

wise have been the case. There are hundreds of instances where people in receipt of sustenance are men and women suffering from some ailment which renders their lives a misery. They need special diet or medicine and without money they cannot obtain such necessities. I hope nothing will be done by the department to deprive those people of those comforts or rather necessities, because in most instances they have only a few years to live and we should do everything possible to bring a little happiness and brightness into their lives. Even though we may do some cheeseparing in other departments, such as the Public Works Department and the Education Department, we should not use the pruning knife at all in the Child Welfare Department, and I hope that even though the vote may be exceeded by some thousands of pounds, the expenditure will not be watched too closely in that direction. A noticeable improvement has taken place in the administration of the department. A month or two ago it was difficult to get correspondence answered within a reasonable time and cases that were submitted were tardily dealt with. In recent months there has been an improvement and I do not think any hon. member has cause for complaint. Any case put up at the present time is dealt with with great alacrity and in fewer hours than it previously took days the cases are attended to, and where assistance is merited it is forthcoming. Whoever is responsible is entitled to congratulation for that, and that congratulation I freely give.

Progress reported.

House adjourned at 11.10 p.m.

Legislative Council.

Wednesday, 21th November, 1937.

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

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Further report of Committee adopted.

BILL—BUSH FIRES.

Second Reading.

Debate resumed from the previous day.

HON. W. J. MANN (South-West) [4.37]: Those of us who have experienced the devastation and destruction created by bush fires in the South-West and I might say in the south-western land division of this State, will welcome the Bill. For many years, almost since the earliest settlement, bush fires have taken a tremendous toll of the natural wealth of the forest country. I do not think any man could compute the monetary value of the rich timber that has been lost to the State as a consequence, nor could he visualise the loss to the State created by the destruction of young growth in the forest country. In that part of the State, bush fires have become so common each year as to be accepted as something in the form of a natural cycle, something that has been ordained to take place during the summer months. Quite a number of men in the country contend that these huge conflagrations in the forest areas are something almost decreed by Providence. They used to tell you that you must burn the forest and sometimes, as they spoke, they proceeded to put a match to it. It is pleasing to note that in latter days, at any rate, that reasoning is losing ground, and a new and better outlook is being adopted. The absence of new growth and the many cut-out areas following the wasteful practice for so long permitted to the old-time timber-cutter has brought about a revulsion of feeling, and those men are regarding forest conservation in a new light and doing what they can to aid in the suppression of

fires. There would have been very grave danger of the ultimate annihilation of the timber industry had the fires been permitted to continue. It is very difficult now to get bush that is profitable cutting, virgin bush is almost unknown, most of it has been cut over several times, and there is a danger, unless adequate steps are taken, of there being an extreme shortage. People have also begun to understand the danger of bush fires to the agriculturists. An uncontrolled fire might result in the ruin of homestead, pastures, crops, orchards and all the improvements that generally go to make up the work of a man's lifetime. Because of those things, we should congratulate the Government on having brought down the Bill, which I hope will pass without very much amendment. There are one or two matters that could be profitably dealt with in Committee, but generally speaking the Bill appears to be very satisfactory. Before I proceed to review some of its clauses, I want to make reference to the necessity for prompt action on the part of the Government and of the Agricultural Bank, the latter particularly, in respect to fires. This year has probably been the best and most productive season the South-West has ever known. Everywhere there is a wealth of verdure of all kinds bordering almost on the magnificent. There are outstanding crops on all sides, and pasture, grasses, clovers and herbage cover the countryside. It is no exaggeration to say there will be thousands of tons of meadow hay cut. That has never happened before in this State. But there is also an accompanying danger, in the scores of vacant holdings on group settlement areas. Some of them are scenes of delight. Two thoughts come to one's mind: one is the fact that most of those places are verifying the earlier claims for the land, and the other is one of regret that the men who worked hard on those farms for many years and were forced to leave by various causes mainly because they had passed through a series of lean years and low prices, are not there to receive some of the benefits of their earlier labours. As a result of the prolific growth on these holdings there is great danger of grass fires. A grass fire particularly in the South-West, where it would usually be fanned by a southerly or south-westerly breeze, travels with tremendous rapidity. All the safeguards

provided in the Bill will not do much to stay a fire there once it has started. It would mean not only the burning up of the pastures on vacant holdings, but probably the burning up of the cottages, too, unless the Agricultural Bank saw to it that some protection, by way of breaks of some description, was afforded. There is danger not only of burning everything on vacant holdings but of burning out some of the settlers who are still on their properties.

Hon. G. B. Wood: The road boards would have power to do that under the Bill.

Hon. W. J. MANN: The road boards have no chance of handling fires on vacant group holdings. No matter how anxious they or any other local authority may be to aid in this matter, I do not think they could possibly succeed. It would be too much to ask any road board to attempt. Protective action is required to prevent fires from occurring in these areas. Then there are the Crown lands. I am not referring to land that is comprised within the forest areas. The Forests Department does very good work in fire prevention. This goes on from year to year, all the year round, and by means of creeping fires at the proper time of the year the old type of forest fire is reduced to a minimum. These Crown lands also are a menace. If we are going to compel farmers and settlers to make the necessary provision for the prevention of fires, something should be done with the Crown lands. It is futile for the Government to say that we must protect the country if the Government is permitted to ignore the law of prevention imposed on the other section. Then there are the various reserves. Road boards have a chance of dealing with them. By means of an organised bush fire brigade the local authority should be competent to handle fires on reservations under their control. I notice that the Railway Department is exempt. That department does a certain amount of clearing. As a rule it clears breaks along its railway boundaries. That is hardly enough, although I suppose it is as much as could be expected of it. Some of the powers imposed in this Bill need to be carefully reviewed in Committee. Authority is given to enter upon private property and pull down fences with the object of preventing and extinguishing fires. Under intelligent control that would not be objected to, but it carries a danger. That danger is apt to be prevalent when a fire breaks out. It arises from the actions of excitable people

who, when they see a fire, invariably seem to desire to smash something. I have seen that occur many times, not only in the case of fires in the country but when fires have broken out in a town. A power of that description should be carefully watched. Many people who would be engaged in fire-fighting would carry out their operations with a minimum of damage, but there are others who, unless very carefully controlled, are likely to do more damage than the fire itself. I am glad to see there is authority to expend funds for organising fire-fighting units. These cannot be expected to operate without adequate equipment, and without in some way being recompensed if the fire happens to be an extensive one. I am glad assistance is to be given to voluntary fire brigades. That is very desirable. I should like to see a voluntary brigade established in every town. The Government might not be so anxious for this because it would mean the expenditure of a good deal of money, but I believe that the presence of a volunteer fire brigade is a splendid insurance. We had an illustration of that at Harvey a little while ago. If there had been a fire brigade in the town I am sure the losses there would very largely have been prevented. There is a provision in the Bill that places upon the owner or occupier of land on which a fire is discovered the duty of taking all possible measures to extinguish it. That is sound in principle, but there are defects about it. When a man's property is menaced by fire, as a rule he is working hard in one direction. If it happens at his home in the bush he knows that his own efforts and those of others on the premises are all he can hope for to prevent a total loss. If the fire gets beyond his control, it should not be held against him that he failed to notify the local authority. The Bill provides that if a person discovers a fire on his property he shall call in the local authority if it is beyond his power to extinguish it. If he fails to do that a penalty is provided. That portion of the Bill should be carefully administered. There is also a stipulation with regard to the burning of clover paddocks. It is stipulated that a 10ft. break shall be ploughed around the clover paddock that is being burnt for seed collection. If it were my clover paddock, I should offer a great deal of objection to that. If it is desired to preserve the seed and prevent the clover land from being torn up, the

much better way would be to put a cultivator over the land, and either brush it or rake it or sweep it. If people start ploughing clover land deeply they will plough in quite a lot of the subterranean clover seed, and that may mean a minus germination next year over the 10ft. strip around the paddock. I presume that is a matter that can be adjusted. I hardly think that the term "ploughing" is a suitable one.

Hon. G. W. Miles: An area of 20 acres would be too small except in the group settlements.

Hon. W. J. MANN: It does not seem very much, and I would be prepared to support an amendment to double that area. I do not know the reason for a 20-acre plot being specified. The practice nowadays is not to have large paddocks. It is better to have smaller paddocks, so that one can be closed while the other is being fed off. Another objection is concerning the time of year when this work should be done. Unless the soil is very sandy, it becomes fairly hard as the season wears on, and it is almost impossible to plough it. This matter might also be looked into. The Bill provides that a person shall not smoke within 20ft. of a stable, stack or field of hay. That is likely to be honoured more in the breach than in the observance. It is a somewhat ludicrous provision and it will be impossible to police it. Whilst the object in view is a good one, those of us who know country districts will agree that very few fires take place around a homestead as the result of negligence or of men smoking in a stable or around the stack. There is the danger that irresponsible people may throw cigarette butts down, or, after lighting a pipe, may throw away a match before it has been extinguished. If the clause in question is allowed to remain in the Bill it is possible that a lot of people will be prosecuted for something they have been doing for many years without any loss. The period of prohibition between the 1st October and the 30th April may be all right in some areas, but it appears to be altogether too long in the South-West. I do not think it would be possible, if people made the effort, to create a fire during October.

Hon. L. Craig: Nor in November.

Hon. W. J. MANN: That is so. In these circumstances that period will be absurd when applied to the South-Western portion

of the State. The old practice under which the local authority advised the period to be proclaimed, following upon which that period was gazetted with the concurrence of the Minister or of the Executive Council, is the better way to meet the situation, and I hope it will be adhered to. I cannot speak with regard to the northern portions of the State; the proposal in the Bill may be quite all right when applied there, but it is certainly absurd from the standpoint of the South-West. The only other point to which I desire to refer relates to the proceeds of any fines collected as a result of the enforcement of the provisions of the Bill. It is proposed that the fines shall be paid into Consolidated Revenue, and then rebate the local governing authorities with a moiety, which, I presume, will be one-half of the fines. I consider that the party rendering the service should receive the proceeds. I can see no reason why any of the proceeds resulting from the work, which is a charge upon the local governing bodies, should not be paid wholly to those authorities.

