

signifying that he intends to make a right-hand turn, but I am still of opinion that when it comes to prosecutions and paying fines, we could emulate Adelaide's example with advantage. I would like the powers—that be to take notice of my comments, because I think some action could be taken to this end. The only alternative to heavy penalties for traffic breaches is to increase the number of police patrolmen. I know from my own experience as a driver, that they do excellent work. At one time, a motorist had no need to worry much about the appearance of a patrolman, but now he is forced to be continually on the alert. I have much pleasure in supporting the motion.

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

House adjourned at 8.11 p.m.

Legislative Assembly

Tuesday, 22nd September, 1953.

CONTENTS.

	Page
Questions : Midland Railway Coy., as to shares and shareholders	657
Railways, (a) as to coaching traffic losses	657
(b) as to Mundaring-Midland service	657
(c) as to travel concession to pensioners	658
(d) as to definition of "A" class traffic	658
(e) as to economies in operating costs	658
(f) as to freight rate on superphosphate	658
(g) as to employees, wages and increases	658
(h) as to effect of increased freight rates	659
Bus services, as to purchase of North Beach Coy's. rights	659
Hospitals, (a) as to provision for Bod-dington	660
(b) as to admission of overseas seamen	660
(c) as to nationality of seamen patients	660
Roads, as to reconstruction of main thoroughfares	660
Gaol prisoners, as to number released by Minister	660
Potatoes, as to exports and prices	660
Housing, as to homes for aged and indigent	661
Entertainments tax, as to need for new legislation	661
Coal industry, as to agreement with Amalgamated Collieries, Ltd.	661
Health, as to adequacy of Bridgetown water supply	662
Bills : Entertainments Tax Assessment Act Amendment, 1r.	662
Income and Entertainments Tax (War Time Suspension) Act Amendment, 2r., Com., report	662
Entertainments Tax Act Amendment, 2r., Com., report	685

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

QUESTIONS.

MIDLAND RAILWAY COY.

As to Shares and Shareholders.

Mr. NORTON asked the Minister for Justice:

(1) Will he advise the House of the number of shares held in the Midland Railway Coy. by—

(a) shareholders in Western Australia;

(b) shareholders outside Australia?

(2) Will he state the number of shareholders in Western Australia?

The MINISTER replied:

(1) The Midland Railway Coy. of Western Australia Limited is a company incorporated in England. As a foreign company in this State it is not obliged by the Companies Act, 1943, to furnish to the Registrar of Companies any information which would supply answers to the questions asked.

The information sought could be obtained from the Companies Registry in London.

(2) It is believed that there are four stockholders resident in Western Australia and that they hold stock to the value of £1,700 out of a total paid-up capital of £593,162.

RAILWAYS.

(a) As to Coaching Traffic Losses.

Mr. HEARMAN asked the Minister for Railways:

(1) Can he advise the House of the proportion of the railway working losses attributable to coaching traffic?

(2) What portion of the working losses sustained by the coaching traffic can be attributed to the metropolitan suburban service?

The MINISTER replied:

(1) and (2) The information is not on record but an estimate is being made from the data available, and will be supplied to the hon. member as soon as possible.

(b) As to Mundaring-Midland Service.

Mr. BRADY asked the Minister for Transport:

(1) Is it proposed to cater for railway patrons on the Mundaring-Midland line by—

(a) railway, or

(b) tramway buses, or

(c) both services?

(2) If (b) or (c) services are proposed, will railway employees be given the usual railway concession rates of fares?

The MINISTER replied:

(1) Transport in this area in the future is still under consideration.

(2) Answered by No. (1).

(c) *As to Travel Concession to Pensioners.*

Mr. JOHNSON asked the Minister for Railways:

Will he re-examine the request of a deputation made to the previous Minister for Railways that a travel concession similar to that available to retired tramway employees be made available to age and invalid pensioners?

The MINISTER replied:
Yes.

(d) *As to Definition of "A" Class Traffic.*

Hon. Sir ROSS McLARTY asked the Minister for Railways:

In "The West Australian" of the 17th September, in a statement issued by the Premier, embodying an announcement that certain freights will be increased by 35 per cent. "A" class traffic is included. Would he define what is meant by "A" class traffic?

The MINISTER replied:

"A" Class traffic covers commodities which are classified as "A" Class in the Railway Department's goods rates book. The following are representative:—Bags and bagging, bark, bottles, building sheets (asbestos, cement or plaster), cement, chaff, coke, stock food, fruit, ice, fencing posts, agricultural seeds, shell grit, sulphur, tiles, hardwood timber, vegetables, fencing wire.

(e) *As to Economies in Operating Costs.*

Hon. L. THORN asked the Minister for Railways:

(1) Has consideration been given since the 1st March, 1953, to effecting economies in operating costs of the Government railways?

(2) If so, have any economies been effected?

(3) If so, what were these economies and what financial savings were, or will be, caused?

The MINISTER replied:

(1) Yes. The departmental estimates were also prepared this year in greater detail than previously to permit a very close examination of proposed expenditure before a decision on rates was made.

(2) and (3) The Railways Commission appointed a departmental committee in July to undertake a detailed staff analysis in each branch, and this investigation is proceeding. Cabinet also appointed a sub-committee of Ministers to consider all aspects of railway finances, and this com-

mittee's time has been largely taken up in readjusting the rehabilitation plans to give a more balanced programme of works with the limited finance available, and in considering the departmental estimates.

(f) *As to Freight Rate on Superphosphate.*

Hon. A. F. WATTS asked the Minister for Railways:

(1) What was the freight rate per ton for superphosphate for distances of 100 miles, 200 miles and 300 miles respectively on each of the following dates:—

(a) The 1st March, 1949;

(b) the 1st March, 1953?

(2) What will the rate be for the same distances under the new rates now proposed?

The MINISTER replied:

(1) The 1st March, 1949—100 miles, 5s. 7d.; 200 miles, 7s. 11d.; 300 miles, 10s. 3d.

The 1st March, 1953—100 miles, 24s. 9d.; 200 miles, 31s. 1d.; 300 miles, 40s. 5d.

(2) The 1st October, 1953, 100 miles, 33s. 5d.; 200 miles, 44s. 8d.; 300 miles 54s. 7d.

(g) *As to Employees, Wages and Increases.*

Hon. A. F. WATTS asked the Minister for Railways:

(1) How many persons were employed in all sections of the Railway Department on the undermentioned dates—

(a) the 1st March, 1953;

(b) the 1st September, 1953?

(2) What numbers of engine-drivers, firemen and cleaners were included at each of those dates?

(3) What numbers of carriage cleaners in respect of the metropolitan-suburban railway service were included at each of those dates?

(4) What was the total number of persons, other than engine-drivers, firemen and cleaners, employed in or about the metropolitan-suburban railway services at each of those dates?

(5) Have the amounts of wages paid to any railway employees been increased since the 1st March, 1953, other than by adjustments of the basic wage?

(6) If so, what are the increases and under what agreement or award were they granted, and to what types of personnel were they paid; and what will be the additional cost incurred over a period of one year?

The MINISTER replied:

(1) (a) 12,725.

(b) 13,291.

(2) (a) Engine-drivers—625.

Firemen—557.

Cleaners—376.

- (b) Engine-drivers—653.
Firemen—559.
Cleaners—408.

(3) (a) 18.

(b) 22.

(4) (a) 6,242.

(b) 6,518.

Includes all employees, both wages and salaried, located in suburban area.

(5) Yes.

- (6) (a) Railway Employees Award, 1950 (No. 31 of 1948): Woodworking tradesmen, painters, plumbers, panel beaters, bricklayers, storemen, etc.—amended margins.

Estimated additional cost incurred over a period of one year, £8,595.

- (b) Government Railways Locomotive Engine-drivers', Firemen and Cleaners' Award (No. 39 of 1951).

(i) Adult cleaners—amended margins. Estimated additional annual cost—£352.

(ii) Amended penalty rates to engine-drivers, firemen, cleaners, washout men, washout men's assistants, engine packers and trimmers. Estimated additional cost incurred over a period of one year—

	£
Working 65 miles or over in one direction	838
Barracks detention	14,705
Away-from-home expenses	16,397
When a sixth shift is worked	18,762
Night shift work	1,933
	<hr/> 52,635

- (c) Railways Classification Board Award (No. 2 of 1951). Re-classification of certain positions of station-masters, clerks, inspectors, foremen. Estimated additional cost incurred over a period of one year, £3,225.

(h) As to Effect of Increased Freight Rates.

Mr. NALDER asked the Minister for Railways:

Under the new rail freight rates, what will be the increases on each of the following commodities for 100 miles, 200 miles, 300 miles and over 350 miles—

- (a) wheat;
(b) other grains;
(c) wool;
(d) farm machinery;
(e) goods, Class 1?

The MINISTER replied:

	100 Miles per Ton.	200 Miles per Ton.	300 Miles per Ton.
	s. d.	s. d.	s. d.
Wheat	8 8	11 7	16 7
Other grains	8 8	11 7	14 2
Wool	20 8	29 4	34 4
Farm machinery	18 7	26 3	32 4
Goods Class 1	16 7	26 3	32 4

If the hon. member will give the mileage over 350 for which the information is desired, it will be supplied.

BUS SERVICES.

As to Purchase of North Beach Coy's Rights.

Mr. JOHNSON asked the Minister for Transport:

As the reply to my question on the 15th September reveals that a loss of £19,100 has been incurred by the purchase of provisions of the North Beach bus service, will he indicate—

- (1) Was the first approach for the transfer made by the Government or by the company?
- (2) Was the route profitable in the two years prior to transfer?
- (3) Has the route proved profitable since transfer?
- (4) Was the person who acted as valuator properly qualified so to act?
- (5) Can a case be sustained against either—
 - (a) the valuator for negligence; or
 - (b) the company for misrepresentation?

The MINISTER replied:

(1) The action taken was pursuant to proposals prepared by a special committee for the rationalisation of metropolitan passenger transport services. The committee included representatives of the Tramways Department and the private omnibus operators. Thus the general plan was agreed to concurrently by the Government and private operators. The Government then initiated action to implement that portion of the plan concerning services in the northern and north-eastern suburbs.

(2) Actual monetary results of operating the Morley Park services cannot be segregated. Two years prior to the service being taken over by the Government, it was conducted by the Federal Bus Service Ltd., in respect of which statistics showed a return per mile well below the average. During the time the North Beach Company operated the route from July, 1951, to December, 1952, returns improved and at the time of transfer the result expressed in terms of earnings per bus mile was above the average, but as segregated operating costs for each in-

dividual service are not available, it cannot be definitely stated that a profit was shown by the North Beach Bus Company on the service in question.

(3) No.

(4) The valuator employed was Mr. E. L. Baker, who is a well-known insurance assessor. He has an established business in Perth where he has been engaged in insurance assessment work concerning motor vehicles for over 30 years, during the whole of which time he has been associated with omnibuses.

(5) There is no evidence of negligence or misrepresentation, but further inquiries are being made into the details of the valuation of this service.

HOSPITALS.

(a) *As to Provision for Boddington.*

Hon. Sir ROSS McLARTY asked the Minister for Health:

(1) Has the urgent need for a new hospital, or substantial improvements and additions to the present hospital at Boddington, been recognised by the Health Department?

(2) If the need is admitted, when can it be expected that a start will be made with the improvements?

(3) If lack of finance is the reason given for the hold-up of the necessary improvements, could sufficient finance be made available, in the near future, to start the first building requirements of the hospital?

The MINISTER replied:

(1) Improvements are required at Boddington hospital.

(2) After three times calling tenders for improvements to bathrooms, lavatories and pan rooms, a satisfactory tender was received this month, which has been accepted.

(3) Answered by No. (2).

(b) *As to Admission of Overseas Seamen.*

Hon. Dame FLORENCE CARDELL-OLIVER (without notice) asked the Minister for Health:

How many overseas seamen have been admitted to—

(1) Royal Perth Hospital,

(2) Fremantle hospital,

(3) Bunbury hospital,

(4) Albany hospital,

(5) Geraldton hospital,

during the year ended the 30th June, 1953?

The MINISTER replied:

(1) Royal Perth Hospital—2,

(2) Fremantle hospital—123,

(3) Bunbury hospital—14,

(4) Albany hospital—6,

(5) Geraldton hospital—25.

(c) *As to Nationality of Seamen Patients.*

Hon. Dame FLORENCE CARDELL-OLIVER (without notice) asked the Minister for Health:

In respect of the answer given by the Minister to the previous question, will he state the nationalities of the seamen admitted to the various hospitals?

The MINISTER replied:

I have not the information with me, but will let the hon. member know later.

ROADS.

As to Reconstruction of Main Thoroughfares.

Hon. C. F. J. NORTH asked the Minister for Works:

How many miles of main roads need reconstruction to enable them to carry heavy trucks under full load?

The MINISTER replied:

The main roads of the State are being continuously and progressively repaired and improved to the extent that money for this purpose is available.

These roads are coping reasonably well with heavy trucks carrying loads up to those allowed under Australian standard regulations.

GAOL PRISONERS.

As to Number Released by Minister.

Hon. J. B. SLEEMAN asked the Minister for Justice:

How many prisoners were released from the gaols in this State by him under the section of the Criminal Code dealing with release of prisoners, for the years 1943, 1944, 1945, 1946, 1947, 1948, 1949, 1950 and 1952, respectively?

The MINISTER replied:

The number of prisoners granted remissions of sentences by the Governor on the recommendation of the Minister, for the respective years, is as follows:—

Year.	Number.
1943	34
1944	32
1945	57
1946	39
1947	20
1948	6
1949	14
1950	11
1951	3
1952	6

POTATOES.

As to Exports and Prices.

Mr. MANNING asked the Minister for Agriculture:

(1) What tonnage of potatoes has been exported from this State since the 24th July, 1953?

(2) From which districts were those potatoes drawn?

(3) What was the price received f.o.b.?

(4) What amount per ton was received for these potatoes when sold in the Eastern States and other markets?

The MINISTER replied:

(1) Six hundred and sixteen tons of No. 1 grade; 938 tons of 1A grade (small).

The total exported, to date, for the year is 14,776 tons, and it is anticipated that a further 250 tons to 300 tons will be exported before the close of the year ending the 30th of this month (September).

(2) No. 1 grade were drawn from all districts south of Brunswick Junction, with the exception of Albany.

1A grade (small) were drawn from all districts throughout the State and re-graded in the board's store.

(3) The price started at £33 per ton f.o.b. for the first shipment on the 24th July, and rose to £45 and £46 for the later shipments.

(4) As the potatoes for the shipments referred to were sold f.o.b., we have no knowledge of the price they were re-sold at in the Eastern States.

HOUSING.

As to Homes for Aged and Indigent.

Mr. WILD asked the Minister for Housing:

(1) Has he seen the report in "The West Australian" of the 17th September, wherein Senator Spooner advised Senator Paltridge that the Commonwealth had informed the State Government that it had no objection to the inclusion of housing for the aged in the State 1953-54 programme under the Commonwealth-State agreement?

(2) Will he inform the House—

(a) as to the date that representations were made to the Commonwealth regarding the housing of the aged and indigent;

(b) the date on which advice was received from the Commonwealth; and

(c) what action has been taken to implement this advice?

(3) Will he assure the House that these houses for the aged and indigent will have priority over any other new projects?

The MINISTER replied:

(1) Answered last Thursday.

(2) (a) the 8th May, 1953.

(b) the 29th June, 1953.

(c) No special funds were made available to enable implementation.

(3) Answered last Thursday.

ENTERTAINMENTS TAX.

As to Need for New Legislation.

Hon. Sir ROSS McLARTY (without notice) asked the Premier:

(1) In view of the fact that the war in which "His late Majesty was engaged" legally came to an end in April, 1952, and, in view of the provision of Section 4 of the Income and Entertainments Tax (War Time Suspension) Act, 1942, would it be correct to say that no new legislation would have been necessary to enable the Government to impose entertainments tax at the rates set out in the schedule to the Entertainments Tax Act, 1933, had it not been desired to amend the schedule to that Act.

(2) If not, why not?

The PREMIER replied:

(1) The short answer is "Yes," but I would like to amplify that with some information made available to me by the Crown Law Department, as follows:—

As the suspension under the Income and Entertainments Tax (War Time Suspension) Act ceased on 30th June, 1953, the rates prescribed by the Entertainments Tax Act Amendment Act, 1933, would, but for the present amendment, have been payable on and after the 1st July, 1953, with the result that, as the Commonwealth does not vacate the field until 30th September, 1953, tax would have been payable under both the Commonwealth and State Acts.

That is for the period the 1st July this year to the 30th September this year—

If the amendment is not passed to bridge the gap, entertainment proprietors would be liable not only for the tax under both Acts but also for penalties under the Entertainments Tax Assessment Act.

(2) Answered by No. 1.

Hon A. V. R. Abbott: Is that the Solicitor General's opinion?

The PREMIER: Yes.

COAL INDUSTRY.

As to Agreement with Amalgamated Collieries Ltd.

Mr. MAY (without notice) asked the Minister for Mines:

Regarding the agreement made between the McLarty-Watts Government and Amalgamated Collieries Ltd., whereby that Government agreed to take 60 per cent. of the State's coal requirements from that company, will he agree to lay all the papers concerning this agreement on the Table of the House?

The MINISTER replied:

Yes, I have no objection to laying the papers on the Table of the House.

HEALTH.*As to Adequacy of Bridgetown Water Supply.*

Mr. HEARMAN (without notice) asked the Minister for Health:

On the 10th September, I asked the Minister—

Is he aware that throughout the day, during certain months, no water at all is available in the higher portions of Bridgetown, and does he consider that to be a satisfactory service?

The Minister replied—

I will undertake to have the matter investigated.

Can he now inform us the results of those investigations?

The MINISTER replied:

Up to date, I have not received the necessary information.

BILL—ENTERTAINMENTS TAX ASSESSMENT ACT AMENDMENT.

Introduced by the Premier and read a first time.

BILL—INCOME AND ENTERTAINMENTS TAX (WAR TIME SUSPENSION) ACT AMENDMENT.*Second Reading.*

Debate resumed from the 17th September.

