the capital invested. That is the position of a large percentage of our farmers. Whether this is attended to by the Federal authorities or by the State I venture to say it must be done. Other concerns during the depression years have had to reconstruct and start on a new basis. Something of a similar nature must be done in the case of the farming community. No business man would hesitate, if he could recover 70 per cent. of the debts due to him, to take that percentage and cry quits. I understand on good authority that, if the present Prime Minister is returned to office, an influential section of people in Australia is prepared to stand behind him, and subscribe sufficient money to enable this all-important question to be tackled as it should be tackled. We are told that the report of the Agricultural Bank Royal Commission will be the subject of debate later. We as Parliamentarians, and Ministers as members of Cabinet, have to share in the responsibility for the position as it exists to-day. It is more their responsibility than it is that of the trustees of the Bank. Every year the report of the institution is laid upon the Table of both Houses, and very little notice has ever been taken of it. We, therefore, are more remiss than the trustees have been. I join with others in welcoming you, Mr. President, back to your honoured position. I am sure you have had an enjoyable time, and I know you have done a lot of good for Western Australia. Although the time spent in taking your place was a strenuous one, I can only say that I enjoyed it. It can be said that new ground was broken while you were away, but although most of us were wiser as the result of it, none of us were the worse friends for it.

On motion by the Chief Secretary, debate adjourned.

House adjourned at 8.41 p.m.

Legislative Assembly,

Tuesday, 28th August, 1931.

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

QUESTION—WHEAT, BULK RAILING.

Extra Cost and Savings.

Hon. W. D. JOHNSON asked the Minister for Railways: 1, In view of the Premier's statement that the extra cost to the Railway Department of carrying 12,000,000 bushels of bulk wheat is approximately £13,000, how much is attributable to—(a) an extra tare of approximately 5 cwt. on vehicles altered to carry bulk wheat, which tare is equivalent to 200 four wheeled steel trucks: (b) the empty haulage of converted trucks which are unsuitable for hauling any other lines of goods; (c) the extra shunting necessary to sort out trucks suitable for bulk wheat: (d) the extra maintenance necessary on improvised trucks? 2, What was the saving in shunting at bulk sidings? 3, What was the saving in shunting on the wharf at North Fremantle? 4, What was the amount paid on bulk wheat for shunting at North Wharf? 5, What was the amount paid on bagged wheat for shunting at North Wharf? 6, What was the cost of the shunting at North Wharf of—(a) bulk wheat; (b) bagged wheat: (c) bulk and bagged wheat?

The MINISTER FOR RAILWAYS replied: 1, On the wheat already carried this season to Fremantle, viz., 9,000,000 bushels —(a) approximately £1,000; (b) approximately £7,000; (c) approximately £1,600;

(d) approximately £2,000. 2, Figures are not available, but whilst there is a saving its cash equivalent would not be great. 3, Owing to Co-operative Bulk Handling, Limited, requiring steel trucks to be separated from wooden trucks for night working, and special shunting of the rejected wheat, there would be little saving on the bulk wheat in the aggregate. 4, Wharf haulage on 249,835 tons at 9d. per ton = £9,368. 5, Wharf haulage on 152,223 tons at 9d. per ton = £5,708. 6, Costs are not segregated for wheat in either bags or bulk, nor from any ordinary traffic.

QUESTION—STATUTES CONSOLIDATION.

Mr. HAWKE asked the Minister for Justice: What steps are being taken in the direction of consolidating and simplifying the statutes?

The MINISTER FOR JUSTICE replied: This matter is being attended to as opportunity and funds allow. A list of Acts which have been consolidated appears at page viii. of the last volume of statutes. In addition, the Land Act, which was one of the most urgently necessary consolidations, was consolidated last year and re-enacted.

QUESTION—TOXIC PARALYSIS.

Mr. HAWKE asked the Minister for Agriculture: 1, To what extent has the Agricultural Department carried on its campaign against toxic paralysis during the last twelve months? 2, What action is proposed for the future?

The MINISTER FOR AGRICULTURE replied: 1, An investigation was carried out during last year on an infected property to ascertain methods of prevention and control of the depraved appetite causing toxic paralysis. Further, the investigation included a survey of the chemical composition of wheat belt pastures and stubbles and the economic possibility of summer supplementary feeding and pasture work.

BILLS (3)—FIRST READING.

1, Sandalwood Act Amendment.
Introduced by the Premier.

2, Soldier Land Settlement.
Introduced by the Minister for Lands.

3, Roman Catholic Church Property Act Amendment.
Introduced by Mr. Needham.

BILL—TENANTS, PURCHASERS, AND MORTGAGORS' RELIEF ACT AMENDMENT.

Second Reading.

THE MINISTER FOR EMPLOYMENT (Hon. J. J. Kenneally—East Perth) [4.36] in moving the second reading said: The Act has been on the statute book since 1930 and has required re-enactment from year to year. The purpose of the Bill is to extend the Act for another year. No other amendment is contained in the measure. It will be remembered that when I introduced the Bill of last year various amendments were proposed, some of which were agreed to. One of the most important was the deletion of Section 24 of the Act. That was carried in this Chamber, but defeated in another place. That section gives the right to persons to contract themselves outside the Act. While I think it would be an improvement to exclude that section, I do not propose to move for it, because investigations into the operations of the Act indicate that that section is being taken advantage of to a lesser and lesser degree, and I am hopeful the time will come when that provision will not be necessary. We shall then have reached the stage that every member is aiming at. There is in the Act provision for the granting of protection orders. Such an order may have a currency of three months *maximum*, but may be renewed from time to time at the discretion of the court. Since the measure was to remain operative until the end of the year and therefore any order that may have been issued towards the end of the year might have a currency of nearly three months after the close of the year, and since the date of the termination of the Act has been altered to December, 1935, it will be necessary to make provision for the currency of orders to be extended to March, 1936. In 1931, applications made under the Act numbered 912. In 1932 there were 211 applications, in 1933 there were 121, and for the eight months expired of 1934 the number has been reduced to 37. During 1931 the orders made under the Act as the result of the applications lodged numbered 511. In 1932 there was a decrease to 116, in 1933 the number fell to 71, and for the expired portion of this year only 18 orders have been made. The number of cases struck out have been 152, 47, 16, and 9 for the respective years, while similarly the

number of cases withdrawn have been 98, 16, 13, and 3. So there has been a progressive reduction in the applications made to the court, which gives one the hope that if the same progressive improvement is made in the year for which it is proposed the measure shall be continued, it may be that in the course of a year or two we shall not have to give any further attention to this aspect of the financial emergency legislation. It is necessary that the measure should be extended for another year, but in refraining from moving for the deletion of Section 24 of the Act, I am actuated by the general attitude which has been adopted by the landlords. Generally speaking, they have adopted a reasonable attitude. There have been exceptions of course, but both before taking the portfolio and since, I have been closely associated with the operations of the Act, and am in a position to say that generally the landlords have been more mindful of the necessities of the tenants than the landlords in other States of Australia have been.

Mr. Raphael: There are plenty of exceptions in Victoria Park.

The MINISTER FOR EMPLOYMENT: They are not so numerous now as they were before the Act came into operation. The very existence of that Act has been instrumental in bringing about a considerable improvement. That in itself in a justification, not only for the introduction of the measure, but also for its continuance. In regard to this and similar legislation I hope Parliament will soon be able to declare that the period during which they were required has passed. The Bill makes provision for the extension of the Act for one year. I move—

That the Bill be now read a second time.

