

analyses required by the various State departments. The analysis of explosives involved a vast amount of work: the examination of a ship load of dynamite meant from three to five days' employment for the whole staff. Moreover, the Government Analyst was called on to act professionally in connection with cases of murder and suicide. Explosives and fuses in magazines had to be constantly inspected and tested. Magazine and testing charges just paid the expenses of the department. No claim for services was made against the Federal Government for spirit analyses, because acknowledgment of such a claim would mean *a contra* in the Federal book-keeping accounts. The department centralised all analytical work, and thus obviated the necessity for the employment of analysts by the various departments. We had a highly efficient man in the Analyst, and as far as he could judge his staff was none too big for him.

MR. THOMAS asked for information with regard to the new magazine at Fremantle.

THE MINISTER FOR MINES: There was no item here for that. When the Public Works debate came on he would explain fully. He was making arrangements, and it was well, in the interests of the magazine, not to make a public announcement at present.

Vote put and passed.

Progress reported, and leave given to sit again.

ADJOURNMENT.

The House adjourned at thirteen minutes past midnight, until the next Tuesday.

Legislative Council,

Tuesday, 9th December, 1902.

	Page
Question: Import Duty on New Settlers' Goods ...	2717
Telegraphs Interruption ...	2717
Stock Routes, Northern ...	2718
Judge, new Appointment ...	2718
Papers ordered: Poison Land exchanged, Occi-	
dental Syndicate ...	2718
Motion: Telegraph and Cable Services ...	2718
Reports: Metropolitan Water Inquiry Committee ...	2719
Standing Orders Committee, on Council's right	
to amend Railways Acts Amendment Bill ...	2719
Bills: Dividend Duties, second reading (resumed) ...	2719
Rabbit Pest, Committee resumed, progress ...	2730

THE PRESIDENT took the Chair at 4.30 o'clock, p.m.

PRAYERS.

PAPERS PRESENTED.

By the MINISTER FOR LANDS: 1, Western Australian Government Railways, Alteration in Classification and Rate Book. 2, Papers in connection with the closing of Pell's Crossing, Coolgardie. 3, Papers and correspondence in connection with applications for pastoral leases in the Eucla Division for the past six months.

Ordered: To lie on the table.

QUESTION—IMPORT DUTY ON NEW SETTLERS' GOODS.

HON. C. A. PIESSE asked the Minister for Lands: 1, If the Government is aware that duty is collected on the second-hand working plant and furniture of new settlers. 2, If so, does the Government intend recommending remitting same to applicants?

THE MINISTER FOR LANDS replied: 1 and 2, No; household effects and equipment of intending settlers may be introduced into any State from another, free of duty, and without entry, to a value not exceeding £50 for each member of the family, on proof that the goods have been in use by the intending settler for the preceding three months.

QUESTION—TELEGRAPHS INTERRUPTION.

HON. T. F. O. BRIMAGE asked the Minister for Lands: 1, Is there an arrangement with the Cable Company for transmitting messages when both or one of the intercolonial lines are down. 2, Is the Government aware that business is seriously injured through the line

being interrupted. 3, Can any arrangement be made with the Cable Company to send messages when the lines are down. 4, Who is the head of the Telegraph Department in this State.

THE MINISTER FOR LANDS replied: 1, Yes. 2, Business was delayed on the 2nd and 3rd instant through one of the lines between Adelaide and Eucla being interrupted, and on the 4th through heavy storms between Israelite Bay and Eyre on the West Australian section. 3, Yes; add payment at the rate of 5d. per word in addition to ordinary rates between this and the Eastern States. 4, The Deputy Postmaster General.

QUESTION—STOCK ROUTES, NORTHERN.

HON. R. G. BURGESS asked the Minister for Lands: When the Government intend to improve the Northern stock routes, so that stock can be brought to market fit for butcher's meat.

THE MINISTER FOR LANDS replied: In connection with the stock routes as a whole, the Government has gangs at present employed upon them effecting repairs and improvements, and the whole question has, for some time past, been receiving close attention.

QUESTION—JUDGE, NEW APPOINTMENT.

HON. W. MALEY asked the Minister for Lands: 1, Has the appointment of Mr. McMillan to the Supreme Court yet been made. 2, Has the Attorney General, or any member of the Ministry, any personal knowledge of Mr. McMillan or his career at the Bar in England. 3, Was there no member of the Bar in the State qualified and fit to take the position. 4, Was the appointment offered to any member of the Bar of the State. If not, why not. 5, Did the Attorney General seek to obtain any expression of opinion as to the appointment of a stranger before making inquiries in London. If so, what members of the Bar were consulted. 6, What qualification had Mr. Trinder, solicitor, of London, that the Attorney General intrusted him with the responsibility of selecting a suitable Judge of the Supreme Court. 7, Is it the intention of the Government to appoint a fourth Judge. 8, Will the Government accept the responsibility of appointing a Judge, or

will they again delegate their authority to other persons. 9, If so, when will the appointment be made. 10, Is the Government aware that considerable inconvenience and loss to the public are being experienced owing to the congested state of business in the Supreme, Local, and Police Courts.

THE MINISTER FOR LANDS replied: 1, The appointment will be made on receipt of confirmatory cable from the Agent General. 2 to 6, These are matters for the consideration of the Attorney General, whose duty it is to make the recommendation, and who accepts all responsibility. 7, Most probably. 8 and 9, These are questions for the Government to decide. 10, No.

HON. W. MALEY: The answers to the question were far from complete, considering how fully this matter was occupying the public mind.

THE PRESIDENT: The Minister had replied, and his answers could not now be discussed. The hon. member could ask another question on a future day.

PAPERS—POISON LAND EXCHANGED, OCCIDENTAL SYNDICATE.

HON. C. A. PIESSE (South-East) moved:

1, That all correspondence and documents in connection with the exchange of land to the Occidental Syndicate be laid on the table of the House. 2, That litho. maps showing lands exchanged accompany such correspondence.

It was due to the country that some explanation should be given why unimproved land had been granted in fee simple to the persons forming this syndicate.

HON. J. W. HACKETT: Inquiry was certainly needed; but if the hon. member wished to obtain information this session, he had better omit the demand for litho. maps and be content with the correspondence only.

HON. C. A. PIESSE: Only the ordinary maps, which members could purchase for 1s., were needed.

Question put and passed.

MOTION—TELEGRAPH AND CABLE SERVICES.

HON. F. T. O. BRIMAGE (South) moved:

That the Government recommend to the Federal Parliament that some arrangement be

made with the cable company to transmit telegrams when both or one of the lines are down.