HON. SIR ROSS McLARTY (Murray) [4.52]: This is a measure to amend the Income and Entertainments Tax (War Time Suspension) Act, 1942, and, as pointed out by the Treasurer when introducing the Bill, it proposes to amend four sections of the principal Act dealing with income tax, goldmining profits tax, hospitals tax and entertainments tax. Of course, it is with the latter tax that we are now concerned. As we are dealing with four separate matters, I presume that we have a wide field to cover provided we keep within the scope of those four sections.

As the Treasurer stated, these four provisions were suspended in 1942 and they were part of the uniform tax agreement; members should keep that fact firmly in mind. Under uniform taxation, we received from the Commonwealth each year income tax reimbursement, and provision was made in it for our share of the amusements tax. I think the Treasurer has already admitted that fact. As members know, in the recent Budget speech delivered by the Federal Treasurer, he stated that the Commonwealth would cease to collect entertainments tax and he gave as his reason the fact that he considered entertainment, in its various forms, was a necessity for the people and the tax pressed heavily on the family

man. The Federal Treasurer also said that the tax in some cases had served to increase the cost of admission to such an extent as to have an adverse effect on attendances. He referred to the fact that the tax had acted adversely on entertainments for charitable purposes where the cost of such entertainments had exceeded 50 per cent. of the receipts.

When introducing the Bill the other evening, the Treasurer referred to that fact. We know that most of these entertainments are organised by voluntary effort. The Treasurer told us about the cost of orchestras and other incidentals, and said that in some cases, if suppers were not provided, little profit would be made out of the entertainments. He also told us of the difficulties connected with these forms of entertainments, which are organised by voluntary effort. The imposition of the amusements tax was a war-time measure, but it has been continued and at present is bringing in approximately £7,000,000 per annum. As members will see from that figure, it is a heavy impost on the public and I think it has probably affected Western Australia more than any other part of the Commonwealth because of our distance from the Eastern States. It costs a good deal for transporting any shows from the Eastern States, and when entertainments tax is added to that, it makes it more difficult for the public of Western Australia.

There is no doubt that the imposition of entertainments tax affects the budget of nearly every family man in this State. It may be said by some that entertainment is not a necessity, but I am sure few would agree with such a contention. In these days, nearly every family, at some time during the week, seeks some form of entertainment, whether by way of one of the live shows, theatres, amusement halls, pictures, or some form of outdoor sport, where charges are made for admission. When the motion pictures were subject to control, the Prices Commissioner claimed that such control was necessary because of the essential nature of film entertainment to the family man.

The announcement by the Commonwealth Government of the ending of entertainments tax received favourable public reaction and the proposed reimposition of this tax by the State Government has caused considerable disappointment. It will certainly cause disappointment to the family man. I have figures here which will give some indication of the proportion of entertainments tax paid by the family man. The last available entertainments tax dissection for 1951 shows that the total entertainments tax paid for that year was £5,120,258, and of that sum the motion pictures contributed £3,280,652, or 64 per cent. of the total. Of the sum paid by the motion pictures, the lower charges—that is, from 3s. and under—con-

tributed £2,929,907. Those figures are worth repeating. A sum of £3,280,652 was collected from motion pictures, and on the lower charges, 3s. and under, the sum collected was £2,929,907, or 90 per cent. of the total tax from film entertainment.

The Minister for Housing: That is about 2d. per week per head of the population.

Hon. Sir ROSS McLARTY: I do not know what it is per head of population, but the Minister cannot base this tax on so much per head of the whole population. The fact remains that 90 per cent. of the total entertainments tax from picture shows came from people who paid 3s. or less for their seats. This clearly indicated that it was the person who was unable to afford the expensive seats who would pay 90 per cent. of the total tax.

The Minister for Housing: Just as well we are reducing the rates.

Hon. Sir ROSS McLARTY: There is no doubt that the Commonwealth Government, in deciding to drop this tax, considered it was doing something to relieve the burden of extra charges on a large section of the people. It was not thought that a State Government would immediately rush in and reimpose the tax.

The Minister for Housing: Not reimpose it; it is legal already.

Hon. Sir ROSS McLARTY: It was not thought that a State Government would put the tax into operation again.

Mr. May: Would you not have done that?

Hon. Sir ROSS McLARTY: No, I would not have.

The Premier: Not much!

Hon. Sir ROSS McLARTY: So this defeats the object of the Commonwealth Government to give the relief it desired. A most important point is that the Treasurer has already received his share of the money because of the imposition of this tax. It was taken into consideration when he got his income tax reimbursement payment for 1953-54 and the supplementary grant.

The Premier: How do you make that out?

Hon. Sir ROSS McLARTY: When the Premier received his income tax reimbursement, all features of income tax were taken into consideration. That has always been the case, and the Commonwealth for this financial year estimated what amount had been received from entertainments tax, and the amount it was likely to receive, and each State got its proportion of that tax.

The Premier: Do you not think that at the time the Commonwealth made up its mind what it would pay to the States, it did not know it was going to abolish the entertainments tax?

Hon. Sir ROSS McLARTY: I think it is quite likely, but that does not alter the fact that the Commonwealth Government had taken into consideration that it had already collected entertainments tax and had made reimbursements to the States accordingly. I am quite certain that if the Commonwealth had thought all the States would impose this tax, it would obviously have taken that into consideration when the reimbursement grants were being made to the States at the recent Premiers' Conference.

The Premier: They could not have given us less.

Hon. A. V. R. Abbott: They had to give you this.

Hon. Sir ROSS McLARTY: The Treasurer must know that he has already had this tax. I challenge the Treasurer to deny that.

The Premier: I say that the Commonwealth in the total reimbursement, and supplementary grant payments grossly underpaid the States.

Hon. Sir ROSS McLARTY: We will come to that in a few minutes. I want to reiterate that the Premier must admit he has had his share of the amusements tax already through income tax reimbursement.

The Premier: I do not admit that.

Hon. Sir ROSS McLARTY: I do not quite know what is wrong with the hon. gentleman.

The Premier: In fact, I have a legal opinion from the Solicitor General which will be very interesting to all members when I read it later.

Hon. Sir ROSS McLARTY: The Premier can have his legal opinion, but I would like to take the opinion of the Federal Treasurer who makes these payments. That is the opinion I would value.

The Premier: You surely would not take his opinion!

Hon. Sir ROSS McLARTY: Whose opinion would I take if I did not take the opinion of the Treasurer? Whose opinion would I take if I did not take the opinion of the Treasurer of the State?

The Minister for Housing: You deny his opinion.

The Premier: I am trying now to get you to accept my opinion.

Hon. Sir ROSS McLARTY: The Premier made it clear at the Premiers' Conference that he was looking to the Commonwealth to provide a greater part of the revenue and, of course, that revenue could come from income tax reimbursement and from the recommendation made by the Grants Commission. Because of this fact, we received under the tax formula a tax reimbursement of £9,590,000; that was under the formula. But apart

from that we received a supplementary grant of £1,707,000, making a total of £11,297,000.

The Premier: There is nothing new in the supplementary grant.

Hon. Sir ROSS McLARTY: No, except that the disabilities which the States are suffering are taken into consideration. Whilst the Commonwealth works under a formula, if it thinks the States should be further reimbursed it reimburses them, and on this occasion it reimbursed us to the further tune of £1,707,000, making our total £11,297,000 compared with a payment in the last financial year of £10,854,000 or, in 1942-50, a payment of £5,833,000. So I do not think there is any doubt at all that the Treasurer is doubling up on this tax; and that being so, I think the people will realise they are paying twice. I do not think that can be refuted.

The Premier: How can they pay twice?

Hon. Sir ROSS McLARTY: They have already paid.

Mr. J. Hegney: Who have?

Hon. Sir ROSS McLARTY: The people.

Mr. Johnson: It is not imposed yet.

Hon. Sir ROSS McLARTY: It has been imposed by the Commonwealth and the hon. member has got his grant based on the next financial year.

The Premier: How could the people who go to entertainments have paid twice when they have only been paying the Federal tax during the current financial year? When the State tax comes into operation they will no longer pay the Federal tax.

Hon. Sir ROSS McLARTY: The Premier has had his tax reimbursement for the coming financial year. As I tried to point out, in assessing what that should be, the entertainments tax has been taken into consideration, and he has received that amount now.

The Premier: That is what you say.

Hon. A. V. R. Abbott: That is what the Act says.

Mr. May: You say the people will be paying again.

Hon. Sir ROSS McLARTY: Yes.

Mr. May: Don't be silly!

Hon. Sir ROSS McLARTY: The hon. member for Collie, with the great wisdom he possesses, may differ from me, but even that does not say he is right.

The Premier: It gives him a good chance.

Hon. Sir ROSS McLARTY: I can see why the Treasurer is doing this. He made up his mind that he did not want any lag; that he did not want this tax to cease at all. He had his ear to the ground, and he knew that once it went off, it would be a very unpopular measure to reimpose.

The Premier: The Leader of the Opposition would agree with that.

Hon. Sir ROSS McLARTY: Politically, I think it is a wise move; and being an astute politician, the Treasurer no doubt saw that point very early in the piece.

The Premier: I quite agree.

The Minister for Lands: You would have done the same.

Hon. Sir ROSS McLARTY: I do not wonder that conditions are bad these days, particularly when we have one Government trying to give genuine relief to the people and another doing the opposite. Members opposite can laugh and think that it does not much matter whether the tax is imposed or not. The fact does remain that the Commonwealth Government thought it well worth while to give relief in this direction, but it did not think the State Government would jump in straight away and occupy that field of taxation.

The Premier: Of course it knew that would happen.

Hon. Sir ROSS McLARTY: The Premier says "Of course it knew that would happen," but even that opinion does not mean it is correct because the Federal Treasurer did not think that would happen.

The Premier: The Federal Treasurer!

Hon. Sir ROSS McLARTY: The Premier seems to have some contempt for the Federal Treasurer, but I am prepared to take his word.

The Premier: I have a great admiration of his political shrewdness.

Hon. Sir ROSS McLARTY: I might even pay the Premier of this State the same compliment. I have indicated how harshly this tax operates against those who can afford only the cheaper seats. The Premier admits this is rush legislation.

The Premier: It has to be.

Hon. Sir ROSS McLARTY: Because of that fact, he has indicated that further consideration will have to be given to the exclusion of certain forms of entertainment from the amusement tax. Rush legislation is always bad legislation, particularly legislation dealing with taxation. Even though there would have had to be a lapse between the time the tax ceased to operate and when the Government brought in its proposed measure, I believe, in the interests of efficiency generally, it would have been better to have postponed bringing in the Bill until further consideration had been given to the measure.

In Victoria, where they also propose to introduce this tax, I notice there is much changing of ground. I think Victoria proposes to impose taxation to the extent of 55 per cent. of the present tax. No doubt that is to allay public resentment against taxes. I do not know whether this is

correct but it is reported that there will be an exemption there of charges of 3s. and under. I noticed an opinion expressed by Mr. Starr, who is the president of the Theatrical Employees' Union—

The Premier: Is he not the secretary?

Hon. Sir ROSS McLARTY: The report quotes him as being the president. It was in "The West Australian" of the 19th September, 1953. This is what he had to say:—

**Union Hits at Taxation in
W.A. Cinemas.**

"At present there are no 1s. 6d. seats at the cinemas, except on Sunday nights," the president of the Theatrical Employees' Union (Mr. R. O. Starr) said last night.

He was commenting on the State Government's entertainments tax proposals.

The cheapest seat in the city approximated 2s. 6d., Mr. Starr said, and the abolition of taxation on seats up to 1s. 6d. did not help.

To be of any benefit to the working man, the tax should be abolished up to the 4s. seat, to include the back stalls and back circle.

"The cinema is the only real entertainment available for the working man," Mr. Starr said.

"We feel that if the tax on the middle section—the stalls and circle—were dropped, it would increase the audiences."

Mr. McCulloch: It would suit those who occupy the more expensive seats.

Hon. Sir ROSS McLARTY: I am not sure that it would, because it would present a problem to all who would have to pay for the higher seats. There is another eminent opinion which may be worth quoting on an occasion like this. Mr. Calwell, the Deputy Leader of the Commonwealth Federal Opposition, expressed an opinion.

The Premier: Hallo!

Hon. Sir ROSS McLARTY: This will rock the Premier; in fact, he might even withdraw the Bill.

The Premier: I am interested to find the Leader of the Opposition quoting Mr. Calwell with approval.

Hon. Sir ROSS McLARTY: This is what he said when the measure was introduced into the Federal Parliament—

I repeat that every form of indirect taxation, whether entertainments tax, bread tax or any other, bears more heavily on the workers and the small farmers of this country.

A few days ago, before the Federal Budget was introduced, he addressed the Picture Industry Conference at Coolangubatta and said he strongly favoured the abolition of the entertainments tax. When

he made those remarks, I assume that he was not playing a double game, thinking that if they could only get rid of this tax, it would "help my good friend, Bert Hawke, in Western Australia".

The Premier: He was playing the Fadden game.

Hon. Sir ROSS McLARTY: I do not think so. Members must not conclude that this is the only tax on entertainments. That is far from being the case. The amount paid on films by way of Customs duties during the year ended the 30th June, 1953, was £435,000. I have not been able to obtain the amount of sales tax, but this also must be a considerable item. Thus entertainment is already very substantially taxed. I have heard it said—and it is a ridiculous statement—that if the tax is not reimposed by the State Government, we shall be penalised by the Grants Commission. That is not so; we would not be penalised to the slightest extent by the Grants Commission, and that body would not insist upon the reimposition of the tax by the State.

The Premier: Would not that depend upon what was being done in this field in the other States?

Hon. Sir ROSS McLARTY: I am glad the Premier has referred to the other States. At this stage, I understand it is not the intention of South Australia—a claimant State—to reimpose this tax although, unlike Western Australia, it does not draw very large sums of money as a result of the activities of a Lotteries Commission. I believe there is doubt whether New South Wales will reimpose the tax, and Queensland never did have an amusements tax. We were the first State to jump in and say, "This is our chance; we shall reimpose this tax". There is an old saying that one should never count one's chickens before they are hatched, but when the Western Australian Hawke is about, it is dangerous to count them after they are hatched.

The Minister for Lands: What about Victoria? Did not that State make a declaration before Western Australia?

Hon. Sir ROSS McLARTY: If it did, it must have been very sharp indeed. It is in the field with a proposal to reintroduce the entertainments tax, but it has been hedging considerably, trying to please the crowd.

The Premier: That State has been hedging a bit on wheat, too.

Hon. Sir ROSS McLARTY: Yes, it has been hedging badly on wheat. I am opposed to the Bill in its present form, and in Committee shall move certain amendments. The only thing in favour of the measure is that a lesser tax is proposed than that provided for in the Act now on the statute book, but even so, taking into consideration all the facts, I consider there is no justification for the reimposition of

this tax. For a long time, almost since the war ended, we have heard the people crying out for a reduction in taxation, not only income tax, but also indirect taxation.

Mr. McCulloch: The State is simply reintroducing a former States tax.

Hon. Sir ROSS McLARTY: I could not catch what the hon. member said.

The Premier: As a Scotsman, you should have done so.

Hon. Sir ROSS McLARTY: An attempt is now being made by the Commonwealth to give the people relief from some of the taxes, both direct and indirect. What have the people of Australia to look forward to in future? The Commonwealth Government leaves a certain field of taxation in order to ease the burden on the people and the State Government immediately jumps in and imposes the self-same tax.

Mr. McCulloch: The State was in that field before the Commonwealth.

Hon. Sir ROSS McLARTY: Of course it was. In my opening remarks, I explained the implication of income tax reimbursement and showed that the amusements tax was bound up with income tax reimbursement. We imposed an amusements tax and then handed it over to the Commonwealth as a war measure.

Mr. McCulloch: The tax was merely suspended by the State.

Hon. Sir ROSS McLARTY: That is so, just as income tax was, and still is, suspended, but it was not expected that we would be resorting to this method of taxation in view of the agreement reached with the Commonwealth, even though the Commonwealth decided to vacate this field. I cannot see that any good purpose will be served in future by the Commonwealth's granting relief from taxation if the States immediately step in and occupy that field.

The Minister for Native Welfare: Do you favour the restoration of income taxation rights to the States?

Hon. Sir ROSS McLARTY: The Minister has heard my views on that question quite a number of times.

The Minister for Native Welfare: They have been so different.

Hon. Sir ROSS McLARTY: There has never been the slightest difference. I have said that I did not favour the return of income taxing powers to the States unless we first knew what fields of taxation would be available to us and unless we had an assurance that the Grants Commission would continue to function. The Minister has heard me say that on previous occasions. In view of what is happening now in regard to the reimposition of this tax, perhaps the Premier has changed his mind and would like to have the power to tax incomes re-

turned to the States. The Minister's mention of this matter indicates further proof of the need for a better understanding generally on the question of Commonwealth-State financial relations. In years gone by, I have done my best to bring that about.

The Premier: I am afraid you will never get that from the Federal Government in a year before a Federal general election is due.

Hon. Sir ROSS McLARTY: I believe the day is not far distant when both the Commonwealth and the State Governments will be forced into doing something.

Mr. McCulloch: A revolution?

Hon. Sir ROSS McLARTY: The Minister for Justice threatened a revolution, but I would not advise the member for Hannans to join him. The Bill now before us does not deal with the actual assessment of the tax. When that measure is before us, I shall have something further to say. I repeat my regret that the Government has seen fit to introduce this Bill, which is a highly unsatisfactory measure not in the interests of this State. The other night the Premier mentioned certain institutions that are in need of money and said that the requisite funds could be raised to assist them by means of the entertainments tax. The needs of all the institutions controlled by the State Government were taken into consideration when the Premier received his income tax reimbursement and, furthermore, his difficulties are also considered when the Grants Commission makes its recommendations to the Commonwealth Government.

The Premier: What about institutions like the Home of Peace and the institution for the blind?

Hon. Sir ROSS McLARTY: The Premier, in explaining the general revenue set-up, gives an account of his commitments and the Commonwealth knows all about them. The Commonwealth is fully aware that the Premier has mental homes, homes for the aged, hospitals and so forth to look after.

The Premier: I was speaking of institutions that are not Government-owned.

Hon. A. V. R. Abbott: They form part of the social services.

Hon. Sir ROSS McLARTY: That is so.

The Premier: Not at all.

Hon. Sir ROSS McLARTY: There is no State whose expenditure on social services has increased to the extent Western Australia's has done. We cannot complain on that score; the Grants Commission has been very generous to us.

