Legislative Council,

Tuesday, 11th October, 1927.

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

QUESTION—LAND TAX, MINIMUM ASSESSMENTS.

Hon. A. LOVEKIN asked the Chief Secretary: 1, What was the number of the minimum assessments of 2s. 6d. for land tax during the last financial year? 2, What was the cost of collecting those assessments?

The CHIEF SECRETARY replied: 1, The total number of minimum land tax assessments for 2s. 6d. issued during the year ended the 30th June, 1927, was 4,151. These were based on ownership of land at the 30th June, 1924, 1925, and 1926. 2, The cost of collection of the assessments is not available.

QUESTION—RAILWAY—EJANDING NORTHWARDS, EXTENSION.

Hon. H. J. YELLAND asked the Chief Secretary: 1, Are the Government aware (a) that settlement has taken place from 30 to 40 miles east of the proposed terminus of the eastern branch of the Ejanding Northwards railway, as approved by Parliament last year; (b) that the land has proved capable of producing payable crops? 2, If so, have the Government considered the advisability of extending the railway to serve this settlement before removing the construction equipment?

The CHIEF SECRETARY replied: 1 (a) Yes, (b) yes. 2, Yes; the Railway Advisory Board has been instructed to visit the district at an early date.

QUESTION—MILK SUPPLY, PASTEURISATION.

Hon. A. J. H. SAW asked the Chief Secretary: 1, Has the attention of the Government been drawn to the remarks of the Acting Principal Medical Officer on the milk supply of Perth? 2, In view of the gravity of the question, will the Government, through Dr. Atkinson, now in the United States, obtain a report from a competent authority on the system of pasteurisation of milk in force in many big cities in America?

The CHIEF SECRETARY replied: 1, Yes. 2, The Health Department receives information from various countries by way of current periodicals regarding systems of pasteurisation of milk and results thereof. Many of these periodicals come from America, and contain up-to-date information from official sources. I do not think, therefore, that there is any necessity for Dr. Atkinson to make any special inquiry.

PAPERS—EDUCATION, APPOINTMENT OF SENIOR INSPECTORS.

On motion by Hon. H. J. Yelland, ordered —That all papers dealing with the appointment of Messrs. Klein, Clubb and Miles to the positions of senior inspectors of schools be laid on the Table of the House.

The CHIEF SECRETARY: I beg to lay the papers on the Table of the House.

BILL—BILLS OF SALE ACT AMENDMENT.

Read a third time and passed.

BILL—LAND TAX AND INCOME TAX.

Recommittal.

The CHIEF SECRETARY: I move—

That the report of the Committee be adopted.

Hon. E. ROSE: I move an amendment—

That the Bill be recommitted for the purpose of further considering Clause 2.

Hon. A. LOVEKIN: I wish to deal further with Clauses 3, 4, 5, and 6.

Amendment put and passed.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clause 2—Grant of land tax and income tax for the year ending 30th June, 1928:

The CHAIRMAN: An amendment was moved as follows:—

That a Message be sent to the Legislative Assembly requesting them to modify Clause 2 of the Bill, by reducing the rate of tax on the unimproved value of improved agricultural land to one half-penny in the £1 sterling.

Hon. A. Lovekin: Not to exceed that.

The CHAIRMAN: That amendment was agreed to. I notice Mr. Rose has on the Notice Paper a proposed amendment to his amendment that was agreed to at a previous sitting. The course I suggest that Mr. Rose should adopt, in the event of the Committee deciding not to agree to the amendment accepted previously, is that members should vote against the amendment already agreed to and then Mr. Rose can move his amendment in this form—

That after "tax," in line 10 of Clause 2, the words "provided that the rate of tax payable on the unimproved value of improved agricultural land shall be one half-penny in the pound sterling" be inserted.

Then should that amendment be agreed to, he can move a further amendment to insert after the word "provided" in line 11, the word "further" or "also," whichever is regarded as the better. The clause would then be definitely amended and the Committee would indicate where it desired the amendment to be made. The Committee could also insert an amendment to provide for the second proviso that would have to follow the first proviso, should it be inserted.

Hon. A. LOVEKIN: I do not think it would be advisable to proceed in that way because of the possible application of the Assessment Act. If the amendment be made, as suggested, it may be argued that the Assessment Act will apply and further reduce the rate of tax by an additional farthing, and that is not what Mr. Rose intends. I think the better course would be to proceed as Mr. Rose suggests, because preceding the portion he desires to amend is the proviso to a tax on pastoral land at the rate of 2d. Then this clause will follow provided also that the tax in respect of the land referred to by Mr. Rose shall be at the rate of not exceeding ½d. in the pound. I think that would be the better course. Otherwise the question of the application of the Assessment Act may be raised.

The CHAIRMAN: Since the Bill was last before the Committee I have sought advice. This is the first money Bill to be dealt with by the Committee since my appointment as Chairman of Committees, and I have been informed that the procedure we should adopt on a money Bill is to pass amendments as if the Committee had power to make amendments. It is for the hon. member proposing the amendment to see that it is inserted in the proper place. Then when the Bill is finally agreed to in Committee and reported to the House, it will be returned to the Assembly with a message requesting that the amendment be made. On the previous occasion we made what amounted to a pious request to the Assembly to agree to an amendment without indicating where the amendment should be inserted. I suggest that the amendment be inserted after the word "tax," but if that is not the proper place for it, the proper place can be pointed out.

Hon. A. LOVEKIN: Perhaps I did not make myself clear. If we insert the amendment as suggested, it may be construed as coming within the provision of the Assessment Act dealing with unimproved land, and the reduction of 50 per cent. would mean that the halfpenny tax proposed by Mr. Rose would be reduced to a farthing.

The CHAIRMAN: It is for the Committee to decide the proper place for the insertion of the amendment.

The CHIEF SECRETARY: I trust that such a message will not be sent to the Assembly. Only last year taxation was drastically reduced and now the per capita payments have been definitely abolished, though we shall receive our payment to the end of June next. An agreement has been reached between the Federal and State Governments, but it has yet to be endorsed by both Houses of Parliament. There is strong opposition to the agreement, members have been circularised about it, and strenuous attempts will be made to defeat it. If it were defeated, what would be the position? The Government would have half a million a year to make up.

Hon. A. Lovekin: No.

The CHIEF SECRETARY: Well, say £470,000.

Hon. A. Lovekin: Not at all.

The CHIEF SECRETARY: Then I should like to know the exact figures. On top of that, the Assembly is to be asked to agree to a further reduction of taxation

which, according to the Commissioner of Taxation, will mean a loss of £30,000 a year.

Hon. E. Rose: The other day you said £55,000.

The CHIEF SECRETARY: The figures would be substantial. The present is the wrong time to request any reduction of taxation.

The CHAIRMAN: The question is that the previous amendment be agreed to.

Amendment put and negatived.

Hon. E. ROSE: I move an amendment—

That the following proviso be added to Subclause 1.—"Provided that the rate of tax payable on the unimproved value of improved agricultural land shall be one half-penny in the pound sterling."

I think I have suggested the correct place for the insertion of the amendment. The average farmer does not benefit one iota from the reduction of income tax because he has no income on which to pay taxation. It costs him all he makes in order to live, especially if he has a family of three or four children. Only the people who can afford to pay receive benefit from the reduction. The man who is assisting to develop the country should receive some relief from taxation. We are endeavouring to encourage land settlement and are spending a lot of money on it, and why ask the small owners to pay land tax when they can ill afford it? The money saved to the farmers would be put back into the land and the Government would benefit from that additional expenditure. The other day the Chief Secretary said the tax collected from the agriculturists amounted to £55,000. That applies to unimproved as well as to improved land. One has only to travel to Albany or Bunbury to realise what large areas are unimproved. The people who are developing the land are entitled to some relief.

The CHAIRMAN: If any member is of opinion that the words are being inserted in the wrong place, I shall accept an amendment on the amendment.

Hon. Sir WILLIAM LATHLAIN: I oppose the amendment. The Chief Secretary's appeal is a very strong one. We desire to do everything possible for the man on the land, but he is not the only man that has to bear the burden of taxation. At this stage we should do nothing to embarrass the Government. A Bill to ratify the financial agreement will come before us shortly, but it will take some time to ascertain the exact effect of the new arrangement. When that effect is known it will be a more opportune time to make this request.

Hon. H. STEWART: I hope the Committee will agree to the amendment for, by doing so, they will be acting consistently. Sir William Lathlain was not a member when the Bill to amend the Land and Income Tax Assessment Act came before us in 1924. On that occasion a wrong principle was adopted, as the Government wished to place the man who utilised his land on the same footing as the man who let his land lie idle. The Council would not accept the proposed amendment, notwithstanding the appeal of the Leader of the House. Another concession granted to men who produced their income from the soil was that they were not called upon to pay both land tax and income tax—the smaller was deducted from the greater. In 1924 the Government sought to remove that concession. After the Council refused to accept the amendments, the Bill went back to another place. We insisted on the amendments, and a conference took place. Three members were appointed to represent this House, not one of whom was a Country Party member. Mr. Ewing, who was one of the managers, was the only one who might have been regarded as a country member.

