. D. Connolly: That is rather a new departure. . . . . .

Hon. J. E. DODD (Honorary Minister): That is what is adopted in the New Zealand Act and I can assure hon. members that it is necessary that these charges should be regulated. It is intended that the maximum scale of fees charged by the brokers shall be fixed by regulation and that the broker shall not be at liberty to charge the employee the whole amount, but that he must charge it equally to the employer and the employee. That is really the principal matter in the Bill except that the employment broker must be compelled to deliver a transcript of the engagement to the employee. With reference to the charges that have been made, I have a statement here showing that one hotel paid £14 2s. 6d. to an employment broker for servants obtained for that hotel.

Hon. D. G. Gawler: Now you propose that the employer shall pay half?

Hon. J. E. DODD (Honorary Minister): The idea is that the employer shall pay half and the employee half.

Hon. V. Hamersley: In many instances the employer pays the whole.

Hon. J. E. DODD (Honorary Minister): The instance I have just quoted is not the only one where large amounts have been paid. There is another hotel in the country which paid something like £13 or £14 in one year to employment brokers for servants. I do not say all employment brokers are unscrupulous, but all Acts are brought in to protect people against those who are dishonest and unscrupulous. Sometimes brokers will send girls who are the principal sufferers to situations and obtain a fee and then send along another girl and say to the employer that the second girl will suit better, the object being to secure another fee. I had one case before me which came very close indeed to being a criminal offence. Had it not been for a Commonwealth officer, probably the girl would have been sent to a place to which no respectable girl should have been sent. She was only saved from going to that place by the activity of a certain Commonwealth officer. I do not know that we can do anything to prevent that sort of thing in this Bill; it is really a matter for the criminal law. But at the same time we think that something should be done to prevent the abuses that we know are taking place in connection with the employment of persons by employment brokers. I have several extracts copied from the reports of the Department of Labour in New Zealand, of the Director of Labour in New South Wales, and the Labour Commissioners in New South Wales, all dealing with the regulation of employment brokers and urging that the fees should be restricted. I do not propose to read those to-night, but if hon. members desire to postpone the consideration of the Committee stage till to-morrow I shall be glad to enable them to peruse those extracts. I beg to move—

That the Bill be now read a second time.

Hon. C. SOMMERS (Metropolitan): I have not had an apportunity of reading the Bill, but we know that the registry offices in the city are mainly conducted by widows, and we have ample proof that they are not making a fortune through carrying on this class of business.

I have had interviews with some of them and have a number of letters here from others in which they point out that they have large expenses to meet, they have to pay a license fee, there are advertising and telephone rents, and all they get out of the business is half the first week's wages for each engagement. In return for that they have to find the situations, they have to work up a connection, and are at work early and late. I know of one lady engaged in this business in the city and she has told me that she has frequently to be on the railway station at six o'clock in order to gather up the employees and see that they get away by the train, because many of them cannot be trusted with the tickets or the fares. They have considerable responsibility to the employers in getting them the right class of servant and there is a continual strain upon them. If their fees are to be prescribed by the Government it would be equally capable for the Government to prescribe the fees in all other classes of business, and that would be an interference with the rights of the individual. Surely a person who finds a situation for a servant is entitled to receive payment, and half a week's wages is not too much. I am told that if it is attempted to make the employers pay a portion of the fees the registry offices will lose their business altogether. To force all this business into the hands of the State Labour Bureau would involve the Government in a large outlay. I have here particulars taken from a return called for by Mr. George Randell when he was a member of this House; the return shows that the engagements for the year 1908, as per published return, were 4,922, and the cost to the State was: salaries, advertising, postage, stationery, etcetera, at 3s. 1d. per head, £758; estimated value of rentals for the Perth, Kalgoorlie, Northam, and Fremantle offices, £750; loss for year on railway passes, £766; advertising on railway stations and post offices throughout the State, £1,000; depreciations, interest on capital, telephones, license fees and proportion of supervision, say £350; total £3,624, or for 4,922 engagements a cost to the Government of 14s. 9d. per head. As I said before, these private employment brokers give personal services that the State Labour Bureau could not possibly be expected to give, such as seeing people off by the various trains; they have a good deal of correspondence and a certain amount of responsibility in seeing that the right class of employee is sent to each place. Surely that is worth paying for, and to prescribe the fees and also to dictate how the payment should be made, as proposed by the Government, would be an interference with the rights of those people. If it does not suit employees to go to the private offices there is a State Labour Bureau to which they can go free of charge. We are told that one hotel paid £14 2s. in fees to a registry office in one year, but that is not a very big sum because the persons engaged probably included barmaids, barmen, and cooks, whose wages would be from £4 to £6 a week, and even though some hotels are difficult to please and require a number of servants in the course of a year, that does not warrant the Government in making this change. In regard to an unfortunate girl being rescued by a Commonwealth officer, that might have happened in connection with the State Labour Bureau and I do not see that the proposed alteration will do any good in that respect. As I have already said, these employment brokers are mostly widows and they pay a license. In Clause 2 it is provided that the fees to be charged shall be prescribed by regulation, and that I strongly object to. That is an interference with people's business, and I think that provision should be struck out. Some of these brokers have been in business for 16 or 17 years without one black mark against their characters.