The Premier: That increase has taken place mostly in the Education Department.

Hon. Sir ROSS McLARTY: Very largely it has taken place in the Education Vote, but the whole of the Premier's commitments and liabilities were considered by the Commonwealth Government when making the income tax reimbursement.

The Premier: Nothing of the sort. How could the Commonwealth Government at that time have known of our commitments?

Hon. Sir ROSS McLARTY: The Premier makes a statement to the Commonwealth on his financial difficulties.

Mr. Andrew: And the Commonwealth takes no notice of it.

Hon. Sir ROSS McLARTY: If the hon. member looks at the amount received from the Commonwealth Government, he will appreciate that notice is taken of it.

The Premier: If the Commonwealth took fair and reasonable notice on the basis of the estimates we presented, it would have given us a total reimbursement and supplementary grant payment much higher than it did.

Hon. Sir ROSS McLARTY: The Premier is overlooking the grant. I do not know what he is getting now, but last year we received £8,040,000, and the grant is becoming so great that there is a danger of some of the non-claimant States wondering how far we are likely to go in this direction. The Premier probably knows what he is receiving, but I should say that the total will probably be in the vicinity of £8,000,000 again.

The Premier: I hope that you are right.

Hon. Sir ROSS McLARTY: We shall see. I am making a guess on the basis that the amount last year was £8,040,000 and I should not be surprised if the Premier gets about £8,000,000 this year. I again express regret that the Government has considered it necessary to introduce this Bill as it is a field of charges that might very well have been let go.

HON. A. V. R. ABBOTT (Mt. Lawley) [5.30]: I feel, Mr. Speaker, that the Premier has been rather hasty in his attitude towards the entertainments tax. That legislation was first introduced with the thought that something should be paid, by those seeking entertainment, towards the treatment of the sick. That was the object of the original Bill, which provided that the whole of the money collected by means of the entertainments tax should be paid into a hospital trust, and perhaps that was a principle with which we would all agree.

It has always been recognised that this was an emergency tax and the Commonwealth entered this field of taxation during the war, at a time of great financial stress. I have no doubt that the Premier has received, or will receive, reimburse-

ment of a proportion of the entertainments tax collected by the Commonwealth because, in the Commonwealth Act of 1942, there is provision that—

in every financial year during which this Act is in operation in respect of which the Treasurer is satisfied that a State mentioned in the Second Schedule to the Act has not levied and collected a tax upon payment for admission to entertainment, there shall be payable by way of financial assistance to that State the amount set forth in that schedule against the name of that State.

As the financial year ended only on the 30th June last and the Federal Treasurer had to be satisfied, at that date, that this State had not collected any entertainments tax for that year, he was obliged to refund to the State a share of the tax collected during that year, and so this State could not have received the refund until the 30th June, 1952—

The Premier: Is the member for Mt. Lawley sure he is up to date in the law relating to this matter?

Hon. A. V. R. ABBOTT: I think so. I am reading from what I think is the Act in question.

The Premier: I think I will be able to prove later that the hon. member is not up to date in this regard.

Hon. A. V. R. ABBOTT: Has the 1942 Act been repealed?

The Premier: I think so.

Hon. A. V. R. ABBOTT: That is possible, but, if that had been done, I believe some similar provision would have been made. I do not think the Premier will deny that under our present standard of living, entertainment is considered an essential and I think I am right in saying that it was recognised as such in the "C" series index. I believe motion pictures constituted one of the items included among the general items in that index. I would remind the Premier that it is from the movies that a large proportion of the entertainments tax is derived. I believe that a greater share of the national income should be left in the hands of the worker who earns it to spend as he likes.

Why should the State take such a large portion of his earnings from him and disburse it as the Government thinks fit? Why should we attack the worker's Saturday night amusement and say, "We are going to tax you and dispose of some of the money collected in this or that direction"? Why should the man on the Goldfields, who never gets a chance to go to the beach, be taxed to support the surf life saving clubs?

The Minister for Native Welfare: Do you use the same argument in relation to the Commonwealth tax on a glass of beer?

Hon. A. V. R. ABBOTT: The surf clubs are highly commendable organisations, the members of which sacrifice much of their time and energy in the service of the public, but we must consider whether it is fair to tax a man living on the Goldfields in order to contribute something to the upkeep of these clubs.

The Premier: Would you think it reasonable to tax a resident of Cottesloe in order to help build an infant health centre at Kalgoorlie?

Hon. A. V. R. ABBOTT: If it were done by means of general taxation, yes; but not by means of a special tax such as this. After all it is a bit tough when we have to tax the worker's amusement. I do not know whether the Premier will argue that he is bringing down this legislation in sheer desperation because he cannot raise an extra £200,000 in any other way; but, if so, I can inform him of one tax by means of which he could collect a large sum of money. When speaking to the debate on the Address-in-reply I mentioned this avenue of taxation. After all the State has imposed a betting tax and a totalisator tax. Perhaps those who attend the race-courses are the most deserving of all who take an interest in racing, but I believe that if the Government instituted throughout Western Australia a totalisator, on the lines I suggested—that is the method used so successfully in New Zealand—the result would be the collection of a lot more than a miserable £200,000.

Mr. J. Hegney: Why did not your Government do that? You were there for six years.

Hon. A. V. R. ABBOTT: The worker is the man who will have to pay the bulk of the entertainments tax. The figures prove that over £2,000,000 was collected from the lower priced seats under the Commonwealth Act. I do not think the Premier has given the question due consideration. I admit that it is difficult, having come to a decision, to reconsider it, as that involves a certain amount of loss of face, but I think this is an occasion upon which the Premier could well follow that course.

The Minister for Education: And lose a lot of money?

Hon. A. V. R. ABBOTT: Yes, but I think the Government should postpone this legislation for a period and give it further consideration in order to see whether this £200,000 could be collected in some other way. I believe that by doing so the Government would win great acclamation from many of those who support it.

HON. A. F. WATTS (Stirling) [5.40]: The Bill now before us is that which proposes to continue the suspension of the collection by the State of the goldmining profits tax, the hospital funds' tax and income tax on salaries and wages, while

bringing back into operation the collection of entertainments tax as from the 1st October, 1953.

I venture to suggest that one could occupy a good deal of one's time with the merits and demerits according to one's own opinion, with regard to uniform taxation in the income tax field, because, of course, the suspension continues until the date when Parliament otherwise provides; and if the suspension is agreed to by this House, it indicates that this Chamber is in agreement with the general principle of uniform taxation on an income tax basis.

Before passing on to other matters, I must submit that I have some personal reservations with regard to that point of view. I am very much of the opinion—mentioned during his speech a few minutes ago by the Leader of the Opposition—that if a clear field of taxation reasonably shown to be sufficient for the State's requirements could be set aside and the operations of the Grants Commission were to continue, it would be far better for any Government of the State to resume the collection of its own taxes.

But so long as the position continues where that field of taxation cannot be made clear, which appears to me from my reading of the surrounding circumstances to be the present case, one must presume that uniform taxation will continue. If the Bill were proposing that the postponing of the State's right to collect the taxation should be for a fixed and lengthy period, I would have something more to say on the subject, but as it states only that it shall be until such time as Parliament otherwise provides, I will content myself with the few observations I have made and turn to the question of entertainments tax.

It will, of course, be apparent to everyone who has listened to what has been said already during the debate that, except for a desire to vary and to some degree reduce the rates of taxation imposed by the Entertainments Tax Act of 1933, it would not have been vital for the Government to introduce this measure at all. The Premier, in dealing with questions without notice an hour or so ago, said that there would be a hiatus between the 1st July and the 30th September, subsequent to which persons might be prosecuted for having failed, during that period, to comply with the Act, but, of course, that could have been obviated easily enough because the State, through its department of justice, would have been the organisation responsible for taking those proceedings and naturally, in all the circumstances of the case, would not have taken them and so there would have been no risk, so far as I can see, of anyone being prosecuted after the 30th of September, for failure to comply with

the State Entertainments Tax Act of 1933, simply because of the hiatus to which the Premier referred.

So if one accepts that point of view, the situation is that this legislation will be passed mainly with the intention of enabling fresh rates of tax to be struck and they are, to some degree, lower than those that existed prior to the introduction of uniform taxation. It seems to me, as one who is opposed in principle to the imposition of an entertainments tax, that it would be a very desirable thing—if I could do it—to alter that nice little suspension clause that suspends the operation of the parent Act to September, 1953, to some subsequent and, if possible, not too early date. If it were possible to do that, that would be the line I would follow with this measure.

I consider that it has been a great strain upon our citizens in attempting to obtain education from the theatre, the play-house and from other cultural fields. The entertainments tax has been a very heavy imposition in recent years upon all those people who have interested themselves in the type of entertainment to which I have just referred and who are anxious to have more of it. One hears that something will be done by the proposals that are now before the House to exempt children from the payment of the tax. It certainly will not do so if they wish to attend the ballet, a Shakespearian play or the modern opera, which children, for primary educational reasons, are most anxious to see.

It is virtually impossible for them to obtain a seat at such presentations, even at the reduced rates applicable to students, for less than 5s. and, in consequence, the impost upon those people seeking the knowledge and benefit to be derived from entertainments of this nature will be very severe for an indefinite future time. I may, of course, be somewhat biased in my sentiments, due to the years I have been in contact with the Education Department and the interest that I found was being taken in regard to these matters.

Mr. Andrews: Why did you not protest before?

Hon. A. F. WATTS: I protested on more than one occasion and asked for it to be remitted and, until this present year of grace, without success. I was extremely gratified to find that when the Commonwealth Budget was introduced the impost in question was being removed. I am also opposed to its imposition on, for what I will call for want of a better term, the complete forms of entertainment. In many instances, there are to be found in the cinema shows the same entertainment as is to be found in the stage plays and live shows. In fact, in the 16 millimetre variety, the showing of films has been developed by the Education Department for the reason that opportuni-

ties can be given to children throughout the State to witness those things they would otherwise have no opportunity of seeing probably during the whole of their life-time.

To a great degree that principle extends to the cinemas in this State. It is admitted that there are films screened which, in my opinion, would be better left unexhibited. However, in the main, the educational and cultural value of many of them is considerable indeed. Therefore, I regret very greatly that the State should revert to the principle of reimposing an entertainments tax. As I have said, I thought that if there were no prospect of removing this tax altogether, my action in this matter would have been to extend the date for its reintroduction so that we would at least have a period during which there would not be the impost upon those people who desire to take the opportunities to which I have referred.

I have made a little research into this matter, and it is quite clear to me that that was the very idea in the mind of the Commonwealth Treasurer, because when he introduced his Budget, he made the position perfectly clear. I do not think anybody can argue over the phraseology that he used and I do not think it even entered his head that a State Government would be likely to reimpose the tax that he was proposing to abolish, because he said—

The Government proposes to abolish entertainments tax and the abolition will become effective in regard to entertainments held on and after the 1st October, 1953. This tax has largely been levied upon those popular entertainments which, in modern times, people have come to value as part of the normal enjoyments of life. Its removal must therefore be regarded as an aid to both family and individual budgets.

That is plain and unequivocal. It sets out his reason, and no other one is mentioned. That is the whole paragraph in the comments he made upon the Budget, of which copies have been freely distributed—and I have seen at least two myself—that refers to the question of entertainments tax. He was intent, with the abolition of the tax, that relief should be given to the taxpayer, and particularly to that section of taxpayers who were interested in what he called "popular entertainment." On hearing that I was extremely gratified, because it seemed to me that it was a move in the right direction.

Of course, I am not without sympathy for the Premier in his desire to have further funds at his disposal. I hope he does not for one moment imagine that I do not sympathise with him. I have had sufficient experience of the difficulties that might face him to be aware of the desire that would be uppermost in his mind in this

matter, but there are things, which in my view, no money is worth, and this is one of them. It is the sort of thing, in these modern times and in the light of the awakening of public conscience to the educational value of many of these entertainments, that we ought to shun with all the vigour at our command.

So I must repeat my expression of regret that the opportunity has been taken by the Premier, notwithstanding the difficulties that may exist, to impose this tax, especially when I have noted from Press articles, and I assume them to be reliable, that the State of Queensland, which has never had any entertainments tax until the uniform entertainments tax was introduced during the war, does not propose to introduce a State entertainments tax and that in the State of New South Wales there is no intention expressed to do so.

Therefore, at the very least they will have some hiatus between the expiration of the Commonwealth tax and the introduction of the State tax—if they decide upon one. Again, in Victoria, although apparently that State has decided to impose a tax, it is reported that one will not be imposed on admission charges of less than 3s. and it is not likely, according to the Press report, ever to exceed 50 per cent. of the Commonwealth rates. In South Australia I am told that there is no suggestion of any tax being imposed and that State, as the Leader of the Opposition has mentioned, is one of the three claimant States.

I have heard nothing about Tasmania. What the Tasmanian Treasurer intends doing following the brilliant activity of the Premier of Victoria, I do not know, but at the moment I have heard nothing, so I will make no reference to the intentions of Tasmania, whether they be good, bad or indifferent. However, the State could not suffer a penalty through the Grants Commission if it did not impose an entertainments tax, because that commission only imposes penalties, as I understand the position, when it is considered that Western Australia is not doing its part in keeping up to the average of the standard States, and those three States are Queensland, New South Wales and Victoria.

If Queensland and New South Wales are not imposing any entertainments tax and Victoria intends to impose a tax only on a much higher rate of admission than the one proposed in the Bill, it is quite obvious that the Grants Commission could not penalise Western Australia for not entering upon this particular field of taxation when the standard States had only indulged in it to a slight degree, and two of them not at all.

The Premier: Is it not possible that Queensland may become a claimant State?

Hon. A. F. WATTS: If that happens, I suppose the average of the standard States will be between Victoria and New South

Wales. However, we can face up to that problem when it arises. At present we still have Queensland in the standard States trio. It might be just as well to mention in one or two words the origin of this tax and what the Commonwealth originators thought about it. As is well known, it was originally taken into the Commonwealth sphere as a wartime measure and the State Acts were suspended. If I remember rightly, the then Prime Minister was Mr. Curtin and the then Commonwealth Treasurer Mr. Chifley, and they made that quite plain at the time.

However, towards the end of the war, when Mr. Chifley was Prime Minister, he came to the conclusion that this tax ought to be made a peacetime measure and, as it were, a permanent one, although, of course, it is known that there is no permanency in legislation because the Parliament that makes the law can unmake it. However, it was obviously his intention to make it permanent to some degree, because when he introduced the amending Bill in 1946, at page 434 of Vol. 186 of the Commonwealth Parliamentary Debates he is reported as saying this—

The effect of the Bill, therefore, is to remove the time limit which has been placed on the operation of the Act and to give indefinite operation to the Act. When the Act was passed in 1942 arrangements were made with the Governments of those States which had been imposing an entertainment tax, for the field to be vacated by the States in order that the Commonwealth might impose and collect one uniform entertainments tax throughout Australia.

The States were compensated for the loss of entertainments tax revenue by a grant from Commonwealth revenue. The arrangements were, in fact, based on those which had been enacted for uniform income taxation. As the legislation for uniform income tax was expressed to expire at the end of the first financial year after the war, the same expiry date was adopted in the Entertainments Tax Assessment Act. In view of its present financial responsibilities, the Government proposes to continue in the entertainments tax field, and has made provision in the States Grants (Income Tax and Entertainments Tax Reimbursement) Bill for reimbursement payments in respect of both income tax and entertainments tax.

Those are the words of the late Rt. Hon. J. B. Chifley when introducing the Bill in 1946. It will be noticed that he said, in effect, it will be continued permanently. He went on to say—

Because of its financial commitments, the Commonwealth must also remain in the field of entertainments taxation.

And he added—

Under the present legislation, separate tax reimbursement grants are paid to each State concerned in respect of income tax and entertainments tax respectively. It is now proposed to combine these payments so that, as from the 1st July, 1946, the reimbursements in respect of both income tax and entertainments tax will be covered by the one grant.

So it is quite clear what the intention of the legislation was that the reimbursement to the States should cover a share of both income tax reimbursement and entertainments tax collections; and I do not think that, when the emergency Premiers' Conference, or the Loan Council meeting, whichever it was, was called in February last, there was any reference by any of the State Premiers to a desire, when the suspension of legislation came to an end, as it did in this State on the 30th June, to reimpose the entertainments tax.

In August, when there was a further meeting which the Premier, then fully fledged and not merely Premier-elect, also attended, I think I am right in saying there was no mention of the matter at that date. So it seems to me, without any question whatever, that the Commonwealth had no thought, when this tax was abandoned, that it would be reintroduced in any State.

The Minister for Housing: It was no business of theirs, anyway.

Hon. A. F. WATTS: Admittedly, it is no particular business of the Commonwealth. I believe in the sovereign rights of the States. But it has been suggested, and the Minister for Housing will condescend to allow me this, that the Commonwealth had in mind that the States were going to do this thing, and that is the only point with which I have been seeking to deal. I do not think there is any justification for arguing that the Commonwealth did have it in mind. I believe that all the facts point to nothing else than that it wished to liberate the public from an imposition on which I have already expressed my views. So far as I am concerned, I do not like this measure, and will wait and see what happens to it in Committee.

MR. PERKINS (Roe) [6.5]: The previous speakers have dealt fairly fully with the more general aspects of this Bill, and I do not propose to say very much about the wider aspects, except that I am rather intrigued at the present Government's having brought this measure forward. It is somewhat difficult for any members of the House, outside of Cabinet, to discuss measures such as this without knowing what the rest of the Government's intentions are in regard to finance, and we shall not know that until the Treasurer brings down his Budget. Then, of course,

it will be possible for members to decide whether or not the Premier was justified in branching out into what is, in effect, a new field of taxation so far as the State is concerned.

Already, in recent times—almost in recent days—we have had an impost by the present Government placed on the people of the State which is extremely obnoxious to some of us. I refer to the increased railway freights. Probably there are many of us who would prefer a measure such as this to any further imposts of a like nature. But it is somewhat difficult to discuss the financial proposals of the Government without knowing all of them, and I do not propose to say anything further along those lines until the Treasurer brings down the Budget, and then we can bear this tax in mind when we discuss the rest of the Government's proposals.