Hon. J. Nicholson: We are all country members.

Hon. H. STEWART: I am glad of that interjection. It has always been a recognised principle in this Chamber that when managers are appointed they shall, as far as possible, be representative of all sections of the House.

Hon. J. Nicholson: We are all for the State.

Hon. H. STEWART: It was in defiance of the wishes of the Council that the desire of the Government was carried into effect and the exemption wiped out. Now, in sending forward the requested amendment we shall merely be acting consistently.

Hon. J. EWING: As I was a member of that conference, and as my name has been mentioned by Mr. Stewart, I intend to say a few words. The directions given to the managers representing this House at that conference were that they should oppose increased taxation on land. What was agreed to on that occasion was a reduction in the income tax—7½ per cent. in that year and 7½ per cent. in the next year. Those reductions have taken place. We were also assured at that time that any

money derived from land taxation, would mean a reduction in railway freights. We put up a vigorous fight for the rights of this House, but we did not feel justified in going further than we actually did. I take exception to Mr. Stewart saying that the Country Party are the only people who represent the farmers. I have been a member of Parliament for 27 years and have always worked and acted in the interests of the farmers, and I shall continue to do so.

Hon. H. STEWART: I take exception to Mr. Ewing's remarks. Unintentionally, I am sure, he infers that I said that the Country Party members are the only members who represent the farmers. I did not say anything like that. What I said was that the Country Party had no representative at that conference, and I remarked that Mr. Ewing was the only member at the conference who might have been regarded as a country member. I did not say that he did not represent agricultural interests. I hope Mr. Ewing will accept the explanation.

Hon. J. EWING: I accept the explanation made by Mr. Stewart, but I repeat that I am here in the interests of all the people. The Chief Secretary told us that if the amendment were carried the State would lose revenue to the extent of £30,000. The Financial Agreement is now under consideration and from what the Leader of the House said, he has not great hopes of that agreement being approved by this House. I do not think that members in this Chamber have expressed an opinion in that direction except perhaps Mr. Lovekin and Sir William Lathlain. We might accept Mr. Rose's amendment and if the Financial Agreement is not approved by this House the Government will have an opportunity to reconsider the taxation proposals. I have fought for the exemption and I fight for it now, because I do represent the farmers. Therefore I am pleased that my colleague has brought forward the amendment. The present Government are far better off financially than any of their predecessors, and I am aware they are doing all they can for the man on the land, but I do want them to give more relief to that section of the community.

Hon. A. LOVEKIN: I do not consider it fair for Mr. Stewart, outside the House or anywhere else, to criticise the action of the members who were appointed to represent this Chamber at the conference to which he referred. He cast a reflection on this House when he said that it chose the wrong men. We are not supposed to divulge what takes place at conferences on Bills, but I may be permitted to state that the managers from this House put up the best fight they possibly could to give effect to the wishes of the House in respect of the land tax. At the last moment, however, we were driven into the position of wrecking the taxation Bill and depriving the Treasurer of his taxes, or making a compromise, and the best compromise we were able to effect —it was a good compromise in the circumstances—was that we got 15 per cent. off the income tax in two moieties—7½ per cent. in each of two years—and although there was a suggestion to put up the land tax, we got the 15 per cent. supertax, which was then on the land tax, taken off. Therefore the land tax was not doubled as has been stated.

Hon. E. Rose: Valuations have gone up.

Hon. A. LOVEKIN: That is another matter. I am supporting Mr. Rose on principle because I consider that the land tax should be as low as possible. Hon. members must be fair. Thirty-three and a third per cent. has been taken off the income tax, besides which there has been a rebate of the supertax. If farmers will keep a ledger account of what they used to pay, and put one side against the other, they will find that they are better off. Even the small men, those who pay £4, £5 or £6 by way of land tax, are getting 40 per cent. additional rebate on the income tax. I merely rose to defend the actions of the managers who were appointed to represent this House at the conference. It has been suggested that we gave the whole thing away. We did nothing of the sort; we got the best compromise that was possible.

Hon. H. STEWART: I take exception to the hon. member saying that the remarks I made reflected in any way on the efforts put forward by the managers at the conference. I fail to see that I did so in any way at all. I did not even suggest that the managers did not do their best; I know that they fought most strenuously.

Hon. A. Lovekin: You said that the wrong men were appointed, and that they did not do their job.

Hon. H. STEWART: I said that we did not follow a precedent that was established long before I came into this Chamber.

Hon. A. Lovekin: If you had been there, could you have done any more?

Hon. H. STEWART: I do not say that I could, but I assure the hon. member I did not reflect on anyone.

The CHAIRMAN: I have permitted considerable latitude in this debate. The remarks of members have been distinctly out of order. The question before the Chair is not what happened two years ago. Neither is the Financial Agreement under discussion. The question is whether the tax on the unimproved value of improved agricultural land shall be one halfpenny in the pound sterling.

Hon. A. LOVEKIN: I do not care much whether the amendment is carried or not. I find some difficulty in applying it in view of Section 9 of the Assessment Act. The amendment deals with the tax payable on the unimproved value of agricultural land.

The CHAIRMAN: I remind the hon. member that I have considered that position. It is a matter that concerns the mover of the amendment.

Hon. A. LOVEKIN: It all comes back to the same thing. I do not see that it will make much difference.

Hon. J. NICHOLSON: When previously the Bill was in Committee I said I could not support the then amendment because we had no definite information as to what its effect would be upon the Treasury. I am agreeable at all times to see that the tax on land is reduced to the lowest possible minimum. But it would be impossible to give effect to the amendment. Mr. Lovekin has drawn attention to a certain proviso, which undoubtedly creates a great stumbling block. Apart from that, I would ask Mr. Rose whether he has considered the effect of this amendment. How are the Government to ascertain the tax on these improved portions of agricultural lands? There would require to be an army of inspectors going around the country.

Hon. E. Rose: Nonsense!

Hon. A. Lovekin: The department has that information already.

Hon. J. NICHOLSON: But when it came to assessing the tax on the improved portions of a farm, it would be necessary for the Government to have some means of checking what is improved and what is not improved.

Hon. E. Rose: They have a definition in the Act of 1924.

Hon. J. NICHOLSON: When a return is made, one gives an estimate of the area that is improved. But the Taxation Department has not gone around with a tape measure to verify those areas. When it comes to taxation, it will be necessary to define the area that is to receive the benefit of this lower tax. There is no other way of doing it. So in place of relieving the taxpayer and helping the Government, we should be throwing a serious onus upon them and probably involving the country in the cost of appointing surveyors to ascertain what area of land is to receive the benefit under the amendment.

Hon. G. W. Miles: But they are doing that now.

Hon. J. NICHOLSON: So far as I am aware, they have not done it by any check survey. There will be great difficulty in administering the Act if this provision is inserted in it. Then there is the added consideration of enabling the Government to meet their obligations. We should not make amendments that will have an embarrassing effect.

Hon. J. Ewing: What about the farmers?

Hon. J. NICHOLSON: I have the keenest desire to help them, notwithstanding that I represent the Metropolitan Province. But I think when members weigh this amendment carefully they will realise that it is utterly impracticable.

Hon. A. LOVEKIN: The amendment on the Notice Paper is not the same as that originally submitted. Originally it dealt with land under fallow, under crop or under artificial grass. I find the taxation people have the figures relating to those various classes of lands, but now the amendment reads simply "agricultural land." I could not support that, for there is no definition of "agricultural land." The amendment would mean, not a few thousand pounds, as has been stated, but tens of thousands; for all agricultural lands will come into this rebate. I do not think hon. members will be prepared to support so drastic an amendment.

Hon. A. BURVILL: Under the Act before it was amended the land tax was 1d., with an exemption of ½d. when the land was improved. That was amended and the tax doubled, bringing it up to 2d. on the unimproved value, with a rebate of 1d. for improved land. Before 1924 we had an exemption of £250 on all improved land. That exemption has been cut out, and every small land owner in the South West is now paying land tax. Moreover, that tax has been doubled. As Mr. Rose says, the 33⅓ per

cent. reduction in income tax does not touch those people at all. Mr. Rose is asking, not that the tax should be taken off altogether, but that it should be reduced to ½d. It is a reasonable request to make. No inspectors will be required, for to-day the two taxes are obtained. This is a tax on industry, whereas we should encourage industry, and above all the agricultural industry.