Hon. J. Cornell: And so it will be.

Hon. W. J. MANN: If that be so, that was not the position as explained in another place. I hope the hon. member is correct; if he is, then my objection goes by the board. I have pleasure in supporting the second reading of the Bill.

HON. G. B. WOOD (East) [5.3]: I wish at the outset to commend the Minister for Lands upon having introduced the legislation, because for the most part its provisions are most desirable. Its introduction follows upon representations by some of the farmers' organisations and by a conference of local governing authorities. At the same time, I think the Minister has gone too far with regard to some of the proposals embodied in the Bill. Some of the clauses are much too drastic, particularly those that give power to the local governing bodies in respect of some of the matters dealt with. The idea of giving the district coroner power to hold an inquiry into the circumstances surrounding a fire is very good. At present it does not matter what sort of fire has taken place, the idea seems to be to request the police to conduct an investigation. A constable will go out to the scene of the fire, ask a few questions, and that is the end of the matter. On the other hand, it is proposed in the Bill that inquiries by district coroners shall be held to investigate the fires that may take place.

A number of clauses relate to the burning off of subterranean clover paddocks, particularly in the South-West. I had hoped we would get some guidance from members representing the South-West Province. Mr. Mann did not throw much light upon that phase, but I hope other members will deal with it. In fact, Mr. Mann said he was somewhat in the dark as to the best method of dealing with that matter, and so it is to be hoped that others will discuss that phase. I agree with Mr. Mann with regard to the conferring of power on the road boards to plough fire breaks. I do not think it is possible for a road board to say how, where, or when a man shall plough a fire break. It is placing too much power in the hands of local authorities and is asking them to carry out too big a job. In fact, it would be impossible to carry it out in an equitable manner. Obviously a road board would have to make an inspection of the various properties and report as to where the breaks should be ploughed. That would be a matter of impossibility. Then again, even if they did do that, it would be necessary to carry out inspections subsequently to ascertain if the farmers had carried out the orders of the board. Sometimes it is very difficult to plough fire breaks. In some places the ground is too boggy in October and then in a brief period it becomes too hard, rendering it impossible for a fire break to be ploughed. At any rate, this work would be a full-time job for the local authorities, and I do not think it would be practicable for them to assume the responsibility.

Hon. J. Cornell: Then who is to do it?

Hon. G. B. WOOD: It is quite impossible for them to undertake it.

Hon. J. M. Macfarlane: Who could do it better?

Hon. G. B. WOOD: Perhaps the local authorities are in the best position to do it, but I do not think that power should be vested in them. Even so, it would require the appointment of a number of additional inspectors in some districts. I agree entirely with the proposal for the appointment of fire-control officers, but I object whole-heartedly to some of the powers proposed to be vested in the bush-fire brigades. It is suggested that the road boards shall appoint fire brigades that will be placed under the control of a captain, and I presume the second-in-command will be a

lieutenant. It is sought to give the captain of a bush fire brigade just as much authority as is imposed on the chief officer of the Fire Brigades Board in Perth. Those wide powers are to be given to an amateur who may be prejudiced and biased when he deals with fires in his district. Those extensive powers will be just the same as we give to a man who has been trained in fire-fighting for many years and who has trained officers under him. It may be taken for granted that the captain of the bush fire brigade will be a farmer. I have seen farmers go stark staring mad when fires occur, particularly if their own properties are endangered. Some men would be willing to burn half the country in order to save their own properties. There is no doubt about that. Then again a fire may be raging 15 miles from the town or wherever the fire control officer may be. The owner and his neighbours are generally the first on the scene, and usually they work to a set plan that they decide upon. They may be working on the fire accordingly for three or four hours before the captain of a bush fire brigade arrives. When he does, he may alter the whole plan of operations. I do not object to the appointment of fire-control officers, but I certainly think the owners of properties should have some say in how fires should be dealt with when the brigades arrive on the spot. That seems only reasonable. The position may be different in the more closely settled areas where a fire will race from one property to another at great speed. The position is totally different in the wheatbelt. In that part of the country I can see many difficulties arising if the Bill is agreed to in its present form.

Hon. J. Cornell: The chief fire officer in Perth is supreme and takes orders from no one.

Hon. G. B. WOOD: And it is proposed to vest the bush fire brigade officers with similar powers.

Hon. H. Tuckey: If the farmer had his way, the fire control officer would not be necessary.

Hon. G. B. WOOD: That is not altogether so. The officer is to be given power to take charge of the work of the bush fire brigades, but is also to be given supreme power as is the position in Perth, where the circumstances are totally different, where there are up-to-date fire appliances,

and the chief officer is not an interested party. Very often it will be found in the country districts that the man in charge of the bush fire brigade will be an interested party.

Hon. L. Craig: What do you propose as an alternative?

Hon. G. B. WOOD: That the bush fire brigade should work in with the owner or owners of properties.

Hon. L. Craig: Should the owners not agree upon a plan of action, there must be someone who would decide.

Hon. G. B. WOOD: Quite so, but I say the owner of the property is in the best position to judge as to what shall be done. I can give the House an instance in which I was concerned. A big fire was raging in my property some three years ago, and my suggestion to the neighbours who arrived to assist me was that we should put out the fire. They claimed that it was impossible and proposed to burn a break a couple of miles further down in order to save other parts of the area. I objected and said we would not burn any more country than was necessary, and I maintained we could put out the fire. My judgment prevailed and we soon had the fire extinguished. I knew the country and knew what could be done with it.

Hon. J. Cornell: A change of wind may have had something to do with that.

Hon. G. B. WOOD: Nothing of the sort entered into the matter. If I had not had my way in that instance we would have burnt a lot more of the country than was necessary. That is why I say the owner of the property is the best judge of how to meet such a situation.

Hon. L. Craig: Unless he goes stone mad, as you suggested some farmers do.

Hon. G. B. WOOD: What I am afraid of is that the bush fire control officer may go stone mad. I have known many men in such circumstances who do not know where they are, and such men would not object to doing anything in order to save their own properties. Take another view of the position. The owner of a property where a fire is raging may be away, and his property may not be insured. If we allow the powers to remain as outlined in the Bill, some person may come along and burn him out completely. Another matter dealt with in the Bill is that the bush fire brigades will have power to take whatever water they require on a property, even the domestic water supply. At times there may be only 1,000

or as little as 500 gallons of rainwater in the tank, which the housewife has been nursing all the summer. It is proposed to give the bush fire brigade power to take all that water. If it were necessary in order to save the household property, it would be different. In that event the owner would probably tell the fire fighters to take it and save the house. Then again there may be a little water in the dam. There are other methods of fighting fires in the country apart from the use of water. I agree that if there is water in a tank and it can be used by means of a hose, that is the best way of dealing with an outbreak. On the other hand, I object to giving the bush fire control officer power over all water, including the domestic supply. In most instances, of course, no difficulty would arise because the owner would make available all the water that was necessary.

Hon. G. Fraser: I think you want a dark-town fire brigade.

Hon. L. Craig: It will be that, anyway.

Hon. G. B. WOOD: At any rate, I think the owner is in the best position to judge what should be done. If a battle were in progress and a specific line of campaign was being followed, what would be said if another officer came along and ordered a different line of attack?

Hon. L. Craig: Yes, but there may be several owners of a property.

Hon. G. B. WOOD: Probably Mr. Craig knows that if a fire occurs and there are several owners of a property, they generally get together and confer regarding the plan to be adopted. Where a fire is raging over a number of little properties, the position is quite different. In those circumstances, it may be necessary for action along the lines suggested in the Bill. While they are waiting for a fire control officer to arrive, the place might be burnt out.

Hon. E. M. Heenan: You must have an individual to take charge.

Hon. G. B. WOOD: Yes, in consultation with the owner of the property most concerned. A fire may be raging on a 10,000 acre property. I know that if a fire secured a hold on my property I would be the best judge as to what should be done and I would welcome the arrival of the fire control officer. There is provision in the Bill for certain penalties. One provides for a penalty up to £50 to be imposed on the man who deliberately lights a fire, and there is

also a similar penalty for the individual who permits a fire to go on burning. A person, however, may not know that a fire is burning and the offence in that case would not be comparable with that of the individual who deliberately set fire to his property. That clause will require to be amended in Committee. I am aware that certain local authorities have asked for this Bill and I notice by the remarks of the Minister in another place that he threw the onus for presenting a lot of the drastic proposals on those local bodies. I am sure, judging by the Minister's remarks, that some of the clauses are against his own convictions. He practically admitted that. I trust that members will realise that some of the provisions are too drastic and so, while I am glad that the Bill has been brought down, I trust it will be amended in Committee, and considerably amended too. The fire control officer has the power to prosecute. I am against the amateur fire control officer, without reference to the board or to the police, prosecuting perhaps a brother farmer. Those people may be interested and due consideration should be given to the authority by which he was appointed, before he is permitted to prosecute. My principal objection, as I have just said, is to give an amateur who may be biased and prejudiced a power similar to that we have given to the chief officer of the metropolitan fire brigade. That is one of the most undesirable clauses in the Bill.