However, there are some provisions in one of the original Acts to which I think the Government should have paid some attention before bringing forward these measures. As the Leader of the Opposition pointed out, in introducing such measures hurriedly, it is possible to overlook particular points in respect of which, if more mature consideration were given to the matter, a different course of action might be followed. I have in mind Section 9 of the Entertainments Tax Assessment Act. This provides that—

Where the Commissioner is satisfied that the whole of the net proceeds of an entertainment are devoted to philanthropic, religious or charitable purposes, and that the whole of the expenses of the entertainment do not exceed fifty per centum of the receipts, he shall repay to the proprietor the amount of the entertainments tax paid in respect of the entertainment.

Provided that when the Commissioner is satisfied that owing to adverse climatic conditions the expense of an entertainment for philanthropic, religious, or charitable purposes in respect of which payments for admission have been made exceed fifty per centum of the receipts, the Commissioner shall repay to the proprietor the amount of the entertainments tax paid in respect of the entertainment.

From that, members will notice that Parliament has given discretion to the commissioner to remit entertainments tax in one particular instance, that is, where adverse climatic conditions have interfered with the success of an entertainment run for a particular purpose.

But I have seen cases in quite recent times where an entertainments tax has been levied in circumstances in which no one could have anticipated in organising the entertainment that the expenses would amount to more than 50 per cent.

of the proceeds. Circumstances have arisen, however that have brought about a result that could not have been foreseen, but the commissioner has had no discretion to alter the impost on the organisation concerned. Definite cases of hardship have arisen and, in my judgment, the Government, in bringing down these measures, should have considered points such as that, and at least given discretion to the commissioner to deal with such cases on their merits. I have no doubt that you, Mr. Speaker, can visualise all sorts of other circumstances intervening, besides weather, to upset the calculations of those who organise an entertainment to raise funds for worth-while local objectives.

MR. SPEAKER: I think the hon. member would have more scope to discuss this when we are considering the assessment Bill.

MR. PERKINS: I understood that we were going to deal with all the aspects on the first Bill. However, I do not intend to go into any further details. I think I will leave it at that, but I make the general observation that there may be other points that might have been reconsidered had more mature thought been given to these measures. I think the point the Leader of the Opposition took was a good one when he indicated the dangers in bringing forward rush legislation in regard to such important matters as this. I will be interested to hear what the Premier has to say when he replies to the debate.

MR. J. HEGNEY (Middle Swan) [6.12]: I intend to support the Bill because there is very little money in the Treasury following the regime of the previous Government, and the present Administration has been forced to accept this opportunity to obtain increased revenue. We know that the Commonwealth Treasurer is refunding to the taxpayers £100,000,000 of revenue that he does not require, yet the State of Western Australia is in the doldrums.

The amusement tax which was imposed for some years has gone by the board. The States were not even consulted as to whether they desired to accept that or not. When the Leader of the Opposition was Treasurer, there were discussions regarding the return of the taxing rights to the States, and it was only during the difficult years of the war that the then Commonwealth Government insisted on uniform taxation so that taxpayers in Victoria, who were taxed lightly, had to be on the same uniform taxation basis as those residing in Western Australia. The Commonwealth Government took over all the taxation and now we have reached the stage where this State finds itself in many difficulties in respect of, for instance, education. The previous Government imported Bristol prefabricated buildings for erection, but the

State has not sufficient money to put them up to provide accommodation for school children.

Hon. A. V. R. Abbott: That is a question of loan money, is it not?

MR. J. HEGNEY: It is a question of funds.

Hon. A. V. R. Abbott: Loan funds.

MR. J. HEGNEY: The previous Minister for Education had to admit that, while those buildings were landed here, funds had not been available to erect them. The State finds itself in a very difficult position in that regard, and it is only because of financial stringency that the Government is forced to accept this opportunity of reimposing a tax which I am certain the Opposition would impose, were it in power.

Hon. Sir Ross McLarty: How can you be certain?

MR. J. HEGNEY: I support the Bill.

Sitting suspended from 6.15 to 7.30 p.m.

MR. COURT (Nedlands) [7.30]: I appreciate the explanations given by the Premier when introducing the Bill, and his answer to the question asked by the Leader of the Opposition as to the legal necessity to amend the Act. I regret the decision to revive the State entertainments tax. My understanding of the position is, firstly, that the Western Australian Government desires the continuation of uniform taxation; secondly, that uniform taxation has been established to include entertainments tax, especially since the Commonwealth Government, when it was led by the late Mr. Chifley, converted it from a wartime to a peacetime tax; and, thirdly, no move was made by the States to exclude entertainments tax from the Commonwealth field, or to establish that the independent collection of the tax by the States would be extra to, or distinct from, the Commonwealth tax reimbursement or supplementary grants.

Continuing further with my understanding of the present situation, it seems to me that the States have been given their reimbursement of tax, and their supplementary grants for the year 1953-54—that is, for the year to end on the 30th June, 1954. Thus, had the Commonwealth Government continued to tax in the entertainments field, I cannot see how the States would have received one penny more than they have been allotted, because it is logical to suppose that the Commonwealth Government would have taken into account the overall amount of money available and the amount it was committed to reimburse to the States.

Therefore I submit that it automatically follows, if my understanding of the position is correct, that to reimpose the State tax before the 1st July, 1954, is to break faith with the taxpaying public. I sub-

mit also that it is trying to tax people twice, wittingly or unwittingly, regardless of whether they pay their tax as entertainments tax or through general taxation. Furthermore, I suggest that if the States want to retain uniform taxation, it is not correct for them to tinker with State taxation and impose taxes parallel with Commonwealth taxes from which the income for uniform taxation is derived.

We either believe in State taxation separate and distinct from the Commonwealth levying of taxes, or we want uniform taxation. I ask myself this question: Are we to assume that this move towards a State entertainments tax is the prelude to State income taxation and a break-away from the uniform system? Even if the move is a breakaway from the uniform system, which I much doubt in view of the Premier's expressed opinion from time to time, there is still no good reason to invoke State entertainments tax legislation—at least prior to the 1st July, 1954, or until a rearrangement of the present uniform taxation system is undertaken by negotiation between the Governments of the States and the Commonwealth.

From my examination of the relationship between the States and the Commonwealth, it would appear that the previous Commonwealth Government took certain steps to eliminate the two separate Acts governing the reimbursement. It brought in one Act for the purpose and established a principle that the reimbursement to the States came from this one source and not for the several sources of income tax and entertainments tax. If I remember rightly, the Commonwealth Government changed the name of the measure so that it now reads "Tax Reimbursement Act" whereas before there were separate Acts which identified the several taxes.

This indicates to me that the States surrendered their taxing rights during the period of arrangement with the Commonwealth Government, and that their reimbursement comes from a general pool of Commonwealth revenue derived from taxation and not specifically from entertainments tax and income tax as separate measures. This means that now the Commonwealth Government has abandoned entertainments tax, the reimbursement to the States has to come from income tax and other sources of revenue. As we all know, the reimbursement is based on a formula.

Whether the Commonwealth Government decided to collect the revenue from one less tax Act than before bringing down the latest Federal Budget, or from the same tax Acts, is besides the point. Another aspect of the State Entertainments Tax Assessment Act, which will be the outcome of the measure under consideration, if it is passed, is that which concerns pensioners. There has been a lot of discussion about the treatment of these people, and

I suggest that a great injustice could be done to them by invoking the State entertainments tax.

Mr. Lawrence: They cannot afford entertainment.

Mr. COURT: The Commonwealth Government, in removing the entertainments tax and making an adjustment to the amount of the income of pensioners, would be mindful of the effect on them of the lower entertainment prices.

The Premier: That is a tall one.

Mr. COURT: The reimposition of the entertainments tax could defeat this. From my experience in moving amongst the theatres, which I have done quite considerably, it is not "a tall one," and maybe the Premier would be amazed at the number of these people who do use the motion pictures as a form of entertainment. If they can get it for a few pence less, it is all to the good.

Some reluctance has been displayed by some of the other States in the matter of entertainments tax. This suggests an uneasy feeling on their part regarding the correctness of entering this field of taxation, in view of the present relationships between the Commonwealth and the States. The Premier of New South Wales had this to say:—

I have no wish to reimpose a tax from which the people have been freed, but this whole question can be considered when the time is opportune. Because the Commonwealth vacates a particular field of taxation, it is not necessarily a reason why I should introduce legislation to allow the New South Wales Government to enter the field. I do not think we ought to tax people for the sake of taxing them.

It is fairly clear that the Victorian Government will try to bring down a measure to impose an entertainments tax within its State, but it has already made clear that it proposes a substantial decrease—it is estimated to be at least 55 per cent.—in the amount of revenue to be derived from that source.

There are many conflicting reports on the position in Victoria, but I understand that the Government there does not propose to levy a tax on admission prices of 3s. or less. This will be a considerable concession. In South Australia, too, I understand the Government is not proceeding, at least at this juncture, with the imposition of an entertainments tax. There is no question that in Queensland the Government will enter the field upon which it had not entered prior to the war. All these reports indicate a hesitancy on the part of these States to enter this taxation field.

The hesitancy is probably due to two factors, one that they think it would be very unpopular, and the other that they probably feel it would be improper to do

so when they know their reimbursements for 1953-54 have, in effect, allowed for the contribution they should receive from this particular source. In the imposition of this tax—assuming the Bill becomes law—I strongly advocate the cause of the shows generally referred to as “flesh and blood” shows. A lot has been said tonight about the film entertainment but we do not want to overlook the importance of the flesh and blood shows. They are a vital part of entertainment and, in fact, a vital part of the general life of the community.

Another point in their favour is the fact that they are such large employers of labour and talent; much of this labour and talent is fortunately of local origin and does much to encourage these people on a career which in many cases has been responsible for their being successful abroad and a credit to this State and to Australia. The abolition of tax as it refers to these particular shows would be of inestimable value in assisting this section of entertainment which is struggling to hold its own.

Little reference has been made tonight to the problem of strictly educational shows and I trust that if this measure becomes law, the authorities will take a generous view, in the interpretation of the exemption sections of the assessment Act, the need to encourage these activities. It was a contentious point before the war when the Act was administered as the Entertainments Tax Assessment Act, 1925, and as amended, and I think a more generous view could be taken of these particular shows.

I am sorry that the Government has seen fit—in its opinion it might have felt forced to submit this measure—to introduce rush legislation because in doing so there is a danger of inequity and unbalance in the concessions that are granted to various forms of entertainment. Certain arrangements existed under the Commonwealth taxation which do not follow parallel with the existing State Act, if this is the same one that is finally used. The Premier has already given indication of his intention to introduce some amendments and I trust that they will have due regard to the inequities that exist at present.

In that regard we should have consideration for the changed conditions in entertainment that exist in Western Australia today as compared with prewar. There has been a marked advance in the cultural life of the State over the last 15 years and it is important that whoever is framing the concessions to be given should have due regard to the significance of the advances that have been made; advances which I trust will continue with the same rapid progress that they have over the last few years. In supporting the second reading of this Bill, I hope members will see fit at the appropriate time, to amend the provisions of the measure

to ensure that the tax is not reimposed at least during the currency of the taxation reimbursements and supplementary grants that have already been given.

MR. OLDFIELD (Maylands) [7.50]: I do not propose to cover much ground or speak at length on this Bill, but I must rise to record my opposition to the measure and also my surprise that the Government has seen fit to introduce the Bill at such a stage.

The Minister for Lands: Are you sincere in that?

MR. OLDFIELD: Of course I am. Firstly, I regard it as an unwarranted imposition on the workers of this State. I know that most of the back benchers on the Government side are not happy about this measure and are voting for it only because they have been told to do so. I know the position they are in because I have been in a similar situation myself.

The Minister for Lands: You do not mind paying a couple of bob for a bit of fun, do you?

Hon. Sir Ross McLarty: What sort of fun do you like?

MR. OLDFIELD: This tax is an imposition on the worker, that section of the community which makes the weekly pictures its form of entertainment.

MR. Andrew: Where did you find that out?

MR. OLDFIELD: Many people do not go to the pictures for entertainment, but take advantage of other forms of amusement, such as the radio and so on. We are not taxing those people but are seeking to impose a tax on the small family unit that goes to the pictures once or twice a week. They are the people who will be hit by this form of taxation. The argument has been advanced that such people have been paying this tax for many years, but the point is that the Federal Government has reached the stage where it has seen fit to make a concession to the workers, most of whom go to the pictures fairly regularly. But this Government apparently does not like to see these people get some small concession and has said, “We can grab this.”

MR. Lawrence: What a funny man you are!

MR. OLDFIELD: There is no need for the Government to impose this taxation because it has obtained more money than the previous Government received last year. Last session the present Government, when in opposition, divided the House on the question of the winning bets tax. They said that it was a discriminatory form of taxation and was hitting the poor devil who went to the races for a little bit of entertainment. But the present Government is enjoying the benefit of the extra money received from that

form of taxation and now it seems to think that this is an opportunity to get a little bit more.

Does this mean that every time the Commonwealth grants some concession, the State Government will reimpose taxation on the people in order to have more money to fritter away in its endeavour to carry out futile election promises? Members know what happens throughout the metropolitan area. Generally speaking, the admission charges at suburban theatres are 1s. 10d. for the cheapest seats, as fixed by the State price-fixing authority, plus 5d. tax, making a total of 2s. 3d.

Mr. J. Hegney: You can get into the pictures down town for 1s. 6d.

Mr. OLDFIELD: I do not attend the second-class entertainment patronised by the hon. member.

Mr. J. Hegney: I cannot afford to go to other forms of entertainment.

Mr. OLDFIELD: Because Saturday night seems to be the weekly night out for most people, the price-fixing authorities have permitted the motion picture operators to charge for all seats at adult rates; in other words, there is no concession rate for children. So the small family unit, of a man, wife and two children, which goes to the pictures on a Saturday night is charged for four seats at the full rate. On the scale of taxation, proposed to be levied, this will mean a difference of several shillings a week to the average family unit that uses the pictures as a form of entertainment. A number of people who are well able to afford this extra taxation do not use the theatre as a form of entertainment; they go to the more expensive shows, which are not subject to entertainments tax. However, I know that the present Government would like to tax such people if it could do so.

Hon. J. B. Sleeman: To whom do you refer?

Hon. A. F. Watts: The bridge parties!

Mr. OLDFIELD: I refer to golf clubs and the like.—

Mr. Heal: A worker cannot go to that sort of entertainment.

Mr. OLDFIELD: —or the people who play golf.

Mr. J. Hegney: What is wrong with that? What about those who play bowls?

Mr. OLDFIELD: That is the poor man's sport. Even the Minister for Housing is a bowler because he cannot afford to play golf. However, I must voice my opposition to the measure.

Mr. Andrew: Has not there been this form of taxation before?

Mr. OLDFIELD: Once again the member for Victoria Park comes in with something out of the blue.

Hon. A. F. Watts: An inane interjection.

Mr. OLDFIELD: If the member for Victoria Park only took time off to think, he would realise that this is the first time such a measure has been before the House and has given members an opportunity to discuss it. I am discussing it now, and I am voicing my protest.

The Premier: Is the hon. member discussing this Bill?

Mr. OLDFIELD: If the member for Victoria Park were sincere and had the welfare of the people of Victoria Park at heart, he would rise and voice his protest and vote against the measure. However, I know the position he is in, but I wish to record my protest.

MR. JOHNSON (Leederville) [7.55]: Before the debate closes I would like to thank a couple of members of the Opposition for the entertainment, tax free entertainment, which they have provided for us.

Hon. Sir Ross McLarty: You are a clever boy! One has only to look at you to see how clever you are!

Mr. JOHNSON: I thank the hon. member for those words. If I had any regard for the hon. member's opinion, I would take them to heart.

Hon. Sir Ross McLarty: We have little respect for you.

Mr. JOHNSON: That is mutual. One or two of the remarks made this evening require some elucidation. The member for Mr. Lawley, who was Attorney General in the last Government, said that pictures were an item in the "C" series index. I was not surprised at that remark because I thought last year the hon. member did not know much about such matters. The section under which recreation is listed in the "C" series index is based on the figure for 1927. According to the official records, that is a basic amount per week varied quarterly in accordance with changes shown in an index of variations. In other words, we are still working on the 1927 basis plus variations since that date, so far as picture shows are concerned, and entertainments tax has not come into it. As I said before, I was not surprised that the hon. member did not know about it.

Mr. Oldfield: Are you supporting this Bill?

Mr. JOHNSON: Too right I am!

Mr. Oldfield: I did not know.

Mr. JOHNSON: I am answering a few of the rather amusing points made by the Opposition. I would like to compliment the Leader of the Country Party on a most sensible speech in support of the argument that live shows should be free of entertainments tax. I think he made out a good case on that point, but I notice that he did not mention that the object of this tax is to raise necessary money. If there is a warrant for having regard to

live shows and purely educational shows, perhaps it will come forward in Committee. He certainly did not put forward a good enough case to support the total abolition of this form of taxation.

When reference was made to the Premiers' Conference that was held last August, I thought that if the Federal Treasurer had been considering the abolition of the entertainments tax and felt that it should not be reimposed by the State, he would have mentioned it then. Members of the Opposition have tried to infer that the Federal Treasurer had that in mind and that his idea was that such taxation should not be reimposed by the States. If such had been the case, I am sure he would have mentioned the fact and asked the Premiers to come to some agreement to leave that field of taxation alone. It was because he knew there would be an extra field of taxation for the States that the reimbursement made at the time was considerably less than we had reason to anticipate. I think that angle is one that should have been thought of. It could be, of course, that the Federal Treasurer felt that leaving the entertainment tax field would be a popular move—

Hon. A. V. R. Abbott: A proper move, too.

Mr. JOHNSON: —and the requirements of the States necessitating them to reimpose it, would make the State Governments unpopular. If that is so I would say that is politics, not statesmanship; because there is no doubt that that small outlook on what is a national problem is not a becoming one for a person who holds the position of Commonwealth Treasurer. I trust that was not what he had in mind, although I have my personal doubts about it.

A passing reference was made by one of the speakers concerning the taxation of pensioners, I thought that was a very poor effort to court popularity on such a particularly public matter. Pensioners, for quite some time, have been subjected to tax if they have been able to go to entertainments, and I think these crocodile tears at this stage were unwarranted. We hear that this is going to put up—put up, mark you!—entertainment costs to the family man and the pensioner.