Hon. E. ROSE: Already the Agricultural Department has all the acreage that has been cleared and improved. I see no difficulty whatever in that respect. Mr. Lovekin declared the amendment would involve the Government in a loss of tens of thousands of pounds. Yet the Chief Secretary the other night told us that the total tax paid by the agriculturists was £55,000. So the amount lost to the department under the amendment will not be very great, nor will the collection of the tax cost more than it does to-day. I cannot understand the opposition to the amendment, for we must do all we can to assist the farmers and encourage them to develop their holdings.

Hon. A. LOVEKIN: Having looked into this, I find that if we take the known figures they have in the Statistical Department of land under fallow, land under crop, and land under artificial grass, and rebate the tax under the original amendment, it will mean £17,230. But if under the amendment now before us we take all the agricultural land outside those three classes of improved land, if we take, for instance, mere bush country that has been ring-barked, it will involve a very great loss to the department. What I thought the hon. member was striving after was to give encouragement to farmers to put their lands under crop and under artificial grasses. That would be good for the Treasurer, because what he lost on the merry-go-round he would gain on the swing boats. If the hon. member is going to apply it to all improved agricultural land, of which there is no definition, it will mean a reduction of tax on all land into which any man has put an axe in order to fell a tree.

The CHIEF SECRETARY: Not one argument has been used in justification of a further reduction in the land tax. The present Act was accepted by the whole House without question, except in one instance. I need not mention the name of the hon. member who voiced the protest on that occasion. Some members of the Country Party approached me and stated that they had anticipated a tax from the Labour Government of something like 6d. in the pound, and they were astonished that the maximum should be 2d. in the pound. What has occurred since 1924 to justify a substantial reduction of taxation upon agricultural lands? The agricultural industry was never in a more prosperous condition than exists to-day. Never was it more favourably placed to meet the demands that the rest of the community has to meet. Agriculturists have derived advantages since 1924 equally with the rest of the people of the State. On their income tax they have been relieved to the extent of £48,000. The supertax has been abolished, and there has been a reduction of 33⅓ per cent on income tax. Although a small section of people may not enjoy the exemptions from income tax, they are very small in number. In other directions, however, people are assisted by the State until in the end they too, prosper. This is not an opportune time to consider the reduction of taxation. We have reached the stage when we may have prosperity ahead of us, or the reverse may be the position. It all depends upon the fate of the Financial Agreement, from my point of view. The fate of that Agreement is very uncertain. There are strong opponents to it. If it goes out, what are we to put in its place? Before that Agreement is finalised, are we to start out to reduce taxation? I urge members to take the view that I think they will take in the circumstances.

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

Ayes	13
Noes	8
Majority for ..	5

AYES.

Hon. C. F. Baxter	Hon. G. Potter
Hon. A. Burvil.	Hon. E. Rose
Hon. J. Ewing	Hon. A. J. H. Saw
Hon. E. H. Harris	Hon. H. A. Stephenson
Hon. G. A. Kempton	Hon. H. J. Yelland
Hon. W. J. Mann	Hon. H. Stewart
Hon. G. W. Miles	(*Teller.*)

NOES.

Hon. J. R. Brown	Hon. W. H. Kitson
Hon. J. M. Drew	Hon. Sir W. Lathlain
Hon. E. H. Gray	Hon. J. Nicholson
Hon. J. W. Hickey	Hon. A. Lovekin
	(*Teller.*)

Amendment thus passed: the Clause, as amended, agreed to.

Clause 3—Rate of income tax:

Hon. A. LOVEKIN: At the last sitting of the House I dealt at some length with the question of assessments, and the interpretation of dividends as forming part of income. Yesterday I had a chat with the Premier, the Commissioner of Taxation and the Crown Solicitor. The discussion had its humorous side. The result of the whole business is, as I stated, that the man with a large income would transfer his dividends to his ordinary income and receive the rebate of 33⅓ per cent., but the person who had not an income taxable at the rate of 1s. 3d. in the pound would not receive the benefit of the 33⅓ per cent. on dividends. It was pointed out to me that the number of fat men who would enjoy this privilege had been limited by the interpretation which the department had given to the Act. The thing works out rather humorously. The Labour Party by this means are bringing in the very fat man and taking his tax off, while the leaner man, the thin man, or the widow, who are deriving £200 or £300 a year from dividends, do not get any advantage from the 33⅓ per cent. rebate, where the total income does not come within the rate of 1s. 3d. in the pound. In order to minimise the number of fat men who can get this rebate off the dividends, the department construes the law strictly. The Bill says, "Provided that for the year ending 30th June, 1928, the rate of tax to be levied as aforesaid on the income chargeable shall be reduced by 33⅓ per cent." As soon as the rate of tax is reduced, a much larger income is required to produce an income taxable at 1s. 3d. in the pound. I asked how these assessments were made out, whether by a reduction of the tax rate or by discounting 33⅓ per cent. after the payment had been made. The department said they did not worry their heads about that but for shortness took the 33⅓ off the tax and the result was the same. But if they took 33⅓ per cent. off the tax rate, that is the 2d. plus .007d., they got instead of 2d. a rate of 1.03d., recurring ad infinitem, and the .007 would represent .0023d. recurring. What the department does is to calculate the taxpayer up at 2d. plus .007d. under this formula, and from the amount of tax they take 33⅓ per cent. off. In that way they eliminate many people who would come in on a tax of 1s. 3d. in the pound, because of the lower tax rate. In other words, they get more smaller people and fewer large people. I am not going to make any effort to depreciate the Premier's revenue, but I do not wonder that Sir Edward Wittenoom should complain that he cannot work his tax out under this formula. I do not think anybody could. By reducing the 2d. + .007, etc., by 33⅓ per cent., one gets recurring decimals and does not know where one is. I do not propose to make any further observations on the matter, but to let all the clauses go. Clause 5 is there for what it is worth, and similarly Clause 6. Under the Constitution no one need heed Clause 6, and that is the clause which refers to the two moieties. If the Government are prepared to let only a few get the 33⅓ per cent. reduction while all the smaller people are being caught, I am quite satisfied—it is the Government's business. I shall not proceed further with my suggestions.

Clause put and passed.

Clauses 4, 5, 6—agreed to.

Bill again reported with further amendments.

BILL—MENTAL TREATMENT.

In Committee.

Hon. J. Cornell in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1, 2—agreed to.

Clause 3—Voluntary patients:

Hon. A. J. H. SAW: I move an amendment—

That in Subclause 3, line three, "one year" be struck out, and "six months" inserted in lieu.

I am most anxious that the new hospital shall be intended for the treatment of early cases of insanity, and not drift into a place where chronic cases, and cases in which treatment is likely to be of little benefit, shall be allowed to linger. True, the clause gives power to the superintendent to discharge from a hospital or a reception house at any time any patient whom he may think fit; but I anticipate that considerable pressure will be brought to bear on the superintendent to allow patients to remain in this mental hospital. It is because I wish to make it obligatory on the superintendent, and also on the Inspector General, that he shall at the end of six months review the cases admitted and come to some conclusion as to whether they are likely to benefit by treatment and there-

fore ought to be allowed to remain, or whether they should be transferred to another institution, that I move the amendment.

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

Clause 4—Involuntary patients:

Hon. A. J. H. SAW: I move an amendment—

That in Subclause 1, in the last line, "one year" be struck out, and "six months" inserted in lieu.

Involuntary patients are admitted under medical certificate.

Amendment put and passed.

Hon. A. J. H. SAW: I move an amendment—

That in Subclause 2, lines four and five, "a medical practitioner" be struck out, and "two medical practitioners" inserted in lieu.

If this amendment is carried, there will be a similar consequential amendment in the last line of Subclause 2. It is true that the patients who go into a hospital of this kind are not to be certified as insane; but they are to be deprived of their liberty. In some instances, except as regards those who enter voluntarily, they may be deprived of their liberty against their will, possibly. In those circumstances a patient should not be allowed into an institution on the certificate of one medical practioner only, but should be admitted subject to the safeguard in the Lunacy Act, that two medical practitioners shall examine the patient and certify the necessity for detention in a hospital for insane. The British Royal Commission that considered the desirability of establishing hospitals of the kind contemplated by this Bill recommended admission on the certificate of one medical practitioner. The medical profession at Home are opposed to that provision, and I think it will be opposed here. The only reason that I could read or hear of for the British Royal Commission's recommendation was that of expense; it was said that there would be an increase in cost of something like £20,000 annually in the Old Country if two certificates were required instead of one. As regards the better class of patients the expense will be borne by the patients themselves, or by their friends who get the certificates; but in any case the question of expense compared with the safeguarding of a man's liberty is negligible. Moreover, one medical practitioner should not have thrown on him the onus of depriving a man of his liberty; and I am sure also that the amendment will be for the benefit of patients and their friends.