Hon. J. Cornell: Bill May had a few.

Hon. C. SOMMERS: Possibly; it is said that there are black sheep in every fold. Seeing that these brokers do so much for their clients I think we should leave them alone. It has been said that every employee pays his own fee, but I know that is not so. Som of them go to a registry office,

employment is found for them, and when they are asked for their fee they say they cannot pay and the employment broker has to take the risk. In a great many cases the employees, having once got the position, do not recognise their obligation to the agent. Sometimes the fare has been advanced and the employee has not gone to the position; he has found another position which suited him better and without notifying the broker or the would-be employer has gone somewhere else. In this way the broker is left in the lurch. Unfortunately the registry office keeper is unable to collect the fee from the employer and thus he or she loses both ways. I think it would be well to strike out the definition of "prescribed" and also Clause 6, which is an amendment of Section 15 in the direction of specifying the maximum amounts chargeable to the employer and the employee. I trust the Minister will see his way clear to delete those two provisions.

Hon. J. CORNELL (South): I must congratulate the hon. member who has just sat down on the case he has put up for the employment brokers generally. I have not heard anyone who has had anything to do with employment brokers say a good word for them.

Hon. C. Sommers: I have had a great many years experience of them.

Hon. J. CORNELL: I sincerely hope that if members will not go the whole way they will go some of the way and protect the unfortunate worker, who, of necessity has to resort to these places for employment. The proposal to review the rates charged by the brokers is nothing new. Even lawyers cannot charge what fees they like; their charges are subject to review.

Hon. C. Sommers: But by a board of their own.

Hon. J. CORNELL: Well, I hope that if the House will not go so far as to allow the Government to do it, they will allow Government officers in the capacity of an employment brokers' board to review the fees. I have had an unfortunate experience in going to employment brokers, and in one case I was sent away to the country after paying half a week's wages, and on arrival there found that there was no job at all. That has happened on more than one occasion in Perth.

Hon. T. H. Wilding: There are more instances where the men have not turned up.

Hon. J. CORNELL: My experience of employment brokers is that where there are a number of persons applying for a job they pick and choose, the same as everybody else, but they take the chance when only one turns up. After all, it is a game of chance and they must take the same chances as any other person in business has to do, but the chances they take of not getting payments are five per cent. as against 95 per cent. the other way. Who seek to avail themselves of the services of these employment brokers? The majority of the employers much prefer to effect a personal engagement if they can. If an hon. member of this House desired to employ a person he would prefer to engage that person direct but that cannot always be done, and as a consequence employers go to a broker or to the Government Labour Bureau. I ask employers to give some assistance to those who have to apply to them for work through other sources. If I apply to any hon. member of the House for a situation direct that hon. member will not charge me any fee. I think that if all the engagements could be concentrated in a Government Labour Bureau or some central bureau, it would be better for the workers. There is always a surplus of workmen or workwomen on the market.

Hon. T. H. Wilding: It is impossible to get workwomen.

Hon. J. CORNELL: Well, then, that is the only class of labour that there is not a surplus of. The worst feature of the present Act is that people, the widows that Mr. Sommers speaks about, start these registry offices in an already overstocked market. There is not sufficient revenue coming in for them all. Consequently it does not matter how scrupulous one of the widows may be, she has to stoop to the practices of the others or go to the wall.

Hon. C. Sommers: That is imagination. You do not know these people.

Hon. J. CORNELL: It is a truism in all business. If I employ 100 men and and Mr. Sommers employs 100 men and I pay my men £50 more than Mr. Sommers pays his, Mr. Sommers will beat me in business. I hope the House will give some consideration to this matter. If they will not give the whole lot I hope they will give some authoritative person power to protect not only the worker but the employer, for both are robbed under the present system.