People who think this is going to put up anything, have a very queer sense of direction, and probably drive east in Hay-st. To put it mildly, I think the outlook is a queer one. I thought it should be commented on because anyone who can say that reducing a tax from 5d. to 4d. is putting it up, is a little bit queer.

Mr. Oldfield: Who said that?

Mr. JOHNSON: The member for Maylands did. That is not up; it is down.

Mr. Oldfield: This is going to increase the family man's costs after the 1st October.

Mr. JOHNSON: If the member for Maylands wants to explain himself he had better go outside and write it out because otherwise I fear it will not be understood.

Mr. Oldfield: I don't need to. This will definitely increase costs.

Mr. SPEAKER: Order! The member for Maylands has had his chance.

Mr. JOHNSON: There is another point which has been missed by the Opposition and to which I would like to make reference. That is that this will add a few very necessary pounds to our Treasury. When I occupied the seat where the member for Maylands now sits, I got tired of hearing that this, that and the other could not be done because of the shortage of loan funds. It was the constant refrain which one heard from the Government at that time.

Mr. Manning: What is it now?

Mr. JOHNSON: The point I want to make is—

Mr. Bovell: This cannot benefit loan funds.

Mr. JOHNSON: If the hon. member would take the plum out of his mouth, I might be able to hear him. As I have explained, that was the constant refrain of the Government of the day and for people who know we are short of money—as well as the Opposition does—to suggest that we should do with less, does strike me as being somewhat of a change of direction. Money, whether in loan funds or in revenue, is still spendable by Governments for governmental purposes. If by chance there is a shortage of loan funds and a surplus of revenue, the revenue can be spent for loan purposes.

Mr. Bovell: It is quite obvious you heard what I said because you are trying to justify your former remarks.

Mr. JOHNSON: I did not hear what the hon. member said, but if I have justified something—

Mr. Bovell: I did not say you had justified it. I said you were trying to.

Mr. JOHNSON: I did not hear all of it so I cannot correct any misunderstandings. But the point I wish to make is that this money is needed. The shortage of loan funds was created by the Commonwealth Government which members opposite support. It was created by a definite policy of the Federal Parliament. We, on this side of the Chamber, are now suffering as the result of that particular policy. If there should be an opportunity of getting a little more money, I should have thought that at least those who sat on the front bench before the last election would have been most sympathetic. Even the Leader of the Opposition, who was Treasurer at the time, and who had a far greater realisation of the troubles facing the present Treasurer, must be considering, when he speaks in opposi-

tion to this measure, whether he is playing politics or whether he is considering the State.

Western Australia needs money. I imagine there can be no doubt that the need for money is urgent. The Bill before the House will furnish the State with some money and that is the reason why the measure has been introduced. The amount which we shall receive from it, though less than we could have legislated for, cannot be contradicted. It would have been quite within the bounds of reason to have applied the Commonwealth schedule as it stands at present, and that would not have added a penny cost to anybody who patronises any entertainment. That would have been quite reasonable, but the State, although, as everyone knows, short of money, has made some very serious concessions and those concessions will be appreciated—

Mr. Bovell: What are they?

Mr. JOHNSON: If the hon. member has not been able to understand the schedule put before him, experience will surely show him. The need for the money is the real and major cause of this Bill. It is not designed to cause damage to anybody. Everybody who goes to entertainments will have to pay at least a little less than before. Although it is not the ideal, it is practical.

I, for one, would like to see all taxation abolished. I think that would be lovely, but we must be realists and appreciate that this particular tax is quite logical. It does not come within the bounds of necessities and it does not prove to be extremely discriminatory. For instance, it is not as important in the life of the working man as are the various sales taxes that are far better concealed. I support the Bill.

HON. C. F. J. NORTH (Claremont) [8.10]: Some many years ago now, after the Battle of Waterloo, or thereabouts, pigeons were used in order to get information to London, and somebody made a fortune out of it. I heard something very interesting over the air just now in regard to this matter, not that it will help me to make a fortune out of it.

What I heard was to the effect that the Premier of New South Wales is tonight reported to have praised the Commonwealth Budget for the reductions contained in it. He said that for his part he did not intend to impose any further taxation in New South Wales until the 30th June next in order to enable the people there to recover and get the full benefit from the reductions already referred to. Those are my humble attempts to repeat what I heard.

I may have misinterpreted the report to some extent, but those are roughly the lines along which the New South Wales Premier spoke. That encourages me to appreciate the fact that there can be

two views on this matter. I would have thought that, in view of the fact that the Premier of New South Wales cannot obtain any grant—his is one of the States that has to help to find grants for us—and that we were to get a grant of perhaps £8,000,000 or some such figure, it would be a little premature to assume the figure that we expect this Bill to give us.

As has been said tonight by some speakers, the Commonwealth Government definitely dropped the tax with a view to its being a relief and a benefit to the people. It is possible, therefore, if this measure is carried that it might mean a deduction from our grant, and we do not want to see that happen. After all, South Australia is also one of the States that is a beneficiary under the Federal disabilities Act and that State is not going to do anything about it. I suppose we will all support the measure and vote for it for the purpose of putting the previous legislation right. I hope that, in the Committee stage, there will be drastic amendments to make its effects as light as possible.

THE PREMIER (Hon. A. R. G. Hawke—Northam—in reply) [8.12]: We have heard fair amount of talk in connection with this Bill, and we have had put forward by some members what they describe as reasons why the State should not at all or, alternatively, should not at this stage, take action to operate the entertainments tax legislation which was suspended in 1942 and which became automatically operative in a legal sense, if anyone had thought of enforcing its operation, on the 1st July this year.

We have heard some very entertaining reasons, or alleged reasons, as to why the Commonwealth Government made a decision which was announced when the recent Commonwealth Budget speech was delivered, to abolish the Commonwealth entertainments tax. I am sure anyone who cares to be absolutely politically honest when trying to assess the reason why the Commonwealth abolished this tax, would admit that it was abolished to improve the electoral prospects of the present Commonwealth Government at the general election to be held in May of next year. That was the only reason why the Commonwealth decided to abolish this tax.

Hon. A. V. R. Abbott: You do not think it is a good sort of tax? You would not use it if you could raise money in any other way?

The PREMIER: I shall come in proper sequence to the question that the hon. member now impatiently pushes at me.

Hon. Sir Ross McLarty: Do not you think that the Federal Treasurer, in his Budget, did try to implement the promise to give relief from taxation and that this is one method of doing so?

The PREMIER: I do not.

Hon. Sir Ross McLarty: Do not you give him credit for honesty of intention?

The PREMIER: I am not called upon to deal with that angle.

Hon. Sir Ross McLarty: But you are dealing with it.

The PREMIER: I am dealing with the real reason why the Commonwealth decided to abolish the entertainments tax, and the underlying reason is that the Commonwealth Government wanted to improve its electoral prospects for the general election of the House of Representatives to be held in May next. That is quite obvious.

Hon. Sir Ross McLarty: The Commonwealth Government carried out its promise.

Mr. Bovell: Your remark is very ungenerous.

The PREMIER: I am not concerned whether it is ungenerous or not. I am simply giving the real reason. Would not every member of this House agree that it would have been far better from every point of view had the Commonwealth retained this tax and granted the pensioners an increase of more than 2s. 6d. a week?

Government members: Hear, hear!

Hon. L. Thorn: Now you are indulging in political stuff.

The PREMIER: Would not the hon. member agree that the Commonwealth Government, had it desired to do something worth while with the entertainments tax, should have added it to the 2s. 6d. increase that it decided to give the pensioners throughout Australia?

Hon. A. V. R. Abbott: There are many better methods of doing that if it were thought desirable.

The PREMIER: Then why was not one of the other methods adopted?

Hon. A. V. R. Abbott: Because it was not thought advisable. The Commonwealth gave a good deal of relief along the lines of ultimately abolishing the means test.

The PREMIER: Would the hon. member have us believe that the increase of 2s. 6d. a week given to the pensioners was reasonable?

Mr. May: Answer that!

Mr. SPEAKER: Order! The Premier should disregard the interjections.

The PREMIER: I am sure that the member for Mt. Lawley will be very grateful to you for that, Mr. Speaker. Obviously had the Commonwealth desired to do something worth while with the entertainments tax, it could have continued to impose the tax and could have distributed the whole of the proceeds among the pensioners, but because the Commonwealth Government was more concerned about the

next general election than about the pensioners, it considered that it would be a good political move to abandon the tax.

Hon. Sir Ross McLarty: You do make a political football of the pensioners!

Mr. Bovell: What is your Government doing for the pensioners, anyhow?

The PREMIER: We shall be doing much more if we get this legislation through Parliament.

Hon. Sir Ross McLarty: You have not done a great deal for them in the past, either Federal or State.

The PREMIER: We have done more than the Leader of the Opposition did during his six years as Treasurer.

Hon. Sir Ross McLarty: You have done nothing at all.

The PREMIER: The Leader of the Opposition dealt with the question of income tax reimbursement and supplementary grant payments, and took some pains to try to prove that this year's total payment by the Commonwealth included a full year's reimbursement of the entertainments tax raised in this State. That is not so.

Mr. May: He did not believe it, either.

The PREMIER: The amount of reimbursement that was legally payable to the State was set out in the Federal legislation of 1942. That legislation, however, was repealed by a Commonwealth Act passed in 1946. As a result of that Act, the Commonwealth was no longer legally bound to reimburse the State specifically in relation to entertainments tax. In fact, it would have been legal for any State, after the repealing legislation of 1946, to impose an entertainments tax had any State Government been silly enough to do it. However, it would have been legally possible, because the 1946 legislation made no reference at all to the entertainments tax beyond repealing the State Grants Entertainments Tax Reimbursement Act of 1942.

Hon. A. V. R. Abbott: But the State had been receiving it in consideration for working under the formula.

The PREMIER: Who says that?

Hon. A. V. R. Abbott: I do.

The PREMIER: Mr. Chifley might have said that in 1946, but who could say that in the total payment by way of reimbursement and supplementary grant last year or this year, there was any reimbursement of entertainments tax?

Hon. Sir Ross McLarty: That was always taken into consideration ever since the adoption of uniform taxation. You know that.

The PREMIER: I am telling the hon. member that there is no proof at all of that because the State Grants Entertainments Tax Reimbursement Act was re-

pealed by the Commonwealth legislation of 1946 and the Commonwealth Government was no longer under any legal responsibility to reimburse the States in regard to that particular field of taxation.

Hon. Sir Ross McLarty: At any rate, it was under a strong moral obligation to do so.

The PREMIER: We know all about that; I shall have something to say about it presently.

Hon. Sir Ross McLarty: I am sure the Commonwealth was under a legal obligation, too.

The PREMIER: I shall also show how the Commonwealth fell down on its moral obligation to this State at least in this year.

Hon. A. V. R. Abbott: You are aware that the same Act repealed two other Acts that you could have used for taxing purposes—the Hospital Fund (Contributions) Act and the Gold Mining Profits Tax Act.

The PREMIER: The total payment this year to Western Australia by way of taxation reimbursement and supplementary grant was only 4.06 per cent. greater than the total payment last year, whereas the total payment last year was 16 per cent. greater than the total payment in 1951-52. If the increase this year had been 16 per cent. over last year we would have received from the Commonwealth not a small amount over £11,000,000, but approximately a total of £12,000,000.

Hon. A. V. R. Abbott: Why do you say it should be 16 per cent. this year?

The PREMIER: I say that the State's need this year is greater by comparison with what it was last year, in relation to what last year was compared with the previous year.

Hon. A. V. R. Abbott: How can you support that? Are you going to say that the basic wage has increased more?

The PREMIER: It has increased.

Hon. A. V. R. Abbott: But not in the same proportion.

The PREMIER: It has increased considerably, and we still have nine months of the year to run.

Hon. Sir Ross McLarty: The formula provides for the basic wage increases.

The PREMIER: It does not.

Hon. Sir Ross McLarty: It provides for basic wage increase, increases in population and several other matters.

The PREMIER: The total payment for the current financial year has been decided. If there is a basic wage increase at the end of this month, I do not see how the formula can provide for that; nor does the Leader of the Opposition.

Hon. Sir Ross McLarty: Yes, I do.

The PREMIER: One of the speakers on the Opposition side tried to argue that people who go to entertainments would be

paying this tax twice during the current year. Of course, that simply is not correct. The people have been paying the Commonwealth entertainments tax from the beginning of July and will continue to pay it until the end of the present month; and on the 1st October they will start to pay the State entertainments tax which will be lower—and in several instances considerably lower—than the Commonwealth tax. So the people of this State will during the whole of the current financial year pay much less by way of entertainments tax than they paid during the last financial year.

It is interesting to hear the Leader of the Opposition and some of the other speakers on his side of the Chamber arguing strongly against the imposition of an entertainments tax. It is all the more interesting when we cast our minds back over the last four years because during that period the Leader of the Opposition was the Premier of the State and the member for Mt. Lawley was the Attorney General, and they increased State taxation considerably in respect of essential requirements and needs. Recently this Government had to raise railway freights, mainly because the Commonwealth Government, which had £118,000,000 to give away, would not, at the Premiers' Conference held in August, give Western Australia £2,500,000 to prevent our railway freights from being increased.

Mr. Nalder: Is that the only reason?

The PREMIER: That is the main reason. Another reason is that the previous Government, which would have been thoroughly justified in raising railway freights last year, did not do so, thus making it necessary to raise them much higher this year than would otherwise have been required. A third reason could be the considerable increase in the cost of running the department in these days.

Hon. A. V. R. Abbott: Do you not think the people are entitled to some reduction of taxation?

The PREMIER: That is not the point at the moment.

Hon. A. V. R. Abbott: Yes, it is. It is the sort of question you asked me just now.

The PREMIER: I am bringing out the angle that the Leader of the Opposition and the member for Mt. Lawley, and some other speakers, argued strongly against the imposition of an entertainments tax, yet they had no hesitation, on previous occasions, in increasing taxation and charges upon essential matters.

Hon. A. V. R. Abbott: Such as?

The PREMIER: Such as motorcar licensing.

Hon. A. V. R. Abbott: That is not a tax.

The PREMIER: No? Also, motor drivers' licenses and other things of that description. I have not the slightest hesitation in saying that if there is one tax in a community justified above all others, it is the tax upon amusements, I go further and say that I know the workers of Western Australia as well as do most people and better than do some members on the other side of the House. I am thoroughly satisfied that very few workers in this State and very few of our other citizens would have any objection to the payment of entertainments tax provided they knew that the money they paid in that way was to be used for worthy purposes within the State. I am sure that the Leader of the Opposition and the member for Mt. Lawley would, on reflection, agree with that point of view.

Someone suggested that the work of carrying on the worthy purposes which would be assisted by the collection of this money should be left to the individual decision and charitable instincts of each person in the community, but I cannot agree with that at all. Under the set-up the generous-minded and kind-hearted in the community would be paying all the time while those not so generous of mind or heart—even though they could afford to pay—would never do so. To me it seems beyond argument that the proposed tax is indeed a fair and reasonable method of raising the amount of money necessary each year in this State to assist the purposes and causes to which the money that we will raise under this tax will be devoted.

There can be no valid argument against that. The member for Mt. Lawley spoke of the workers and said that this tax would be an imposition on them, that he was out to protect them, and that sort of thing. But I have a much better opinion of the workers of Western Australia than the hon. member seems to possess, and I am convinced that once they know the uses to which this money will be put, very few of them will raise any objection to the tax. Why do we not have faith in the people of this State? Why take up the attitude that we do not think they are prepared, by way of this form of taxation, to assist in helping the causes which we have in mind?

Hon. A. V. R. Abbott: Are the people of this State any different from those in Queensland or New South Wales.

The PREMIER: I am not concerned with the people of Queensland or New South Wales, but with the people of Western Australia, and with the substantial and growing needs of some very worthy causes in this State which have not in the past received the assistance that they deserved.

Hon. A. V. R. Abbott: You did not hesitate to throw away £40,000 of the people's money on coal the other day, in incentive payments.

The PREMIER: If Mr. Speaker will allow a brief comment on that subject, I say that if that question is followed through, the result of the incentive given will be to reduce the cost of producing coal in the long run. As a matter of fact, the member for Mt. Lawley fathers incentive payments and lauds the principle to the skies. He is usually a great advocate of it and yet, when it is applied in this instance, he is all against it. I appeal to members to be reasonable and realise that this is a fair class of taxation. After all, most people patronise various amusements quite frequently, and I feel that an amusements tax is a fair source of revenue for the raising of money for essential and worthy purposes. I go further and say that I do not know of any better form of taxation. I would rather impose a tax on amusements than raise water rates or railway freights.

Mr. Bovell: But you are doing all those things.

The PREMIER: I would rather tax amusements than raise motor license fees or something of that description. I repeat that few people in the State and certainly very few workers will object to this tax once they become convinced that it is to be used for the very best purposes imaginable.

Hon. Sir Ross McLarty: Are you going to act on the principle that wherever the Commonwealth vacates a field of taxation you will come in because the State requires money?

The PREMIER: Whenever the State needs additional revenue for essential purposes, we will, if it is reasonable to do so, follow that course.

Hon. L. Thorn: What worthy purposes have you in mind?

The PREMIER: I have them listed and will explain them a little later on. I have an idea at the back of my mind that if the State were not to impose any entertainments tax, some of the companies operating in the field affected might think that their patrons had received substantial consideration and might therefore not be inclined to allow the public the relief they should give them as the result of the substantial reduction by the Commonwealth of company taxation.

Hon. L. Thorn: Have you no faith in these people?

The PREMIER: I have about as much faith in some—not all—of them as the member for Toodyay has. That is an angle that members should keep in mind, and a very important angle.

Hon. A. V. R. Abbott: You could stop that if you wished to.

The PREMIER: Does the hon. member think we should bring in price-control over amusements?

Hon. A. V. R. Abbott: I do not think they will do it and you do not think so.

The PREMIER: I say that I have in mind that some of them might do it.

Hon. A. V. R. Abbott: They would not dare do it.

The PREMIER: I know enough about some companies and business firms in this State to realise that they would dare to do anything. The companies providing entertainment in this State ought immediately to give consideration to the question of the relief they should give their patrons in the light of the reduction in company taxation granted by the Commonwealth.

Hon. Sir Ross McLarty: In other words, you say they should not derive any benefit at all from the reduction in company taxation?