On motion by Mr. Latham, debate adjourned.

BILL—ELECTORAL ACT AMENDMENT.

Second Reading.

Debate resumed from the 23rd August.

MR. LATHAM (York) [4.45]: I do not oppose the second reading. I know there has been an agitation that British Indians should receive the same franchise as the rest of the British community in Australia. I hope the Premier will agree to an amendment I have on the Notice Paper. It seems to me there is not the need to-day for the restrictions existing under the Constitution Act and the Electoral Act that there were when the Electoral Act was framed. At that time the Naturalisation Act permitted the naturalisation of those subjects who had resided here for a certain period, and the courts were open to everyone. If it had not been for these restrictions these people could automatically become entitled to the franchise. Under the Aliens Restriction Act of the Commonwealth there is not the same need for restrictions as there was in the old days. There are many desirable people who come here from time to time to whom the franchise could well be extended. In Committee I propose to move an amendment that I have on the Notice Paper, and hope it will be agreed to.

Question put.

Mr. SPEAKER: I have counted the House and satisfied myself there is an absolute majority of members present.

Question passed.

Bill read a second time.

In Committee.

Mr. Withers in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 18:

Mr. LATHAM: I move an amendment—

That after the words "(except British India)" the following words be added in parentheses:—"or the territory comprised in the mandate of the Lebanon."

Under the Commonwealth Act and the Acts of most of the States it is provided that the franchise shall be extended to these particular people. The last State to give this privilege was Queensland, in 1930. I do not propose that our Act should be extended to cover as wide a scope as is covered in other parts of Australia. A portion of Syria, for instance, comes under the domination of Turkey, and I do not suppose members would agree to extending the franchise to Turks. The Lebanese are Christian people, while other inhabitants of Arabia are Turks and Jews. There are between 80 and 90 Lebanese in this State, and some hold important positions in the city. I understand one of them is chairman of the Institute for the Blind. He pays taxes and is regarded

as a desirable citizen, but is not entitled to the franchise. My amendment is limited to the territory comprising the mandate of the Lebanon. It is a French mandate, and the territory is under the control of France. Western Australia is the only State in the Commonwealth which does not extend the franchise to these people.

The Minister for Employment: Could the mandate be altered to include additional territory?

Mr. LATHAM: I do not think it is likely to be altered. If that were done the boundaries would remain the same. The territory is bordered on the north by the Turks and on the south by the Palestine Jews. France has this section only. Neither the Turks nor the Jews could become Lebanese.

The PREMIER: I am not certain what the amendment embraces. We might be including people we would not wish to include. We do not distinguish in our franchise between Christians and heathens. As far as I can learn no request has even been received that the franchise should be extended to the inhabitants of the territory embraced by the amendment.

Mr. Latham: They have a vote under the laws of the Commonwealth and in the other States.

The PREMIER: I cannot find from the file that this question has ever come under the notice of any State Government. If we are going to include people who are classified as Asiatics, and are under the mandate of France, we might also include the natives of some of the islands in the Pacific, which are under the mandate of Australia or New Zealand. They would be just as much entitled to the franchise as an Asiatic who is a subject under the mandate of France. If these people are entitled to a vote under the Commonwealth laws and those of the other States, I suppose we would not be taking much risk if we allowed it here.

Mr. Stubbs: It is an anomaly that an Afghan owning property can vote for the Upper House, but not for the Legislative Assembly.

The PREMIER: That does not surprise me. The whole place is an anomaly, and most of the men in it are anomalies. An Asiatic is entitled to the franchise for another place, but another place has consistently refused to extend the franchise to the working men of the country on the ground that they do not possess certain qualifications. If the hon. member is sure that his amendment will not embrace any territories or peoples that are not included in the area from which these Lebanese come, it should be all right for us to agree to the proposal. I have had no request on the subject from any quarter; but if it is done in the other States, it will presumably be acceptable here.

Mr. LATHAM: The Commonwealth Electoral Act of 1925 provides for the extension of the franchise to a native of British India if he is a person to whom a certificate of naturalisation has been issued under the law of the Commonwealth or of a State, and if that certificate is still in force, or if he is a person who obtained British nationality by virtue of the issue of such a certificate. Therefore every person in the Commonwealth holding naturalisation papers is to-day entitled to vote. My amendment does not propose to go so far. A similar provision was adopted by Victoria in 1928, by New South Wales in 1912, by Queensland in 1932, and by South Australia in 1913. It has also been adopted in Tasmania, though I cannot at the moment give the date. In those cases the word "Syria" is included. In passing the Firearms and Guns Act this Parliament, by Section 8, declared that no Asiatic or African alien, or person of Asiatic or African race, claiming to be a British subject, should hold a license under the Act except at the discretion of the Commissioner of Police; but there is a proviso that the section shall not apply to persons of Jewish or Lebanese race. Lebanese are far above the social standard of Asiatics generally. I do not wish to name the persons I have in mind, but if I did name them the Premier and other members would agree with my view. Jews from Palestine cannot have their names placed on the electoral roll even if they are naturalised, and that seems to me totally wrong. In the other States and under the Commonwealth the position is different. I understand that if a Palestine Jew goes to the Old Country and resides there a while, he can, on coming here, be naturalised and entitled to vote.

Mr. McDONALD: I should like the question to be deferred. The amendment may be highly desirable. The measure as introduced was based on sound ground—on a specific request made to the Government by authorities in other parts. Moreover, as introduced it would be in

accordance with the practice of other Australian States. Possibly the amendment may require extension; perhaps more people should be allowed to have the franchise than the limited number to whom the amendment refers. Time might be allowed for consideration of the question. Possibly a geographical description including some other races might be adopted.

Mr. LATHAM: The Act of Queensland, the last State to extend the franchise, lays down that a native of British India who possesses the qualifications contained in Section 9 of the measure shall be entitled to be enrolled upon an electoral roll and entitled to vote at an election, and adds that a native of Syria who has become naturalised shall be qualified to be enrolled.

Hon. N. KEENAN: What has been put before the Committee by the member for West Perth is sound common sense. We may simply confine the Bill in strict terms to what the request is; or, if we do not adopt that course, let us discover to what length we ought to go independently of the request. Although by the amendment we should enable all natural-born subjects of the King born in India, or those who have been naturalised—which is the fundamental qualification—to become voters on our electoral roll, yet natural-born subjects of the King who happened to be born in Ceylon under exactly the same conditions would not be so enabled.

Mr. Doney: They are included in British India. Ceylon is included as part of British India.

Hon. N. KEENAN: Then my information must be wrong. I am under the distinct impression that Ceylon is not part of British India. Is the Premier agreeing to the amendment?

The PREMIER: Not for the moment. If necessary, the Bill can be recommitted.

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

Clause 3, Title—agreed to.

Bill reported with an amendment.

BILL—CONSTITUTION ACTS AMENDMENT.

Second Reading.

Order of the Day read for the resumption from the 23rd August of the debate on the second reading.

Mr. SPEAKER: I have counted the House and satisfied myself that there is an absolute majority present.

Question put and passed: Bill read a second time.