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

Clauses 6 to 10—agreed to.

New clause:

The CHIEF SECRETARY: Some doubt existed as to whether the section in the Lunacy Act dealing with legal actions, would apply to the Bill. The Solicitor General is of opinion that it will apply and instead of the onus of proof resting with the doctors who certify patients to be insane, it will throw the onus of proof on to the patients or relatives in connection with any actions for damages. The law in England places the onus upon the doctor who certifies. Should a doctor in England certify a patient to be insane, the obligation is cast upon him to prove that fact up to the hilt. The Government desire the Bill to be brought into line with our existing Lunacy Act and thus throw the onus upon those who may institute proceedings. I move—

That the following new clause, to stand as Clause 9, be inserted:—

No action to lie against person who has acted in good faith, etc. (See 1903-20, No. 15, s. 179.)

9. (1.) No action shall lie against any person for or on account of any act, matter, or thing done or commended to be done by him, and purporting to be done for the purpose of carrying out the provisions of this Act, unless it is proved that such act was done or commended to be done maliciously and without reasonable and probable cause.

Notice of action.

(2.) No such action shall be commenced until one month next after notice in writing has been served on the person against whom it is intended to be brought, or left at his usual place of abode. Such notice shall clearly state the cause of action, the name and place of abode of the plaintiff, and the name and place of business of his solicitor (if any), and shall be signed by the plaintiff.

Action to be commenced within three months.

(3.) Every such action shall be commenced within three months after the alleged cause of action, or the discharge of the patient.

Stay of proceedings.

(4.) Proceedings in such action shall be stayed if the Court is satisfied that there is no reasonable ground for the action, or that notice of action has not been given, or that the said proceedings have been commenced after the expiration of the three months aforesaid.

Security for costs.

(5.) The Court may at any time after the commencement of such action order security for costs to be given by the plaintiff, and direct all proceedings in the action to be stayed until such order is complied with.

New clause put and passed.

Schedule:

The CHIEF SECRETARY: I move—

That the schedule be deleted, and the schedule set out in the Notice Paper be inserted in lieu.

The CHAIRMAN: I again remind the Committee that there is a Standing Order that sets out that a member may not move an amendment by inserting words that have already been agreed to be deleted on the same day. As the amendment is printed on the Notice Paper it provides for striking out the schedule and then to reinsert about 90 per cent. of it. The difficulty can be got over by the Minister moving to amend the schedule by inserting after "1927" in the sixth line the balance of the schedule set out on the Notice Paper.

The CHIEF SECRETARY: I will move the amendment in that form. I move an amendment—

That after "1927," in line six of the schedule, the words "I have formed this opinion upon the following grounds:—(1) Facts observed by myself; (2) other facts communicated to me by others (here state the information and from whom)" be inserted.

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

Title—agreed to.

Bill reported with amendments.

BILL—ELECTORAL ACT AMENDMENT.

Second Reading.

Debate resumed from the 4th October.

HON. A. BURVILL (South-East) [6.6]: On looking through the Bill, at first it seemed to me to be an innocent measure that would make for economy by the simplification of the rolls to be used at State elections. When I gave the Bill closer attention, however, I discovered that it was somewhat complicated. I believe it will result in a great deal of confusion when Assembly elections are held, particularly in connection with 15 of the electorates. When I compared the Legislative Assembly electorates with the Federal electoral districts by perusing various maps, it appeared to me that it was proposed to have altogether too much overlapping. I have asked that a map be prepared so that it may be laid on the Table of the House for members to peruse. I regret that the map is not available yet. When it is before members, they will see that there is far more overlapping proposed than I consider is necessary. I think members will agree that the overlapping suggested is quite sufficient to warrant delay in dealing with the Bill until a Redistribution of Seats Bill is dealt with by the Assembly, so as to modify the divergence between the State electoral districts and those of the Commonwealth.

Hon. E. H. Harris: Do you know that it has been stated that we will not get a Redistribution of Seats Bill until the Constitution Act has been amended in respect of this House?

Hon. A. BURVILL: I have heard that.

Hon. E. H. Harris: Then you will have to wait a good while.

Hon. A. BURVILL: Probably, but if the Bill before us is agreed to, we shall have to wait for a considerably longer period. I would like to give a list of the Legislative Assembly electorates the boundaries of which overlap the Federal electoral divisions. It will be seen that two or three rolls will be required. There are 15 Legislative Assembly electorates that are affected. The electorates I refer to, together with the number of rolls that will be required under this legislation, are as follow: Avon, Canning, and North-East Fremantle, 2 rolls each; Guildford, 3 rolls; Irwin, 2 rolls; Leederville, 3 rolls; Moore, 2 rolls; North Perth, Pingelly, South Fremantle, Subiaco, Swan, Toodyay and Williams-Narrogin, 2 rolls each; and Yilgarn, 3 rolls. In respect of those 15 electorates, 33 rolls will have to be taken into consideration at each Assembly election. In the North, Broome, Derby and Wyndham can be served by the one Kimberley roll, thus saving two rolls. I think it will be found possible to save one roll in the Murray-Wellington electorate. The result will be that instead of having 50 rolls, as at present, for the State elections, in the 15 electorates I have mentioned, there will be required 33 rolls and in the remaining 35 electorates 32 rolls will be necessary. That means to say, there will be a total of 65 rolls required for an Assembly election instead of 50 as at present. There will be much confusion regarding the electorates in which voters should be en-

rolled. For instance, at North-East Fremantle the electorate will be divided, part being in the Federal Swan electoral district. The division will take place at Applecross. At Leederville part of the electorate will be in the Perth division, part in the Fremantle division and a small portion in the Swan division. At Pingelly, portion of the electorate will be in the Swan division and the remainder in Forrest division.

Hon. E. H. Harris: Do you understand that the Federal authorities can amend the boundaries of subdivisions at any time, but not those of divisions.

Hon. A. BURVILL: And I think we could amend our divisions also by having a redistribution of seats for the Assembly on the basis of community of interests. After that, the Federal authorities could amend their electoral divisions to suit ours instead of the State having to amend their electoral boundaries to suit those of the Commonwealth. The Yilgarn seat will also be affected, parts being in the Federal electoral divisions of Swan, Kalgoorlie and Forrest. Upwards of 40,000 electors will be affected by this provision. Subclause 5 of Clause 10 contains special provision for separate rolls. I draw the attention of hon. members to the wording of the subclause which is as follows:—

> Provided that notwithstanding a district is for the purpose of joint rolls divided into subdivisions, there may be, if the Minister so directs, a separate roll for any district as a whole for the purpose of elections for the Assembly.

Hon. members can see what confusion is likely to arise. Had the Federal authorities introduced the Bill, I would not have been so surprised. I am astonished that the State Government should introduce such a measure seeing that it will tend to confuse matters relating to our own elections for the benefit of the Federal authorities.

Hon. E. H. Harris: I cannot follow your argument. In what way can that happen?

Hon. A. BURVILL: They want joint rolls and as I have shown three rolls will be required for some of our electorates. In fact, there are plenty of "joints" about the whole question. The Minister in charge of the Bill, when speaking in the Assembly, informed members that the Federal electoral authorities would take charge of the State Electoral Department under the terms of the Bill. That means a further step towards unification.

Hon. Sir William Lathlain: Oh, no!

Hon. A. BURVILL: That is rather surprising to me, particularly when we remember that when some little time ago the Federal authorities wanted to take what our Public Works Department considered was too great a hand in the distribution of money available under the Federal Road Grant, the State Government were antagonistic. They considered that the money should be handed over to the State to be administered locally. Yet the same Government now propose to hand over our electoral affairs to the Federal authorities for management! I would like the Minister to tell us who is to have charge of the joint electoral rolls if the Bill be agreed to. Will they be under the control of the Federal authorities or under the control of the State Electoral Department? I understand our State department has given every satisfaction up to the present time. The work has been commended by previous Governments during various elections. I have not heard of any complaints being lodged against the Electoral Department. The officers have given every satisfaction, so why this change? Why should we hand over our electoral affairs to the Federal authorities to be controlled from the Eastern States? Why should we not administer our own electoral affairs?

Sitting suspended from 6.15 to 7.30 p.m.