The PREMIER: No, why should they?

Hon. Sir Ross McLarty: It was the Federal Treasurer's intention that they should.

The PREMIER: I believe it was his intention, by and large, that the people at the paying end should get the relief.

Mr. Oldfield: That is true.

The PREMIER: The member for Maylands and the Leader of the Opposition disagree.

Mr. Oldfield: You are saying the people who do the paying will not get the relief.

Hon. Sir Ross McLarty: I know that—

Mr. SPEAKER: I must ask the Leader of the Opposition not to interject so often.

The PREMIER: Some of the speeches made during this debate were right on the beam and here I refer particularly to that of the member for Roe, and, to some considerable extent, the one made by the Leader of the Country Party. I think also the member for Nedlands did get on to the beam in regard to the same angle towards the end of his speech. The angle to which I refer is that when this State tax Act is operated again, as it will be on the 1st October, further consideration should be devoted to it for the purpose of altering some of the existing sections so that certain classes of entertainment, carried on for deserving purposes, can be either completely exempted from the Act or the rate of tax on the entertainment which they sponsor can be greatly reduced. Another angle to which these speakers referred was that of the deserving nature of live shows, or flesh and blood shows, which, under the Commonwealth entertainments tax system, had a special scale of taxation rates. As I said when introducing this Bill, the Government has given some thought to those angles.

I gave the House an assurance that we would, during this session, introduce a No. 2 amending Bill in which we would

reduce the existing rates on what is generally known as the live show; and so we shall. But surely members cannot reasonably expect that in the short time we have had available to us to bring down these Bills, we could also, in addition to the hundred and one urgent matters that are before the Government, give intelligent and careful thought to the whole question of entertainments tax, and in these Bills have a complete answer to all the questions and suggestions which members might have and which people engaged in the entertainment business outside might have—or even members of the general public might have—to put forward. That was not mentally or physically possible.

So, although we regret it, we had to postpone, for the time being, any decisive consideration of those angles, and concentrate upon having the Bills prepared and introduced so that the State Act might be brought into operation upon a basis which we think is acceptable at this stage, and thus prevent a period developing in which neither Commonwealth nor State entertainments taxation would be levied. Quite rightly, the Leader of the Opposition saw the danger of such a situation. I am sure the member for Mt. Lawley saw it too, although he did not admit it in the frank way of the Leader of the Opposition. It would be impossible for any Government to allow a tax to cease, no tax to be imposed for two or three months, and then suddenly come down with another tax of the same kind?

Mr. Hutchinson: Why would that be so wrong?

The PREMIER: I think the member for Cottesloe, in view of the profession he followed before he came into this House, would know what a strong thing habit is. People do not mind carrying a tax or a burden, but if one takes that burden off their shoulders—

Mr. Hutchinson: They appreciate it.

The PREMIER: —for the time being—

Mr. Bovell: You admit it is a burden?

The PREMIER: —and a couple of months later put it back on their shoulders, there is an outcry about it.

Mr. Hutchinson: They would not appreciate it.

The PREMIER: They certainly would not. So obviously, on the grounds of commonsense as well as for other considerations, important ones too, we had no option, as a Government, once we made up our minds to introduce a State Act, but to move fast, make our decisions, have the legislation prepared and introduce it into this House to ensure that the State tax would operate on and from the 1st October. That is what we have done.

The causes and purposes for which the whole of the money raised from the imposition of this tax will be used I men-

tioned when I introduced the measure. In order that members' memories may be refreshed, I propose to mention some of them again. In the first place, there is the field of education. Every member is greatly interested in the cause of education, and every member, including myself, is always hammering away at the Education Department and the Treasury for better educational facilities and more educational services.

The other evening I mentioned that the cost of operating the school bus services is now £750,000 per annum, and I think the member for Claremont interjected that that amount was greater than the total Vote for the Education Department only some six or seven years ago. In the field of education must be included kindergartens, and I imagine that every member is not only keen about existing kindergartens but is also anxious to see them extended and new ones set up and operated. The Kindergarten Union is losing money and it has made representations to the Government for additional funds to help the movement. As a Government, we are anxious to help, as any other Government would be, but we cannot help the organisation if we have not the money. Sympathy is no good.

Hon. Sir Ross McLarty: Do you think we shall ever be able to help everyone that wants to be helped?

The PREMIER: I think not; but surely we are in duty bound to take advantage of this opportunity to raise some small amounts regularly from the people who patronise entertainments—comparatively small in the total sum in the whole year—to help a cause such as the one I mentioned.

Mr. Hutchinson: Do you say that people would be pleased to do that?

The PREMIER: I say that ninety-nine people out of every hundred who patronise entertainments would be pleased to do it.

Mr. Hutchinson: Would they be twice as pleased if you doubled the rates?

The PREMIER: I think the member for Cottesloe realises that there is a reasonable medium in all these things. Once a person goes beyond the reasonable medium, he gets into the field of absurdity. We cannot go on increasing taxation.

Then there is the field of health, which is becoming increasingly important all the time. Every member knows of the need for infant and maternal health clinics, especially in country districts. Local committees in various parts of the State work hard trying to get these valuable clinics established. Their efforts are voluntary and are inspired by a deep humanitarian spirit, the object of which is to ensure that every mother who is to give birth to a child shall receive the best advice and

care possible and that every child born shall likewise receive the best care and attention possible. These committees in the country districts and in the metropolitan area raise sums of money by various efforts. They then approach the Government and ask that it help them and a Government would have to be heartless indeed, or absolutely without financial resources, to turn them down.

Hon. A. V. R. Abbott: If the Premier used some of the money obtained by the Lotteries Commission for those purposes instead of for building, it would be a better idea.

The PREMIER: The member for Mt. Lawley knows as well as I do that the money which the Lotteries Commission receives is obtained by it through a special Act of Parliament which places on the Lotteries Commission a legal responsibility as to what shall be done with the money. I have no more legal authority in that direction than the member for Mt. Lawley had when he was Attorney General.

Hon. Sir Ross McLarty: It helps infant health clinics and similar institutions to which the Premier has referred.

The PREMIER: As the Leader of the Opposition says, it provides considerable financial assistance to those committees that raise money to establish clinics and the like to which I have referred. In this health field there are many other activities. One could include the Home of Peace, which I mentioned the other day when speaking to the Bill. That home is having additions made to the existing building which will cost £136,000. The previous Government committed the State to give it £30,000, but told the controlling authority that the money could not be provided until 1954. However, instead of the additions costing £90,000 in all as was originally estimated, they are now to cost £46,000 more because of rising costs and the delay in commencing the work. The Home of Peace authorities, under necessity and with some degree of justification, have approached the present Government and said that not only do they require £30,000 this financial year if it is humanly possible, but also they want another £25,000 because of the greatly increased cost of completing the extensions. What are we to do? Are we to turn them down? Are we to say, "No, the Parliament of this State considers that the imposition of an entertainments tax is vicious and unreasonable, and therefore the Government cannot help you?"

Hon. Sir Ross McLarty: Even without this tax, you need not turn them down.

The PREMIER: It is very easy for the Leader of the Opposition, who was once the Treasurer of this State, to say that, but if the position were now reversed and he were still Treasurer, he would be viewing the financial position from the inside; and I know him well enough to

believe that he would be making much the same type of speech on this matter as I am at the moment.

There are many other fields in which this money could be spent and, in fact, the member for Maylands would be interested in this one. He has, within his electorate, the Institute for the Blind and he knows of its difficult financial position. That institute intends to bring a deputation to me in the near future to ask the Government of this State to assist it in carrying out its work to a far greater extent than it has done up to date.

Mr. Oldfield: It is doing good work, too.

The PREMIER: Everyone will agree with that, but it is of no help to offer congratulations, no matter how sincere they may be, unless one can support them with practical financial assistance. That is how I feel about the situation. I think the previous Government also committed the State to make some substantial payment available to that institution. I believe that happened during the last election campaign. If that is so and the deputation approaches me, they will tell me about it and I will feel that there is a strong moral obligation upon the Government to honour that commitment. If we have the money available we will stand up to it and be pleased to do so. At present there is a movement in the South Perth district to establish a community hospital and the local people are doing a tremendous job. I think the previous Government committed itself to give substantial assistance to build that hospital.

Hon. Sir Ross McLarty: You will provide the money for the capital work out of loan funds, will you not?

The PREMIER: I doubt that.

Hon. Sir Ross McLarty: It is capital work.

The PREMIER: It is capital work, but not capital Government work. I would not be decisive or positive as to whether the money will come from loan or revenue, but I think it will come from revenue.

Hon. Sir Ross McLarty: It is providing for a public hospital.

The PREMIER: Yes, it is providing for a public hospital of a community type, but I am inclined to think that the money will come from revenue and when the hospital is established the committee controlling it will want the Government to assist it to run the hospital. That would be a reasonable request and one that any Government should grant, if it were in a position to do so. Members can think of a hundred and one other directions in which this money, if it is collected, could be justifiably used. The question of granting assistance to the surf life saving clubs has been raised.

Mr. Hutchinson: How much money will you give them?

The PREMIER: The member for Mt. Lawley descended to the greatest of parochial depths, which I thought no member could reach, when he posed the question as to whether the worker in Kalgoorlie should pay entertainments tax to help the surf life saving clubs in the metropolitan area.

Mr. Oldfield: But the money that will be raised from this tax is not even enough to pay for the completion of the Guildford-rd.

The PREMIER: I should think that the worker at Kalgoorlie would not mind paying entertainments tax to assist the surf life saving clubs in the metropolitan area if, at the same time, he knew that people in the metropolitan area were being similarly taxed to provide funds for the establishment of an infant health clinic at Kalgoorlie, Boulder, Norseman or Leonora. I hope that the member for Mt. Lawley will take a more rational view of the whole situation, as I am sure he will.

Hon. Sir Ross McLarty: We are being taxed for social services, are we not?

The PREMIER: Yes, we are; but the Leader of the Opposition knows as well as I do that the amount of money available to the State Government is not sufficient for it to assist even reasonably all those worthy undertakings to which I have referred. I am sure the Leader of the Opposition would agree with me on that.

Hon. Sir Ross McLarty: I am sure you will be saying that in the next 10 years if you are still in your present position.

The PREMIER: That does not weaken the claim or falsify the contention, as I am sure the Leader of the Opposition knows. When he was Treasurer of the State he could never get anywhere near providing all the money necessary to meet all the justifiable requests put to him from time to time. No Treasurer will ever be in that position, but that is no argument against this Bill.

Hon. Sir Ross McLarty: We could never tax the people sufficiently to do that either.

The PREMIER: That is no argument against trying to raise at this stage £150,000 or £200,000 a year to give these worthy undertakings and those worthy purposes some assistance. As I said earlier, I know of no better form of raising money for these purposes than the one set out in the entertainments tax legislation.

Hon. A. V. R. Abbott: I know one.

The PREMIER: What is it?

Hon. A. V. R. Abbott: The totalisator tax.

The PREMIER: We have one.

Hon. A. V. R. Abbott: Establish totalisators for s.p. betting. It has been done in New Zealand, has it not, with grand results?

The PREMIER: The member for Mt. Lawley was a Minister of a Government that was in power for six years and this particular subject was completely under his control in the Crown Law Department. His Government appointed a Royal Commission on the question; the Royal Commission made recommendations to the Government. But that Government shoved the reports and recommendations into a pigeonhole for the spiders to play leap-frog over them. So a suggestion of that kind does not come logically from the member for Mt. Lawley.

Hon. A. V. R. Abbott: I still suggest it.

The PREMIER: If it would be any comfort to the member for Mt. Lawley, I would point out that a Cabinet sub-committee is now thoroughly investigating the problem he mentions, and that sub-committee may very well call him into consultation at some stage or other for the purpose of getting the benefit of his views.

Hon. Sir Ross McLarty: By jove, this Cabinet sub-committee!

The PREMIER: I think there is not the shadow of a hope of introducing legislation in relation to that problem this session, and I am sure the member for Mt. Lawley will agree that that would not be possible.

Hon. A. V. R. Abbott: I would probably agree to that.

The PREMIER: Accordingly we must face up to the practical proposition which is at hand, and we ask the members of this House, as we will subsequently ask the members of another place, to support the Government in raising, by this fair and reasonable method, up to £200,000 a year in order that the whole of the money raised might be used for the purposes I have mentioned and for other similar purposes.

Hon. Sir Ross McLarty: Do you think £200,000 is a correct estimate?

The PREMIER: I explained the other evening that no one is, at this stage, in a position to make a reliable estimate. We are abolishing some classes of taxation altogether and we are not in a position to know just how much taxation might be raised. In addition, I have given a public undertaking, and I have also given a special undertaking to members of this House on two occasions, further to amend the Act for the purpose of helping people who sponsor entertainments for educational, religious and other purposes, and with the object of helping the stage shows, that is, the live shows. No one at this stage can make a reliable estimate. All we can do is to make an approximate estimate.

I have a lot of sympathy for the live shows. I know that the staging of live shows is a much greater help to the State than the showing of films. After all is said and done, from a financial point of view the showing of films is mainly of benefit to the American film interests. Unfortunately American film interests are interests which are more powerful, financially, than the British film interests. They turn out many more films than does the British film industry, and consequently they are able to turn out most of the films shown in this State. But the showing of films in this State does not help us.

Hon. Sir Ross McLarty: Many of them are educational and instructive.

The PREMIER: I do not deny that. I was going on to say that when live shows or flesh and blood shows are sponsored in our theatres, a lot of revenue is set moving within the State, especially in the metropolitan area. From my own point of view—it might be old-fashioned—I prefer to see a live show. I think there is much more in them than there is in a film show. I have often said so outside and I am not afraid to repeat it in this House that, in my opinion, the films shown in Australia—and this is probably the case in every other country in the world—are not of a very good standard.

I suppose the reason for that is that in America particularly, the film-making companies pay such tremendous salaries to film stars that they have to turn out films like a butcher turns out sausages. Accordingly it is only now and then that one gets a really good film; most of the time one gets films that are average or below average in standard. However, that is only by the way. It is true that film entertainment is popular.

Hon. Sir Ross McLarty: We get some of the best films in the world.

The PREMIER: The public who go to entertainments must be considered to be the best judges. They want the films and they go to them. That is all right and no one can have any legitimate objection to it. The question of charges for admission enters into it. Charges for admission to films, as far as I am aware, are always much lower than the charges for admission to a good live show or a good flesh and blood show and, consequently, that comes into the picture in regard to the places or types of entertainment people patronise. In the circumstances, it seems to me that the right and reasonable thing for members of this House to do is to pass this Bill and the succeeding two Bills into law so that the entertainments tax of the State, as amended in this legislation, will be able to operate in and from the 1st October.

Question put and passed.

Bill read a second time.

In Committee.

Mr. J. Hegney in the Chair; the Premier in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Section 2, 4, 5 and 6 amended:

Hon. Sir ROSS McLARTY: I move an amendment—

That in the last line of paragraph (b) the word "three" be struck out with a view to inserting the word "eight" in lieu.

Despite the Premier's justification for the measure, I still consider there is no need to rush it through. He has indicated that he has yet to introduce another Bill in which far-reaching changes may have to be made, and he is doing so because he recognises that this Bill is not what he and many others desire. Considering all the circumstances, it would be wise for the Government not to press on with this measure, even though there might be a certain lapse of time before it could operate.

The fact that the Commonwealth ceased collecting the tax at a certain date is not a real reason why the State should immediately enter this field of taxation. Surely it would be better to make one bite at the cherry and have a well-balanced measure rather than the one before us, which has been quickly thought out and rushed into Parliament to the end that it may be put into operation within the next few days. I recognise that all Governments have sought to obtain additional funds, but the fact remains that a Government cannot get all the money it needs, however desirable the objects may be. The Commonwealth's abolition of this tax has lessened the burden on the people and that relief will be beneficial to the whole community.

The PREMIER: The amendment is an irresponsible one aimed at killing the Bill. Had the Leader of the Opposition desired to do that, he should have called for a division on the second reading. I oppose the amendment.

Amendment put and negatived.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

BILL—ENTERTAINMENTS TAX ACT AMENDMENT.

Second Reading.

Debate resumed from the 17th September.

HON. SIR ROSS McLARTY (Murray) [9.16]: The Premier, in moving the second reading, indicated what the charges for entertainments tax would be and told us that the tax would be abolished up to an admission charge of 1s. 6d. We have an entertainments tax measure on the statute

book at present and, under this Bill, no tax will be imposed on admission charges up to 1s. 6d. It is proposed to abolish the 2d. tax on the 9d. to 11½d. range, and also the 2d. rate on the 1s. charges. I think the 3d. rate on the charges of 1s. 0½d. to 1s. 6d. also goes, so the tax will be levied on admission charges of 1s. 6½d. or more. This, he told us, is to cater for those people who desire to take advantage of low admission charges. The proposal is worth very little.

The Premier: It will be worth quite a bit for the children.

Hon. Sir ROSS McLARTY: It might be for some children, but not all.

Hon. A. V. R. Abbott: They are mostly exempt now.

Hon. Sir ROSS McLARTY: The Premier, by way of interjection, admitted that he did not know of any entertainment where one could gain admission for 1s. 6½d.

The Premier: I did not.

Hon. Sir ROSS McLARTY: Yes, he did, and afterwards he mentioned some dance at Northam.

The Premier: And at Pinjarra.

Hon. Sir ROSS McLARTY: I do not think there would be many such dances at Pinjarra.

Mr. Lawrence: What about the Mayfair Theatre?

Hon. Sir ROSS McLARTY: That is a very desirable form of entertainment.

Mr. Lawrence: And what about the Sunday night pictures at Rockingham?

Hon. Sir ROSS McLARTY: I know nothing about them; I do not frequent Rockingham on Sunday night. The charge of 1s. 6½d. is not reasonable because in actual practice it will benefit comparatively few people. The Premier, on re-entering this field of taxation, could be a little more generous than he has suggested. On the charges from 1s. 6½d. to 2s., he proposes a tax of 4d. Then he goes along the line with 1d. increases until he reaches the 5s. 6½d. to 6s. charges on which he proposes a tax of 1s., plus 1d. for each 6d. or part thereof over 6s. I shall endeavour to amend the Bill to bring it more into line with the Victorian Act by suggesting that admission charges of 3s. and under shall not be taxed. I think that would be a fairer proposition seeing that the Treasurer is entering a field of taxation which the Commonwealth Government hoped would be non-taxable in the future.