HON. C. H. WITTENOOM (South-East) [5.18]: I congratulate the Government on having brought down the Bill and in my opinion there is every reason for some of the drastic provisions that it contains. It should be our desire as far as possible to prevent the appalling destruction that has followed fires in the country. When we drive over our farming areas, as I have occasion to do in the Province that I represent, and we see the growth of pastures perhaps several inches high, and inflammable to the last degree, we cannot but fail to recognise the danger of fire that exists there. It seems to me somewhat strange that we do not experience more damaging fires than have actually happened. Of course some farmers take considerable precautions by making firebreaks and doing other things that are necessary. At the

same time, there are people who do practically nothing at all to safeguard their properties. The Bill will do something towards compelling people to take simple but effective precautions. It was an extraordinary fire that took place at Denmark last year. Personally I do not consider that anything could have prevented it. A strong easterly wind, and a very hot wind too, was blowing at the time. It carried the flames along the tree tops and the burning leaves and branches on falling to the ground set alight the grass. The Bill proposes to give power to road boards to appoint country fire brigades and those brigades will have similar power to that given to city or municipal brigades. That means giving brigades a good deal of authority and it is quite a big thing when they are allowed to go on to farming properties to carry out such work as breaking down fences and making firebreaks perhaps against the wishes of the owner. I consider it is quite right, however, to give that power. While Mr. Wood was speaking, I was trying to visualise what I would do if I had a grass fire going through any property of mine. The first thing that I would do would be to get into touch with the nearest centre in order to secure all the assistance I could. The mere fact that there might be half a dozen or a dozen men to render assistance would assure me that there was a possibility of preventing the spread of the flames. If I had done a certain amount of work and the captain of a brigade told me that I was wrong in the course I had followed, I would naturally consult with him, but not necessarily act on his advice. I certainly think that my experience of that particular property would be of more value perhaps than any knowledge possessed by the members of the brigade. The Bill will be extremely difficult to police, but I am sure its value will be recognised whenever fires break out on farming properties. The fire brigades are to be appointed by the road boards and I do not know that any better method could be followed. The majority of members of road boards are farmers or are interested in farming; they know all the people in their district and so I consider it could well be left to them to make the appointments.

Hon. H. V. Piesse: And the road boards are elected by the ratepayers.

Hon. C. H. WITTENOOM: I agree with Mr. Wood that there are several provisions in the Bill that can with advantage be considerably smoothed down, but as there are members in this House who have a practical interest in farming, I am satisfied that those provisions can be toned down in Committee, and the measure made a very useful one. There are provisions in the Bill which prohibit smoking in certain circumstances and also prohibit burning during certain periods of the year. We recognise that a good deal of burning is done at stated periods that should not be allowed; but that burning off is often winked at. If the Bill is going to stop that, it may be necessary to alter the dates during which burning may be carried on. Burning off is absolutely an essential part of farming, not only the burning off of country that has been cleared, but also the burning of clover paddocks. It appears to me that the area of 20 acres mentioned in the Bill may not be big enough. That, however, can be dealt with in Committee. The State is divided into three divisions and each has its dates for burning off, and it may be necessary to alter those dates. I shall support the second reading and hope that we can make a useful measure of it.

HON. J. CORNELL (South) [5.27]: The Bill to a certain extent affects the Province that you, Mr. President and I represent, or at least the southern portion of it. The three members who have spoken have in one breath complimented the Government for having brought down the Bill and in the next have criticised the measure for the drastic provisions it contains. I assume that the first principle underlying the Bill is the prevention of bush fires and I am not so much concerned about the man who burns himself out as I am about the man who burns others out as well as himself. It is all very well to say that the provisions of the Bill are too drastic, but I put a fire, where it be in a town or in the country, in the same category as I would put a shipwreck, that is to say, the fewer hands there are to determine the best policy to adopt in extinguishing the fire, the greater the chance of its being extinguished. No argument is required to determine who is to give the orders: the captain of the brigade must be supreme. So, if you are to have any degree of success there must be a

recognised authority in control. I was rather amazed at Mr. Wood's interpretation of "authority." It reminded me of an incident when a hotel caught fire. The fire brigade arrived and the landlady was solicitous that the brigade should play the hose on the safe, because she was anxious to save the cash. A man who had run up a score at the hotel, however, wanted the hose played on the slate in order to wipe out his score with the landlady. That is the sort of control Mr. Wood seems to favour. He certainly seemed opposed to some particular individual in a locality having control. I have seen quite a number of fires, more in New South Wales than in this State, and I agree with Mr. Wittenoom that some forest fires, like those that have raged on the Riverina plains or near the Lachlan River, can be stopped only by an act of God. The wind changes, or some other factor intervenes, and only thus are the fire-fighters able to gain the upper hand. The Bill proposes that there shall be some authority and some call to effort. Those proposals should receive support. If there is to be no authority, the Bill is not worth passing. There are many other features of the measure that can be dealt with more conveniently in Committee. We should bear in mind that summer begins in some localities earlier than in other localities, but appropriate dates for burning could easily be specified. The dates mentioned in the Bill would be quite appropriate for that portion of South Province which will be affected, but I do not think they would be appropriate for the Great Southern or the South-West, where the dry season arrives a month later than in the Ravensthorpe district. When properly constituted fire brigades are established, I believe that people will welcome the authority and do all in their power to assist. I support the second reading.

HON. L. CRAIG (South-West) [5.33]: There is much in the Bill I do not like, but at the moment I am unable to suggest anything better. Therefore, to be logical, we must accept more or less what is in the Bill. The measure apparently represents an attempt to improve existing conditions by giving local authorities power to purchase equipment and provide facilities to introduce organised bush fire-fighting as against the conditions that exist to-day—lack of equip-

ment and disorganised fire-fighting. One of the main points is the effort to prevent the ravages of fire in our forest country. I do not know whether members realise the colossal loss that occurs in our timber areas through fires, and what our timber country would be worth if it had not been burnt. The largest hardwood forest in the world, consisting of a million acres of jarrah country, is to be seen within 40 miles of Perth. A majority of the trees are small, but even the large ones have been ruined to a large extent by the growth of branches. The jarrah tree, if protected from bush fires, grows straight, like a pine tree, and has a beautiful umbrella top and, of course, is very valuable timber. I know a 600-acre block of poor country carrying very good jarrah, that has been assessed for land tax at £23,000, because of the value of the timber. An offer of £25,000 has been made for the timber alone. That timber was valuable because the block lay in a hollow and had been protected from bush fires. Had we been able to protect all our forests from bush fires, the wealth of timber would have been almost unlimited. It has been estimated that if fires can be kept out of cut-over country that has been regenerated for a period of 45 years, the value per acre would be over £200, which is a higher production than can be obtained from agriculture. However drastic the means employed to eliminate fires from our forest areas, they must prove of benefit to the State. The Bill provides that no person shall burn paddocks at any time without notifying his neighbours. A similar provision appears in the existing Act, though it is not always observed.

Hon. H. V. Piessé: If the person does not notify his neighbours, he is responsible.

Hon. L. CRAIG: He is responsible if he is found out. During the prohibited period, nobody shall burn under any circumstances. That is the law to-day. This Bill makes certain exceptions. Provision is made for burning around a house, so long as there is a fire-break. The producer of clover seed may, under certain conditions, burn during the prohibited period. The Bill stipulates that 20 acres shall be the maximum area to be burnt in one section. A landholder may obtain as many permits as he likes, but each permit will apply to 20 acres only. The Bill provides that a fire-break shall be ploughed around the block of 20 acres. I do not think that is quite necessary. The stipula-

tion is that the fire-break shall be cleared and ploughed to a width of 10 feet around each 20-acre block. That seems rather drastic. The land might be too hard to plough, or it might not be necessary to plough a break on account of there being green couch grass, or a green crop adjoining. Earlier in the season single-furrow breaks might have been ploughed and a fire-break thus provided. The words "cleared and ploughed" might well be deleted, and the clause would then provide that the area to be burnt shall be surrounded by a fire break not less than 10 feet wide. I am not prepared to say whether 20 acres is a sufficient area. I am inclined to think it is too small if adequate preparation is made. One might easily burn and prepare for seed collection an area up to 50 acres; so much depends upon the individual. One man is careful, while another is careless, and so it is hard to lay down any particular area. Under modern methods, a roller is used for collecting clover seed. The roller is fitted with sheep skins shorn except that half an inch of wool is retained. The surplus clover is burnt off, leaving the ground bare save for the seed. There is moisture in the seed burrs which protects them from fire. A harrow is put over the land to scratch the surface, and this causes the burrs to rise clear of the ground. They stand up about the size of peas. Then the roller is put over the surface. There are sufficient prickles on the burr to cause it to adhere to the wool on the roller. A board is placed in position to form a scraper, and this scrapes the seed from the wool into a box. This roller was invented by Mr. Dicey Forrest, and with one of them, a pony and boy can collect as much clover seed in ten minutes as two men could do in a day under the old system of hand-raking. Under the raking system, the clover is not burnt but is raked into heaps; under the roller system, the clover is first burnt. Consequently provision has been made in the Bill for burning areas of 20 acres. As I said, it is difficult to stipulate an area for burning, because what would be safe for one man would be ten times too much for another. It is all a question of attention and care to ensure that a fire does not get away. Clause 10 is drastic in that it provides that no bush land shall be burnt until a break is ploughed right around it. Many farmers with 3,000 or 4,000 acre farms, 2,000 acres of which is unimproved, burn

the bush part in order to provide early feed when the first rains come. The Bill stipulates that no bush land shall be burnt until the whole of the boundaries have had a 10ft. fire-break ploughed. How that can be carried into effect I do not know. However, it is an attempt to do something. In Committee we might be able to adjust some of these matters, but my fear is that several of the provisions will be difficult to carry out and will not be capable of being policed. A penalty is provided for anyone who throws a lighted cigar, cigarette or match from a vehicle.

Hon. J. Cornell: What about the use of Collie coal?