Hon. A. BURVILL: I was speaking of the inadvisableness of handing over control of our Electoral Department to the Federal authority. In the United States elections for the Federal House of Representatives are conducted by the States and the work is done satisfactorily. If that can be done in the United States where there are 110,000,000 people, why not here? It is rather extraordinary for the Government to suggest that the control of State elections should be handed over to the Federal authorities, when the seat of Government is on the farther side of the continent and is likely to remain there for all time. I am opposed to the second reading of the Bill. If the second reading be passed, I hope that a clause will be inserted to provide for control by the State Electoral Officer instead of by a Federal Officer. Clause 4 should be amended to stipulate that the proclamation for bringing the measure into operation should not take effect until there has been

a redistribution of seats. I am afraid there is a grave danger of a redistribution of seats being postponed until after the census of 1932. It seems to me that if the Bill is passed it will be used as an excuse to defer a redistribution until 1932 in order that a joint committee representing the Federal and State Governments might consider an adjustment of boundaries. I do not like the Bill, and I consider it would be in the interests of the State if it were rejected in favour of a proposal that enabled the State to retain full control of its own electoral affairs.

HON. J. CORNELL (South) [7.33]: As the measure is essentially one for consideration in Committee I intend to confine my remarks to the general aspects and principles. The object of the Bill is to adopt a joint Federal and State roll. I admit that the alteration would hardly affect this House because, if the measure became law, it would serve only the voters for another place.

Hon. E. H. Harris: But it would invite complication by reason of there being two methods of enrolment, one for the Assembly and one for the Council.

Hon. J. CORNELL: I have heard of no violent opposition to the Bill, not much controversy and very little difference of opinion on the part of members in another place. I am inclined to think that the people most likely to be affected have been somewhat lackadaisical in their attitude to the measure. Apparently they have treated it as an academic rather than a practical question. While there may be some justification for this House taking the drastic step of rejecting the Bill, I do not feel inclined to save the people that will be most seriously affected from committing a form of suicide. Still there are features of the Bill that should be considered on their merits. The State electoral machinery provides for a Chief Electoral Officer whose duties are to revise, alter and prepare the rolls upon which members are elected to this House and to another place. He is also charged with the duty of conducting the elections. As one who has had to fight three elections and possibly will have to fight another, I have the warmest admiration for the Electoral Department of this State. Let me repeat a protest that I have entered time and again that the Chief Electoral Officer has not been given the status he should enjoy. He is more or less a subordinate inasmuch as he has not the power that should be vested in him. In order to approach his Minister he has to move through the Under Secretary for Law, even to incur slight expenditure. I have never been able to see any real connection between the department of law and the Electoral Office. If the Chief Electoral Officer has failed in any direction—and I claim he has not—the fault lies not with him but with the machinery that often hampers him in his activities. In the Government offices are "tuppeny-ha'penny" departments, each with a head who has direct access to the Minister, whereas the Chief Electoral Officer has not direct access to the Minister. That is one weakness of the present system. Another is that the Electoral Department has been starved for funds necessary to enable the work to be done thoroughly and efficiently. The bulk of the work of enrolment, particularly for this House, is made possible through the kindness of road board and municipal secretaries. It is honorary work. I know that the ex-Chief Electoral Officer asked for more money in order that he might pay sub-registrars a small amount in recognition of the valuable work they were doing. Those are two grave anomalies that, if removed, would enable the work to be done more efficiently. If they were removed, many of the reasons advanced in favour of a joint roll would disappear, and the economy to be effected would not be so great as we are led to believe. The proposal is that all the work of compiling and checking the Assembly rolls now done by the State Electoral Department shall be handed over to the Federal Department; in other words Federal officers will do the work that hitherto has been done by State officers. No one will gainsay that the Federal rolls, in point of electors enrolled, are in advance of the State Assembly rolls, but this is due to one factor. It is not due to greater ability on the part of the Federal officers, who are no better and perhaps not as good as our own officers. The reason is that the Federal Government do not starve their Electoral Department as the State Government have starved their Electoral Department. The postman who delivers letters receives so much for every new elector he locates and for every elector whose change of address he notifies.

Hon. A. Burvill: Do not forget they employ our police officers also.

Hon. J. CORNELL: The Federal department have been prepared to defray the expense of employing sub-electoral registrars, and they take advantage of the rounds made by postal officials who are paid by results. On the other hand, the State department has never been in the position to carry on its operations in that way. That is the only reason why the Federal rolls may show bigger figures than do the State rolls. If we are going to depart from the principle, we should only part with it to the extent that we retain our electoral officers and machinery so that they may be employed to compile our rolls. If the Government or Parliament should be of the opinion that the method of collecting data for enrolment and transfers is better than that of the Federal department, a simple expedient will be to allow our own department to do the work as it has been done in the past, and periodically make up its own rolls from the Federal rolls. That, however, is not the purport of the Bill. The object of the Bill is to hand over holus-bolus the machinery of the State. While that looks nice on paper, or perhaps nice in theory, it is not going to work out well in practice.

Hon. E. H. Gray: It will do away with a lot of confusion amongst the electors.

Hon. J. CORNELL: I do not desire to speak disparagingly of the electors, but I consider that in some instances even dynamite would not clear up the confusion. We propose that the whole of the State machinery shall be handed over to the Federal department. Then this will occur: if there is anything wrong with the enrolments of another place, no member of Parliament will be able to tackle the State Electoral Officer because he would be merely the creature of the Federal people so far as the actual collections were concerned. He would have to stand the brunt of any abuse for lapses or charges of ineptitude on the part of the Federal officials over whom we have no jurisdiction. There is another factor and it concerns this House. There is no provision in the Bill for the Federal authorities having a finger in the pie in respect of this House. The Chief Electoral Officer would have to function so far as the enrolments in respect of this House were concerned, just as he has functioned heretofore. He would be the head in regard to this House and the tail in regard to another place. In this way a position would be set up that would be intolerable. It may be news to members here to know that the work of enrolling electors for another place plays an important part in the cleansing of the rolls for the Legislative Council. I will give an illustration. Assume that an elector named John Brown is enrolled for the Metropolitan-Suburban Province as a householder. Say he is living in Canning and he is also on the Assembly roll for Canning. He leaves Canning to reside in Perth. The law regarding the Assembly elections provides that enrolment is compulsory, and when an elector is one month out of an electorate in which he has lived, he is liable to prosecution if he does not notify the Registrar of his removal. John Brown sends a card to the Registrar to transfer his name from the Canning roll to the Perth roll. He is still on the Metropolitan-Suburban roll as a householder. What does the Electoral Department do? That department is doing it every day of the year. The officers there look up the Council roll. They find that John Brown is on it as a householder and they remove his name from it by virtue of his not being any longer a householder there. If we throw the responsibility from our Electoral Department to the Federal department in regard to another place it will destroy a very valuable factor that has existed in the compilation of the Legislative Council rolls. I have already said that on paper or in theory the proposal may seem nice, but in practice it will work very unsatisfactorily.

The Honorary Minister: Every practice up to date has been unsatisfactory.

Hon. J. CORNELL: I prefer an unsatisfactory practice rather than an experiment that is bound to prove more unsatisfactory. There are disqualifications in the Federal Act that do not appear in the State Act. If members will look at the Bill, they will see in it innovations that find no place in the Federal law, and the position will be that the Federal authority will proceed along the even tenor of its way and make its own enrolments as before From the Federal roll I understand that 68 rolls will have to be made up in the State in order to conduct an election for 50 members. The Federal electorates in this State number five, whilst we have 50. The boundaries of the State and the Federal electorates are in no way coterminous and endless confusion will follow. If the Bill should pass the second reading I suggest that drastic amendments should be made to it in

Committee so that another place may look at the measure from a practical and not an academic point of view. I am not aware that any other State has accepted uniform rolls.

Hon. E. H. Gray: It is time that they did.

Hon. J. CORNELL: Perhaps this was one of the decisions arrived at at the Premiers' Conference, probably when there was nothing else to do. Let them try the business on the dog before they attempt to try it on us. There is no doubt in my mind that the joint roll proposal will be harder to apply in this State than in any other State of the Commonwealth. Queensland and New South Wales do not enter into the question for the reason that Queensland has no second Chamber, whilst the Upper House in New South Wales is nominated. In the other four States the qualifications of members for the Legislative Council are all different, and I am sure that the introduction of joint rolls would lead to endless confusion. I have no doubt that joint rolls would work advantageously in Queensland, more so than in any other State by virtue of there being only one House there. Whilst I am prepared to vote for the second reading of the Bill, I fail to see that combining the rolls will have the effect we have been told will result.

On motion by Hon. W. J. Mann, debate adjourned.

BILL—FORESTS ACT AMENDMENT.

Second Reading.