It is proposed to exempt the North-West, or that part of the State above the 26th parallel. I offer no objection to that because I realise that the amenities we have here are not obtainable in those parts of the State. I agree that the further north we go the greater the consideration that should be shown to the people with regard to taxation generally. The Treasurer

might find, when he has had time to give full consideration to the measure, that there are other parts of the State even more isolated than the North-West or the part north of the 26th parallel. It is difficult for the member for Murchison, for instance, to get entertainment in his district.

The Minister for Justice is not present at the moment, but I am told that to get a picture programme to Esperance costs £6 and that this amount will shortly be increased by 35 per cent. so that it will then cost more than £8. This is a pretty expensive item to start with. When I think of the member for Murchison I wonder what it would cost to get a programme to Wiluna or other distant parts of his electorate. Possibly it would be more than to get a programme to the North-West where, we are already agreed, exemption shall be given.

These are some of the anomalies that I find in the Bill, and because of its hurried nature I do not wonder at them. I intend to propose an amendment that the tax shall not operate on charges of 3s. and under. Something similar is being suggested in Victoria. If it is agreed to here it will not add that burden to the family man which the Bill at present seeks to impose upon him. It is not much use my repeating what I have already said. I have stated my views on the reimposition of the tax. I think it could be left off, at least for a time, to see how we go. I shall move certain amendments to the measure and I hope the Committee will agree to them.

Question put and passed.

Bill read a second time.

In Committee.

Mr. J. Hegney in the Chair; the Premier in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Section 4 as amended by Section 2 of No. 27 of 1930 and Section 2 of No. 17 of 1933, further amended:

Hon. Sir ROSS McLARTY: I move an amendment—

That in lines 4 and 5 of paragraph (a) the words "one shilling and seven pence" be struck out with a view to inserting the words "three shillings."

In the reimposition of this tax, more consideration should be given to the public. The exemption proposed by the Bill means very little. The Premier said it catered for children. I do not think it will cater for all children although it may cater for some. It will cater for very few adults. The present provision will react against the family man. I know the Premier cannot say just what amounts he thinks he will receive from the various rates he proposes to impose, but I wish he could. When the measure was introduced we should have

been given that information. The Premier cannot describe my amendment as irresponsible. It is a reasonable one, taking all the facts into consideration. If he desires to give relief to those on the lower rung of the ladder who seek cheaper seats, then the amendment is reasonable, and it falls into line with what is reported to be proposed in Victoria.

The PREMIER: I oppose the amendment mainly for the reasons which the Leader of the Opposition put forward in his second reading speech. He pointed out that there were other parts of the State which might be entitled to the same consideration as it is proposed to give to the North-West, and he referred to other angles of the situation. The attitude of the Government is that it is re-enacting the existing State legislation in connection with charges above 1s. 6d., and wiping it out altogether where it has applied previously to charges ranging between 9d. and 1s. 6d. If the Committee accepts the amendment, the Government will not, in three or four weeks' time, be able to give the consideration it should to the revision of the Act as a whole. If the amendment is accepted by the Committee, it will completely upset the possibility of giving better treatment, later on, to live shows and entertainments sponsored on a local basis for local causes.

We desire to consider the whole problem and weigh the merits of one type of entertainment against another, and possibly bring in a system such as the Commonwealth had, providing for a general and a special rate and giving complete exemptions, probably some of them additional to the discretionary exemptions at present contained in the legislation. If the Committee agrees to the amendment, we will be unable to proceed with a reasoned consideration of the whole problem as it will cut away a large part of the anticipated income. I therefore appeal to the Committee to reject the amendment for the reasons I have stated and thus allow the Government to give consideration, later, to the whole entertainment field and in due course bring down legislation providing a well-balanced amendment to the Act, thus doing the right thing by everyone concerned.

Hon. Sir Ross McLarty: This amendment would achieve that end.

The PREMIER: It would not help the live shows in any way. I do not think there is a live show of consequence in Perth where the charge for adults is as low as 3s.

Hon. Sir Ross McLarty: It would help the other types of entertainment that the Premier referred to.

The PREMIER: Yes, but not the live shows.

Hon. Sir Ross McLarty: You would want special provision for them.

The PREMIER: This amendment would do away with most of the revenue by means of which we hope to do the things I have outlined. It is our desire to deal with the whole of the entertainments field as soon as the matter can be presented in a Bill.

Mr. BOVELL: I do not agree with the imposition of the tax, but feel that this is a reasonable amendment. The existing legislation provides for the exemption of certain church and charitable organisations where the profit is over 50 per cent. of the takings. There is a lot of work involved for the secretaries and organisers of such bodies in correspondence with the Taxation Department. Parents and citizens' associations and church and Red Cross organisations often hold minor entertainments to which the admission charge is 2s. or 2s. 6d., and for their benefit I think it would be advisable for the Committee to accept the amendment. In country districts, football and cricket clubs, as well as other organisations, often conduct entertainments to which admission is charged at a fee in the vicinity of 2s. The amendment would give such bodies an opportunity of conducting their entertainments without coming within the provisions of the legislation.

Mr. HUTCHINSON: I believe the exemption provided in the Bill as the minimum taxable amount would mean almost nothing to the family man. It would give a concession only to school children who, in many cases, are at present exempt, and to those attending Sunday pictures and so on. It would do nothing practical to lighten the burden of the taxpayer. The amendment would in a practical way help to cut down the entertainment expenses of the average family. The man with two or three children would save, I believe, between 1s. and 2s. when taking his family to the pictures, according to the type of entertainment, if the amendment were agreed to.

I can understand the view of the Premier that the amendment would tend to reduce the total revenue he hopes to collect by means of this legislation, but I trust members will agree that we should endeavour to ease the burden of taxation. This evening the Premier admitted that he is imposing a burden upon the family man. He could lighten that burden by agreeing to the amendment. A minimum charge of 1s. 7d. is quite ridiculous, but 3s. is getting somewhere near the mark. I hope members will support the amendment, which is so important, because it will substantially assist the average family man.

Mr. McCULLOCH: A good deal of emphasis seems to have been placed on the family man. The family man has been third-class long enough and it is about time he became first-class. After all, he wants to enjoy a superior seat alongside other people. A family man wants to have a good seat at a theatre.

Mr. Oldfield: I have seen you in the 1s. 10d. seats.

Mr. McCULLOCH: If this amendment is agreed to, it will drive him into seats costing less than 3s. and that is what the Opposition is trying to do.

Hon. D. Brand: Let us make the minimum higher.

Mr. Hutchinson: If a man wants to take his wife and kiddies to the pictures it costs a good deal of money.

Mr. McCULLOCH: This amendment is designed to kill the Bill and if agreed to people will try to get into the seats costing less than 3s. and the position will become chaotic. This so-called sympathy for the family man is so much moonshine, therefore I oppose the amendment.

Hon. A. V. R. ABBOTT: The Premier mentioned a large number of worthy objects to which this tax will be devoted.

The Premier: I could mention many more.

Hon. A. V. R. ABBOTT: That is so. On the other hand, there is a limit to everything and it is a question as to what is a reasonable limit. The Premier estimated that he would receive £200,000 for a full year by way of this taxation. I think he under-estimated that a little because last year, under the Federal Act which imposes a slightly heavier taxation, £352,000 was collected. I mentioned the Lotteries Commission and the Premier said that it was in the hands of an authority created by the Act. That is true, but the Government does not deign to accept what I consider to be Government responsibility and I do not think that Act was ever intended to apply in the way it has been used.

The Minister for Native Welfare: To what are you referring?

Hon. A. V. R. ABBOTT: The Royal Perth Hospital, for instance. The building of that institution is a public responsibility. The Premier says that this is a tax that ought to be imposed because if a person wants some amusement he should be prepared to contribute for people who are in a less fortunate position. That is a forceful argument, but there is a limit to which people feel they should contribute. The basic wage earner is entitled to some amusement without being taxed. Mother will have to put up the 1s. 6d. or 2s. so that Dad can pay the tax.

Mr. Lawrence: Do not you think the Premier would have been pleased to find a better way if it had been possible?

Hon. A. V. R. ABBOTT: I think so.

Hon. Sir Ross McLarty: He has used them all up.

Hon. A. V. R. ABBOTT: The Premier pointed out that it was now or never, and I think he should have gambled on "never". He would have found other available means.

The Minister for Native Welfare: What suggestion would you make?

Hon. A. V. R. ABBOTT: A totalisator tax, for instance. I think it could be introduced this session with a little effort. Perhaps a Bill could be brought forward and carried even if the operations of the Act did not commence until the next financial year.

The Premier: You think we could solve in six months a problem you did not touch in six years?

Hon. A. V. R. ABBOTT: Yes, because I went a long way towards solving this problem and made a lot of inquiries. As this particular aspect was being tried out in New Zealand, I watched it very carefully and there is not the slightest doubt that it has been a success, is quite popular and could be brought into effect in Western Australia. We are not suggesting very much when we ask for only three shillings because I do not think there is any upstairs portion of a picture theatre in the metropolitan area to which admission could be obtained for 3s. The Premier is hitting at the man who goes to the stalls with his wife. They are to be charged an extra shilling.

The Minister for Housing: What is Sir Arthur Fadden hitting them for at the moment?

Hon. A. V. R. ABBOTT: He is relieving them.

The Minister for Housing: He is hitting them far harder than they will be hit in a few weeks' time.

Hon. A. V. R. ABBOTT: No.

The Minister for Housing: Yes.

Hon. A. V. R. ABBOTT: That is not a fact.

Hon. D. Brand: He is relieving them of the whole tax.

The Minister for Housing: He is not relieving them of anything.

Hon. D. Brand: You know he is!

The CHAIRMAN: Order! The hon. member will address the Chair.

Hon. A. V. R. ABBOTT: I know, as a member of the late Government, how difficult it is for the Treasurer not to feel that he has to do something. He has Ministers pressing him right and left and has to be very hard to refuse their requests. He has to be tough and do justice. I would ask the Premier to adjourn the debate until tomorrow in order to give the matter more consideration and see how far he can go. He may not agree to the whole 3s. but to insist on 1s. 7d. is worthless. The Premier said this affects children. Perhaps it might, but not upstairs, and just a few people downstairs. When he considered this amendment the Premier did not have the information which

has been made available during the debate. He did not know what Victoria or Tasmania was going to do.

The Minister for Native Welfare: Do you know?

Hon. A. V. R. ABBOTT: Yes, it came over the wireless tonight. The Premier did not know what New South Wales was going to do, and he was in a very difficult predicament. He could not be fully informed. But now that he has been informed, I think he might say that if Mr. Cain and Mr. Cosgrove can do something, and if New South Wales, South Australia and Queensland can do things, surely he can at least give the people something and change what he originally intended from 1s. 7d to 3s.

Hon. A. F. WATTS: I propose to support this amendment. I have listened attentively to what has been said, and if the amendment is carried it might save me from having to move another. I listened more particularly to the remarks of the Treasurer, and while I gathered from him that he has in mind a number of alterations in the assessment Act which might ultimately have the effect of relieving somebody of something, the uncertain nature of the proposals that might be brought before us later on is the main reason I am strongly influenced to support amendments along these lines.

If we could have this 3s. inserted in the measure, we would at least know that some section of the people, and a fairly large section, too, that is able to get entertainment for 3s. or less, or is satisfied to visit that section of the theatre where entertainment can be obtained for that figure, is going to get relief. But if we pass this measure as it is now and then hope that somebody, somewhere, is going to get some exemption some time, we do not know what it will be. I entirely agree with the proposal that the Premier has made pretty definite to exempt the area north of the 26th parallel from all this tax. It would be remarkable if I did not agree with that, in view of all I have said on the subject in another direction. But I agree, too, with other speakers, that that exemption might very well be extended to places below the 26th parallel of south latitude.

I have not the faintest notion what those places are going to be, but we do know that there are a very large number where one can at least go to a picture show for no more than 3s. and where one cannot go to a picture show for 1s. 7d. I think I might say this is the strongest reason I feel the amendment should be carried. There will be a goodly number of places where we will be certain, if we carry the amendment, that people will be able to get into a show even in the cheapest seats, because we know they are less than 3s. but more than 1s. 7d. I think that is about the strongest reason

that could be offered. It gives some certainty to those places not north of the 26th parallel but some of them a long way south where the entertainment offered is not too good and where the amenities are not even as good, perhaps, as they are at one or two places north of the 26th parallel.

For the moment I am thinking of Carnarvon where there are at least some opportunities for the public. But there are precious few in some of the outback areas in the more southerly part of the State. I am of the opinion that if we could have this figure inserted—and I do hope the Premier will give the matter more consideration than he appears to have done so far—we will offer some guarantee to those folk that they will get that much exemption and be able to attend an entertainment where the charge is not more than 3s. without paying tax.

The PREMIER: All I want to mention in addition to what I said previously is that to carry this amendment would be to muck up, if I might use that term, the consideration that the Government and the House will be giving subsequently to the complete picture, the total problem.

Hon. A. V. R. Abbott: Do you intend to give any relief to the motion picture industry which is the most popular of all?

The PREMIER: In the Bill to be brought down?

Hon. A. V. R. Abbott: Yes.

The PREMIER: Yes.

Hon. Sir Ross McLarty: Would you indicate what it is?

The PREMIER: No. How could I indicate what the additional relief to the motion picture industry will be in the Bill that will be brought down next month when we have between now and then to give consideration to the live shows, to the exemption of additional forms of entertainment that are carried on for local, educational, religious and other sorts of purposes, where today the exemption is either non-existent or discretionary? How would it be possible at this time to say that we will exempt the picture theatres in the Bill in October up to 2s. or up to 2s. 6d. or reduce the rate on the 2s. from 4d. to 2d. or on the 2s. 6d. from 5d. to 3d. or that beyond that we will reduce the existing rates by 50 per cent?

Hon. A. V. R. Abbott: I think you could grant a little more latitude by making a lower maximum.

The PREMIER: In the Bill we propose to introduce next month we might do that, but I hope members will give us an opportunity to view the whole problem quietly and carefully instead of, by this amendment, taking away from us the means that we would use, to some extent, to frame the basis of the Bill we are to bring down this month. Members of the Committee will find the Government reasonable in its approach to this problem as a whole.

Hon. Sir Ross McLarty: I think the amendment is reasonable.

The PREMIER: The amendment might be reasonable if it were to be the end of everything, or if no further consideration were to be given to any other angle. If the amendment were carried, the Government could not give consideration to live shows or to other sections of the Act under which sporting bodies that do not conduct their activities for profit are assisted and granted special consideration. The tax rates that will be applied on films from now until the end of December could give quite a degree of relief to theatre-goers.

It is true that the rates on admission charges from 1s. 6d. to 2s. will be reduced by only 1d., in the next group will be reduced by only 2d., in the next group 3d., in the next 3d., in the following group 4d., in the following group 4d. again, and then by 5d. Nevertheless, those reductions do give some measure of relief even for the film-goers. It is not the final instalment of relief the Government proposes to grant them, but in order that intelligent study may be given to the whole problem and a measure of relief provided for those attending all forms of entertainment, it is necessary that we should be able to consider that objective on the basis of what is now in the Bill. I ask members to co-operate with the Government in this matter.

Hon. Sir Ross McLarty: There is nothing wrong with Parliament fixing the minimum charges.

The PREMIER: I am sure that when the next Bill is brought down and dealt with in Committee, members will agree that the Government has done the reasonable thing in all the circumstances, and they will then be happy that they did not carry the amendment under discussion now.

Mr. OLDFIELD: I support the amendment because it is in keeping with the policy followed by all political parties in Australia in recent years. That policy is that when applying taxation, the object is to grant as much relief as is possible to those on lower incomes while taxing to the limit those on higher incomes.

The Premier: The live shows would get a bad deal if the hon. member's ideas were put into effect.

Mr. OLDFIELD: The purpose of the amendment is to grant relief to those persons who, in many instances, cannot afford to attend live shows but who attend the picture-theatres a couple of times a week. The Commonwealth Government, apparently thinking that Australia's economic position has reached the stage where it is no longer necessary to impose this tax, has relieved the people of the burden. If the State Government is so short of money that it must reimpose this tax, let it follow

the example that has been set by Labour Governments in the Commonwealth sphere, that is, lessen the burden on the low-income groups.

Hon. A. F. WATTS: I wish to comment on the last remarks made by the Premier. I did not realise that this legislation was in the embryonic stage that he indicated. After what he has said, I am inclined to think that we should merely allow the parent Act to operate for the next few weeks, until he brings down a proper Bill. If that were done, the rates would only be imposed for a short period, but if the Bill were to become law, the rates prescribed would operate for some time. As I now understand the position, if the Premier is concerned about live shows and the picture industry, and also about granting relief under other sections of the Act, he should bring down a Bill showing the Government's full intention. I must say that if that is the position I have been labouring under a delusion about this measure. I think it would have been better and would have saved time if instead of introducing this Bill the Premier had proceeded to use the old Act in operation in 1933.

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

Ayes	21
Noes	22
Majority against	1

Ayes.

Mr. Abbott	Mr. Nalder
Mr. Ackland	Mr. Nimmo
Mr. Brand	Mr. North
Mr. Cornell	Mr. Oldfield
Mr. Court	Mr. Owen
Mr. Doney	Mr. Perkins
Mr. Hearman	Mr. Thorn
Mr. Hill	Mr. Watts
Mr. Hutchinson	Mr. Wild
Mr. Manning	Mr. Bovell
Sir Ross McLarty	

(Teller.)

Noes.

Mr. Andrew	Mr. Lawrence
Mr. Brady	Mr. McCulloch
Mr. Graham	Mr. Molr
Mr. Hawke	Mr. Norton
Mr. Heal	Mr. Nulsen
Mr. W. Hegney	Mr. O'Brien
Mr. Hoar	Mr. Rhatigan
Mr. Jamieson	Mr. Rodoreda
Mr. Johnson	Mr. Sewell
Mr. Kelly	Mr. Sleeman
Mr. Lapham	Mr. May

(Teller.)

Pairs.

Ayes.	Noes.
Mr. Yates	Mr. Guthrie
Mr. Mann	Mr. Tonkin
Dame F. Cardell-Oliver	Mr. Styants

Amendment thus negatived.