Hon. L. CRAIG: I am not dealing with that. The throwing of lighted cigarettes, etc., applies, according to the Bill, outside town boundaries. I object to that. Though country towns have boundaries, where they end very few know. A boundary might be represented by a fence or by nothing at all, and there is no difference in appearance between the outer edges of a town boundary and the inner edges of a country boundary. The Bill, however, would permit of a person throwing a lighted cigarette from a vehicle, provided it was within the town boundary. It seems inadvisable, in effect, to give permission to throw those things out within a town boundary, because if a fire started only a chain inside the boundary, it might easily extend to the agricultural area adjoining. Most small towns are not protected by bitumen roads and so forth. I personally would like to see the words "outside the town boundaries" eliminated from the Bill. Let us make it an offence to throw a lighted cigarette down either inside or outside the town boundaries.

Hon. G. W. Miles: It should also apply to a person riding a horse.

Hon. L. CRAIG: It is a mistake to throw down a lighted match or cigarette in a town. The match or cigarette might fall on dry-grass and start a fire. It is unwise to limit the penalty as the Bill proposes. There is a prohibition against smoking near a stable or haystack or crop. I am afraid that cannot be enforced. It represents merely a pious hope. Tremendous powers are proposed for the bush fires control officer. Those drastic powers may be all right provided the man is all right. What I fear is that the right man may be unwilling to ac-

cept the responsibility. Everywhere there are men who will take on anything that gives them a little publicity and power; and the wrong man may take on the responsibility, a man who when a fire occurs will lose his head. I should say there would be a bush fire control officer in each ward. One such officer would not suffice for a large district. It is desirable to get a man of strong character, if he is willing to take on the job. One who is not of strong character may, if entrusted with these drastic powers, play havoc in a district. I am afraid of granting such powers indiscriminately. If we select men known to be suitable, it may be all right; but not otherwise. The Bill provides what I consider highly necessary, that when a farmer ploughs a break on his boundary adjoining a fence and his neighbour does not plough a break and a fire comes and destroys or damages the fence, the farmer who has not ploughed a break shall restore that fence or put it in good order. If he does not repair the fence, the farmer who has ploughed a break has authority to repair the fence, and the cost is to be charged to the local authority, who shall collect the amount and reimburse him. That is a desirable clause. We all have neighbours—some good, some bad. The Bill will require careful attention in Committee. It is definitely a Committee measure. One could not think of rejecting the Bill on second reading; but there is in it a good deal that I do not like, and a good deal of which I am afraid, and a good deal that cannot be policed. However, it is time to improve things. Boards need not accept the conditions of the Bill if it becomes law. The matter is optional. Boards need not appoint officers. One feature I would like to see cleared up is the burning season. The Bill lays down that no fire shall be lighted between the 1st October and the 30th April. That is absolutely useless for the South-West. I hope the Minister will take note of this question: does the Bill override the power of local authorities to fix their burning period, or shall I say their close period? At present that is done by local authorities, who decide that burning shall stop on a certain date and not commence again until a certain date. Where I come from not an acre of ground could be burnt to-day. Our burning season does not stop until the 1st December, and starts again on the 1st March. In Mr. Thomas Moore's district a fire could have been lit two months ago. What suits one district

does not suit another. I support the second reading.

HON. H. V. PIESSE (South-East) [5.52]: I am delighted that the Minister for Lands introduced this Bill. For many years the various associations in the South-East Province have been pressing for such a measure. I have listened with great interest to the various speeches of hon. members, who all seem to be afraid of the powers proposed to be given to the fire-fighting boards. I saw the Denmark fire of a year or two back. I arrived there on the day the fire was in full force, and I was greatly impressed with the organisation of the local road board with regard to the fire. The secretary of the board took up his position in the office, and was available for messages from all over the district. He carried out the work of organisation with the aid of the police, the Main Roads Board, and local settlers. The fire was rampant, running from treetop to treetop. In some places it was four or five chains ahead of the burning grass. The tops of the trees were burning, and the undergrowth was not alight for two or three chains behind the big fire. Unquestionably, had it not been for the organisation of the Denmark Road Board, the town of Denmark would have gone up in flames on the Wednesday night. The board decided to burn back from that town—an important decision. That is what is going to take place when boards are appointed throughout the country districts. One has only to see such a fire as that at Denmark to realise the necessity for a controlling influence and properly trained men to deal with fires. In my own district I have seen some large grass fires. I remember an extensive fire which, had we been brave enough to burn off 600 or perhaps 1,000 acres, could have been checked, and by which there would have been saved some thousands of pounds' worth of produce and hay and grass. In fact, one man was burnt to death in that fire. Horses also were destroyed. The Minister is to be congratulated on the powers he has embodied in the Bill. The boards to be appointed in country districts will be selected by the road boards, or if those boards do not act, appointed by the Minister. We know that the various local authorities are elected by their fellow

ratepayers and fellow citizens, and surely those boards would be able to select the right men for this work. If they should by any chance make a mistake and appoint an officer who runs away with excitement and does foolish things, his position would not remain stable for long. One night many years ago, in the town of Katanning, a hostel was on fire, and there was a 5,000-gallon tank full of water available. Men were endeavouring to put the fire out, and some of them were baling out of the top of the tank through a small manhole. Then one man said, "I'll show you how to get the water out of this tank!" He took a pick and hit the tank once, with the result that the water all rushed out. That sort of thing might occur in connection with the proposed boards, but if we do not give this legislation an opportunity to function in the country we shall be making a mistake. The measure will prove highly important to residents of the country districts. With the top-dressing that is now the general practice our grass lands are improving, and the menace of fire is getting greater yearly as we carry on the development of our grazing areas. I was at Denmark some time after the fire, and talked with Captain Price, who is a resident of Nornalup. He told me that on one occasion he saw a tourist travelling through the district in a motor car throw a lighted cigarette out of the car on the reserve at Denmark, with the result that a fire started at once. Undoubtedly it is important that people should be brought into line as regards throwing lighted cigarettes and matches down in bush country. I shall be asked, how is the practice to be stopped? Fine the offenders! There was a case in point at Nornalup. Captain Price saw the case occur, and saw the fire start. He at once went on the reserve and pulled the bush down, thereby extinguishing the fire straight away. Unless the measure lays down stringent conditions to assist in stopping fires, it will hardly be worth putting on the statute-book. The Kojonup Road Board has asked me to move a number of small amendments. They are not far-reaching, as they deal more with road board conditions. I repeat that thanks are due from the country people to the Minister for Lands for having introduced the Bill, which I support whole-heartedly.

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

BILL—INCOME TAX ASSESSMENT.

In Committee.

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

Clauses 1 to 4—agreed to.

Clause 5—Definitions:

Hon. H. SEDDON: I move an amendment—

That after the definition of "special tax Act" a further definition be inserted as follows:—"Spouse" means the husband or wife of the taxpayer.

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

Clauses 6 to 55—agreed to.

Clause 56—Depreciation:

Hon. V. HAMERSLEY: I should like to ask the Chief Secretary for an explanation as to why "plant" is to include "animals used as beasts of burden or working beasts in a business other than a business of primary production." Why should the primary producer be robbed of his deduction?

The CHIEF SECRETARY: The position is that "livestock" does not include animals used as beasts of burden or working beasts in a business other than a business of primary production. It is limited to primary production. There is a very good reason for that. The effect of the inclusion in the livestock schedule of livestock so used by primary producers is to grant to the primary producer a deduction for any losses incurred in respect to such animals in the year it is sustained, and not over the period the animals are used in the business. If an animal is purchased for £40 and is sold for £5 the £35 loss is allowed in the year the animal was sold. Similarly if such an animal should die the loss is allowed in the year in which the animal died. The full loss incurred by the primary producer is allowed in all cases. The hon. member referred to the question of depreciation. A difficulty confronting the department in this regard is to separate the cases in which primary producers have stock only for the purpose of working their properties and those in which the primary producers also deal in stock. Some men enter extensively into the breeding of horses while others have only one or two. For that reason it is considered better to include animals in the livestock schedule as provided in the Bill where any profits or

losses arising therefrom can be properly dealt with.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. V. HAMERSLEY: I move an amendment—

That in lines 2 and 3 of Subclause (2) the words "other than a business of primary production" be struck out.

The CHIEF SECRETARY: On this point the provision in the Bill is to be found in every other taxing Bill throughout the Commonwealth. There is very good reason for it, as I explained before tea. If members will look at the definitions of "trading stock" and "livestock" they will see there is a distinction made as between livestock used in the ordinary course of business and livestock used by the primary producer. Livestock used in ordinary business is not brought to account in the same way as is done by a primary producer, and consequently the owner of that stock is allowed a deduction for depreciation. As for the primary producer's livestock, it is brought into account at the beginning and the end of each year, and should there be any losses of livestock, the farmer is allowed to bring those losses into account for that year. Consequently the primary producer does not suffer at all. Again, I am informed that this item is included in the various Acts of the Commonwealth in the interests of the primary producer. If it were not included in the Bill in this way, it would make the position more complicated for the primary producer than it is at present. The fact that the provision is included in every taxing measure in the Commonwealth should assure Mr. Hamersley that it is desirable.

Hon. J. J. Holmes: I think it is all right.

The CHIEF SECRETARY: So do I, but there is room, of course, for an hon. member to disagree. Still, we would be well advised to leave the clause as it stands, because the primary producer does not lose anything by it.

Hon. V. HAMERSLEY: It seems to me that where a man is working a farm by machinery he is allowed depreciation, but if he puts the same amount of money into a working team, he is not allowed depreciation, which is to his disadvantage in competition with those who are able to deduct depreciation.

Hon. L. CRAIG: The hon. member would be well advised to leave the clause as it stands. It is a very complicated business

keeping one's working plant separate from the breeding plant. I strongly advise against any change in the clause. Let the working horses be treated as the sheep are treated.

Hon. L. B. BOLTON: I, too, asked the Minister for an explanation, and I am now satisfied to leave the clause as it is. I work some of my stock and I use others for breeding and for sale.

Hon. V. HAMERSLEY: With the permission of the Committee I will withdraw my amendment.