Hon. V. HAMERSLEY (East): I do not think the employment brokers are getting fair play. I have at different times made use of these registry offices, and it is just as well for me to give my experience in connection with the transactions I have had with them. I have at all times received the greatest courtesy from those in charge of the State labour bureau, and have made various engagements through the State labour bureau, but though I have a good many hands employed and owing to the nature of our work and the conditions of this country, there are many changes, I can safely say there is not one person on my place now who has been engaged through the State labour bureau. I have invariably found the class of labour sent out to us from the State labour bureau is not as carefully selected as the labour I have been able to obtain through the other offices. On the whole, I have got better results and a better class of labour from the outside registry offices. In regard to the fees charged to these workers I have not heard a complaint from any one of those who have ever come to me. The employee does not pay these charges as stated here to-night. In every engagement that comes under my notice I pay after a reasonable term of service has been put in. The employee has only to show his capability and remain a reasonable time in my employment. It is usually stipulated by the agreement with the employment broker, whether it is to be one month or two or three months, and invariably the amount is remitted by the employer.

Hon. J. Cornell: Do you do that?

Hon. V. HAMERSLEY: Yes.

Hon. J. Cornell: All the more credit to you, for plenty do not do it.

Hon. T. H. Wilding: It is the usual thing after three months' service.

Hon. V. HAMERSLEY: It is wrong for members to come to the House and lead us to believe that the employee has to pay these fees on every occasion. I do not mind a fair and reasonable statement, but I do not think it is right that these statements should go forth and be accepted. I can only speak of those that have come directly under my notice. As pointed out by Mr. Sommers also, the employment brokers take a great deal of care in selecting the labour and in seeing that these people are sent off by the early morning trains. Another point raised by Mr. Cornell is that employers invariably prefer to make personal engagements. That is quite right, but I find, unfortunately, whenever I come to the City and wish to make a personal engagement at the State labour bureau, that the bureau is only open from 10 o'clock until 3 o'clock, and those are the hours when it is impossible for me to go and make an engagement, because those are the only hours when the public offices and the banks are open, and all one's business must be rushed into those short hours. I can go to the ordinary employment broker's premises from 9 o'clock till 6 o'clock.

Hon. J. Cornell: You should be able to do the same at the Government labour bureau.

Hon. V. HAMERSLEY: I cannot make personal engagements and frequently have to rely on the State bureau or the registry offices, and my experience has been that I have got a very much better class of worker from the registry offices. There is greater care taken in the selection. There is already quite sufficient interference with employment brokers on the statute-book, and I do not see that the law needs to be added to. I am sorry so much time is taken up in dealing with this question.

Hon. Sir E. H. WITTENOOM (North): It is quite too late in the session to have an important Bill like this brought down. There are great many points I can see in

it that I wish to compare with the original Act, but I find it will take a considerable time to do this, and I do not think it is fair at this late stage of the session to bring such a Bill down. As others have pointed out, we are doing an injustice to registry offices. We heard a great deal in the speech made by the Honorary Minister in another place as to the most dreadful things that have been done by registry offices, but I am prepared to say, as a man who has engaged a good deal of labour, that registry offices are a very good medium for engaging labour ; and I do not see that we need carry out the suggestion of the Honorary Minister that the work should be put in the hands of the Government. There are registry offices of good repute and some of bad repute, and some of good repute have been carried on for years and years. People have taken a great deal of trouble to build up businesses, and we can go to them with every confidence when we wish to engage people for our businesses and firms. I think it would be a great mistake at this stage of the session to go into a Bill with all these clauses and compare them with the original Act. I think the Bill ought to be read a second time this day six months.

Hon. C. Sommers : Do you move that ?

Hon. Sir E. H. WITTENOOM : Yes, I move an amendment— . . . . . .

That "now" be struck out and "this day six months" added to the motion. . . . . .

Hon. J. E. DODD (Honorary Minister—on amendment) : As I am sure the House will not agree to the amendment, I propose in Committee to deal with a few of the arguments raised. The hon. member could not have read the Bill or given it any consideration, because there are no important matters in it except that of regulating the scale of fees. I feel sure the House will not agree to throw out a short Bill like this simply because it is brought down at the latter part of the session. Every session since I have been Parliament there have been similar amending Bills brought down at the latter part of the session.

Hon. T. H. WILDING (East) : This measure is going to interfere with people's rights. We will very soon have to apply to the Trades Hall for our workers. This is one of the first steps in that direction. I have employed a great many men for many years past through registry offices, and I find I have got better results than by going to the Government labour bureau. I do not know the reason why, but I put it down to the fact that the best men go to the registry offices as they intend to remain on the jobs. If a man does not want to work he does not go the registry offices. He goes to the bureau and gets work his fare paid and he takes the job if it suits him. If it does not suit him he does not stay. We ought to do away with the State bureau altogether and let these people alone. They are doing no harm, they are giving a fair and honest deal and I shall support the amendment.