The motion would command the sympathy of all the business people in Western Australia. The interruption of the telegraph service between this and the Eastern States, when it occurred, was highly detrimental to the business of this country, more especially to those engaged in market dealings. The businesses affected were those of dealers in produce and in mining and other stocks. There were in this State exchanges for both produce and shares, in connection with which it was imperative that telegrams as to market operations should pass to the Eastern States sometimes three or four times a day. As the result of a question to the Minister with regard to the cable company, it appeared that if the cable company were approached a much cheaper rate would be allowed the Government, so that ordinary messages sent by private persons could, when the Government lines were interrupted, pass over the cable company's line at, say, double rates. The Minister replied that the charge was 5d. a word. That was altogether too high for ordinary businesses, although he (Mr. Brimage) had not previously known that even this concession was obtainable, for a telegram he had sent to the Eastern States cost him 16s. for ten words. Members would understand that such a rate was, from a business point of view, ruinous. The up-to-date improvements in telegraphy justified a great reduction in the rate. It appeared that by the quadruplex system four messages could be sent and four received simultaneously on one wire, and that this system was adopted by the company. Surely, then, the Government could recommend to the Federal Parliament that some arrangement like that suggested in the motion be made for the sake of the business people of this State, who, as compared with those in the Eastern States, were already at a great disadvantage. For instance, Adelaide was connected with Sydney, Melbourne, and Brisbane by two or three wires; but if one of our two lines connecting Western Australia with Adelaide were down, business was paralysed, and it was not fair that Western Australians should suffer this longer. He had spoken privately to

the manager of the cable company, who would be happy to acquiesce in the arrangement; consequently the Government should be urged to do their best in this matter, as the paralysing of business when the lines were down involved a serious loss to our business men.

SIR E. H. WITTENOOM (North): Did the faults occur in Western Australia or in South Australia? Some time ago the faults were nearly always on the other side of the border.

Question passed, and the resolution to be transmitted to the Legislative Assembly for concurrence.

REPORT—METROPOLITAN WATER INQUIRY COMMITTEE.

HON. T. F. O. BRIMAGE brought up the report of the select committee. Report received, read, and ordered to be printed.

REPORT—STANDING ORDERS COMMITTEE, ON AMENDMENT OF RAILWAYS BILL.

THE MINISTER FOR LANDS brought up the report of the Standing Orders Committee on the Legislative Assembly's Message No. 26 [as to Council's right to amend the Railways Acts Amendment Bill], and moved that the report be adopted.

Question passed, and the resolution (with the report) to be transmitted to the Assembly for concurrence.

DIVIDEND DUTIES BILL.

SECOND READING.

Resumed from the 4th December.

HON. A. G. JENKINS (North-East): I must congratulate the Minister for Lands on the speech with which he introduced this Bill; for the reason that he clearly stated the case as touching mining companies, with which I shall particularly deal to-night. The Minister said that amendments would doubtless be made in this measure, and that he was to a certain extent prepared to consider amendments. It is my intention when the Bill goes into Committee, as I hope it will, to move certain amendments, with the object of lightening the burden on the mining industry of this State. When the original Dividend Duties Bill of 1899 was introduced, there was, perhaps owing

to the financial position of the Colony, great need for such a measure; but there is not the slightest doubt that the right hon. gentleman who introduced that measure had no idea when he introduced it that the Bill would be extended as it has been lately to the taxing of profits. I think members generally will concede that when the Bill was introduced it was intended purely and simply as a tax on dividends, and I think for that reason only the Bill was allowed to pass this House. Afterwards successive Treasurers saw that a larger income might be derived by a more liberal interpretation of the Act; and consequently it resolved itself into taxation on profits.

HON. G. RANDELL: It was always intended to be a tax on profits.

HON. A. G. JENKINS: No. As can be seen from the *Hansard* report of the speech of the right hon. member who introduced the Bill in another place, it was intended to be a tax on dividends only.

HON. J. W. HACKETT: Read the whole debate.

HON. A. G. JENKINS: I have read the introductory speech.

HON. M. L. MOSS: The Act itself is plain enough.

HON. A. G. JENKINS: To show that the Act did go rather farther than was intended, I need only mention that last session a Bill was introduced by a private member in the Assembly which practically received the support of the present Minister for Mines (Hon. H. Gregory), a gentleman who, I am sure, has the interests of the mining industry most warmly at heart; a gentleman who is perhaps more conversant with the mining industry than is any other member in either Chamber of this Parliament. That gentleman in supporting the Bill last session spoke strongly in favour of the tax being on dividends. To show there is not unanimity among the present members of the Ministry in connection with this Bill, if I am in order I will refer to the speech of the Minister for Mines who, to some extent, spoke against the views of the Treasurer in regard to that part of the Bill dealing with the taxation of profits.

THE PRESIDENT: The hon. member must not refer to speeches made in

another House. The Standing Order says:—

No member shall allude to any debate in the other House of the Legislature.

HON. A. G. JENKINS: I object to the Bill on the ground that it is class legislation of the worst description. In the Bill certain companies are singled out for taxation. It is not as if every company or firm in the State was to be taxed, but certain mining companies, certain trading companies, and certain corporations are singled out for taxation. Is that a fair principle? Personally I do not think it is. At first I thought of moving that the Bill be read a second time this day six months, but that would be an extreme step to take when so much taxation is involved, and if the motion were carried it might mean the recasting of the financial proposals of the Treasurer; I therefore think it will be preferable to move certain amendments in Committee which will bring the mining industry more into line with the other industries of the State. The mining industry, all will agree, stands on an entirely different footing to what I may call business propositions. A mine is here to-day and gone to-morrow. A certain amount of capital is put into a mine, a large sum is spent in working expenses, perhaps £40,000 or £50,000 we will say for the sake of argument, and after several months' working and the expenditure of a large amount of money a small dividend is declared. At once the Treasurer steps in and says, "I want you to pay a tax on that dividend." Although the shareholders may be some thousands of pounds out of pocket on that mining proposition they have to pay a tax on the dividend. The next day the mine may be no good, the company may not have a shilling, and the whole of the money put into the mine is absolutely lost, because when a mine-owner puts down winzes and shafts as soon as the payable ore is gone the mine is of no value; nobody wants it; it is not a saleable asset. A business proposition is on a different footing, because you acquire certain plant and property, freehold or otherwise, and if the business fails the property and plant are always saleable. It is realisable, and to a certain extent the person's capital is not gone, but in a mining proposition the whole of the capital has gone; it has

flown away: and although a company may be taxed on a small dividend, that company may be thousands of pounds out of pocket. It should be the object of the Government to encourage capital to come into the country. Do we not find remarks made in the papers every day by English investors as to the undue burden which the mining industry has to bear. Everything that a man on a mine consumes is taxed through the customs; every bit of machinery is taxed through the customs; everything that a miner wants is taxed.

HON. B. C. WOOD: Is it not the same with everybody else?

HON. A. G. JENKINS: No. Everybody else's dividends are not taxed. Everything that is required in connection with the mining industry is taxed in one way or another. Should we not rather encourage capital to come here to develop the mining industry? Every shilling spent in developing a mine means added wealth to the country. Mines must employ labour, and every able-bodied citizen who comes to this State means revenue to the country to the amount of £18 to £20 a year.

HON. R. G. BURGESS: Nonsense.