Amendment by leave withdrawn.

Hon. C. F. BAXTER: I move an amendment—

That there be added at the end of Subclause (2) the words "and also fences, dams, and other structural improvements (not being improvements for domestic or residential purposes) on land which is used for the purposes of agricultural or pastoral pursuits."

While the primary producer is permitted under the Federal Act to deduct depreciation on fences and dams and other structures used in agricultural or pastoral pursuits, the Bill does not provide for such a deduction. It is contended that if depreciation be permitted by the Commonwealth Act, it is only equitable that the same deductions should be made in the Bill. That is really what my amendment means.

The CHIEF SECRETARY: I hope the Committee will not agree to the amendment. On listening to Mr. Baxter one would assume that a primary producer should be entitled to depreciation and also to a deduction for repairs and maintenance. He cannot have both. The Bill as it stands is very fair, because one is allowed repairs and maintenance as deductions. The provision in the Commonwealth Act is not much better from the point of view of the primary producer. We would be unwise to alter the provision in the Bill. Under the Commonwealth Act one can only take into consideration the margin between the cost of repairs and the capital value, and it would be difficult for the ordinary farmer to work out the sum, even on the basis suggested by Mr. Baxter. Queensland has a modified provision dealing with water conservation. We would be wise to leave well alone.

Hon. L. CRAIG: I agree with the Chief Secretary. The depreciation of fences gives more trouble than it is worth. In the maintenance of a fence on a farm, the work is done out of ordinary wages. If it is neces-

sary to buy a coil of wire, that is charged against repairs. All repairs and maintenance of fences are used in the profit and loss account as deductions against profits. If a man is going to claim depreciation on account of his fences, he cannot be allowed to use the farm labour as a deduction. The ordinary wages on a farm can be employed to keep the fences in perfect repair. If a fence falls down, a man can put up a new one, call it a repair, and make the necessary deduction. If he is allowed depreciation, he will have to charge that work up to capital expenditure and in the end he will not benefit. In bookkeeping it is difficult to charge the maintenance of fences to capital expenditure. We cannot have it both ways.

Hon. C. F. BAXTER: Mr. Craig is talking of something about which he knows nothing. The amendment refers to new work done in order to increase the income from the property. It has nothing to do with repairs or maintenance.

Hon. V. HAMERSLEY: Every year after a fence is put up it depreciates in value, and repairs have to be made to it. There is depreciation over the whole line of fence which does not come under the heading of repairs. The condition of the fence is always taken into consideration by a purchaser of the property. The same thing applies to the buildings. It is wrong that people who have effected the necessary improvements should be debarred from any allowance for depreciation. Every business place gets such an allowance, but not the farmer.

Hon. G. B. WOOD: What would happen if the water in a well or a dam became salt? Surely that would be depreciation in the value of the water supply?

Hon. E. H. ANGELO: I should like to know whether the Federal Act allows taxpayers to make deductions both ways. The Chief Secretary said the Bill followed closely the Commonwealth Act, but in this particular it departs from it.

The CHIEF SECRETARY: The Bill is not a move on the part of the Government to bring our taxation laws into conformity with those of the Commonwealth. The intention is as far as possible to bring about uniformity with all taxation laws of the Commonwealth and of the States. Certain clauses of the Bill are similar to the Commonwealth provisions and yet may differ from the laws in the other States. Other clauses may be in accord with all the States but not in accord with the Commonwealth, and some may be

in accord with some of the States, and with the Commonwealth laws. The Federal Act only allows depreciation that cannot be made good by repairs and maintenance. Most farmers would experience difficulty in arriving at what that difference is. The object of maintaining a fence is to keep it in a condition to do the job required of it. If it is doing that, there is no depreciation or lack of efficiency about the fence. The farmer is allowed to make deductions for repairs.

Hon. L. B. BOLTON: There is a difference between a fence and a man's water supply. In the case of a fence, it is necessary to keep it 100 per cent. efficient. If any depreciation occurs in the water supply, that cannot be effected by means of a repair. A man may put in a 5,000-gallon galvanised iron tank. That very rapidly depreciates in value.

Hon. L. Craig: You are allowed depreciation on that.

Hon. L. B. BOLTON: Suppose the water in a dam becomes salt, there would be loss of efficiency in the water supply.

Hon. L. Craig: If it becomes salt, it is a capital loss.

Hon. L. B. BOLTON: A man should be entitled to an allowance for depreciation if the water becomes salt, or if the iron tank becomes inefficient.

The CHIEF SECRETARY: Depreciation is allowed at present in the case of an iron tank. If dam water goes salt, provided that cannot be remedied by altering the drainage system, or in some other way, it will be looked upon as a loss and the farmer would be entitled to an allowance.

Hon. G. W. Miles: Suppose a duffer well was sunk?

The CHIEF SECRETARY: If the position could not be remedied it would be regarded as a capital loss, and the owner of the property would be entitled to consideration.

Amendment put and negatived.

Clause put and passed.

Clauses 57 to 60—agreed to.

Clause 61—Disposal, loss or destruction of depreciated property.

Hon. C. F. BAXTER: I move an amendment—

That a subclause, to stand as Subclause 4, be added as follows:—“Provided that where land, which is used for the purposes of agricultural or pastoral pursuits, is sold or other-

wise disposed of, any fences, dams, and other structural improvements erected or standing thereon which are included in the sale or other disposition as part of the said land shall be deemed not to be property within the meaning or for the purposes of this section."

Many structural improvements are carried out on pastoral and farming properties by members of the family, and no definite amount is charged for the work. When the property is sold, the owner cannot show the cost of the improvements. He is unjustly taxed because he is not credited with the expenditure incurred in effecting the improvements. My desire is to make provision to meet that position.

The CHIEF SECRETARY: I am advised that the amendment can have no effect in view of the fact that a prior amendment was defeated. As depreciation is not allowed on fences and so forth, obviously this amendment could not apply.

Amendment put and negatived.

Clause put and passed.

Clauses 62 to 73—agreed to.

Clause 74—Rate and taxes:

Hon. H. SEDDON: I move an amendment—

That after paragraph (b) the following new paragraph be inserted:—" (c) for Federal income tax."

If the amendment be agreed to, the clause will be in conformity with the section in the existing Act. I cannot see why the State Government should not allow a deduction in regard to Federal taxation as in the past.

The CHIEF SECRETARY: Yesterday I went to a good deal of trouble to explain to members the effect of this particular concession if agreed to. If members realise just what it will mean, they will oppose it. We cannot get away from the fact that the Commonwealth Government entered the income tax field at a very late date, long after that form of taxation was imposed by the State. I showed yesterday that if we agree to the amendment, Commonwealth revenue will benefit at the expense of State revenue. That is not a fair proposal.

Hon. J. J. Holmes: How will the Commonwealth benefit at the expense of the State?

The CHIEF SECRETARY: I dealt fully with that position last night and I do not desire to indulge in repetition. I would re-

fer the hon. member to paragraphs 580 and 581 in the report of the Federal Royal Commission on Taxation, in which reasons are advanced for their recommendation that Federal income tax should not be included as a deduction. Western Australia is the only State where that deduction is allowed, and even then it applies only to individuals and not to companies. If we agree to the amendment, it will represent a considerable sum. The effect of the deduction of Federal income tax from State assessments will be to increase the Federal income tax payable by the taxpayer for, if the deduction be agreed to, it will mean that while his assessment will be that much less, his taxable income will be that much more. That would mean we would reduce the State revenue to the benefit of Commonwealth revenue. The benefit derived from the deduction would be very small, and would benefit only about 900 people who are in receipt of the larger incomes. For the sake of uniformity, it would be better to agree to the recommendation of the Royal Commission.

Hon. H. SEDDON: As I understand the Minister's explanation, the advantage would be spread over a comparatively small number of taxpayers and they would be those in receipt of the higher incomes. Nevertheless, as the item represents expenditure incurred by the taxpayer in the course of earning his living, he should be allowed to deduct the Federal tax as he is allowed to deduct the State tax. The fact that Western Australia is the only State that makes the allowance shows that it has been treated more fairly than any of the other States. The taxpayer should be entitled to this benefit when making up the State return just as he receives it as when he is making out his Federal return.

Hon. L. CRAIG: The question is whether the Federal income tax is a legitimate reduction. Is it used in the production of income? The answer must be in the negative. It has been allowed in the past and we must look upon it rather as a concession than as a right. The main objective of the Bill is uniformity throughout the States. Looking at it logically it would affect me materially, but taxes are a legitimate appropriation of profits. The Government in effect says. "You have £1,000 or £2,000, and we want our proportion by way of taxation." It is an appropriation and not a definite charge

against the earning of income. Therefore much to my sorrow, and much as I hate doing so, I approach this coldly and conscientiously and I oppose the amendment.

Hon. H. S. W. PARKER: As far as possible we must be reasonable. I should imagine that Mr. Craig with his income would have a large tax to pay; but assume that the next year there is a drought. Then he will be in the unfortunate position of having to pay the whole of his income for the tax of the previous year. Thus he would have nothing at all, because every penny would have to be devoted to the payment of the tax.

Hon. L. Craig: That happens to-day.

Hon. H. S. W. PARKER: A man should not have to pay on an income that is wholly or even partially eaten up by the amount of tax he has paid on his previous year's income. So it would be reasonable to deduct the tax he has paid. It may be that the tax will have to be increased, but that would be more reasonable. What we hear about uniformity is so much bunkum. Are we in line with the other States? If we have the same rate, then we are, but if we are not in line with them, the local taxpayers have a considerable amount for which to thank the Government because we know when putting in our returns we think we are being assessed on exactly the same basis as the other States and the Commonwealth, whereas we find we are not.