In Committee.

Mr. Sleeman in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 15:

Mr. LATHAM: I suggest that we leave the clause as it stands for the time being. If we amend the Electoral Act Amendment Bill, it will be necessary to amend the clause before us in a similar manner.

The Premier: Yes. You will not move your amendment now?

Mr. LATHAM: No. I move—

That progress be reported.

Motion put and passed; progress reported.

BILL—FORESTS ACT AMENDMENT.

Second Reading.

Debate resumed from the 23rd August.

MR. LATHAM (York) [5.17]: I do not intend to oppose the second reading of the Bill, but I would like the Premier to give us some information. In the Forests Act Amendment Act of 1924, it was provided that 10 per cent. of the revenue from sandalwood, or £5,000, whichever was the greater, should be credited to the sandalwood account at the Treasury and applied to the regrowth of sandalwood. I do not think much has been done in that direction. Will the Premier tell us what the money has been used for in view of the legislation passed in 1924? I do not want to see ourselves getting into the same mess as we got into regarding money voted for the Agricultural Bank. We should make sure that the money is used for the purposes stipulated.

MR. SAMPSON (Swan) [5.19]: When a similar Bill was before Parliament two years ago, I suggested that an experimental plot should be planted with the broad-leafed wattle. At the time the Premier seemed to be impressed with the suggestion, and I had hoped that something would be done along those lines.

The Premier: The wattle is not sandalwood, and we cannot use this money for that purpose.

Mr. SAMPSON: I understood that some money would be available for the establishment of an experimental plot with a view to determining whether the broad-leafed wattle could be grown commercially.

The Premier: Under the Forests Act, a certain amount is available for reforestation, and the Conservator can make use of that money in whatever direction he may desire.

Mr. SAMPSON: I am interested in the growth of the wattle as I had something to do with the industry in South Australia.

The Premier: That was for tanning purposes?

Mr. SAMPSON: That is so.

The Premier: But the black wattle, which is the one used for tanning purposes, does not grow very well here. The Conservator of Forests does not think there is much prospect of success with it.

Mr. SAMPSON: Some were planted in North Perth and I have never seen bigger trees than those. They attained their full life, which, of course, is not very long.

The Premier: There are a few fine examples growing on the Mundaring Weir reserve.

Mr. SAMPSON: That is so. I think it would be a useful experiment. We could try growing the broad-leafed wattle in the jarrah country and, perhaps, in some of the gulleys, with a view to ascertaining whether it is possible commercially to grow the tree I hope the Premier will keep this matter in mind.

THE PREMIER (Hon. P. Collier—Boulder—in reply) [5.21]: I think the Leader of the Opposition will understand that none of the money will go into the sandalwood fund now, but into Consolidated Revenue. That has been the course adopted since 1930.

Mr. Latham: But you spent some money.

The PREMIER: Yes. The balance in the fund now is a little over £1,200. There has been very little expenditure during the past two or three years because, as I mentioned in my second reading speech, we have not been able to spend the money usefully.

Mr. Latham: I think we should amend the legislation.

The PREMIER: Yes. I think another attempt should be made, but when it was done before, the Legislative Council insisted upon retaining the provision on the statute-book. Members there thought that at some future time money might be required for this specific purpose, hence the attitude of another place. No money will be paid into the fund this year because we cannot spend it usefully.

Mr. Latham: The Act restricts you.

The PREMIER: Yes. Money was spent in fencing some areas on the goldfields, where, as hon. members are aware, the sandalwood grows. The goldfields areas are largely used for pastoral purposes now. The stock destroyed the re-growth of sandalwood, where it was unfenced, and later on the rabbits completed the work. Nothing can be done, in the circumstances, without heavy expenditure. It would be very expensive to fence in holdings to protect the regrowth from the ravages of stock, but if we were to fence to cope with the inroads of rabbits, the whole thing would become an impracticable proposition. I am speaking as the result of the advice of the Conservator of Forests. In the circumstances, as nothing can be done as originally intended, the object of the Bill is to allow the money to be placed to the credit of Consolidated Revenue, as has been done during the past two or three years.

Question put and passed

Bill read a second time.

In Committee, etc.

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

BILL—MORTGAGEES' RIGHTS RESTRICTION ACT CONTINUANCE.

Second Reading.

Debate resumed from the 23rd August.

MR. LATHAM (York [5.25]: I propose to make the remarks I have to offer on both the Bill before us and the Reduction of Rents Act Continuance Bill at this stage, because the same principle applies to both measures. It is necessary to continue the operations of this legislation for another

year, but I am sorry the Government have not given consideration to a slight amendment that would provide for its easing-off. To-day there is not the same justification that there was when the Acts were first passed, and in the year or two that succeeded. There have been many hardships as the result of the operation of the Acts I have in mind. I received a letter a day or two ago from a man who is a resident of Harvey. He is 60 years of age and owned a small block of land. He and his wife thought they could use the capital resulting from the sale of the land, to keep them in sustenance for the rest of their lives. The purchase was to be by way of annual payments. Under the Mortgagees' Rights Restriction Act, the purchaser is protected against the payment of the principal, and he pays the interest only. The money so received has proved insufficient to maintain the man and his wife, and they are experiencing a very difficult time. It may be suggested by the Minister that they could approach the court, but it is not easy for people in their position to do so. I think the Government might well consider the easing-up of this restrictive legislation. They could, perhaps, provide for the exemption of properties of a value of under £500 or £1,000. Following upon the remarks made by the Minister for Employment this afternoon when he introduced another Bill, I hope that this is the last year that we will have these measures before us. While the financial emergency legislation has served a useful purpose, it has been abused in some directions. I hope the legislation will be allowed to lapse in 1935, which should see us out of the depression, with people once more taking their proper commercial and financial responsibilities.

MR. McDONALD (West Perth) [5.29]: I wish to associate myself with the remarks of the Minister for Employment who expressed appreciation of the action of landlords as a whole. I have had some experience of them, and the community owes a debt to the landlords who, with very few exceptions, have done a great deal to help those who, unfortunately, are unemployed. Many landords are people who cannot afford to stand out of their rents. There have been exceptions amongst landlords, just as there have been exceptions amongst tenants, who have taken advantage of the position, but those instances have been rare. I think that tenants, on the whole, have been desirous to do their best. I approve of the re-enactment of this legislation for another year. I do not think the time has come when we could safely remove those safeguards. If we did remove them, it would be a cause of anxiety and insecurity to a number of people. At the same time, I think the Government could perhaps indicate, as the Minister for Employment very properly did, that all emergency measures will, in due course and granted that all is well, come to an end. In the same way it is hoped that cuts in salaries and wages, part-time working, and other restrictions on commerce and industry will in due course be removed.

The Minister for Employment: The aim is to get back to normal conditions.

Mr. McDONALD: The people who own small houses, nearly all comparatively poor people, should be enabled to get back to normal conditions along with other sections of the community. The Ministry could bear in mind methods by which that could be achieved, one being the shifting of the onus from the mortgagee to the mortgagor. At present the mortgagee has to show cause to a judge why he should be able to proceed. The burden lies on him. In Victoria the borrower has to satisfy a judge that the lender should not exercise his ordinary remedies. A change in the burden of proof would be some step towards a return to normality. The Federal moratorium legislation passed during the war provided for a sliding scale. If a mortgage fell due in 1915, it had to be repaid in 1920. If a mortgage fell due in 1916, it had to be repaid in 1921. Consequently everybody had due notice of his legal obligations. I support the continuance of this legislation for the current year, believing that it is still necessary.