THE CHIEF SECRETARY (Hon. J. M. Drew—Central) [8.0] in moving the second reading said: This is a Bill which is introduced annually for the purpose of enabling a sum equal to 10 per cent. of the revenue from sandalwood, or £5,000, whichever be the greater, to be set aside for the regrowth of sandalwood. Members naturally will be interested to know the condition of the sandalwood industry. For the year ended 30th June, 1927, the gross revenue from sandalwood was £46,074, composed of: Royalty, £34,391: roots and butts, £8,842; and confiscated wood, £2,841. The figures for the financial year ended 30th June, 1926, were as follows: Gross revenue £52,018, composed of: Royalty, £38,278; roots and butts, £10,627; confiscated wood, £3,113. After deducting the cost of collection, the net revenue for the year ended 30th June, 1927, amounted to £42,104. The trust fund created under the Forests Act Amendment Act, 1926, shows a balance of £6,731 at the 30th June, 1927. The quantity of sandalwood exported last year from Crown land and private property was 6,820 tons, valued at £199,700. Considerable progress has been made in location, assessment and demarcation of reserves in the Eastern goldfields for the protection and reforestation of sandalwood. In selecting land for reservation attention has been paid to the quantity of immature sandalwood already developing on each area, and the value of the country for future sowings. Each area selected is carrying sufficient growing sandalwood to justify reservation, apart from further stocking by sowing. The total area classified is 238,000 acres, the greater part of which will be suitable for reservation. The results from the sowing of seed on selected country have been delayed owing to a series of particularly dry years. Rains that have fallen on the goldfields during recent months have resulted in the germination of seed that has been lying in the ground for the past two years, and there is every prospect of satisfactory results being secured. The dry seasons have also affected seed supply, and the difficulty of securing suitable nuts limited the area sown last year to 324 acres. From Press reports there would appear to have been some misunderstanding in connection with the debate on the amending Act in another place, as frequent reference is made to the extensive fencing of sandalwood reserves. Only two reserves have been fenced to date, namely, Karramindie, 1,770 acres; and Lakeside, 9,300 acres. These areas have been used for the more intensive experimental work in the artificial sowing of sandalwood, and control areas with cattle-proof and rabbit netting fences have been provided. It is not proposed to fence additional areas until the experimental work has progressed further. Steps are being taken, however, to clear tracks around reserved areas for the dual purpose of facilitating patrol and rendering it possible for the sandalwood getter to recognise the external boundaries of reserved areas. The position with regard to South Australia is that prior to 1925 Western Australia had practically a monopoly of the Chinese market, and was in consequence able to secure the higher price by the regulating of the output. During 1925 a number of sandalwood getters were satisfied that the species extended into

South Australia, and various small parcels were obtained along the Trans-Australian railway. A difference of opinion still exists concerning the relative value of the Western Australian and South Australian species, and while it is fairly clear that the Western Australian wood is richer in oil, it now appears that South Australian wood is readily saleable in China, and as it can be produced considerably below Western Australian costs it is likely to prove a serious competitor.

Hon. G. W. Miles: Do the South Australian Government collect royalty?

The CHIEF SECRETARY: Yes, they do, as I will explain. Our Government, realising this possibility twelve months ago arranged a conference with the South Australian Government, and the Commissioner for Crown Lands and the Under Secretary for Lands from South Australia visited Perth in January, 1927. As a result of the conference it was found that, for the current year, the output from Crown land in Western Australia should be reduced to 5,400 tons, and the output from Crown land in South Australia limited to 2,400 tons. This arrangement expires in January next, and a further conference is to be held in December, when it is to be hoped that amicable arrangements for a division of the market between the two States may be possible. The reason for lower costs in South Australia is that sandalwood can be obtained practically alongside the railway line, thus eliminating the high cost of carting. South Australia recently called tenders for the disposal of 2,100 tons under its agreed quota for the current year, and the highest tender received was £9 10s. per ton royalty; but even with this royalty, compared with £9 in Western Australia, the South Australian wood can be sold at several pounds cheaper per ton in China.

Hon. E. H. Harris: Why is that?

The CHIEF SECRETARY: Because the cost of production in South Australia is very much less than in Western Australia. The wood grows close to the South Australian railway lines, and so there is not the high expense involved in its production.

Hon. E. H. Harris: Is it not because a co-operative company is operating over there?

The CHIEF SECRETARY: I cannot say. I am informed by the Conservator that the reason is that the cost of production is very much lower in South Australia than in Western Australia.

Hon. Sir Edward Wittenoom: It must be the cost of carting, for sandalwood grows wild.

The CHIEF SECRETARY: Yes, the cost of carting is a big factor. The position with regard to sandalwood oil is that local firms have experienced very grave difficulties in marketing their product owing to the fact that pharmacopœia standards in England, continental countries, America and Japan have been prepared on the basis of the Indian oil, and it is specified that the oil shall be obtained from santalum album. Western Australian firms, by careful scientific work, have been able to produce an oil meeting pharmacopœia standards in all particulars, but of course it is impossible to meet the requirement that it shall be produced from the tree santalum album, and every effort is being made at the present time to have the Western Australian oil prepared from santalum spicatum placed on an equal footing with the Indian oil. To accomplish this the services of first-class chemists have been retained to watch the interests of the Western Australian oil and press for its inclusion in the French, English and American pharmacopœias. If this is done, the value of our oil will increase considerably, and the demand for roots and butts, and their value, will also increase.

Hon. G. W. Miles: How long does it take a tree to mature?

The CHIEF SECRETARY: About 40 years. As it is considered of greater importance to endeavour to grow supplies for a secondary industry established in Western Australia than to export the raw material—particularly as the secondary industry of distilling sandalwood oil can make use of parts of the tree which, under ordinary trade conditions, are left to rot in the ground—the purpose of the trust fund created under the amending Act has been widened to read "for the reforestation of sandalwood and the encouragement of the sandalwood industry." Those words are inserted in the Bill. The definition given in the amending Act of last year, which creates a trust fund for "the regrowth of sandalwood" is unreasonably narrow, as it may be questioned whether such items as fencing of reserves properly come within such definition, although unquestionably a necessary operation in connection with reforestation measures. However, the expenditure has

been approved and, I believe, will be endorsed by Parliament. I move—

That the Bill be now read a second time.

On motion by Hon. H. Stewart, debate adjourned.

BILL—CLOSER SETTLEMENT.

Second Reading.

Debate resumed from the 4th October.

HON. H. STEWART (South-East) [8.15]: I wish to state unequivocally that I support the second reading of the Bill, as I have supported the second reading of other closer settlement Bills. I want to take this opportunity of stating equally clearly and emphatically to Mr. Brown, and I hope he will convey it to some of his political associates, that of the five closer settlement Bills that have come before us, this House referred the first to a select committee, the second, on the ruling of the President that it was unconstitutional, was discharged from the Notice Paper, the third in 1922 and the fourth in 1924 passed the second reading, were amended in this Chamber, and in the opinion of members were made into goods Bills safeguarding the security of title, a most important thing with regard to banks and finance, but were not gone on with in another place. In effect they were put into the wastepaper basket, and nothing more was heard of them.

Hon. J. R. Brown: Another place did not recognise them.

Hon. H. STEWART: The reason why I am supporting this Bill more strongly than the previous ones, is that it embodies many of the amendments that were carried by and at the instance of this Chamber. It is without doubt a different Closer Settlement Bill from that which was put before this Chamber either in 1921, or in 1922 twice.

Hon. J. R. Brown: Mr. Holmes did not say so.

Hon. H. STEWART: Perhaps he has not made the comparisons I have. All these Bills are before me now, and I am comparing them one with the other. This Bill bears very little resemblance indeed to the confiscatory and unjust measure which was placed before this Chamber in 1921. One of those measures was introduced by Sir Hal (then Mr.) Colebatch. He referred to the inscription over the stock exchange in London, "the earth is the Lord's and the fullness thereof," and he appealed for support in order to make available to the people the unused acres lying in this State.

Hon. J. R. Brown: A very noble sentiment.

Hon. H. STEWART: Yes, but not in accordance with the facts. The Government wanted to treble taxation. They gave the owner the choice of whether he would subdivide his land and bring it under the operation of the Act, or escape those consequences and pay three times the amount of tax, thus retaining possession of his land.

Hon. J. R. Brown: What was wrong with that?