The CHIEF SECRETARY: I have already pointed out that if the Bill be agreed to there are certain concessions that will be granted. Some concessions that apply to-day will be withdrawn, and in our endeavour to secure uniformity the Government has to give up what will amount to a considerable sum of money, though at the same time it will receive another fairly considerable sum from sources that previously did not yield anything. On a balance it will mean an increase to the Government, and it has been estimated that increase will amount to some thousands of pounds. The Commissioner of Taxation informs me that the increase will represent approximately £15,000. Say Mr. Seddon paid £10 Federal income tax and he was allowed that as a deduction, it would only reduce his taxable income by £10, and if the rate of tax happened to be 6d., it would make a difference of only 5s. in the State tax, a very small sum that would not be worth worrying about.

Hon. G. W. MILES: My view is that the Government must get revenue, and as pointed out by the Minister it will mean about £15,000. We were the only State in the Commonwealth that was allowed to make this deduction in the past, and that was one reason why we could not get the grants that we wanted from the Commonwealth. Therefore we must bring ourselves into line with the other States. Then if we agree to the amendment we will get another that will give us a three-years deduction instead of two off our losses. How can the Government give us the concessions it is proposed to give if we take the £15,000 away? I oppose the amendment.

Amendment put and negatived.

Clause put and passed.

Clauses 75 to 77—agreed to.

Clause 78—Gifts and contributions:

Hon. V. HAMERSLEY: I move an amendment—

That at the end of paragraph (a) there be added "an agricultural or horticultural society."

This clause refers to deductions for gifts of the value of £1 and upwards to hospitals, benevolent institutions, public bodies engaged in research, universities, etc. It is equally important that agricultural and horticultural societies should be included because those bodies are doing wonderfully good work for the community. Year after year they spend considerable sums in trying to build up their districts by giving prizes to encourage the improvement of stock and fodders, and doing other valuable work of that kind. We know already what they have done in the direction of improving the wool clip. Whereas sheep used to give us on an average 3 lbs. of wool we are now getting between 7 lbs. and 8 lbs. Our wheat production also has been similarly improved, and all that is of benefit to the community. To encourage the continuation of that good work we should give the societies I have mentioned every consideration.

The CHIEF SECRETARY: I do not minimise the importance of agricultural and horticultural societies or the value of the work done by them. On the other hand, we are faced with the position that only after years of work and exhaustive inquiries by the Royal Commission have we been able to present a Bill that will secure uniformity. The Royal Commission recom-

mended deductions for contributions to the organisations enumerated in the Bill and deliberately deleted those mentioned in the amendment. I do not think any other State allows such contributions as a deduction. How many such societies would there be?

Hon. L. Craig: From 70 to 80 agricultural societies.

The CHIEF SECRETARY: We can assume there are 20 horticultural societies. To allow as deductions the contributions to 100 societies would represent a considerable sum. I cannot imagine any supporter of an agricultural society refusing to contribute because he did not receive a deduction for income tax purposes. Suppose the individual contribution was two guineas or even ten guineas.

Hon. L. Craig: You are very generous.

The CHIEF SECRETARY: Perhaps members are generous in their own electorates, though I do not suggest that the amendment has been moved to relieve members of Parliament.

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

Ayes	10
Noes	14
Majority against	4

AYES.

Hon. C. F. Baxter
Hon. O. G. Elliott
Hon. V. Hamersley
Hon. J. J. Holmes
Hon. J. Nicholson
Hon. H. V. Piesse

Hon. H. Tuckey
Hon. C. H. Wittenoom
Hon. G. B. Wood
Hon. E. H. Hall
(Teller.)

NOES.

Hon. E. H. Angelo
Hon. L. B. Belton
Hon. L. Craig
Hon. J. M. Drew
Hon. G. Fraser
Hon. E. H. Gray
Hon. W. H. Kilson
Hon. J. M. Macfarlane

Hon. W. J. Mann
Hon. G. W. Miles
Hon. T. Moore
Hon. H. S. W. Parker
Hon. H. Seddon
Hon. E. M. Heenan
(Teller.)

Amendment thus negatived.

Clause put and passed.

Clause 79—Concessional deductions:

Hon. C. F. BAXTER: I move an amendment—

That the following proviso be added to paragraph (b):—"Provided further that where there is no Government school within the meaning of the Education Act, 1928, within a distance of ten miles from the taxpayer's place of abode, and the taxpayer maintains his child or children elsewhere than in his place of abode in Western Australia for the purpose of providing for the education of such child or

children, a deduction of one hundred pounds, in lieu of a deduction of sixty-two pounds as aforesaid, shall be allowed under this paragraph in respect of each child so maintained while such child is one to which this paragraph applies."

The amount of £65 allowed for each child under 16 wholly dependent on the taxpayer is equitable except to taxpayers so placed that no provision is made for the education of the children. Those people are at a great disadvantage as compared with others in the matter of educational facilities. The amount involved by the proposed concession would not be great, and the amendment would be some encouragement to people who go into the remote parts to develop the country.

The CHIEF SECRETARY: We can all agree with Mr. Baxter's sentiments, but that is as far as I personally can go. Mr. Baxter's amendment will have a much greater effect than he has intimated. One need only travel through the north of the State to realise the number of people distant more than ten miles from a Government school. Many of the children so situated are educated through the correspondence classes, which I understand are proving highly successful, so much so that other countries are copying the system. Where the parents are not in a strong enough position financially to send their children away to school, recourse must be had to the correspondence classes. I do not know what number of children would come within the scope of the amendment, but I think it is fairly large. Assume that it is 300. Then the deduction involved in the amendment would mean £10,000 annually. The State simply cannot afford it. Western Australia should be the last country to take the initiative in a matter such as this. Let us leave well alone.

Hon. H. SEDDON: One aspect of the amendment which should receive consideration is that in the North-West the proposed concession would be highly valuable, especially to people who have to send their children to schools in the South, which means a heavy burden. The children cannot obtain higher education in the North.

The Chief Secretary: This is a question of primary education.

Hon. H. SEDDON: Anyone who has visited the North-West must favour the amendment.

Hon. L. CRAIG: There is something in the amendment, but I would like to cut out

the distance. Correspondence schools are suitable up to the age of about 12 years. However, it is highly necessary, not only from the aspect of pure education but from the aspect of children getting away from stations and meeting other children, which is as much part of education as learning from books is, that additional facilities should be provided. I know from the experience of my brothers that the expense involved in sending children from the North to schools in the South is colossal, especially where the children have no relatives in Perth and therefore steamer fares have to be incurred twice a year. The annual expense is considerably more than £100. The distance of ten miles proposed in the amendment is not reasonable, and therefore I move an amendment on the amendment—

That the words "further that where there is no Government school within the meaning of the Education Act, 1928, within a distance of ten miles from the taxpayer's place of abode, and" be struck out.

That would eliminate the factor of distance. The concession would apply to people in the North and some people in the farming areas.

The CHAIRMAN: It occurs to me that the amendment on the amendment is incomplete. There is no restriction as to age.

Hon. L. Craig: But we are dealing with children up to 16 years of age.

The CHAIRMAN: But not with children under the age of six years. A child might be sent away to school at the age of three.

Hon. L. Craig: But that is not likely.

The CHAIRMAN: The deduction in the amendment is proposed for children under 16 years of age. The amendment on the amendment leaves the deduction open for children from birth.

Hon. G. FRASER: Another point which has not received consideration is that the carrying of the amendment on the amendment would mean that the deduction could be claimed for all children, irrespective of whether any educational facilities were provided at their home town. Even if such facilities were provided, some parents might want to send their children away to the city.

Hon. W. J. MANN: If the amendment on the amendment is carried, it will mean that if I am living in a country town and decide to send my children not to a city school but to the nearest school, I can claim £100. That does not seem right. I cannot support the amendment on the amendment.

Hon. L. Craig: Further consideration of the clause might be postponed.

Hon. E. M. HEENAN: There is not much involved either in the amendment or in the amendment on the amendment. I agree with the Chief Secretary that the proposal has some merits, but my idea would be to insert another subclause allowing £50 as a deduction in respect of any amount paid for travelling expenses of children obtaining their education away from home.

The CHAIRMAN: It would be better to move to insert a specific subclause.

Hon. C. F. BAXTER: The amendment. I moved means practically nothing to the Government in the way of revenue. Taxation on £11,000 would not amount to much per annum. Mr. Craig's amendment is too far-reaching. Although people have educational facilities provided for them, if they prefer to send their children elsewhere they will receive the allowance, and I do not agree with that. But the people my amendment will affect are those who have not had facilities provided.

The CHIEF SECRETARY: The position seems to get worse as we go on. I do not agree with Mr. Baxter's amendment; consequently I cannot by any stretch of imagination be expected to agree to Mr. Craig's proposal which, as Mr. Baxter has pointed out, is too wide. I wonder whether the hon. member has considered that under his proposal it would be quite possible for a taxpayer in Northam, Albany or Bunbury, or wherever there is a high school established to send his children to school in Melbourne or Sydney and then get a reduction.

Hon. L. Craig: It would cost him £300 to do that.

The CHIEF SECRETARY: I do not care what it would cost. Is it fair that an allowance should be made?

Hon. L. Craig: That is an extreme case.

The CHIEF SECRETARY. I do not think the hon. member realised how far-reaching his amendment would be. In view of the great division of opinion, I would suggest that further consideration of the clause be postponed.

Hon. G. W. Miles: It would give a concession to the wealthy man.

The CHIEF SECRETARY: I am sure the hon. member did not mean his amend-

ment to have the implications it would have.

Amendment on the amendment put and negatived.

Hon. J. M. MACFARLANE: The Bill provides for an allowance of £62 for a taxpayer who has to send his child away from home. I take it that that means permanently away from home, because I believe the Education Department makes provision for such cases as Mr. Baxter's amendment provides for. Charabancs and trains are run for the benefit of children who have to travel to distant schools, but they are not going away permanently. Therefore what expense is the taxpayer put to in a case like that, if the Education Department pays the cost? The allowance made is for those sending their children away permanently. I have sympathy with the parent who is right away in the North-West.