HON. A. G. JENKINS: The hon. member says "nonsense," perhaps he will tell us what the correct figures are. I say every able-bodied man who comes to this country means £18 to £20 a year added to the revenue of the State, and we should rather encourage an industry that does so much to support the welfare of the country. I do not say the mining industry is the only industry of the State, but I say it is the main industry, and to a certain extent all depend on it. The Government do not introduce a measure like this because they are badly in want of revenue. We are told every day that we have an overflowing Treasury; we are told that we have a surplus. Every month our Treasurer presents us with enormous figures, and he has never yet shown us a deficit. The Government could lighten the taxation in such a way as to encourage capital to flow into the country. The passage of such a Bill as this will cause the British investor to lose faith in the State, and it will be a bad time in store for us when he does. The first amendment which I propose to move will be in Subclause 4 of Clause 6.

The subclause states that a company having a registered office outside Western Australia shall not, for that reason only, be deemed to be carrying on business elsewhere than in Western Australia. The intention of the Bill is not made quite clear. No doubt to most members the clause does seem clear, but it has been considered by far more able men than myself, who have come to the conclusion that the clause does not quite express the evident intention of the Legislature. With that object in view I proposed in Committee to propose the following in place of Subclause 4 of Clause 6:—

(4.) A company carrying on business in Western Australia shall not be deemed to be carrying on business elsewhere than in Western Australia because—

- (a.) Its head registered office is situated and its board of directors meet elsewhere than in Western Australia; or
- (b.) It sells the product of the business carried on by it in Western Australia elsewhere than in Western Australia; or
- (c.) It puts out at interest elsewhere than in Western Australia moneys obtained for such product pending distribution of same amongst its members; or
- (d.) It makes or enters into any contract to be executed elsewhere than in Western Australia for the purposes of the conduct of its business in Western Australia.

HON. J. W. HACKETT: Exclude them all.

HON. A. G. JENKINS: If the hon. member will look at the amendment and endeavour to understand it, perhaps he will come to a different conclusion.

HON. M. L. MOSS: You might as well vote against the second reading and be done with it.

HON. A. G. JENKINS: I do not intend to vote against the second reading, but if I did move that the Bill be read this day six months I could almost depend on a majority of the House being against the Bill, because there is so much that is objectionable in the measure. It has not been carefully thought out by the Ministry. Companies carrying on business in Western Australia for the most part have been formed in England or the other States, and they have their registered office there. Mining companies may take their bullion and sell it in England; they do as a

matter of fact get certain money sent home to England and put into consols at interest at short dates until the dividends are payable. Under the clause if that is done the companies are liable to be taxed on their profits. I believe it is not intended if a company does that it should be liable to be taxed on its profits. Why should a company be taxed on its profits? Is it a fair proposition to put before the House? Is that the intention of the Bill? If that is not the intention of the Treasurer there can be no objection to my amendment, and if it is the intention of the Treasurer then all the more reason for my amendment. Then, as I said before, it is my intention to endeavour to insert in the Bill a clause that was referred to by the leader of the House in introducing the measure, the section from the Queensland Act. In Queensland, where they have a mining dividend duty, before dividends are taxed an allowance is made for the money which has been used to earn the dividend. An allowance is made equal to two-thirds of the cost of the machinery put on the mine. If a State like Queensland can afford to have such a provision in its Dividend Duty Act to encourage mining, surely a prosperous and rich State like Western Australia can be equally generous to the investors who have sent their money to Western Australia, not only for the good of themselves, but to a certain extent for the good of the State. I purpose to add in Committee a new clause to read as follows:—

In the case of Companies which carry on in Western Australia, and not elsewhere, the business of mining, the following rules shall be applied for the purpose of estimating the amount of the dividends on which duty shall be payable:

- (1.) The first and subsequent dividends paid by any such company shall be taken to be applied, and in the case of dividends declared or paid, after the 1st day of January, 1903, to have been applied in the first instance in repayment of the cost actually incurred by the company before the declaration of the first dividend in respect of labour or material employed in developing the mine, and in the second place in repayment of three-fourths of the cost of any machinery erected for raising ores and other materials from the mine, and recovering the gold contents thereof.

- (2.) So much of the dividends as are shown to the satisfaction of the Minister to have been applied for the purposes specified in the last preceding rule shall be exempt from dividend duty under the Act.

This will not affect the large companies at present paying dividends; it will only refer to dividends which may be payable after the 1st January, 1903. Large companies have in most cases got all their money back. The life of a mine is for a certain period only. Unfortunately capital is not coming into this State in a way which we should like to develop new properties. Mines have only a certain life and that life may be a year or two or it may be several years; therefore, this clause will lighten the burden on the industry and cause people to invest their money here after the Bill becomes law. It will not enable the companies already in existence to declare a dividend, and then set off that dividend against all back work done, amounting to hundreds of thousands of pounds; but it will enable them to set off simply the amount they have actually paid to earn their dividend. That is in regard to companies at present working. In regard to future companies, they will be allowed to set off the amount it will cost them to earn the dividend, and to pay for three-fourths of the amount of the machinery they have had to put on their property. That is a clause I hope this House will earnestly consider. Surely we desire to do something to encourage as far as possible the influx of capital? We should encourage people to invest their money in this State; for if they find they are more heavily taxed here than in other States, the flow of capital will be directed elsewhere. Are we to keep piling tax after tax on such people, or are we to enable them to invest their money here as free from taxation as may be, provided we obtain from their enterprises a legitimate revenue? There is only one other amendment I desire to move, and that is in Clause 8. At present companies have to insure themselves very heavily against accident. High rates are demanded from them; and the companies propose to effect among themselves a mutual insurance. No dividends will be paid; but the project will be for their own protection simply. I desire to add a few words to the clause so that the

companies if they do insure their own men shall not be liable to pay dividends under the Act; because they will be to a certain extent a trading corporation, and yet not a corporation making profits or paying dividends, because no profits will be divided among the shareholders. After the words "not being a life insurance company," in line 4, I desire to add, "or being a company exclusively formed for mutual insurance of the shareholders against the risk of loss of their property by fire, or loss by compensation to workmen in their employ on foot of claims arising from injuries received in the course of such employment." Personally, I cannot see any harm in this amendment. These are my chief objections to the Bill, and I speak on behalf of mining companies. I have no doubt other members will have equally weighty objections to urge with respect to trading companies.

HON. J. W. HACKETT: What will be left of the Bill after your amendments are passed?

HON. A. G. JENKINS: I maintain that the Bill should impose a tax on dividends, and on dividends only. That is the kind of Bill I hope to see passed.

SIR E. H. WITTENOOM: Strike out Clause 7, and you will attain your object.

HON. A. G. JENKINS: My wish is that there be a tax on dividends, and on dividends only. I do not like, and never did like, a tax on profits; so I hope hon. members will, when I move my amendments in Committee, see their way to support me, and to some extent lighten the burden on an industry which has done so much for the welfare of this country. Before I sit down, I should like to refer to some remarks of the Treasurer, which I read in a newspaper this morning. One does not like to say things behind a man's back; but against such remarks we have no other opportunity of entering our protest. When it is considering a measure, I think this House has shown itself in the past, and will show itself in the future, quite capable of dealing with that measure without any attempt at intimidation or outside interference. Personally, I strongly object to this sort of thing, and I think the Treasurer's action was in very bad taste. He has a Minister in this House to voice his opinions; there-

fore it is in execrable taste for the Treasurer to publish in the Press his views on this Bill on the day when the Bill is to come on for discussion in this Chamber, and to endeavour, to some extent at any rate, to intimidate the House. I suppose other members will pay as little attention to the Treasurer's words as I do; because I do not think his action either right or legal; and I hope this will be the last occasion on which such an attempt will be made to dragoon this House. I hope the Bill will emerge from the Committee stage with various amendments.