THE MINISTER FOR LANDS (Hon. M. F. Troy—Mt Magnet—in reply) [5.33]: I suppose the Leader of the Opposition was right in saying that re-enactment of this legislation should cease as soon as pssible, but apparently it is still required, because applications during the past year have been

greatly in excess of those made previously. The figures are—

	To Aug., 1933.	To Aug., 1934.
Applications granted	140	407
Applications refused	2	17
Temporary orders (e.g. to enter into possession and receive rents and profits)	3	28
Applications adjourned sine die	47	180
Applications pending	10	10
	202	642

Apparently there is still need for the Act, since 407 applications have been granted up to August this year compared with 140 up to August of last year.

Mr. Latham: There are sure to be more applications, because they are made by the mortgagees. They will increase in number.

The MINISTER FOR LANDS: I hope this legislation will not be necessary after next year, but apparently it is needed at present.

The Minister for Justice: Nearly 200 were refused or adjourned.

Mr. McDonald: These figures show that borrowers were better able to pay than they were before.

The MINISTER FOR LANDS: Still, there will be a few people who will need protection. As conditions improve and values increase, the tendency will be for mortgagees to desire to realise. They have waited a long time, and are becoming panicky.

Mr. Latham: Protection has to be granted against a mortgagee who harasses a mortgagor.

The MINISTER FOR LANDS: The ambition is to get back to normal, but present conditions are not favourable, and I feel sure that they will not be favourable for a long time. We have heard a lot of talk about the State having turned the corner. We know that prosperity in this State depends upon our getting payable prices for our commodities. We are not getting payable prices, and I fear that all the talk about our turning the corner is merely based on the effect of spending borrowed money.

Mr. Latham: And the Government are borrowing it.

The MINISTER FOR LANDS: There is no substantial increase in the State's production. Wool prices improved last year, but they have fallen again this year. Wheat this year may show improvement because of the assistance granted by the Commonwealth.

Mr. Ferguson: It is a mighty long way to the corner yet.

The MINISTER FOR LANDS: We have borrowed a lot of money which is being circulated, but the interest bill is increasing, and what causes me concern is that the value of our primary commodities has not increased. The condition of the world's markets, the policy being adopted by other countries and the impoverished European buyers are not favourable signs. I could wish that we had turned the corner, but all the pious hopes of members that this legislation might cease will not be realised, I fear, for some time. If the legislation were not re-enacted difficulties would at once arise. The Bill merely provides for a continuance of the Act for 12 months. That is only a short period and on its expiration, we can further consider the matter. Unless conditions improve, I think it will have to be re-enacted next year.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—REDUCTION OF RENTS ACT CONTINUANCE.

Second Reading.

Order of the day read for the resumption from the 23rd August of the debate on the second reading.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—SUPREME COURT CRIMINAL SITTINGS AMENDMENT.

Second Reading.

Debate resumed from the 23rd August.

MR. LATHAM (York) [5.42]: I have no objection to the Bill, particularly as the Minister informed us that he had consulted the Chief Justice. The measure will extend the working period of the judges much longer than was provided for under the Act.

The Minister for Justice: Only in regard to criminal sittings.

Mr. LATHAM: There is always a judge in Chambers during the vacation period, and I suppose he will take the criminal cases. There is no reason why this arrangement should not be adopted. I agree with the Minister that it was unfortunate that one case should have had to wait so long during the recess.

HON. N. KEENAN (*Nedlands*) [5.43]: The only question that this Bill raises is whether the judiciary is sufficient to cope with the extra work.

The Minister for Justice: There will be no extra work; it will be spread over a longer period.

Hon. N. KEENAN: That may be so, but it amounts to extra work. The judges have no sittings in February, but under this measure they will have. During the first half of the long vacation, a judge is available for Chamber practice on two days in the week. During the next half of the long vacation, another judge acts similarly. Beyond that, during the long vacation, there is no sitting of the Court, whether civil or criminal. I have read the observations made by the Minister for Justice in introducing the Bill. He stated that he had consulted the Chief Justice, and therefore I presume there will be no difficulty arising from the fact that there are only three members of the Bench at present. As the Chief Justice has given the Bill his benediction, it is not for me to raise any objection. It is merely a matter of the Bench being able to carry out this additional duty.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—ADMINISTRATION ACT (ESTATE AND SUCCESSION DUTIES) AMENDMENT.

Second Reading.

Debate resumed from the 23rd August.

MR. McDONALD (West Perth) [5.50]: This Bill is rather technical and requires a good deal of examination and analysis in order to have a full grasp of its application. With the principle of the Bill I am quite in agreement. If the State imposes a certain rate of succession duty then I think the application should be general. I agree with the Minister for Justice when he said that under present conditions the duty falls almost always on the small estates, and that in a number of cases large estates go free. So it is only proper from the point of view of equity of taxation that we should have a measure which will ensure that all estates will be placed upon an equal basis as far as the payment of estate duties is concerned. The application of the Act requires a certain amount of care, and in the remarks that I shall make I want to admit that they will be based on a rather casual scrutiny of the Bill. I may therefore possibly say something which may not be strictly correct, but I believe my remarks will be found accurate. It has to be borne in mind that at the present time, more than at any other time, there are serious difficulties in the way of paying death duties: it is difficult to realise on assets, one of the reasons being the legislation at present in existence. We had one of these emergency Bills before us a little while ago. We are aware that many people insure their lives so that there may be ready means of paying estate duties. Of course there are also people who cannot insure their lives, their age or their health precluding that. In a Bill of this kind it is desirable to bear in mind that there will be a number of people who are genuinely desirous of meeting their obligations, but their assets may be in such a position that the legislation may occasion hardship in their meeting the obligations imposed by administration duties. Therefore it should be the desire of the legislature, that while the State has to collect its revenue, the hardships should be mitigated as far as possible in the case of genuine people. Also legislation of this kind may tend to be very costly in its operation; it may cost a great deal to police the Act when we compare

the amount of duty obtained, and the cost to the public of observing the Act. There are many things that have to be done, and so many precautions to take that the cost to the public may be considerable, and so a heavy burden may be imposed on the people. The Bill requires to be looked at from the point of view of retrospectivity, but from that point of view I have not had time to analyse the various clauses. There are a number of provisions which require close scrutiny. For example a settlement which has for its object the distribution of property has to be registered within three months of the settlor's death, and the Bill provides that if the registration is not effected within three months the trusts shall be invalid. That may be a very drastic remedy because we have to remember that settlements and gifts are to a very large extent made by people without legal assistance. They are made by the people in the back country who prepare their wills on forms that are provided. Dispositions may be made, and frequently are made, which will come under this measure and which may involve successive estates, and in compliance with the terms of the Bill certain registrations will have to be made. I consider it would be unwise to make the Bill too drastic in the sense of making settlements invalid, though at the same time it is possible to ensure by penalties that the law is obeyed. A person may have made a settlement 20 years ago, and it may have been registered within three months of his death. If it were not, then the disposition would become invalid. It may also be that the registration in that time was overlooked. The provision in the Bill therefore may at first sight seem rather drastic. Then the penalties that are imposed also require to be looked at by the House because it is proposed that if a person fails or neglects to register any settlement or deed or gift, he becomes liable to a penalty of £500. That, to my mind, is too heavy a penalty. I know in Federal legislation extremely heavy penalties are provided. For instance, one may neglect to take out a wireless license, and the penalty there is very high.