Hon. H. STEWART: It showed a lack of bona fides on the part of the Government in saying that they wanted the land for occupation. Dealing with this matter on all occasions, I drew attention to the fact that in 1919 in the Council we carried an amendment to the Agricultural Lands Purchase Act, under which we gave power with certain limitations, and after grave consideration, to the Government, compulsorily to acquire land for the settlement of returned soldiers. The Government with very slight amendments to existing legislation had in the Agricultural Lands Purchase Act a suitable and well considered piece of legislation which would have given them all the power they wanted to compulsorily acquire land. That would have been a simpler method than placing another Act upon the statute-book. The result of what has taken place since 1921 and the amendments this Chamber has carried upon successive Closer Settlement Bills, is that in the measure we have before us we are astonished to see how closely it follows the very carefully considered provisions that were made in the Agricultural Lands Purchase Act of 1919 for bringing into operation the machinery for acquiring land compulsorily. When in previous years I placed this position before the Chamber, the Leader of the Government in every case brushed it aside and said it was not a fact. I feel very much tempted to draw an even closer comparison and to give chapter and verse at the same time. I remember when the Agricultural Lands Purchase Act came before this Chamber. Its compulsory proposals were viewed with considerable alarm, lest they should undermine security. Where people had free-

hold titles we wanted to give them every safeguard before we resorted to some ruthless measure that would permit the Government to seize the land, as Sir Hal Colebatch said, when Leader of the House. In 1919 we amended the Agricultural Lands Purchase Act. Section 12 says—

> The Government may, subject as hereinafter provided, compulsorily acquire private land for the settlement of discharged soldiers or their dependents under the provisions of the Discharged Soldiers Settlement Act, 1918, provided that the compulsory provisions of this Act shall only apply where the private land proposed to be acquired exceeds £5,000 in value, unless, in the opinion of the Minister, it is necessary for the better and more economical subdivision of any Crown land acquired under the principal Act, to acquire adjoining land.

In Section 13 we have practically the machinery that we have in the Bill. It refers to inquiries by the board. It says—

> The board shall at the request of the Minister, inquire into and report upon the suitability of private land for the purpose aforesaid, and the members of the board with such assistance as may be reasonably required may enter upon the land and remain there for such time as may be necessary.

Clause 3 of this Bill says—

> The board may inquire into the suitability or acquirement for closer settlement of any unutilised land.

There is no mention in the next paragraph of the words "at the request of the Minister." Here we have a well considered Act on the Statute-book and a Bill that brings a board into operation. That board apparently is to be given carte blanche to report upon the suitability of the land. When the last Closer Settlement Bill was before this Chamber, we inserted as an amendment "at the request of the Minister." We did not allow this wide freedom to the board to act independently of the Minister. The Act on the statute-book provides that safeguard. I hope this Chamber will put in something to regulate the scope of the board. Amendments like these and others have been made by the Council to previous Closer Settlement Bills. It is not correctly representing the attitude of this Chamber for Mr. Brown and others to say that the Legislative Council have turned down Closer Settlement Bills.

Hon. A. J. H. Saw: I think one was ruled out of order.

Hon. H. STEWART: I have already said so. This Bill embodies many of the amendments that were carried in this Chamber. There was no justification for the previous Government refusing to go on with the other Bills. Clause 2 of this Bill provides for the personnel of the board, but does not meet the previously expressed wish of the Council. In 1921 there was provision for a board of three members, two being Government servants, but nothing at all was said about how the third man was to be appointed. It is only now that it has been provided that the third member shall be a practical farmer, or one experienced as a practical farmer.

Hon. J. Nicholson: Was that not provided for in 1924?

Hon. H. STEWART: I think not. It was set out that the third should be a person having local knowledge of matters under inquiry at the time. This Chamber amended that, I think, to read that the third member should be an experienced agriculturist outside the Government service, or words to that effect. That is another instance where this Chamber's amendment, or at all events the idea of the amendment, has been accepted. The Bill says the board shall comprise one member who shall be an officer of the Department of Lands and Surveys, and one member who shall be an officer of the Agricultural Bank. The Bill deals essentially with agricultural matters. The previous Bills provided that land unutilised and unproductive, in the opinion of the board, could be compulsorily resumed. If we are to have a board to say what is unutilised and unproductive land, surely the board should include an officer of the Agricultural Department rather than an officer of the Department of Lands and Surveys and one of the Agricultural Bank. I quite agree that one member acquainted with finance is needed. Let hon. members observe a difference in this Bill, as compared with previous Bills, not brought about by the Legislative Council. The present Bill says the board may inquire into the suitability and requirement for closer settlement of any unutilised land. That is a great difference. I am seeking to show that the past actions of the Legislative Council have been vindicated by the present Bill, and that the actions of past Governments are proved to be quite at variance with their present judgment on the subject. This Bill is most temperate as compared with any Bill of the past. It is almost amusing to observe this, and one is astonished at the simplicity of the public in

being prepared to listen to the utterances of some of our public men. The first Bill, that of 1921, savoured very much of confiscation, and certainly showed great lack of consideration; and it was introduced by Sir James Mitchell, as also were the second and third Closer Settlement Bills. Here we have a measure comparatively temperate, and according in a large degree with past amendments of this Chamber; and we see the Opposition Leader in another place appealing to the Premier and hoping that the measure will not mean a weakening of securities. This Bill, unlike Sir James Mitchell's drastic measure, will not give protection to the man on a conditional purchase lease who has not yet completed the obligations for a freehold title, and put him on a more favourable basis than the man who has fulfilled all his obligations and secured his freehold title. During the introduction of the Bill we were told that there were practically 90 applicants for every block of land.

Hon. W. H. Kitson: More.

Hon. H. STEWART: Many of these applications are duplicated. Numerous people put in several applications in the hope that one of them will be successful. The position with regard to land in this State is that there are numerous applications for first-class land. The area of first-class land available is limited. Mostly it is taken up by people whom the Government have to finance. That is the position in a nutshell. On the other hand, this State has 9,000,000 acres of second and third-class lands, some in the north suitable for wheat growing, and some in the south, with capital spent on it, suitable for oats and sheep. What is being done with that country? Nothing or very little along the Great Southern. It is left to be developed by the man with capital. Concerning these 9,000,000 acres of land within 12½ miles of our railways, a good deal was heard from Mr. Angwin, and that is the land we should tackle and bring into production so as to increase our railway revenue. In that connection it is interesting to recall that when Mr. Angwin was Minister for Lands he appointed a special officer to inquire into the subject, and also referred it to a sub-committee for investigation later. In 1925 recommendations were made by the committee; but the Government did not carry out those recommendations, and nothing is being done to offer inducements either in the shape of advances from the Agricultural Bank or of special conditions to men with the necessary capital—because the capital outlay involved and the risk are greater than in developing first-class land. We cannot go on ad infinitum building railways and making available first-class lands at long distances from the ports, and providing Government finance for the settlers, while we have these other lands available for settlement and within easy reach of the railway system. Speaking at Katanning in 1925, Mr. Angwin said, referring to the lands east of the Great Southern railway line—

> The light lands problem was one that actively concerned him. An aggregate of 9,000,000 acres of such lands existed within 12½ miles of existing railways, and he personally would be prepared to give it away in order to induce successful occupation. He said the Minister should be given full discretionary power with regard to mixed areas to be granted to any one farmer.

A special officer, Mr. Bostock, was appointed to report on the nine million acres of second and third-class land. I am quoting from a cutting of the special committee's report, published on the 27th November, 1925, after the consideration of Mr. Bostock's report—

> While the provisions of the Land Act were liberal, they did not make it compulsory that stock should be carried, and this the committee considered important. If this were done, and the fencing made an additional expenditure to that already prescribed, and if progressive improvements were at the rate of one-tenth per annum, instead of at the rate of one-fifth every two years, it was considered that the land might well be made a free gift after all conditions had been complied with.

I have heard similar statements made at deputations and public gatherings from the time when Sir Henry Lefroy was Premier, but meantime no move has been made in that direction. I have previously referred to certain anomalies in this House, and may refer to them again. The report continues—

> The advantage to the State of the establishment of such farms would more than compensate for the loss of the purchase money, and the earnings of the railways would be augmented at no additional cost. While only land within 12½ miles of a railway had so far been reported upon, these conditions could apply to any light lands, and the fact that the proposed grazing farms must be enclosed with rabbit-proof fencing would be of inestimable value to wheat-growing areas by linking up the vacant spaces and thus enabling the vermin menace to be more effectively controlled.

Hon. A. J. H. Saw: Was that said by Mr. Angwin?

Hon. H. STEWART: No; this is an extract from the report of a special committee appointed either by Mr. Angwin or the Government to consider the question. Later on the report states—

> The trustees of the Agricultural Bank have favourably viewed the proposals.