HON. G. RANDELL (Metropolitan): I think I am justified in denying what the preceding speaker has said with regard to the Act passed in the session of 1899. I am quite sure there was an ample debate on the measure, in which the fact that the Bill was to be a tax on profits was unmistakably brought out, especially, I think, by Mr. Loton and Mr. Matheson. There is no question that in Sir John Forrest's opinion the Bill imposed a duty on profits; and purposely, because there was scarcely any likelihood of taxing the dividends of some of the companies who carried on business in other parts of the world also, as the profits of the various branches could be mixed up in such a way as to defeat the object the Bill had in view. I have not read the debate on the original measure; but it is very fresh in my mind. I remember distinctly the difficulty I had in carrying the Bill through this House—so distinctly that the impression will never be effaced from my memory, that impression being that it was clearly and distinctly understood that in the Bill we went a little farther than the Queensland Act, and imposed a tax on profits. I regret to see that what is called a statement of the case for the mining companies has been handed round to members, or at least I presume it has, for a copy has been handed to me. I strongly object to some of the statements made in that small pamphlet.

HON. M. L. MOSS: And to the language in which it is couched.

HON. G. RANDELL: And to the language in which it is couched. Of course, by the distribution of the pamphlet the authors have not violated any rule of the House; because it has not been published. If it were introduced in the form

of a petition, the President would be able to deal with it, and deal with it sharply. In one of the closing paragraphs the pamphlet states that the powers that be at the present time are animated by hostile feelings—I think towards the mining industry. That statement is, I am quite sure, at variance with truth. There are other statements in the pamphlet which at all events misrepresent the actual circumstances in which the original Dividend Duty Bill was passed into law. With regard to this Bill itself, it is my intention to support it with a slight amendment, so as to enable all life insurance companies to be exempt from the duty. I believe, if there be one industry in this country which can afford to pay a duty on its dividends, it is the mining industry; and I am very sorry to see mining companies are attempting to shirk the duty which they owe to the country from whence they are and have been obtaining their dividends—in many cases enormous sums of money, far exceeding the amounts they have ever invested in the industry. I think they should be delighted to pay a duty on their dividends.

HON. A. G. JENKINS: They do not object.

HON. G. RANDELL: They have, first of all, to earn their dividend before they need pay the duty. The remarks of Mr. Jenkins, I take it, were to the effect that the companies object to pay a duty on dividends. [HON. A. G. JENKINS: No.] I understand the Bill intends to levy a duty on dividends and on nothing else. [SIR E. H. WITTENOOM: No; on profits also.] Profits are mentioned in the old Bill, but not in this. I am open to conviction if the hon. member can prove I am wrong. If I rightly understand Mr. Jenkins, he proposes to move some amendments of a most drastic character, which will at once altogether free the mining companies from payment of any duty. [HON. A. G. JENKINS: No.] I take it that before a company declares a dividend it will charge all expenses incurred in earning that dividend. The hon. member says he will provide for this in the Bill, I dare say with a view to carrying the practice farther. I presume that the present practice is all right, and that the proper charges are brought to debit before the company declares a

dividend. We have nothing to do, I think, with what takes place in England, but merely to see that this country, after the enormous sacrifices which it has made to provide for the goldfields means of communication and other adjuncts to civilisation, is properly treated by the mining industry, the country having a right to expect that mining will bear its fair share of the burdens of the State.

HON. A. G. JENKINS: Is it not bearing that share now?

HON. G. RANDELL: I do not think this Bill seeks for anything else. The hon. member said that when the original Bill was introduced there was pressing necessity for farther revenue. That is correct, and in my opinion the same pressing necessity exists now. Although we have a great revenue, yet from day to day we have to find employment for a large number of men; and to do that we must launch out into expenditure in one and another direction. It is quite clear also that we cannot, and I hope will not, go again to the English money market to borrow money for the construction of public works. I hope the money will be locally provided. I have always advocated that, and have done my best to see that the borrowing policy was as far as possible limited. I trust we have arrived at an end of borrowing; in fact, events indicate to us, by the reluctance of the capitalists in England to lend us their money, that we have come to the end of what they consider our borrowing powers. I trust the House will not consent to the amendments of Mr. Jenkins. If they be passed, I see no course open to us other than to release all the institutions which are liable to pay duties on dividends. I am not surprised that some members advocate the throwing out of the Bill. They have a right to their opinions, but at the same time, I think we have at the present moment a great need for revenue, and every member must realise that if we are to help this State along and develop its resources by providing means of communication and in other ways, we must have revenue. In my opinion, this is no time, especially when we consider the circumstances in which the various States of this Commonwealth are at present placed, to seek to do away with any sources of income. If we do, there is one alternative staring us in the face,

and I may here express my opinion that I am opposed to that alternative—an income tax pure and simple will have to be raised if we wish to abolish these dividend duties. I hope hon. members will look at the problem fairly and squarely before consenting to the amendments proposed by Mr. Jenkins. In Committee we shall have a farther opportunity of giving them our careful consideration.

HON. J. D. CONNOLLY (North-East): This Bill is not all good, and it is not all bad. I do not think any member seriously thought of moving that the Bill be read a second time this day six months. No doubt, as Mr. Randell admitted, some members would be glad to see the Bill thrown out.

HON. G. RANDELL: I did not say so. I said some members may be pledged to a certain line of conduct. I have no intention, and no words of mine referred at all to throwing out the Bill. The only member who has spoken and who has indicated what he intended to do in that matter was Mr. Jenkins, and he said that he had a good mind to move that the Bill be read a second time this day six months.

HON. A. G. JENKINS: I never said I considered at the present time that the Bill should be read this day six months. I said at one time I had that idea.

HON. J. D. CONNOLLY: There is one point in the Bill which strikes me as unfair. Leaving mining companies out of the question for a moment, any five persons may form a trading company; if these five persons form themselves into a company they are taxed under the Bill, while five or six other people may call themselves Smith, Jones, and Co., and if they are not registered they are not taxed. I have no need to quote any specific instance; there are dozens of cases in Perth in which the Bill would act very unfairly. I think the Bill ought to have gone farther in that direction and made all trading companies stand on the same basis.

HON. G. RANDELL: It was considered and found impossible.

HON. J. D. CONNOLLY: Mr. Randell seems to be very much alarmed at the amount of money that the State would lose if an amendment to bring the Bill into line with the Queensland Act were carried. I do not think it would make

much difference, and I do not think much more money will be derived in that way than under the present Act, apart from profits.

HON. M. L. MOSS: If that is the case no injustice will be done.