The Premier: The high penalty would be the maximum. People who fail to take out a wireless license are usually fined about £2.

Mr. McDONALD: But it is alarming to find a heavy penalty provided in an Act of Parliament. While the maximum of £500 may be necessary, we may not always have magistrates who are as discreet as they should be in the fixing of penalties.

The Premier: In an estate there may be a large sum of money involved.

Mr. McDONALD: It does seem to me that the penalty is rather severe. In the case of gifts, if death occurs within two years of the gift being made, the property in the gift becomes liable to duty. The period within which the gift becomes liable to duty may also require some consideration. Under the existing State law the period is six months, in the Commonwealth legislation it is 12 months, and we now propose to make it two years. The Minister explained to the House in his second reading speech that in some instances the time is as long as three years. It is open to question whether we should go as far as two years. Then with regard to the assessment of duty the Commissioner, if he thinks that a trustee or executor has paid too little duty, appears to be able to go back and re-assess at any period of time. So the Commisioner can go back an unlimited time to re-assess, whereas the person paying the duty can get a refund of duty only within two years. Under the Federal taxation law the Commissioner of Taxation has power to go back and re-assess the taxpayer so as to get more taxation from him, but only for a limited period, unless he is able to show that the taxpayer put in his previous return with some fraudulent intention, or intending to evade payment of taxation that he should have paid. So I doubt whether it is wise that the Commissioner should be entitled to go back any number of years in order to re-open an assessment that has been made. It might be advisable to impose a limit in some way, as, for instance, the limit imposed upon the Federal Commissioner of Income Taxation. It is also provided that if a person has a current account or fixed deposit at the bank, or if the deceased person has shares in a company, or a policy in a life insurance company, then the bank or insurance company, or other company in which the shares are held, will not allow any dealings with the fixed deposit or current account, or life policy, or shares, unless it has received a certificate from the Commissioner that all duty has been paid. That, again, is a matter requiring consideration, because the bank may not know that the person concerned has died. In many cases people have current accounts or fixed deposits and allow those accounts to be oper-

ated on by procuration order, or their shares may be transferable by an attorney. In the case of a fixed deposit or current account jointly in the name of a man and his wife, it is conceivable that the account may be operated on by one party and the bank may not be aware that one of the owners has died. In the next succeeding section provision is made to deal with property held in safe deposit, and it is provided that the company holding the property in safe deposit shall not part with that property until a certificate has been given that the duty has been paid. But there the Bill says the safe deposit company shall not after notice of death part with the property until the certificate is given that the duty has been paid.

The Minister for Justice: Then there is the qualification that if the Commissioner is satisfied that the amount will be paid in, he can give his certificate.

Mr. McDONALD: Yes, but the Minister might well look at that and decide whether, in the case of people with joint current accounts or fixed deposits, it should not be provided they incur no liability unless they know that one of the people who own the fixed deposit or the insurance policy has died. In the case of a current account in the name of a man and his wife, each of whom can operate on the account, it may well happen that the man dies and, in the next week, the widow comes along and operates on the account. The provision regarding the shares in foreign companies is another matter demanding some care. As I read the Bill, the man that has shares in a foreign company will have to pay a certain amount of estate duty, dependent on the value of the assets of the company in this State. But he will also have to pay estate duty on the same assets in the country where that company has its register. Take the case of a company which has its register in Victoria and no register here, and has assets in this State. If the man who dies is domiciled in this State, his executor must pay estate duty proportionate to the assets of the company in this State, and then pay duty on all the assets, or a proportion corresponding to the deceased's shares in the State in which that company has its register. So, unless some reciprocal arrangement is made between the two States, any person domiciled in this State who owns shares in such a company would pay estate duty twice.

The Minister for Justice: They have reciprocal arrangements between some of the States.

Mr. McDONALD: The same thing was attempted in New South Wales, where a Bill was passed providing that, if a deceased person domiciled outside New South Wales had shares, he would be liable to estate duty in New South Wales in the case of certain companies, such as mining companies and pastoral companies, which carried on business in New South Wales. That meant that New South Wales, even although the deceased person did not live in that State, would collect duty on the full amount of his shares. Of course the value of his shares would be made up partly of assets in New South Wales and partly of assets in Victoria, but New South Wales would take duty on the full value of the deceased's shares. That decision was held to be unconstitutional by the High Court in 1932, in what is known as Millar's case. The drafting of the Bill before the House distinguishes it from the New South Wales legislation, because the Minister confines the taxation under this measure to assets which are inside the State. So I think he has correctly overcome that disability. But a reciprocal provision will have to be made in order to avoid injustice to those who would have to pay double taxation, and it would be necessary also because, if a man has a very big holding in a company operating in this State, it might even pay him to change his domicile.

The Minister for Justice: That is not unknown.

Mr. McDONALD: No, but we do not want to force that. That Victoria has this advantage has been due to the fact that transfers of their companies' shares have been free from ad valorem duty. We in this State impose that duty, and not infrequently it is an inducement to men to go to Victoria, where their shares can be transferred without this ad valorem duty.

The Minister for Justice: It has meant a very serious loss to Western Australia.

Mr. McDONALD: I do not know whether some alternative provision might not be considered. For instance, the company might be required to have its register here.

The Minister for Justice: That comes under the Companies Act.

Mr. McDONALD: Certain companies are required to have registers here, but it is not

a provision binding on companies in general. I am not sure that some consideration might not be given to the desirability of companies having registers here, and taxing the full value of their shares, not a pro rata proportion. There are other aspects of the Bill which I have noticed. On the whole I think the Bill seems to work out pretty well. But what we have done is to take provisions from the various States and collect them together, and so it is necessary to see that they work out harmoniously. One of the main features of the Bill is that, under the old legislation, the responsibility for payment of duty rested on the executor, the administrator, or the trustee, and it lay between him and the Crown. The Bill brings under its scope a lot of outside people, banks, insurance companies, safe deposit owners, and so on, all of whom are called upon to police the Act. That may be necessary, but it is a considerable extension of responsibility for the payment of the duty. I think the Minister might well consider sending the Bill to a select committee, which could report on it at an early date, say a week or 10 days hence. The Bill has attracted considerable interest amongst trustee companies, insurance companies, lawyers and others, and it might be of value to have any views such people might put before the select committee, in order to ensure that the machinery of the Bill will work smoothly when, in due course, it becomes an Act.

Sitting suspended from 6.15 to 7.30 p.m.

HON. N. KEENAN (Nedlands) [7.30]: The member for West Perth (Mr. McDonold) well described the Bill as highly technical, and as one which a great majority of members are likely to find extreme difficulty in taking any interest in, or in endeavouring to understand its varying principles. Nevertheless, it is a very important measure. I propose to point out through the Minister to the House that it is important in certain directions which may react to the extreme disadvantage of the State itself. I compliment the Minister upon the admirable manner in which he, not having the advantage some of us had of a professional training in this matter, handled this Bill. He exhibited a grasp of it that was really marvellous. He dealt with details which must have been almost entirely new to him; at any rate, if not new to him, matters of which he usually had only a small experience. I do not think he will imagine it is flattery on my part that I should say he handled the Bill with a great deal of skill.