Hon. H. V. Piesse: Why the North-West?

Hon. J. M. MACFARLANE: Or other places that are inaccessible and which isolate the children. To that extent I am in sympathy with Mr. Craig and I would like to give concessions to the parents in such places, but I cannot see why the amendment of 10 miles should be supported in respect to people in country areas, where facilities are provided. I cannot see to what expense parents would be put.

Hon. E. H. ANGELO: If the carrying of Mr. Baxter's amendment will have the effect that the Chief Secretary says it might have, I am not going to vote for it, because we do not want to assist parents to send their children to the Eastern States.

The CHAIRMAN: The Chief Secretary was referring to Mr. Craig's amendment.

Hon. E. H. ANGELO: I am in favour of Mr. Baxter's amendment if it is going to assist children in the backblocks to be sent to school. It is all very well to laugh about the North-West but we have people there handicapped through not being able to send their children away to be educated.

Hon. H. Tuckey: That applies all over the State.

Hon. E. H. ANGELO: The same condition obtains in the Murchison and elsewhere. Two great drawbacks to the settlement of the Far North have been the absence of proper medical attention and schooling. The Government has gone a long way towards getting rid of the first ob-

jection by providing flying doctors and better medical facilities, but the want of proper education still exists. Pioneers do not like to go there with their families if they are debarred from giving their children proper education. The Minister has expressed sympathy with the amendment. Let him show practical sympathy for outback people and agree either to this amendment or to one with a different wording which will have the desired effect of enabling those in the outer areas to obtain a little help towards sending their children to school.

Hon. T. MOORE: In many country areas the Government has acceded to the request to provide bus services in lieu of schools. Where parents have been given that privilege, no further deduction should be allowed. I do not see why the hon. member needs the reference to 10 miles in the amendment. I suggest that the proviso should read "Provided further that where there is no Government school within the meaning of the Education Act and the taxpayer maintains his child or children elsewhere—" From then on the wording is all right. We want a deduction for those people who have to send their children away but not for those who do not have to. There are a lot of people in my district who are entitled to this consideration. It might be advisable to report progress to enable us to get an amendment framed that will suit the House, seeing that the Minister is in sympathy with the amendment.

The CHIEF SECRETARY: I said I was in sympathy with the sentiment behind the amendment. There is a great deal of misapprehension in regard to this point. Mr. Macfarlane seemed to suggest that this was an exemption that would apply only where children were sent away to school, but the £62 applies whether a child is sent away or not. Mr. Baxter's amendment has the same disability as that of Mr. Craig, in that it does not limit the place to which the child may be sent to be educated.

Hon. T. Moore: Another clause in the Bill does.

The CHIEF SECRETARY: No, this must stand on its own. If the amendment were agreed to any person who sent his child to Melbourne or Sydney or England would be entitled to an increased deduction of £100. In any event, there is a little more in this than one would have thought when the subject was first introduced, and so it

might be just as well if my previous suggestion were carried out.

[Hon. G. Fraser took the Chair.]

Hon. J. CORNELL: This is a subject that materially affects the people of the province I represent. I want to plead on their behalf that they could not afford to send away their children if they did get the deduction. What the parents down there are endeavouring to do is to make up the difference between the assisted schools and the teacher's salary. If some machinery could be provided by which the parent could put his hand in his pocket to educate his children it would be very satisfactory, but even so it could only assist those people who could best afford to help themselves.

The CHIEF SECRETARY: Even though it might be desired to do something to ease the position in the case of those who send their children away, I hardly think an income tax measure is the proper machinery for it. I move—

That further consideration of the clause be postponed.

That will give opportunity for further consideration.

Motion (postponement) put and passed.

Clause 80—Losses of previous years:

Hon. C. F. BAXTER: I move an amendment—

That in line 2 of Subclause 2 "three" be struck out and "four" inserted in lieu.

The Federal people have adopted the period of four years, and I do not see why this State should not adopt the same period.

The CHIEF SECRETARY: This is an amendment I must strenuously oppose. It would mean a loss of revenue. Moreover, no other State has given its consent to a period exceeding three years. The giving by the Commonwealth of a bigger concession than is set by the States is to be attributed to the fact that the Commonwealth does not have the same financial problems as the States have, particularly Western Australia. The effect of such an amendment on the revenue, I am told, would be tremendous. There is no reason why this State should break away from the practice of the other States.

Amendment put and negatived.

Hon. C. F. BAXTER: I move an amendment—

That Subclause 4 and its proviso be struck out.

This subclause is distinctly unfair. Some years ago this Parliament agreed to three years but unfortunately, through a defect in drafting, the intention of Parliament was not achieved. Persons affected by Subclause 4 cannot control their income. A company shall not be allowed losses incurred prior to the first year of income. The subclause applies only to two years, and a person other than a company shall only be allowed losses incurred in the two years next preceding the year of income.

Hon. H. SEDDON: The Bill can only operate from the time it is proclaimed. If we are going to carry the period beyond two years, probably it will involve the Government in considerable losses.

The CHIEF SECRETARY: When I say that the amendment means tremendous losses to the Government I want the Committee to believe that it really is so. As the Bill stands at present it is a very big concession to taxpayers in this State. For the first time companies other than pastoral companies will be entitled to this deduction, and that alone will mean a big loss of revenue. Again we have extended the period from two years to three years, which will mean additional losses to the Government. We have had to adopt the same procedure as the other States have adopted and bring in the change gradually, as stipulated in the proviso. It will take a company three years to arrive at a maximum, but for individual persons it will mean only one year. This has nothing to do with averages as suggested by Mr. Baxter. The principle is quite different. This deals with the deductions of losses from previous years, if a man has an income on which he pays income tax in any one year. I hope the amendment will be defeated.

Amendment put and negatived.

Clause put and passed.

Clause 81—Statutory Exemption.

Hon. H. SEDDON: I move an amendment—

That after "husband" in line 6 the words "or a widow or widower with children or dependants" be inserted.

A widower with children often has to keep a housekeeper, and thus is in the position of

a married man. He should be treated in the same way as a married man. If a widow has to keep children she also is entitled to the same concession.

The CHIEF SECRETARY: There is a difference between a married taxpayer and a widow or widower. The exemptions were originally provided for a married man because he has also to keep his wife. No one can claim that a widower is in the position of a married man. Such an amendment as this would not be found in any State or Commonwealth taxation law.

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

Ayes	14
Noes	6
Majority for	8

AYES.

Hon. E. H. Angelo
Hon. L. B. Bolton
Hon. J. Cornell
Hon. L. Craig
Hon. C. G. Elliott
Hon. V. Hamersley
Hon. J. J. Holmes

Hon. T. Moore
Hon. J. Nicholson
Hon. H. V. Plesse
Hon. H. Tuckey
Hon. C. H. Wittenoom
Hon. G. B. Wood
Hon. H. Seddon
(Teller.)

NOES.

Hon. J. M. Drew
Hon. E. H. Gray
Hon. E. H. H. Hall

Hon. E. M. Haenan
Hon. W. H. Kitson
Hon. G. W. Miles
(Teller.)

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

Clauses 82 to 101—agreed to.

Clause 102—Income of deceased received after death:

Hon. H. SEDDON: I move an amendment—

That the following proviso be added:—
“Provided that this section shall not apply if the estate of the taxpayer is liable to death duties under the Death Duties Act, 1934.”

Under the Income Tax Act, income tax was not assessed on a taxpayer during the year in which he died. Under the Bill income tax can also be taken on such portion of the deceased's income as comes into the possession of his executor after death. The tax is first of all raised on the income the man enjoyed whilst living, and on that portion of his income which is paid into his estate after death, and that sum also bears probate duty. In the case of probate duty there is an exemption up to £200, but up to £500 the duty is one per cent., and up to £1,000 is two per cent. and so on. The amendment is a fair one.

The CHIEF SECRETARY: I question if it is a fair amendment. The same principle is involved as was involved in the case with which I dealt exhaustively last night. I refer to incomes received in the year during which the taxpayer died. In this case we have a taxpayer who says, “I am prepared to pay income tax on my income provided I receive it, but on anything I do not receive in cash I am not prepared to pay up to the present.” He makes an arrangement to that effect. It would apply particularly in connection with professional men who receive fees for services rendered.

Hon. G. W. Miles: Is he not supposed to include his book debts?

The CHIEF SECRETARY: He could make an arrangement with the Commissioner of Taxation. The Commissioner of Taxation would agree to the arrangement, but if that man died, any amounts received after his death would be subject to taxation. That is the correct way to put it, shorn of all frills. It is not a question of double taxation, as Mr. Seddon suggests. In those circumstances, it is fair that the executor should pay taxation on amounts received after the death of the principal.

Hon. L. Craig: The money is also included in the corpus, but he pays twice on the same amount.

The CHIEF SECRETARY: He would have to pay in any event.

Hon. V. Hamersley: But has he to pay probate duty on it as well?

The CHIEF SECRETARY: If we agree to the principle underlying the amendment, we will create a very fine distinction between the man who dies on the 30th June and the man who dies on the 1st July. The man who dies on the 30th June will not have his income for that year assessed. That is most illogical.

Hon. J. J. Holmes: What will happen when you tax him out of existence?

The CHIEF SECRETARY: He will certainly be gone then. I do not regard the amendment as fair, taking all the circumstances into consideration.

Hon. V. HAMERSLEY: I support the amendment. I know of one instance, of which there are many similar cases, in which a man died in the middle of January, and after his death an amount of £1,000 was paid to the credit of his estate. It was taken into capital, and probate duty had to be paid on it. The widow was not permitted

to use the money as income, because it had to be regarded as capital. Probate duty, State and Federal, had to be paid out of that amount, and, under the provision in the Bill, the Commissioner of Taxation would claim his quota as well.