HON. J. D. CONNOLLY: Much more injustice will be done under the clause. In Queensland a mine does not come under the provisions of the Act until the first dividend is paid. All the big mines in this country are on a dividend-paying basis; I do not know what amount of money is being paid by the mining companies, but the amendment would not affect the big mines in the least. There has been a lot of capital brought into the State for mining purposes in the past, and every member will agree with me that all of us are interested directly or indirectly by the investment of that capital. I maintain that nine-tenths of the prosperity of the State is due to the capital which has been invested in mining. Seeing that the amendment suggested by Mr. Jenkins will not affect the revenue of the country to any great extent, I shall support it. I am quite satisfied with the stability of the mines at present. I may not have been at one time, but when we find that the mines in Kalgoorlie at 1,500 feet have good prospects there can be no doubt about the stability of our mines. If we give a concession of the amount which has been spent on development and say that this shall not be taxed, it will be a very good thing indeed. I will give a specific case. A mine may spend £10,000 in development work. When that amount has been spent it may still be thought that farther development work should be gone on with. Although the mine has made a profit, that mine may spend their profit in farther developing the mine, still they are charged the five per cent. dividend tax on the profit, therefore the company may as well put the amount of money which they have made into profit at once. The Bill will not give encouragement to farther development mines. I would be the last to advocate anything which was likely to interfere with the present revenue of the country, but such an amendment will not do so. It is the new mines and the small mines which we want to encourage, and if members will only think they will see what a great benefit this will be to the State.

Every hundred pounds spent in development work if it turns out well means putting perhaps £10,000 more into mining development, and it means the farther employment of labour on the mines, which will give a great deal more than 5 per cent. to the revenue, because there is the revenue through the customs and in other ways. For that reason when in Committee I shall support the amendment moved by Mr. Jenkins, to bring the Bill into line with the Queensland Act and giving a certain exemption for development work. I know that some members may be under the impression that once a mine pays dividends no farther allowance should be made for development work. It is only until a mine begins to pay dividends that it will be exempted from the operation of this clause. Therefore it cannot affect the revenue to any great extent. Another amendment was indicated by Mr. Jenkins in reference to firms and companies doing business outside Western Australia. If the contention of Mr. Jenkins is correct, no doubt the Government will not offer any objection to the amendment. The Bill was introduced for the purpose of taxing profits, and if the selling of a product outside the State constitutes a foreign company that would not only affect the gold-mining industry but the timber companies, who sell their product to a great extent outside Western Australia. The Government would surely not object to such an amendment. I support the second reading, and I hope the amendment, which will bring this Bill into line with the Queensland Act, will be passed.

HON. E. McLARTY: I have only one opinion about the Dividend Duties Bill, and it is that such a measure imposes a most inequitable and unfair tax. If this is not class legislation then it is impossible to define what class legislation is. I am not going to move that the Bill be read a second time this day six months, although I should feel very much inclined to support such an amendment if one were moved. If the Bill were thrown out it would make a serious difference to the Treasurer; therefore such a step would be too drastic. I object to the Bill because it does not press on all companies alike. Some of the wealthiest firms in this country making heaps of money

will not come within the scope of the measure, while other companies trading and struggling have to pay five per cent. on their dividends. I should like to know when this dividend is to be paid. Supposing a company spent £20,000 or £30,000 in developing a business, before any profit was derived from the business all the money might be sunk and the owners would have to wait for years before any benefit was obtained, but as soon as a dividend is declared the proprietors have to pay five per cent. No consideration is given whatever for the capital expended and the interest on that capital. If the Bill is carried it should affect every person in the same line of business, whether the business is carried on by a registered company or not. I should be very pleased to support such a proposal, because those able to pay should contribute to the revenue of the country. Reference has been made to giving employment to the working classes. Surely it is not a fair thing that a few firms should be singled out and have to put their hands in their pockets to find employment for the thousands of men in this country. I have much sympathy, and I think I have shown it practically, for the working man, but I fail to see why this tax should press on a few individuals in the community. Reference has been made to the gold-mining industry, and although we have expended a good deal of money in developing the mines, in time the gold will be taken away and nothing will be left. Therefore, there is perhaps some reason why gold-mining companies should be taxed and other companies not; still I am not going to advocate that one industry should be taxed and others escape. Take the industry I am engaged in, the squatting industry. There are a few firms in the country who will have to pay pretty heavily, while other companies making profits will put those profits into their pockets and not pay the tax. It is not an equitable tax. I think after all there is not so great a need for a dividend tax. With the enormous revenue which we are deriving at the present time, if we curtail our expenditure, that would be preferable; we shall have enough to meet our requirements. Take, for instance, the railways, wherever

a man travels he can see how much money is being wasted. Dozens of men employed are not earning their salt, but simply killing time. They are in each other's way; there is no supervision; they do what they like, although the country is overrun with inspectors. There are numbers of men employed on the railway works of this country who are not earning their wages; and we have to pay very dearly for that. I should like to see economy practised in that large department. I should like a thorough investigation, to see whether thousands of pounds could not be saved in the working of that one department. If investigation were made of other departments as well, perhaps there would not be such a need for taxing the last cent. out of the pockets of the people. We hear now of nothing else but taxation; and my opinion is that the people here will very soon be hardly able to live, and that other people will be prevented from coming to the country. I certainly object most strongly to the Bill in its present form, for the reason I have given that it does not press equally on all trading firms. If we had an income tax it would equally affect everyone; and I should prefer that to one firm paying and a dozen firms being exempt, for I do not think anything could be more unfair than the tax proposed in this Bill. If it were not that it would be a very serious step to take, and one which this House would perhaps be hardly justified in taking, I should be inclined to move that the Bill be read this day six months.

SIR E. H. WITTENOOM (North): I rise with feelings quite different from those of the member who has just sat down. I am entirely in favour of the Bill, which I think should have been introduced and should be passed, because it is fair to charge a duty on dividends. But my objection to the Bill is on the clear-cut issue that there should be a charge on dividends and on dividends only, for all classes and all sorts of industries. My objection to the Bill is that a certain class, and a certain number, are taxed on their dividends, while another and a very deserving portion is taxed on profits. That seems to me manifestly unfair. I pointed out, in speaking to the proposal of Dr. Hackett, how the Bill will affect many companies; and I still hold to the opinion that it is

most unfair to tax only those companies who are trading outside of Western Australia. It has been said this Bill was brought in some years ago, and therefore it ought to be accepted now. I think Mr. Randell has stated that because it was a good Bill in the past it is a good Bill now. That argument carries very little weight with me.

HON. G. RANDELL: I did not say anything of the kind.

SIR E. H. WITTENOOM: Then my ears must have deceived me; but that was the sense conveyed to me by the hon. member's speech. At all events, I think that Bills and taxes should be brought in and imposed as circumstances require them, and we have distinctly understood that this Bill was previously brought in for taxing profits, for the express reason that revenue was required; and I think it was an open secret that the original Bill was really a tax on the dividends of mining companies, though unfortunately Parliament had to include a few other companies as well. But for bringing in a Bill of this kind at the present moment there can be no excuse of want of revenue. Apart from that, I entirely believe in the taxation of dividends. In most countries there is an income tax or some equivalent; and therefore it is fair to tax dividends. But I am absolutely opposed to taxing profits; and my only objection to the Bill is that it taxes dividends only and not profits. I will now show how unfairly the Bill would operate. I will take two or three large companies doing the greater part of their business here, with perhaps a few offices abroad—companies who spend hundreds of thousands of pounds in this State. They are to be taxed on their profits and not on their dividends.