Amendment (six months) put and a division taken with the following result :—

Ayes	..	..	9
Noes	..	..	10
Majority against		..	1

AYES.

Hon. H. P. Colebatch	Hon. C. Sommers
Hon. W. Kingsmill	Hon. T. H. Wilding
Hon. C. McKenzie	Hon. Sir E. H. Wittenoom
Hon. M. L. Moss	Hon. V. Hamersley
Hon. W. Patrick	(*Teller*).

NOES.

Hon. R. G. Ardagh	Hon. J. M. Drew
Hon. J. D. Connolly	Hon. J. W. Kirwan
Hon. J. Cornell	Hon. R. J. Lynn
Hon. J. F. Cullen	Hon. E. McLarty
Hon. J. E. Dodd	Hon. F. Davis
	(*Teller*).

Amendment thus negatived.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair, Hon. J. E. Dodd (Honorary Minister) in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 3 :

Hon. C. SOMMERS moved an amendment—

That paragraph (2) be struck out.

Amendment passed, the clause as amended agreed to.

Clause 3—agreed to.

Clause 4—Amendment of Section 5:

Hon. C. SOMMERS: Did this mean that an employment broker would have to take out licenses for different parts of the State? In other words, could a registry office in Perth send employees to any part of the State.

Hon. J. E. Dodd: Yes.

Hon. Sir E. H. WITTENOOM: Suppose a man in Kimberley wrote down to a registry office at Perth for a worker, would the broker require to take out a license for Kimberley before he could fill the order?

Hon. J. E. DODD: The license was granted in a magisterial district but under the license the broker could send a worker to any part of the State.

Clause put and passed.

Clause 5—agreed to.

Clause 6—Amendment of Section 15:

Hon. J. D. CONNOLLY moved an amendment—

That in lines 6, 7, and 8 the words "Both such amounts shall be equal in every case and shall not exceed the prescribed amount" be struck out.

It was a new principle that the Governor-in-Council should fix the amount to be charged. What right had the Governor-in-Council to fix a charge on a man in private business? The existing Act was an excellent one and had worked well. If an applicant for a situation did not like the charges set up by an employment broker he could go to another broker. Moreover, ample protection was afforded against the making of exorbitant charges.

Hon. J. E. DODD: It was extraordinary to hear Mr. Connolly declare that the Act was an excellent one, because the files disclosed a deplorable state of affairs in connection with the Act, in respect to complaints being made to the Government in regard to these very charges. Time and again the Government had been urged to make some amendments and, it had been at the instance of Mr. Connolly himself that a case was taken to the Full Court in connection with extortionate charges. The same difficulty had occurred in every State where this legislation was in operation. An extract from the 21st annual report of the Department of Labour, New Zealand, regarding the Servants' Registry Office Act stated that the inspection of books disclosed that notwithstanding the alteration in the scale of fees prescribed by regulation in October, 1907, fixing lower fees for workers and higher fees for employers, in many registry offices the workers alone were charged the prescribed fees while the employers were either not charged at all for the services rendered or they paid only a very small fee. The sending of the list to the Minister was a farce. The other amendment would help to do away with that as the broker would be compelled to give a transcript of the entry made of the engagement.

Hon. Sir E. H. Wittenoom: That is an absurdity.

Hon. J. E. DODD: There was an urgent necessity for a more stringent regulation.

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

Ayes	..	..	11
Noes	..	..	4
Majority for	..	..	7

AYES.

Hon. E. M. Clarke	Hon. W. Patrick
Hon. H. P. Colebatch	Hon. C. Sommers
Hon. J. D. Connolly	Hon. T. H. Wilding
Hon. J. F. Cullen	Hon. Sir E. H. Wittenoom
Hon. V. Hamersley	Hon. E. McLarty
Hon. C. McKenzie	(*Teller*).

NOES.

Hon. F. Davis	Hon. J. W. Kirwan
Hon. J. E. Dodd	(*Teller*)
Hon. J. M. Drew	

PAIR.

For, Hon. D. G. Gawler; against, Hon. J. Cornell.

Amendment thus passed, the clause as amended agreed to.

Clauses 7, 8, 9—agreed to.

Title—agreed to.

Bill reported with amendments, and the report adopted.

House adjourned at 10.54 p.m.