Hon. H. SEDDON: The Federal system is the more considerate. Where State probate duty is charged, the Federal authorities do not assess the amount for income tax purposes. All I ask is that income that is regarded as capital on which probate duty is charged shall not be regarded as income for income tax purposes. That is what my amendment means.

Hon. G. W. MILES: As I understand it, the taxpayer could make an arrangement with the Commissioner of Taxation to pay tax on the cash income, and the professional men would put in their book debts. Should such a man die having £1,000 owing to him, he would not have to pay income tax, but the amount would become part of his estate after death, and probate duty would have to be paid on it. But he does not pay income tax.

Hon. H. Seddon: Yes, he does.

Hon. G. W. MILES: Not according to the Minister's explanation.

The CHIEF SECRETARY: The trustees would pay income tax on that amount. Probate duty would be collected in any event.

Hon. G. W. MILES: In that case I did not understand the Minister, and I think Mr. Seddon is right.

The CHIEF SECRETARY: The actual position is that by arrangement with the Commissioner of Taxation the taxpayer can—

Hon. H. Seddon: You are taking a specific case. Take a general case, such as that of storekeeper.

The CHIEF SECRETARY: A storekeeper may make an arrangement with the Commissioner of Taxation to pay on a cash basis. In that event, any cash the storekeeper does not receive in the year of assessment would not be taxable. If he does not make that arrangement then the amount would be taxable.

Hon. J. J. Holmes: Why should one section of the community be allowed to make that arrangement?

The CHIEF SECRETARY: It is permitted under the Act.

Hon. J. J. Holmes: Then it should be stopped.

The CHIEF SECRETARY: Having made that arrangement with the Commissioner, so

long as the arrangement continues, it means that outstanding debts that are paid must be taxed after death. That arrangement might continue for 20 years. Should amounts be collected after the death of the taxpayer, the Commissioner of Taxation would certainly claim taxation on such amounts, but probate duty must be paid in addition in any event.

Hon. G. W. MILES: Take the position of a man who is running a business. He enters into an arrangement with the Commissioner, as has been suggested. He writes off debts representing £1,000. That amount is deducted from his income for taxation purposes under the arrangement with the Commissioner. When he dies, the businessman's estate is decreased by £1,000 because of the debts written off. He pays probate duty on the net amount of the estate. If the trustees should collect any of those back debts, taxation should certainly be paid.

Hon. H. Seddon: And he would also pay probate duty.

Hon. G. W. MILES: Not on the £1,000, because that amount has been written off. It is very difficult for a layman to understand the position, and if some members have had experience, they should enlighten us.

The CHIEF SECRETARY: Both classes of taxpayers pay the same amount under this proposal, supposing arrangements have been made with the Commissioner of Taxation. If a man pays income tax on the profit and loss basis, he pays that tax during his lifetime. If he pays on the cash basis, he pays portion during his lifetime and the balance is paid by his trustees after his death.

[Hon. J. Cornell took the Chair.]

Hon. H. V. PIESSE: If a man is carrying on business and dies on the 1st June, his profits during the current financial year are not taxable under the present Act. Probate duty is payable on all profits he has made during that year, together with the amount payable with regard to the remainder of his estate. We are now endeavouring to hit that type of businessman by making him furnish returns respecting whatever profits he made during the year, but after the individual dies on the 1st June, his estate is taxed on whatever is returned to it, and probate duty has to be paid on the same amount.

Hon. E. M. HEENAN: Suppose a man dies in September and during the nine

months ended September his income has been £750, his trustee will have to pay income tax on that amount. Then if during the remainder of the year £250 comes into the estate, an amount that he would have earned had he been alive, income tax will have to be paid on that. That is only right.

The CHIEF SECRETARY: The provision we are dealing with now is whether a taxpayer has made a definite arrangement. If he has not made that arrangement, this will not apply. Say he had made an arrangement, taxation would be paid on a cash basis, and if he had not it would be paid on a profit and loss basis and his book debts would be taken into account.

Hon. G. W. Miles: Does the clause make that clear?

The CHIEF SECRETARY: Yes, it is the uniform clause. If the taxpayer does not want his trustee to be placed in that position after his death, he should be prepared to be taxed on a profit and loss basis. Then there could be no argument.

Hon. G. W. MILES: How will other people come under the cash basis when putting in returns? I want to see every section of the community treated alike. Why are lawyers, doctors and dentists allowed to put in their returns on a cash basis and other sections of the community are not? All should be treated alike. I should like to have a similar concession and so would others. The professional men have put it over the laymen quite long enough.

Hon. J. J. Holmes: If you vote for the amendment all will be treated alike.

The CHIEF SECRETARY: It is not every person who can get this concession. It is applied automatically. The Commissioner has to be satisfied that the interests are reasonably well safeguarded. Where he does agree to it he makes it a condition that the tax shall finally be paid just as if it were paid on a profit and loss basis.

Hon. G. W. Miles: What part of the Bill enables that to be done?

The CHIEF SECRETARY: There is no specific clause in the Bill. The Bill gives the Commissioner the right to apply any method he thinks fair and equitable in the circumstances. It is not a question of an agreement being entered into; the Commissioner has to be satisfied that it is a fair proposal when the application is made.

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

Ayes	13
Noes	9
Majority for ..	4

AYES.

Hon. E. H. Angelo	Hon. J. Nicholson
Hon. C. F. Baxter	Hon. H. V. Plesse
Hon. L. B. Bolton	Hon. H. Seddon
Hon. C. G. Elliott	Hon. H. Tuckey
Hon. V. Hamersley	Hon. G. B. Wood
Hon. J. J. Holmes	Hon. C. H. Wittenoom
Hon. W. J. Mann	

NOES.

Hon. L. Craig	Hon. E. M. Heenan
Hon. J. M. Drew	Hon. W. H. Kitson
Hon. G. Fraser	Hon. G. W. Miles
Hon. E. H. Gray	Hon. T. Moore
Hon. E. H. H. Hall	(Teller.)

PAIR.

AYE.	NO.
Hon. H. S. W. Parker	Hon. A. M. Clydesdale

Amendment thus passed; the clause, as amended, agreed to.

Clauses 103 to 138—agreed to.

Clause 139—Interpretation:

Hon. H. SEDDON: There is anxiety regarding persons who carry out insurance on behalf of outside parties. Under these provisions they will be taxed 10 per cent. on their gross premium income or on their net profit. Are they likely to be placed in a worse position in future?

The CHIEF SECRETARY: The Dividend Duties Act was amended in 1931 to prevent the possibility of active opposition being offered to taxable local insurance companies by institutions exempt from taxation. The Commissioner of Taxation does not anticipate any worse effects under this measure.

Clause put and passed.

Clause 140—Income derived by insurers out of Australia:

Hon. E. H. ANGELO: The words "and is otherwise liable to be assessed under this Act" have been introduced into this clause and I am informed they do not appear in the Act of any other State. The companies have taken the opinion of King's Counsel who advised that the words were redundant, would lead to confusion and might result in dual taxation. If taxation is paid in one State, there should be no liability to pay taxation in any other State. A company might have its head office in another State and arrange for insurances to be paid there. According to this clause such a company

might have to pay State taxation in that State as well as here. The Minister has been emphatic about preserving uniformity, and perhaps will agree to have the words deleted.

The CHIEF SECRETARY: Any profit made in Western Australia should bear taxation here.

Hon. E. H. Angelo: That would be dual taxation on the same amount.

The CHIEF SECRETARY: There is an understanding between the States that taxation will be collected in one State only. I shall inquire why the words mentioned have been introduced into the clause.

Hon. E. H. ANGELO: If arrangements could be made that taxation on profits made in Western Australia would be treated as a deduction, say, in Victoria, well and good.

The CHIEF SECRETARY: The clause could not have the effect of creating dual taxation, but to satisfy the hon. member, I move—

That the further consideration of the clause be postponed.

Motion (postponement) put and passed.

Clause 141—Where insured person is a resident:

Hon. H. SEDDON: I suggest that as we have made good headway and the hour is late, the Minister might agree to report progress at this stage.

The CHIEF SECRETARY: I understand that a large number of the remaining clauses will be accepted without discussion, and I am anxious to make the greatest possible progress to-night. Clauses to which amendments are proposed will be postponed and considered at a subsequent sitting.

Clause put and passed.

Clauses 142 to 166—agreed to.

On motion by the Chief Secretary, consideration of Clauses 167 to 174 postponed.

Clauses 175 to 213—agreed to.

On motion by the Chief Secretary, consideration of Clauses 214 and 215 postponed.

Clauses 216 to 228—agreed to.

Progress reported.

House adjourned at 10.37 p.m.

Legislative Assembly.

Wednesday, 21th November, 1937.

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

QUESTIONS (2)—RAILWAY DIESEL CARS.

Additional Coaches.

Mr. WILSON asked the Premier: Will the Government give the House an assurance that no more coaches of the Diesel type will be made or imported for use on the Government railways?

The PREMIER replied: No.

Position of Employees, Running Costs, etc.

Mr. WILSON asked the Minister for Railways: 1, Regarding the routes allotted to the six new Diesel electric coaches, announced by the Commissioner of Railways—Perth to Merredin, via Kellerberrin; Perth to Merredin, via Dowerin and Wyalkatchem; Perth to Merredin, via York, Quairading and Bruce Rock; Perth to Katanning; Bunbury to Pemberton and Northcliffe, and Bunbury to Busselton; Geraldton to Mullewa, and Geraldton to Yuna—are these the total services to be provided? 2, What is the estimated number of railway employees who will be displaced by this innovation? 3, What will be the approximate cost of the foreign oil used for each journey? 4, What would be the approximate cost of native coal for each journey? 5, Is it the intention of the department to carry goods on these journeys? 6, If not, why not? 7, Is it the in-