HON. A. G. JENKINS: Mention a mining company.

SIR E. H. WITTENOOM: I prefer to talk of what I know better. Take Millar's Karri and Jarrah Company, I hardly like to say how many hundreds or perhaps thousands of men the company employ.

HON. R. G. BURGESS: They do not lose by it.

SIR E. H. WITTENOOM: That is because of good management. The only foreign offices they have are one or two in London, and a small dépôt at which they sell their timber. Now why

should such a business be taxed on its profits and not on its dividends? Surely there is no industry in Western Australia, apart from gold-mining, which does so much good or employs so much labour. The timber industry gives more employment than any other. Here is a business which puts enormous capital into Western Australia, which employs large numbers of men, which has very little connection with the United Kingdom, except offices and a depôt; and yet the business is to be taxed on its profits. Take the case of Dalgety & Co. I think that if ever a company did good in Western Australia, that may be predicated of Dalgety & Co. It is very well to talk of its present position, but let those who have been here in the early days, or those who know anything about the company, think of the results of the introduction of its capital years ago, when badly needed. Many people thought their cases were hopeless; but that company stuck to the State and helped those who were in it until they arrived at a prosperous position unparalleled in any other State. Yet the first thing we do is to tax the company's profits, not putting it on the same basis as purely local companies. Again, take the Midland Railway Company, however unpopular that company may have been, everyone will agree with me that it has put much more money into Western Australia than it has ever taken out; and although it now appears to be making a profit of £30,000 or £40,000 a year, nobody who knows anything of the circumstances thinks that is a real profit. Everyone who has heard of a little thing called a debenture knows that it is really another name for a mortgage. By the time the company pays interest on its debentures, and the interest due to the Western Australian Government, no one will be able to accuse the company of making a profit; and yet we are trying to tax this company on its profits. I have cited three cases of large industries affording much employment to the people and introducing much capital; and yet they are to pay on their profits.

HON. M. L. MOSS: How would the Bill affect the Midland Company?

SIR E. H. WITTENOOM: The company makes £40,000 a year over expenses.

HON. M. L. MOSS: Does not the company come within Clause 6?

SIR E. H. WITTENOOM: Out of that £40,000 the company pays £20,000 a year to this Government, and then has to pay the debenture-holders and preference shareholders, while the poor unfortunate ordinary shareholders never get a penny. The Government propose to tax profits, not dividends. As an instance of a local company, take the Western Australian Bank, in which I am considerably interested by way of overdraft. By the Bill that bank will pay on its dividends only, just because it happens to be doing business exclusively in Western Australia. I can instance numerous similar businesses. All concerns which carry on in Western Australia only will be taxed in respect of their dividends, not on their profits. My first objection to this Bill is, let us all pay on dividends. None of the industrial companies object to that; and as to gold-mining companies, though I cannot speak for them, I am quite certain they will consent. I say it is not wise to tax companies on profits. Then there is another objection. How will the Government ascertain the profits of industrial companies such as I have mentioned—companies who perhaps have agencies all over the world? [HON. G. RANDELL: That is the difficulty.] Then have no difficulty, and make it all simple. That is easy enough. If we propose to tax the profits of a company like Dalgety's or Millar's, how much shall we allow for each of their agencies? Why not simplify the matter by taxing dividends only?

HON. G. RANDELL: Suppose they lost everywhere else and made a profit here.

SIR E. H. WITTENOOM: Charge them here; charge on the dividends. They would naturally publish the dividends here, and they would be charged on the declared dividends. Mr. Randell, in his admirable speech, referred to the immense sum gold mines had got out of this country and paid away in dividends. I had for three or four years a good deal to do with gold mines; and I know the dividends paid in this country represent a mere fraction of the money invested here in mining. I should be very sorry to say what percentage.

HON. G. RANDELL: The dividends paid run into millions.

SIR E. H. WITTENOOM: The dividends are not to be compared with

the expenditure; and the British public have never had anything like a reasonable return for the capital invested. Therefore why go out of our way to tax those investors on their profits instead of their dividends? Then my last reason is, why not give every possible encouragement to capital? What do we want in this country? Do we not hear every day about the unemployed, about the necessity for public works? Why not give encouragement for the investment of capital here to open up works, instead of doing everything to block investors by harassing them with these little taxes? Get the revenue in some other way if it be needed; but I say it is not at present so urgently needed. I have asked a question to-day, and I hope we shall hear to-morrow exactly what the loss will be. But with a big credit balance and everything looking well, I am quite sure it would be to the interest of the State if some other tax were imposed rather than this irritating tax to which all our financiers object. By all means let us encourage capital. The man who will not encourage capital is no friend to this country, and no friend to the working people. Capital is the root of all enterprise. What is the use of our hundreds of labouring men if we have nothing to pay them? We know that lots of them cannot find work. Now, I put before hon. members a clear and intelligible issue. Make this Bill applicable to dividends only, and have nothing whatever to do with profits. Then we shall in the first place obviate the difficulty of arriving at a just estimate of what is a profit, shall avoid an immense amount of irritation, and put all enterprises on the same footing. It may be a very good thing to favour a Western Australian industry; but if we tax some people on their profits, what valid reason have we for taxing others on their dividends only? I think I am as much in favour of Western Australia as anyone can be; but I believe it would be for the good of the country if this irritating tax were put on dividends only, and then it would be an impost which everyone, whether on the goldfields or on the coast, whether domiciled here or elsewhere, would be only too happy to pay.

HON. C. E. DEMPSTER (East): I thought when the Dividend Duty Bill was first introduced into Parliament that it was only intended to apply to dividends; but it seems that the Bill is not to apply in the way it was at first anticipated. I do not believe in class legislation. It is most unfair to impose a tax which will affect one section of the community, and not another. If the Government require revenue, that revenue should be obtained through the Customs, as in that way it presses more evenly upon the community, and not on one section only. It is not fair to interfere with capital that may be spent in the development of mines. I consider that the tax should be paid on the net profits of companies or businesses. I think it was the intention of the Government in the first instance to tax only dividends, but the whole of the profits of companies seem to have been taxed. It is unfair that this tax should press heavily upon one section of the community. I am not prepared to go into this matter at any length, but I should like to see the suggestion which has been made as to the tax being made applicable only to dividends carried out. I shall support the proposal of Sir Edward Wittenoom when in Committee.

HON. J. W. HACKETT: May I speak?

THE PRESIDENT: I find on looking at *Hansard* that the hon. member moved that the Bill be read a second time this day three months in order to allow Sir Edward Wittenoom an opportunity of speaking. Sir Edward Wittenoom spoke on the amendment, and afterwards the hon. member (Dr. Hackett) withdrew his amendment. I think under the ordinary rules of debate Dr. Hackett will have the right to speak, because he simply moved the amendment to allow Sir Edward Wittenoom to address the House. In the circumstances the hon. member may speak, but he must confine his remarks to the main question, that is the second reading of the Bill.