Hon. A. F. WATTS: I move an amendment—

That a new paragraph be added, to stand as paragraph (g), as follows:—

By adding a proviso to the end of the column headed "Rate of Tax" as follows:—

Provided that no tax shall be payable by any person who is in receipt from the Commonwealth of an aged, invalid, widow's or war service pension or any pension payable to an ex-member of the forces who is totally and permanently incapacitated.

As everybody knows, this Bill seeks to amend the schedule attached to Section 4 of the principal Act. When I was speaking to the last amendment, I said that if that had been carried, it would have saved me having to move another amendment. It was not carried and I accordingly move the amendment I have submitted. I could assume that most of the people who would be covered by the amendment would be within the category of those satisfied with the 3s. seats at the average entertainment they would be likely to attend. In most of their cases the more expensive lines of entertainment would be ruled out. I consider that whatever relief can be made available should be given.

A war service pension is one confined to an ex-serviceman of over 60 years of age. I understand they are referred to as "burnt out"; that is, of course, a friendly phrase used in regard to them. This special pension is subject to a means test in the same way as the invalid pensions which are paid by the Commonwealth in certain cases and must be distinguished from the ordinary service pension payable for disabilities suffered in a minor or greater degree by servicemen. There is also the section of members of the Forces who are totally and permanently incapacitated and who are dealt with on a separate basis in the Repatriation Act. Those types of pensioners are worthy of consideration and for those reasons I move the amendment.

The PREMIER: As long as the entertainment tax has been in existence, there have never been any exemptions, and obviously there cannot be.

Hon. Sir Ross McLarty: Why?

The PREMIER: For several reasons. One is that it would be impossible to police a system of exemptions granted to a particular group of the community. I am sure members will readily understand the shambles that would develop if an amendment of this kind were put in the legislation. I oppose the amendment; it would not be practicable.

Hon. L. THORN: I cannot see why the Premier should anticipate any difficulty in giving effect to the amendment. A pensioner would merely have to present his certificate, or he could be issued with a badge showing that he was entitled to this concession. The proposal should not be passed over as lightly as the Premier has suggested. Only last week the member for Guildford-Midland put up a plea for pensioners that almost brought tears to our eyes.

Mr. Brady: You did not support my motion.

Hon. L. THORN: I want to see the hon. member show a little consistency. When I heard the amendment moved, I thought it would receive the whole-hearted support of the member for Guildford-Midland. Here is an opportunity for him and others to prove their sincerity. The member for Hannans also spoke on the motion of the member for Guildford-Midland, so we should be able to rely upon his support. This is certainly an opportunity to help the pensioners. I support the amendment.

Mr. HUTCHINSON: I support the amendment because it would definitely be of benefit to pensioners, and on that account should receive the support of the member for Guildford-Midland. The motion he moved must prove futile because it was based on party-political propaganda. Here is an opportunity to do something of real value as pensioners would be relieved of the need for paying out so much for entertainment. The mirth being displayed by members is not at all fitting to the occasion. I should like to hear the views of members on the Government side.

Mr. BRADY: The member for Cottesloe has certainly put up a laudable case, but he should not go half way. Provision should be made for pensioners to be admitted to the various shows free of charge. I feel inclined to move to that effect in order to show where members on the Opposition side really stand.

Mr. McCULLOCH: There seems to be an impression that pensioners could not be admitted to entertainments free of charge and that the Government could not legislate along those lines. That is not so. How many pensioners could pay 3s. or more to attend a picture show?

The Premier: Menzies has ensured that they cannot do it.

Mr. McCULLOCH: The amendment is just so much balderdash. There is not a war pensioner who could contemplate going to a picture show because he could not afford to do so. The people of the State are paying us to legislate for them, and yet we are asked to listen to this amendment which is just tripe.

Hon. Sir ROSS McLARTY: When the Leader of the Country Party asked my opinion of the amendment, I told him that I thought the Premier would accept it and that there was an excellent chance of its being carried. I disagree with the member for Hannans that the amendment represents so much balderdash. I certainly never expected to hear him express himself in that way. The Premier seems to think that if he accepted the amendment it would cause confusion with regard to the tax generally. I think the member for Toodyay is right. It need not cause any confusion. Every pensioner has his entitlement card which he could

present at the ticket office, and the person in charge would know he was a pensioner and entitled to the exemptions which the amendment proposes.

Mr. McCulloch: How would he get from "Sunset" to a picture house?

Hon. Sir ROSS McLARTY: There are many pensioners who go to the pictures, and it is balderdash, to use the hon. member's own term, to say that pensioners do not go to the pictures. It is one thing that the totally incapacitated soldiers get.

Mr. McCulloch: You see them queuing up for a feed in Pier-st.

Hon. Sir ROSS McLARTY: There is nothing about that in the Bill. The amendment is a practical one.

The Minister for Native Welfare: Was this put up to the Commonwealth Government at any time during the last six years?

Hon. Sir ROSS McLARTY: Not that I know of. The position has suddenly arisen whereby consideration can be given to pensioners along the lines suggested by the Leader of the Country Party. I was surprised that the member for Guildford-Midland, who is an intelligent man, should make the suggestion he did, namely, that this Chamber should provide free tickets. We have no power to do that. I am sure the hon. gentleman did not make the suggestion seriously.

If the Premier is not prepared to make a decision on the amendment tonight, he should report progress and discuss its practicability with his advisers tomorrow. It is not moved just with the idea of embarrassing the Premier, but with a sincere desire to do justice to a section of the people which the Federal Treasurer desired to help when he decided not to impose entertainments tax on the community generally.

The Minister for Native Welfare: It is a wonder you did not think of the proposition years ago.

Hon. Sir ROSS McLARTY: The circumstances have only arisen whereby the Treasurer thinks that the time is opportune to relieve the people of this burden of entertainments tax. The Premier might give serious consideration to reporting progress. Even though tomorrow is private members' day I am sure we would all agree to deal with the measure.

The Minister for Native Welfare: Keep a straight face.

Hon. Sir ROSS McLARTY: I do not regard this as a joke.

Mr. OLDFIELD: I congratulate the Leader of the Country Party on moving such a practical amendment. It is designed to assist materially people who are not as privileged as are members. I am surprised at the jocular manner in which

the amendment has been treated by members opposite who profess to have the welfare of the pensioner at heart.

Mr. LAWRENCE: We were looking at the member for Maylands.

Mr. OLDFIELD: As a matter of fact, the hon. member was not looking at anything. He was asleep. He has only just awakened since I have been speaking.

Mr. LAWRENCE: That is a misstatement.

Mr. OLDFIELD: No, the hon. member was dozing.

The CHAIRMAN: Order! The amendment before the Chair does not deal with jocularity. I must ask the member for Maylands to confine himself to the amendment.

Mr. OLDFIELD: I am sorry if I digressed. Those who have at heart the welfare of the people in question will support the amendment.

Mr. Cornell: Why not ask the Commonwealth Government to give the pensioners excise-free beer?

Mr. OLDFIELD: I realise that certain stupid remarks would come into the debate by way of interjection, especially when the member for Guildford-Midland suggested that pensioners be allowed free into the pictures. I know why he did not move an amendment to that end, namely, because you, Sir, would have ruled it out of order immediately as it would be beyond the power of this Committee to decide such a matter. I support the amendment.

Mr. LAWRENCE: The member for Maylands said I was asleep during the debate. That is untrue. Earlier this evening the Leader of the Opposition said that we regard pensioners as being a political football. Never before have I known of such a hypocritical amendment being submitted to members.

Hon. L. Thorn: You use the word "hypocritical" quite a lot.

Mr. LAWRENCE: Yes, especially when I look at the hon. member. There is no doubt about the insincerity of the amendment. I was amazed that the member for Stirling should include in the amendment the t.p.i. personnel. If the hon. member had taken notice of these things he would know that each t.p.i. ex-serviceman is given a special free pass to every picture show in the State.

Hon. Sir Ross McLarty: There is no harm in including them.

Mr. LAWRENCE: No, but the hon. member is insincere in his amendment when he does not know that. There are very few entertainments, other than a picture show that any pensioner—especially an old-age or invalid pensioner—could attend because of the lowness of the rate paid by the Commonwealth Government led by members of the party to which the Leader of the Opposition belongs.

Hon. Sir Ross McLarty: Thousands of them go to the pictures.

Mr. LAWRENCE: Many pensioners from "Sunset" attend the pictures and many service pensioners are taken there by the Red Cross. The impracticability of the amendment is obvious from the fact that the pensioner would only have to produce his credentials to gain admission, and there would be nothing to prevent him from giving his badge to someone not eligible to use it. The best suggestion made tonight was that steps should be taken to enable those who cannot afford to attend the pictures to be granted free entry.

Possibly the member for Nedlands, who said he moves freely in motion picture circles, and others on the Opposition side of the House might make an effort to organise something of that kind. The waterside workers send some of their ex-members who are pensioners as well as the widows of ex-members to the pictures once a week. We have considerable regard for those who have grown old or have suffered injury. I oppose the amendment.

Mr. Bovell: I support the amendment which I believe is a practical move in the right direction and far preferable to calling on the Commonwealth Government to do something for the pensioners.

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

Ayes	....	....	....	....	20
Noes	....	....	....	....	23

Majority against 3

Ayes.

Mr. Abbott	Mr. Nalder
Mr. Ackland	Mr. Nimmo
Mr. Brand	Mr. North
Mr. Court	Mr. Oldfield
Mr. Doney	Mr. Owen
Mr. Hearman	Mr. Perkins
Mr. Hill	Mr. Thorn
Mr. Hutchinson	Mr. Watts
Mr. Manning	Mr. Wild
Sir Ross McLarty	Mr. Bovell

(Teller.)

Noes.

Mr. Andrew	Mr. Lawrence
Mr. Brady	Mr. McCulloch
Mr. Cornell	Mr. Moir
Mr. Graham	Mr. Norton
Mr. Hawke	Mr. Nulsen
Mr. Heal	Mr. O'Brien
Mr. W. Hegney	Mr. Rhatigan
Mr. Hoar	Mr. Rodoreda
Mr. Jamieson	Mr. Sewell
Mr. Johnson	Mr. Sleeman
Mr. Kelly	Mr. May
Mr. Lapham	

(Teller.)

Pairs.

Ayes.	Noes.
Mr. Yates	Mr. Guthrie
Mr. Mann	Mr. Tonkin
Dame F. Cardell-Oliver	Mr. Styants

Amendment thus negated.

The CHAIRMAN: I would remind members that they should address the Chair as "Mr. Chairman" as that mode of address immediately draws my attention to whatever is being said.

Mr. COURT: I move an amendment—

That at the end of Clause 3 a new paragraph, to stand as paragraph (g), be added as follows:—

By adding a proviso to the end of the column headed "Rate of Tax" as follows:—

Provided that the amount of tax paid by any person on any one payment for admission shall in no case exceed one shilling.

I can follow the reasons why the Premier said it was necessary to introduce this legislation in a hurried manner. He also said that it was his intention to introduce certain modifying provisions at a later date which will take care of some of the anomalies that may creep in. In the meantime, I think we should take some action to guard against the most blatant anomalies with particular reference to the flesh and blood shows, educational shows and certain charitable and sporting functions, pending due consideration of the overall problem.

It will be seen that the bulk of the money that the Government can expect to collect from the entertainments tax, particularly from the film industry, will be from the 6s. and below bracket. In allowing the schedule to go through with a graduated scale up to the maximum of 1s., it will allow ample coverage for the Premier to achieve the financial results he seeks. The Premier has already indicated that he proposes to amend the rates and concessions over a wide field, including film, charitable, educational, sporting and other entertainments and, in fact, certain districts will be given special consideration. Therefore, this amendment provides a simple and safe solution, although it may be a little arbitrary in its manner, and will protect the people who will be most affected by the concessions that I anticipate will be brought forward.

Taking the rates published as being those proposed by the Government, on a ticket of 10s. the Government will collect a base rate of 1s. up to 6s. and, according to my calculation, another 8d. on the remaining 4s., making a total tax of 1s. 8d. On a 15s. ticket the Government would collect 1s., plus 1s. 6d., which equals 2s. 6d. Most of the entertainments which are in the bracket above the 6s. group are entertainments being conducted by flesh and blood shows and functions such as balls and dances to raise funds for sporting and charitable bodies, as well as educational and cultural entertainments which automatically come into the higher bracket because of the high cost of staging those particular shows and functions.

When introducing the Bill the Premier commented on the present high cost of engaging orchestras for charitable balls, dances and functions and most of the functions and entertainments above the

6s. group would be of a charitable, semi-charitable, educational or cultural nature. One question that has not been stressed during the debate is the fact that the entertainments tax applied to a family has a cumulative effect. If, for instance, a husband, wife and teen-age child wished to attend some form of entertainment, three lots of tax would be paid by the one family. If the admission charge for the particular type of entertainment was 4s., the husband would have to pay a tax of three times 8d., which is 2s., and on a 6s. admission charge he would have to pay three times 1s., which is 3s., for his family.

We have not available to us, and I can understand the reasons why, the estimate of how much this taxation will produce. The Premier has said that it may produce £200,000 per annum, but, as far as can be ascertained, the Federal entertainments tax was capable of producing from Western Australia approximately £375,000, and 64 per cent. of that sum came from films. If the Premier agreed to a decrease in tax he could allow a figure of 43 per cent. before the estimated collection would fall below his indication of £200,000 per annum. An analysis of the entertainments tax collected in Australia reveals that 90 per cent. of the tax from films is received from the lower admission charges. For the reasons I have mentioned, I hope members will support the amendment.

The PREMIER: This is a strange development. During the course of the debate members on the other side have been concerned about people on lower incomes; people who could barely afford to go to any sort of entertainment. As a result, they tried to reduce the tax on those who paid the lower charges and, in fact, tried to abolish the tax altogether. Now we find that there has been a violent swing away in the other direction and if this amendment were accepted the person who is able to pay 25s. for a ticket to some sort of entertainment would pay no more in entertainments tax than the person who pays 6d. to go to the pictures or 6s. to go to some other sort of entertainment. I am not able to agree to the amendment. My main objection is not what I have said since I rose on this occasion but the same as I raised to the amendment first moved by the Leader of the Opposition. If we were to accept this amendment, we would automatically give away a very large proportion of our revenue from this source. When we came to consider the problem of the application or the imposition of entertainments tax to all classes of entertainment, we would find we would not be able to grant the relief we might desire to give to those paying the lower admission charges, to the family man, to the basic-wage earner, to the pensioners and so on, because in this amendment we would have given away so

much money to people who can afford to pay £1, 25s., 17s. 6d., 15s. and 12s. 6d. to go to various classes of entertainment.

No doubt, the member for Nedlands, when preparing this amendment and moving it, had in mind the live shows, the flesh and blood shows as he called them, and considered that this would be a practical means of giving them assistance and making it possible for them to operate more successfully. But it seems to me that this amendment at the present stage is entirely unacceptable and, completely out of gear with what members on the other side have been putting forward all night.

Mr. Hutchinson: Except that it gives relief along all lines instead of just to those on the lower income.

The PREMIER: No, it does not do that at all. All it would do if it were carried would be to give relief only to those people who would pay more than 6s. to go to an entertainment. If there is one group to which we are not entitled to give relief on a piecemeal basis at this stage it is that one. I suggest to the hon. member that he consider withdrawing the amendment; otherwise I will have no option but to ask members of the Committee to reject it.

Mr. COURT: In opposing the amendment, the Premier has done so on the ground that I am seeking to favour some higher income groups. That is far from the point. I thought I went to some pains, without labouring the matter too much, to demonstrate that most entertainments that come in these groups are the ones that we want to receive relief from the amendments I anticipate he is going to bring down. There is little in the way of entertainments or shows in this higher bracket which is common to the type of entertainment we expect to receive up to the 6s. bracket. If the Premier reflects, I am sure he will concede that most of these functions in the higher prices bracket are run for some charitable cause by people who are trying to raise a few pounds for some worthy object and have to pay tax at present to a very considerable degree. The object of the amendment is to hold that figure for the time being until the Government can bring forward its amendments and introduce various concessions on the graduated scale it proposes. As the Premier has resisted any alteration to the lower bracket because he wants to give some relief, so I think we should protect the higher bracket with particular emphasis on the fact that in that group are the shows produced for educational, cultural and charitable causes.

Mr. JOHNSON: I oppose the amendment. I would have risen before the member for Nedlands, but I thought he had accepted the opportunity to withdraw the amendment, as I think he should have done.

The hon. member chided the Premier for not having submitted any definite figures, and then he drew his own conclusions from figures he is not inclined to accept. Is that responsible? I claim it is not. He then went on to draw some inference from the fact that many flesh and bloods shows are above the 6s. mark. I can think of one form of entertainment to which an entertainments tax would apply that I feel should not be exempted and which is above the 6s. mark. I refer to the races. I trust that the hon. member does not suggest that people attending races, where the entrance fee ranges around 15s., should not pay the full rate of tax.

It appears to me that members opposite want a little each way. The member for Nedlands has revealed an attitude of pure money class-consciousness. All he is concerned about is defending the people who have the goods. He really does not care two hoots about the man at the bottom. He is concerned about those who have the money to pay. "Look after the man with the money and he will look after the others" is old-fashioned and out of date and is bad economics.

I am strongly opposed to this type of amendment. It serves no useful purpose to bring in an idea that has not been carefully thought out and concerning which we have no figures at all. The hon. member has heard the Treasurer state that when there is something to go on there will be amendments, and it could be there will be amendments to look after the educational and flesh and blood shows. I realise that many of them do range over 5s. in price of admission, though I have not been to one for several years. One look at the prices and I do not go! The amendment is designed to protect the people at the top. If members opposite had been more sincere they would have moved in the manner suggested by the member for Guildford-Midland in connection with the previous amendment, because this Parliament has power to insist that any entertainment that is subject to taxation should allow pensioners admission for nothing.

Hon. A. F. Watts: Not under this Bill.

Mr. JOHNSON: Perhaps not, but we could do it under another Bill. Should the member for Stirling care to introduce a measure to ensure that that principle will be applied, I for one will support it, and I am sure the Treasurer will, too.

Amendment put and negatived.

Clause put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

House adjourned at 11.12 p.m.