The Minister for Justice: I am waiting for the punch that generally comes from those remarks.

Hon. N. KEENAN: The Minister will find I am not prepared to deal a punch in the case of himself, although I may have to say something about the Bill. He stated, and I accept it absolutely as being his own wish, that this was a non-party measure. In criticising it, therefore, I am not criticising a measure brought down by the Government, but criticising the Bill in the spirit in which I feel sure members of the House will join. It is true, this is a very highly technical Bill. It has also apparently been drafted in an irresponsible manner, for one finds in it extraordinary and unnecessary repetitions, and almost contradictions. I would draw the attention of the Minister to the fact that there are three clauses, all of which say much the same thing. Clause 8 says with great firmness and a certain amount of repetition that is entirely unnecessary that—

> The duty payable as aforesaid shall be deemed, for the recovery thereof, to be a debt of the testator or intestate to His Majesty (but not a debt of the deceased to which paragraph (b) of Subsection (i.) of Section 4 applies).

The word "aforesaid" means, if one looks at the Bill, all matters in respect of which duty is leviable. In Clause 27 we find almost a repetition of the same matter, although in that case, it is true, the clause is restricted to duties that are payable in respect of settlements. In Clause 44 we get into general provisions. That clause says—

> Duty when it becomes payable under this Act shall be a debt due to His Majesty, and shall be payable to the Commissioner.

These may be small matters, but they show looseness in drafting, such as may lead to error in other directions. I also agree with the member for West Perth that it is absolutely necessary to see that these provisions, which we all agree should provide a means of preventing the State from losing, as it has done in the past, a considerable amount of duty, are not brought into law with unnecessary harshness and severity. I find that

a very small limit of time is imposed upon those who are responsible for making the payments that are provided for in the Bill. One naturally inquires why that small limit of time was prescribed. For instance, in Clause 6 the executor is ordered to file a statement within three months with the Commissioner, and yet, if one looks further into the Bill one finds that if a person comes to this State from another State or any part outside Western Australia to seek to reseal a probate granted outside Western Australia, he is allowed six months. A man may be dealing with an estate which has only come into his hands six months before the date mentioned, and it may only be that the formality of resealing has to be gone through. Probate is taken out here because the estates are here within the probate division, but a period of only six months is allowed. These are instances in which considerable hardship may follow. I am sure the Minister will take that into consideration. As stated by the Minister, until now every gift which had been made six months before the death of the person to the donee is exempt from probate. It is now proposed to increase the period to two years. As pointed out by the member for West Perth, it might be justifiable to have the same period as the Commonwealth. I think if we could arrive at it, there should be a uniform period for the whole of Australia, in order that there may be no distinction in the burden placed upon one State as against another.

The Minister for Justice: We tried to strike the general mean for all over Australia.

Hon. N. KEENAN: As pointed out by the member for West Perth, the imposition in this State of conditions that are somewhat more severe than they are elsewhere in Australia may lead to extraordinary results, as, for instance, in the case of the transfer of shares. Through some folly on our part we impose certain charges on all such transfers, whereas in Victoria, for instance, there is no charge. Victoria thus gets a large volume of business which ultimately proves profitable to it, and we lose it for the sake of a small possible gain. We might well so fashion our legislation as not in any way to be a deterrent to those who have capital and are remaining citizens of Western Australia. If the Minister will look at the provisions contained in Subclause (2) of Clause 12, which relates to gifts of property, the enjoyment of which has not been bona fide assumed by the person taking over such gifts, he will see that a case of extreme severity arises. Suppose that some 12 years ago a person made a gift, and there had been any delay in the donee obtaining the full benefit and enjoyment of it, because of the expression "forthwith" it would at once be made liable to probate, although the whole thing had occurred 12 years ago. That is not the sort of provision we should make. We want to prevent those leakages which have been so well exemplified by the Minister, and to prevent them from taking place in the future. We do not want to impose unnecessarily harsh conditions. If the Bill be referred to a select committee as I hope, or, if it is dealt with in Committee, I trust these matters will be attended to. As pointed out by the member for West Perth, there is also a duplication of duty. Clause 14 (a) provides for the imposition of probate duty in relation to joint interests, wherein two parties or more are interested. It says—

> In relation to any person dying after the commencement of this section, all real and personal estate (a) held by such person as a joint tenant or joint owner with any other person to the extent of the interest accruing to that other person by survivorship, and in proportion to the amount, if any, paid on the property, or contributed or conferred by the person so dying, in or towards the purchase or investment whereby such joint tenancy was created . . . . . shall, on the death of such person, be deemed to form part of his estate for the purpose of estimating the duty payable under this Act, and shall be chargeable with duty thereon accordingly.

Under this provision the joint tenant of the estate of the deceased would have to pay probate duty in respect of that which passes on to the surviving joint tenant. Under Clause 28 the surviving joint tenant would have to pay succession duty. These are two terms which it is possible the House may not be able to follow. Probate duty and succession duty are two different things. Probate is the amount payable by the estate of the deceased to the Treasury by reason of probate having been granted on the estate. Succession duty is what the person who receives the money has to pay on receipt of it. Here we find the same transaction is made the subject of two different duties. This means duplicating the amount to be paid the Treasury for the passing on of the money from one person to another. Then there is the provision in relation to life policies, contained, I think in Clause 52. Under the policy of the law, a

policy which has been endorsed by this and every other Parliament, moneys that are payable under a policy of life insurance are made safe from debts. The object is to provide the widow or dependants, the recipient, with a lump sum with which to carry on and maintain the family. The object also is to encourage life insurance. We find that policy carried out in our taxation returns, for we are allowed to deduct for the purpose of assessment those amounts which we have paid as premiums to life insurance companies. We should do all we can to encourage the father of a family to provide for that state of affairs which arises from death or more particularly from premature death due to accident or some other cause. The policy of the law being that and the policy of Parliament being that, this provision seems to be strangely contrary to it. Clause 52 provides—

> No exemption from liability for debt enacted by law in respect of any moneys payable under a policy of life assurance shall be deemed to exempt such moneys from payment of duty under this Act; and in case there is no final balance of the estate or such final balance is less than the amount of the moneys payable under the policy of assurance, duty shall be chargeable on the moneys so payable under such policy as if such moneys constituted the final balance.

In case the rest of the estate does not pay the debts due, and there is no final balance, the whole amount of the policy of insurance is liable to probate duty. I venture to say that is not in accordance with the policy universally followed by this Parliament and by other Parliaments. I admit at once that it can be said that this is a succession duty, that the widow received that money, and that, it having been recovered by her, succession duty is payable by her unless otherwise provided. But we have otherwise provided with regard to all other debts; and therefore we might very well indeed provide it, anyhow, on some specified sum in the case of life assurance policies. That again is a matter which I feel sure will receive consideration from the Minister, if he will allow me to place before him not only what I say here to-night, but some further particulars; and I shall have the greatest pleasure in doing so. Now I turn to the clause dealing with the case of a shareholder in a company which shareholder is not resident in Western Australia or domiciled here, the company, however, carrying on business in Western Australia.