HON. J. W. HACKETT: I will not press my claim.

HON. R. LAURIE (West): I intend to vote for the second reading of the Bill with very little alteration, not because I like the Bill, but because I think the House should be very chary in altering a revenue measure, which at the

present time is on the statute-book of the country, and no doubt the Treasurer has made provision for spending the money. I think we should at all events pause before we attempt to alter the Bill. I do not like the Bill because it is class legislation. After hearing the "hear, hears" from hon. members when an income tax was mentioned, I may say that I would rather see a clause inserted that the Bill should remain on the statute-book for 12 months, and then an income tax be brought in.

HON. B. C. WOOD: No one says "hear, hear" now.

HON. R. LAURIE: There are no "hear, hears" now; but I think that would be the proper way of carrying out the views, and it will give a means of carrying out the wishes of members. I am in sympathy with a majority of members who have spoken against the Bill, for the reason that I do not think it wise to do anything to stop capital coming into the State. We all know that without capital labour is of very little use, and none of us know the effect a measure of this sort will have in deterring capital coming into the country. We know it will have some effect, but we do not know how far reaching it may be. As I said, labour is of very little use without capital, I would like to give an illustration which came personally under my notice during the last fortnight, and it will also give an illustration of the productiveness of the soil of Western Australia. A working man who has a farm within five miles of Fremantle, comprising five acres of land, was unable to do anything with the land without the necessary means for procuring seed. He made application to a Fremantle man whom I know intimately for a loan of £50, for without that £50 he could do nothing with the land. After some little difficulty, he got the £50. That was on the 4th of June. Last week this man returned the £50 to the person from who he had borrowed it, and said that he had bought seed potatoes with the money. He had already sold £132 10s. worth of potatoes, and had still five and a half tons to sell. In addition, he had 1,000 bushels of tomatoes. Without capital that man could not have produced. Therefore, we should not, if we can possibly help it,

have any statute in force in this country that will stop the inflow of capital. I would personally much rather see an income tax, which would touch everyone, than this Bill. Still, I shall vote for the second reading, because no doubt the Treasurer has made provision for spending the money. We have heard a great deal of an overflowing Treasury, but I do not think members have taken much notice of the customs revenue for the past month, and the probable customs revenue for this month. Last month the revenue was very low, and this month unless we have many more ships coming into Fremantle, the revenue is likely to come down. I am sure the revenue this month will be very low indeed. I think, therefore, members will do well to pause before we pass a measure of too drastic a character. I shall support the second reading, but I hope the Bill will not be dealt with in Committee in the manner indicated.

Question put and passed.

Bill read a second time.

RABBIT PEST BILL.

IN COMMITTEE.

Resumed from the 4th December.

Clauses 14, 15, 16—agreed to.

Clause 17—Adjoining lands to contribute half value of rabbit-proof fence:

HON. C. A. PIESSE: The clause did not state what would follow if the adjoining lands were not fenced. He would like to know whether this provision would apply to lands which at the present time were unfenced?

THE MINISTER FOR LANDS: The clause would apply to private lands which were fenced.

Clause passed.

Clauses 18 to 21, inclusive—agreed to.

Clause 22—Applicant to secure repayment of cost of mortgage:

HON. T. F. O. BRIMAGE: Twenty years seemed too long a period in which to repay the money for the wire netting. He moved that in line 5 the word "twenty" be struck out, and "ten" inserted in lieu.

HON. C. A. PIESSE: Each year a certain proportion was paid off; and if the fence did deteriorate as years went by, when the twentieth year was reached only one instalment would then be owing.

Apparently the hon. member thought the security would depreciate. The period of 20 years should not be altered. By the Agricultural Bank Act similar repayments extended over 30 years.

THE MINISTER FOR LANDS: Clause 23 provided a penalty if the fence were not maintained.

Amendment by leave withdrawn, and the clause passed.

Clauses 23 to 27, inclusive—agreed to.

Clause 28—Duty of owners and occupiers to destroy rabbits:

HON. R. G. BURGESS: Unless the inspectors under this Bill were more assiduous than others in attending to their duties, the clause would be useless.

Clause passed.

Clause 29—Proof of existence of rabbits on land:

HON. E. M. CLARKE moved that the second paragraph be struck out. To provide that proof that the signs of rabbits were not diminishing should be *prima facie* evidence that the owner or occupier was neglecting his duty would be highly dangerous. Animals concentrated on certain favourite spots; and the clause might mean ruination to a number of men who were doing their utmost to exterminate the pest, while the rabbits on their holdings increased rather than diminished in numbers.

Amendment passed, and the clause as amended agreed to.

Clause 30—Any owner or occupier may burn without notice:

HON. W. MALEY moved that the clause be struck out. How could burning scrub, etc., exterminate rabbits? Apart from that, the power to burn off was highly dangerous; and apparently nothing but harm could come of the provision.

THE MINISTER FOR LANDS: In January, 1902, New South Wales passed the Rabbit Act from which this clause was taken, empowering any owner or occupier, with the consent of the rabbit board, to burn scrub, etc. True, there were no such boards here; but there were inspectors and a department. If the House thought boards desirable, the Government would consider the proposal for their creation.

HON. J. E. RICHARDSON: The clause would do more harm than good. Few rabbits would be destroyed by burn-

ing off, poisoning being more effective, while the fires might do much damage.

HON. C. A. PIESSE supported the amendment. The clause would nullify the Bush Fires Act. Time enough to introduce such a provision when there were rabbit boards, and when the pest could not otherwise be dealt with.

Amendment passed, and the clause struck out.

Clauses 31 to 35, inclusive—agreed to.

Clause 36—Natural enemies of rabbits protected:

HON. R. G. BURGESS: The clause must be amended or struck out. A penalty of £5 for destroying any animals declared to be the natural enemies of the rabbit was monstrous. Such animals as hawks, if allowed to multiply, would be more injurious than rabbits. With hawks there was trouble enough now, and their numbers were increasing. He moved that the clause be postponed to the end of the Bill.

THE MINISTER FOR LANDS: The clause was taken bodily from the Act of New South Wales, passed after a much wider experience of rabbits than anyone in this State could possibly have. For the destruction of the animals mentioned a special permit could be obtained from the Minister.

Motion (to postpone clause) put, and a division taken with the following result:—

Ayes	11
Noes	4

Majority for 7

AYES.		NOES.	
Hon. R. G. Burgess		Hon. J. W. Hackett	
Hon. E. M. Clarke		Hon. A. Jameson	
Hon. J. M. Drew		Hon. E. McLarty	
Hon. A. G. Jenkins		Hon. T. F. O. Brimage	
Hon. W. Maley		(Teller).	
Hon. C. A. Piesse			
Hon. J. E. Richardson			
Hon. Sir Edward Witte			
noon			
Hon. B. C. Wood			
Hon. J. W. Wright			
Hon. C. E. Dempster			
(Teller).			

Motion thus passed, and the clause postponed.

At 6.30, the CHAIRMAN left the Chair.

At 7.30, Chair resumed.

Clauses 37 to 44, inclusive—agreed to.