The committee consisted of the Under Secretary for Lands, the Surveyor General, the Manager of the Agricultural Bank, the Director of Agriculture, Mr. L. Bostock, the Lands Department officer who reported in detail on those 9,000,000 acres, and Mr. H. McCallum, the sheep expert of the Agricultural Department. There are 9,000,000 acres of land capable of carrying a large number of settlers, and the settlement of that area would relieve the vermin menace and improve conditions throughout the country. I consider that action in this regard should proceed side by side with the work proposed by this Bill, namely, the compulsory resumption of unutilised land. I may mention one reason why in my opinion the work of settling that area is not in progress. The reason is that land infested with vermin and poison and needing provision of water supplies, calls for the outlay of considerable capital. A person can take up 1,000 acres of first-class land, or up to 2,500 acres of first and second-class land mixed, and be exempt from land tax for the first five years; but the person who takes up 5,000 acres of inferior land, this being the equivalent of 1,000 acres of first-class land must, because of a technicality in the Land and Income Tax Assessment Act which four years ago the Solicitor General told me was an anomaly and ought to be removed, pay land tax from the day he takes up his block. The other man, with the higher class of land, has exemption for five years. Is that a condition of affairs which favours the bringing into occupation of lands other than first-class? We are unable to get a Bill amending the Land and Income Tax Assessment Act brought down with a view to securing the necessary amendment. When the Closer Settlement Bills came before us in the earlier forms, we were most anxious about their drastic nature, and the fear that they would invalidate security. At about that period, in 1922, we had a visit from amongst others, the Right Hon. W. M. Hughes. He went into the South-West to view the group settlements. When interviewed, Mr. Hughes said—

> Don't take men off holdings to put others in their places. That would be folly. But where men cannot or will not work their land, buy it from them. Be fair to them, but don't forget to be fair to the State. You will know better than I how far public sentiment here is prepared for this.

At that time, that was what we were pointing out. We wanted the legislation to be fair, and that the person whose use of his land was called into question should have fair and even-handed consideration. We amended Bills that were placed before us in accordance with that principle. I believe now that the Bill before us will be carried in accordance with the considered opinion of the Legislative Council as indicated by amendments made in the Bills of 1922, 1924 and 1927. I have always been one to lend my support to any action tending to prevent people holding land and not utilising it. During my first session in Parliament I suggested to the then Government that if they increased taxation on unutilised land proportionately to the consideration extended to those who were fully utilising their holdings, they would have my support. At all times my attitude in this Chamber has been in accordance with that point of view. Where a man has fulfilled his obligations, we should consider very carefully before dealing drastically with him. It is for us to see that fair and equitable treatment is meted out to such an individual. A Bill such as that before us opens up opportunities for discussion of principles that are almost inexhaustible. Time is not available to discuss them without trying unutterably the patience of hon. members. For example, under the Closer Settlement Act of New Zealand, land resumed for closer settlement purposes cannot be completely disposed of as freehold; it can only be disposed of by way of lease, subject to reappraisement every 30 years. It does not seem to me to be fundamentally right after giving the freehold title to a person, to then take it away only to give it to someone else who will have no reasonable expectation of being able to retain it without at some future date the land being taken away under altered conditions. At the same time, if proper safeguards are provided, such as this House has from time to time incorporated in Bills presented to us, I realise that some legislation is desirable. So long as those who will be affected by its provi-

sions have the right of appeal and fair and proper consideration, I shall certainly support legislative action that will decline to allow people to hold up productive lands and not make use of them. Another phase of the Bill to which I would direct attention concerns the reports to be furnished by the board. It is provided that the board must indicate in their reports to what use, in their opinion, the land could most profitably be devoted. It was not until the Legislative Council insisted upon the inclusion of an amendment to that effect that the Government included such a provision in their legislation. Here again is one of our amendments that we insisted upon in the past, and now we find it included by the Government in the Bill. One point that we insisted upon in the past, but which is not included on this occasion, refers to the right of appeal. Seeing that the present Government have been so zealous in providing appeal boards for every section of the community they are particularly supposed to represent, it is regrettable to me to find that they have, in this instance, failed to provide a simple and effective method of appeal for the individual dispossessed of his land. On the other hand, they propose that such a man, to secure redress, must resort to expensive litigation. Clause 11 of the Bill provides what the Legislative Council asked for previously in the compulsory sections of the Agricultural Lands Purchase Act, but did not insert in the Closer Settlement Bill, namely, that the landowner may retain portion of his property that the board intend to acquire. The clause sets out that a person may retain portion of his holding sufficient for the sustenance of himself and his family, as agreed upon between him and the board. Reverting to the Agricultural Lands Purchase Act, many years ago I pointed out that it was possible to amend it so that it would be applicable to civilians as well as to returned soldiers, in respect to the compulsory acquisition of land, and suggested that the limitation of £5,000 could have been reduced. Again we find that under Clause 13 of the Bill, the Government seek to bring the measure into line with the desires of the Council as expressed in 1924 when a similar Bill was before us. Clause 12 of the 1924 Bill sought to incorporate the provision of the Agricultural Lands Purchase Act of 1919. We pointed out at the time that such a provision would bring the Act into conflict with the Closer Settlement Bill. For example, that Bill made no provision for any individual retaining portion of his land that was to be brought within the scope of the measure, whereas the Agricultural Lands Purchase Act did. The Bill now before us recognises the position. Many of the amendments agreed to by this House have been incorporated in the Bill, but others relating to appeals and the personnel of the board itself, have not been similarly included.

Hon. A. J. H. Saw: The Government have left us something to do.

Hon. H. STEWART: And some desirable things, too. Regarding the personnel of the board, the Government have not recognised the advisability of having a representative of the Agricultural Department included. The Bill recognises the point of view held by this House and will not allow people to retain their land by paying three times the tax, as in the past. On the other hand, the land will be taken if it is required for closer settlement purposes and is not being utilised. Personally I do not know of the large areas of land that are held up and are not utilised. Sir Edward Wittenoom considered that it was all a mare's nest, whereas Mr. Rose, when speaking this evening on another measure, referred to large areas of unutilised land.

Hon. E. Rose: Keep your eyes open when travelling along the railways and see for yourself.

Hon. H. STEWART: I can see plenty of land not utilised for the growing of crops, but some people have good judgment that enables them to recognise that some land will not grow crops profitably but can be used for other purposes. In any form of business, I believe the man who is of service to the State is not he who is merely carrying on, but he who carries on for profit. It is economically unsound to run any business at a loss. When taxation matters are discussed in this Chamber we hear a lot about the profits made by farmers. As one who is brought closely into touch with the agricultural industry, and is able to compare notes with others who are engaged in that industry, I say without fear of contradiction that if a man were to apply the same brains, muscle and capital to any other industry he would secure far better returns than he can from the agricultural industry.

Hon. A. J. H. Saw: Put it into the new industry of tin hares.

Hon. Sir Edward Wittenoom: You will want Welsh "rabbit" next.

Hon. H. STEWART: On former occasions when Closer Settlement Bills have been before the House I have dealt with different phases of settlement and the valuation of properties. This year I have pleasure in supporting the Bill, more so than on former occasions, because the fact of the Government having introduced this Bill is a vindication of the attitude adopted by the Council in the past. We are told that there are great areas of unutilised land in this State and that many people are seeking land here. If it had not been for the action of past Governments in laying aside the Closer Settlement Bills after they were amended by this House, there would be many more settlers in Western Australia and less unutilised land.

On motion by Hon. G. A. Kempton, debate adjourned.

House adjourned at 9.3 p.m.

Legislative Assembly.

Tuesday, 11th October, 1927.

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

URGENCY MOTION—WATER SUPPLY, SUBIACO.

Mr. SPEAKER: I have received the following letter from the member for Subiaco:—

I desire to move the adjournment of the House to-day under Standing Order 47, in order to debate a definite matter of urgent public importance namely, the intolerable condition of the water supply at Subiaco at the present time, especially yesterday and to-day. Yours faithfully, W. Richardson.

It will be necessary for seven members to signify their approval.

Seven members having risen in their places,

MR. RICHARDSON (Subiaco) [4.35]: I rise with some reluctance to move the adjournment of the House, but the question I desire to deal with is of such paramount importance, not only to the people of the Subiaco electorate, but to all those living in the metropolitan area, that I feel justified in drawing attention to the impure water supply that has been distributed in my electorate during the past six or seven months.

The Premier: During the past six or seven years, you may say.

Mr. RICHARDSON: To a certain extent that interjection is correct, for there have been times when the water supply was not too good. However, fortunately for my district, we did not have much trouble until about the beginning of last March. From time to time many complaints have been received. I have entirely lost count of the numbers of people who have complained to me and of the number of letters of complaint I have received, but I am sure they have been in all many hundreds. Apart from that, the Subiaco Municipal Council have received complaints, many other complaints have been directed to the Water Supply Department, and I daresay the Minister for Water Supply has received complaints direct. I am not in a critical mood regarding the Minister for Water Supply, nor yet regarding the Water Supply Department generally, but the position has become intolerable from the point of view of the electors of Subiaco. For months and months almost daily we have had filthy water. Only this morning I drew off a sample from one of my own taps. Here it is. Members may like to see it.

The Premier: Is it sealed, and is it certified that it is the water you drew off?

Mr. RICHARDSON: The Premier will give me credit for being honest. Certainly I would not put up any stunts on members. However, I did take precautions, for the member for Wagin (Mr. Stubbs) was speaking to me while I was drawing off the water, and he can confirm my statement