Mr. SPEAKER: The hon. member, of course, realises that on second reading he is not expected to deal with the Bill clause by clause.

Hon. N. KEENAN: I realise, Mr. Speaker, that I am trespassing in some measure; but I am dealing only with clauses which deal with principles embodied in the Bill. I admit, however, that I have transgressed in referring to clauses by numbers.

The Minister for Justice: You could not discuss the clauses unless you referred to them in that way.

Hon. N. KEENAN: I was referring to the provisions embodied in the Bill as outlined by the Minister. A resident of Western Australia who is the holder of shares in a company registered outside Western Australia and carrying on business in Western Australia is the particular case which the Minister brought before the House—the case of a gentleman whom we all knew, who was a large holder of shares in the Swan Brewery, and upon whose death the estate had to be administered by an executor who had to pay a considerable sum in Victoria in respect of those shares, but paid nothing at all in Western Australia. We naturally resent that position.

The Premier: The estate paid nothing in Western Australia although the income was earned here and the value was here.

Hon. N. KEENAN: Yes. We naturally resent such a position. But the Bill goes a great deal further than that. The measure provides not only as regards a shareholder who is resident, but as regards a shareholder, no matter where domiciled, who is holding shares in a company carrying on business in Western Australia, that if he dies his estate, in so far as the company has assets in Western Australia, will be liable to probate duty. The Minister—I think, somewhat hastily—replied to an interjection by the Leader of the Opposition that that would not matter in the case of gold mining companies. But that is not so. It would matter just as much in the case of a mining company as in the case of any other company. If a shareholder, resident in London, became a shareholder in any gold mining company registered in London and carrying on operations in Western Aus-

tralia, then, if he dies and if this clause is within the powers of this State to enact —a point I shall deal with in a moment— his estate would be liable, so far as this State is concerned, to pay probate duty in respect of the shares he held in the company, taking into account, of course, the spheres of operation of that company in Western Australia and elsewhere. If it were a company operating only in Western Australia, his estate would be obliged to pay probate duty on the full value of the shares held by him. Now, apart altogether from the legality of the clause, let us for a moment consider what it means. Numerous persons are willing—and we are glad that they are willing—to venture their moneys in companies promoted to carry on various ventures in Western Australia. ventures whose chance of success is possibly somewhat less than the chance of failure, because every gold mine floated has at least a considerable chance of failure. I think the Minister will agree with me that the chance of failing is greater than the chance of success. However, a shareholder, if this clause passes, will not only be called upon to face the risk of failure, which he is prepared to face because of the great reward in the case of success, but he will have to face the certainty that if he dies in England his estate will be called upon to pay part of the money put by him into the venture, as probate duty to this State.

The Minister for Justice: Is not the position the same in regard to all property held in Western Australia?

Hon. N. KEENAN: I am dealing for the moment with the particular effect this provision would have with regard to mining ventures, because the Minister assured the Leader of the Opposition that mining companies would not be affected by this particular legislation. Of course they will be affected. I am afraid that the effort being made at present—and a highly successful effort so far—to interest a large amount of capital in Western Australian gold mining ventures would be seriously discounted if it were known that in addition to the risk investors are willing to take of the venture proving unsuccessful, there is the certainty—not the risk, but the certainty—that if they die and their shares are of any value, probate duty will have to be paid on the capital put into those shares. That is a matter which should be gravely considered before we attempt to put on our statute book legislation of this nature.

The Minister for Mines: If the principle is good in regard to real estate, is it not good in regard to this matter?

Hon. N. KEENAN: Let me deal with the constitutional side. The Minister was reminded by the member for West Perth of a case dealing with the powers of State Parliaments to impose taxation on persons not resident in the State—in other words, where there is no citizenship to which the duty would have to attach of obeying the laws of that State. That principle was discussed in the case of Miller versus the Commissioner of Taxation. It is true that in that case the circumstances were different from those with which we are dealing here, but there is no question that the court laid down in general terms that the liability to taxation in the first instance begins with the person being a citizen of the State. It may be expressed thus: "You are a member of the community governed by that Parliament, and therefore that Parliament has a right to say to you that it demands from you whatever in its judgment and justice it thinks fit." But if one is not a member of the community, very different rights arise. Now, a shareholder, in law, owns no assets whatever. All he owns is certain shares, a certain proportion of the shares in the company. He does not own any of the assets of the company.

The Minister for Justice: But the Commissioner of Taxation makes you pay on your shares.

Hon. N. KEENAN: No; on distribution. Nothing on the assets held, but on moneys paid by the company to the shareholder. I am merely telling the House what is a well-known and well-established fact, that a shareholder has no share whatever in the assets of the company in which he is a shareholder, but only has an interest in the shares. Therefore he has no interest whatever in the assets of a company, say, in New South Wales, if he does not live in New South Wales, although the company own assets in New South Wales; and therefore his representatives would have no reason whatever to go to New South Wales to obtain probate when he dies. If to-morrow, for instance, the misfortune was to happen that the Premier should die and if the hon. gentleman had assets in Vic-

toria, where he was born, his representatives would have to go to Victoria and take out probate, because he has assets there. If I were to die—which also I hope would be a misfortune—my representatives would have not only to take out probate here but go Home, because I happen to have still in the place where I was born some assets. But if I had none there, my representatives would not have to go, and therefore would not be subject to the jurisdiction of the Home country, or, in the case of the Premier, not subject to the jurisdiction of Victoria.

Mr. Lambert: You would not risk going to your country, would you?

Hon. N. KEENAN: I would far sooner go there than go to Germany, although I do not belong to the race which is banned. However, I am afraid we are introducing a triviality. I want to impress on the Minister that this clause should be seriously considered from the aspect of constitutionality. It may well be that in endeavouring to reach his object, which I understand from his second reading speech to be merely to prevent the recurrence of a case similar to that of the late Mr. Hall, he is going a good deal further, by dealing with non-residents. If a man is a resident of this State and has assets here, unquestionably the State Parliament could impose what conditions it thought fit and just on granting probate of his estate; and one of those conditions may be that probate duty shall be paid on what he holds in the way of assets beyond the borders of the State. For the grant of probate the State has a right to dictate its terms. It can say, "The price of obtaining probate here is that you will pay probate not only on assets you hold here, but also on assets you hold elsewhere, because you are our citizen." That can be provided for. But again, as pointed out by the member for West Perth, that would mean imposing a very heavy demand on citizens of Western Australia, because they would have to pay double duty. If there were any possibility of arranging for rebate between, say, Victoria and this State which would recompense this State for the loss it suffers under existing conditions, that would, of course, be a very proper solution. But I do not see how it can be done.

The Minister for Justice: It would have to be a reciprocal agreement.