Clause 45—Sale of rabbits prohibited:

HON. J. E. RICHARDSON moved that in lines 1 and 2 the words "west of

the barrier fence" be struck out. In no part of the State ought the skins of rabbits to be offered for sale.

THE MINISTER FOR LANDS: It was admitted that there were rabbits inside the barrier fence. Was it not desirable to reduce by destruction and sale these rabbits as much as possible. There were very few rabbits inside the barrier fence, therefore those that were there should be destroyed.

HON. J. E. RICHARDSON: How was it to be known that the rabbits were obtained from inside of the fence?

THE MINISTER FOR LANDS: It was an offence to bring rabbits from another part of the State.

HON. C. A. PIESSE: In every instance if a man exposed a rabbit for sale, he was liable to be prosecuted.

THE MINISTER FOR LANDS: A person would not be prosecuted for offering a rabbit for sale except there was a very strong case.

HON. C. A. PIESSE: Frozen rabbits would be allowed to be brought in. As much was to be said in favour of the destruction of the rabbit as against it, for, if people did not kill the rabbits, they would increase, and, if a reward was offered for the destruction of rabbits, persons might be induced to encourage the production of them. He would support the clause as it stood.

HON. W. MALEY: According to Clause 44 a person who had a license might offer to pay a bonus for the destruction of rabbits, but under Clause 45 the person having paid a bonus for rabbits delivered, and having skinned those which he had bought, would be liable for having in his possession rabbit skins. If a person paid for the scalp and had a license from the Minister, that person should have power under his license to sell the skins which were obtained from the scalped rabbits. He would suggest that after "fence" the words "with the license in writing of the Minister" be inserted.

HON. R. G. BURGESS: If this clause was to be passed, there was no need to erect a fence at all, because if rabbits were allowed to be destroyed on one side of the fence, those persons engaged in destroying them would soon put the rabbits over the other side. That had been the experience in the other States.

It was no use having rabbit inspectors; they had done nothing in the past, had not even given reliable reports. New South Wales and other States had found by experience the uselessness of rabbit departments.

HON. J. W. HACKETT: The destruction of rabbits could not be secured on a sufficiently comprehensive scale unless the motive of self-interest were introduced, by permitting persons to make a profit by selling them. The point was disputed whether facilities for utilising the rabbits for profit led to their increase; but all must admit that rabbit-trapping would increase the revenue of the State. In the East a large community was thus supported. The preponderance of argument was in favour of permitting the rabbits to be disposed of.

HON. C. E. DEMPSTER: Every rabbit destroyed by trappers would be one less; and even if an occasional doe were released, the encouragement of rabbit destruction could not do harm.

HON. R. G. BURGESS: The other States resorted to poisoning. To allow the sale of rabbits would surely lead to their multiplication by professional trappers, as in the East, and the enormous sum spent by the Government would be wasted.

Amendment (Mr. Richardson's) negatived.

HON. W. MALEY moved that the words "without a license granted by the Minister" be added after the word "fence." Care should be taken that the licenses were issued to proper persons.

HON. J. E. RICHARDSON opposed the amendment. The destruction of rabbits should not be restricted.

THE MINISTER FOR LANDS: Would not the amendment restrict the destruction of rabbits by making a license necessary?

HON. W. MALEY: No. The clause as it stood prevented their destruction, and the amendment sought by license to give certain persons power to destroy them.

Amendment passed, and the clause as amended agreed to.

Clause 46—agreed to.

Clause 47—Penalty for misuse of wire netting provided by Government:

HON. C. A. PIESSE: Why this excessive penalty of £500 or imprisonment

not exceeding six months? The Government did not advance wire without security. Who ever heard of a mortgage carrying the penalty of imprisonment?

HON. J. W. HACKETT: Suppose a settler misapplied £500 worth of wire-netting.

HON. C. A. PIESSE: He would never get so much.

THE MINISTER FOR LANDS: The £500 was a maximum. As to the security, if the wire netting were sold and the property overrun by rabbits, the security would be valueless.

Clause passed.

Clauses 48 to 52, inclusive—agreed to. Schedule—agreed to.

Progress reported, and leave given to sit again.

ADJOURNMENT.

The House adjourned at five minutes past 8 o'clock, until the next day.

Legislative Assembly,

Tuesday, 9th December, 1902.

	PAGE
Questions: South Perth Liquor License, three-mile limit ...	2733
Railway Project, Jandakot-Armadale ...	2733
Mine Flooded, Coolgardie ...	2734
Timber Supply in the State ...	2734
Railway Axle-boxes, hot-running ...	2734
Railway Frauds, Kookynie and Mount Malcolm ...	2734
Railway Lavatory Cars ...	2735
Railway Rates, to reduce ...	2735
Clerk of Assembly, Congratulation ...	2735
Bills: Malcolm-Laverton Railway, first reading ...	2735
Coolgardie Goldfields Water Supply, second reading (resumed) ...	2735
Police Act Amendment, Council's Amendments ...	2772
Criminal Code Amendment, Council's Amendments ...	2775
Annual Estimates (resumed): Lands Department	
Votes, progress ...	2775

THE DEPUTY SPEAKER took the Chair at 2:30 o'clock, p.m.

PRAYERS.

PAPERS PRESENTED.

By the MINISTER FOR RAILWAYS: Alteration in Classification and Rate Book.

By the COLONIAL SECRETARY: 1, By-laws of the municipality of Collie, under Building Act. 2, Municipality of Kalgoorlie, poundage fees.

Ordered: To lie on the table.

QUESTION—SOUTH PERTH LIQUOR LICENSE, THREE-MILE LIMIT.

MR. ILLINGWORTH asked the Attorney General: 1, If it is a fact (as reported in the papers of Saturday, 29th November), that the justices sitting in the police court, Perth, on Friday, 28th November, declared that the hotel near the Zoological Gardens, South Perth, was more than three miles distant from Wellington Street, Perth. 2, If the said magistrates declared that the Swan River was not a highway for traffic, and that for the purpose of the "bona fide travellers clause" of the Wines, Beer, and Spirit Sale Act the said hotel was outside the three-miles radius. 3, If he will ascertain the names of the justices so deciding, and how often they have sat upon the bench since their appointment. 4, When were they appointed. 5, Will the Attorney General consult the Crown Law Officers as to the correctness of this decision.

THE ATTORNEY GENERAL replied: 1, Yes, calculated by the nearest public thoroughfare. 2, Yes. 3, (1.) C. A. Saw. (2.) E. Le Souef. (3.) J. Elliott. No. 1 has sat frequently, No. 2 seldom, and No. 3 frequently. Both Mr. Saw and Mr. Le Souef were summoned a week beforehand as justices on the rota for the hearing of cases on the 28th. 4, No. 1, 4th January, 1895. No. 2, 21st November, 1900. No. 3, 7th May, 1902. 5, The point will be further tested. I do not think there is much doubt as to the decision being wrong.

QUESTION—RAILWAY PROJECT, JANDAKOT-ARMADALE.

MR. HIGHAM (for Mr. McDonald) asked the Premier: When the information promised by him to a deputation which waited on him about three months ago, urging the construction of the Jandakot-Armadale Railway, will be ready.