Hon. N. KEENAN: If we had such an agreement, what advantage would it be to us? Unfortunately, the reason why the Swan Brewery is a Melbourne company is that Melbourne capital started it. I do not know of any companies of Western Australian origin that are operating in Victoria, except one. I know of one, and the Minister for Mines probably knows of it—the Kalgoorlie and Boulder Firewood Company, which has also started business in Victoria. However, that is the only one I know of. Therefore, of course, the contrary would scarcely ever happen; and whilst Victoria would collect considerable sums from our citizens' estates, we would collect next to nothing from Victoria, and collect from very few estates of Victorian citizens. So that the only result of passing this legislation in its present form would be to impose on citizens of Western Australia a double duty — a duty here in Western Australia, and a duty in the State where the assets were situated, or where the company owning the assets was registered. The member for West Perth made another suggestion which, if the Bill is referred to a select committee, will require careful consideration and careful elaboration. The Minister explained that under the Bill a foreign company is any company registered outside Western Australia and carrying on business here. One possible solution is to compel every such company to have in Western Australia an office which will allow of the transfer of his interest by any shareholder in Western Australia who is possessed of shares in the company. If Mr. Hall's executors could have transferred the shares which he died possessed of to themselves, or to their nominees or transferees in Western Australia, without going beyond Western Australia, they would have paid no probate duty whatever on those shares outside of Western Australia. They would have completed the administration of the estate in Western Australia and would have paid probate duty here. On the other hand, they were obliged to go to Victoria because the shares could not be transferred here and, in fact, could be dealt with nowhere except at the office in Victoria. In that direction possibly lies the proper solution to safeguard the revenue of the State without imposing upon any of our citizens a burden that would be very difficult to justify. I feel sure that the Minister recognises that I am desirous of assisting him to

attain what is the true object of the measure namely, the protection of the revenue of the State. Undoubtedly in the past we have suffered certain disabilities that the Minister has placed before us. That being so, I hope he will receive favourably the suggestion to refer the Bill to a select committee. It could be dealt with in a very few days, and the Bill could then be placed before members in a form they could readily understand. I have not dealt exhaustively with the Bill for two reasons. In the first place, I confess I have not had time properly to study it. Secondly, I have not done so because of the suggestion to refer it to a select committee.

THE MINISTER FOR JUSTICE (Hon. J. C. Willcock—Geraldton—in reply) [8.3]: I do not propose to reply to the debate in the ordinary sense of the word, because each member who has spoken has readily regarded the Bill as essentially one to be dealt with at the Committee stage. A number of principles are involved and a greater number of details, and these can only be discussed intelligently in Committee. If I were to undertake to reply to the remarks of members who have addressed themselves to the Bill, the probability is that we would go over the ground again at the Committee stage. The Government do not desire the Bill to be referred to a select committee, but prefer that members should take an intelligent interest in the measure with a view to passing it in a form that will give reasonable satisfaction to our citizens, and adequately protect the revenue of the State. There will be no attempt on the part of the Government to rush the Bill through Committee.

Mr. Latham: You have no other business to transact; that is the trouble.

The Premier: There will be other business.

Mr. Latham: The Bill is very comprehensive and I have not had an opportunity properly to study all the clauses.

The MINISTER FOR JUSTICE: The Government desire to give every member an opportunity thoroughly to acquaint himself with the provisions of the Bill, so that he may understand what it means and what reasons actuated the Government in presenting the legislation. We want members to understand what benefits will accrue as a result of its passage through Parliament. While we do not desire the Bill to go before a select committee, there is no intention on the part of the Government to force the Bill through only to find later on that, due to hasty consideration, mistakes have been made. It may be possible to concentrate on a number of clauses dealing with a certain principle and having made so much advance, report progress and deal with the clauses affecting another principle when the Bill is before members on the next occasion. There are four distinct principles dealt with. If members do not desire to experience the ordeal that I did when I endeavoured to make myself au fait with all matters relating to the legislation, they will probably find that the best course to adopt. I realise it is very difficult to follow some of the amendments.

Mr. Latham: Yes, because of the cross-section references.

The MINISTER FOR JUSTICE: That is so. I had the advantage of the assistance of the Parliamentary Draftsman, and of the Commissioner of Stamps. The latter has had the administration of the Act in his hands, and has had to determine the amount of probate duty payable. I have had a vast fund of information given to me, and I shall endeavour to make that information available to members.

Mr. Sampson: In view of the difficult nature of the Bill, a select committee might do good work.

The MINISTER FOR JUSTICE: The Government do not desire a select committee to deal with the Bill. Members are surely competent to give it proper attention at the Committee stage. The Bill is not one in respect of which there is a conflict of opinion regarding the principles involved. That was apparent because there was little debate on the Bill itself.

Mr. Latham: We admit the necessity to close up the avenues for the evasion of the payment of duty.

The MINISTER FOR JUSTICE: And that is the governing principle of the Bill. I believe I have sufficient information available to satisfy members as to the reason for each clause. I thank the House for the consideration given to the Bill. It is obvious that there is no opposition to the principles involved, and, in the circumstances, no useful purpose will be served by further discussing the matter. I re-

iterate my statement that the Government will not attempt to bludgeon the Bill through, for it is one that requires much consideration before it becomes law.

Question put and passed.

Bill read a second time.

House adjourned at 8.8 p.m.

Legislative Council,

Wednesday, 29th August, 1934.

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

LEAVE OF ABSENCE.

On motion by the Chief Secretary, leave of absence for six consecutive sittings of the House granted to Hon. W. H. Kitson (West) on the ground of public business.

ADDRESS-IN-REPLY.

Tenth Day—Conclusion.

HON. J. M. MACFARLANE (Metropolitan-Suburban) [4.35]: Hon. members who have spoken have dealt exhaustively with the important points in His Excellency's Speech; and I do not propose to refer at any length to subjects so well handled as the goldfields members have handled mining, or the North-West members have handled matters affecting their province. I will only say that I recognise the value of both provinces receiving their due—the North-West because it is crying out for action against the indifference and neglect shown to it over the past years, and the mining industry for its great value to the whole State, in lifting us out of the morass of depression. Hon. members representing these provinces can be assured of my sympathetic support. I desire, however, to offer a few comments on the matter of balancing Budgets, and to support the hon. member who dissented from any Treasurer budgeting permanently for a deficit. The Loan Council should now remove the limit, and demand the making of a serious effort truly to balance our national balance sheet. I realise that I shall be told balancing means embarrassment for the Treasurer and his Government, unless he resorts to heavy borrowing, to which I am equally opposed. Hon. members will have been told, or will have read, that almost 50 per cent. of our revenue goes in interest every year. His Excellency stated in his Speech that the revenue was £8,481,697. Thus it will be seen that 4¼ million sterling has to be provided before we can talk of development or administration, unless we borrow. I realise that increased taxation is the only way, and if it is genuinely applied we cannot object to it. As to matters affecting the metropolitan area, I realise that the Power House extension is necessary and urgent. So many of us rely upon it for power in our business that a breakdown of any magnitude would be disastrous. This extension, moreover, should be an interest earner. I appreciate that what the Government are doing in connection with the Canning dam is necessary not only from the point of view of making proper provision for future requirements in the matter of water supply, but also as a work absorbing a goodly number of unemployed; but I am somewhat concerned about the consumer's side of the subject. He will have to pay; and one feels that the question of construction costs will have been closely examined. Therefore I fail to understand why my questions to and my other inquiries of the Leader of the House have produced no justification for excluding the triple arch principle in the dam work, when such an authority as Mr. W. H. Shields, civil engineer of London and Australia, asserts that a saving of 66 per cent. could thereby be effected—in round figures, a very large sum. River reclamation also is a good work, combining as it does removal or diminution of a nuisance, protection to health, and elimination of the risk of introducing malaria by means