

# Legislative Council

Tuesday, 6th October, 1953.

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The PRESIDENT took the Chair at 7.30 p.m., and read prayers.

## QUESTIONS.

### RAILWAYS.

#### *As to Perth-Mullewa Diesel Service.*

Hon. A. L. LOTON (for Hon. A. R. Jones) asked the Chief Secretary:

(1) How many diesel trains carrying passengers run from Perth to Mullewa and return weekly?

(2) What was the average earning per passenger mile on these trains over the period from the 1st January, 1953 to the 30th June, 1953?

(3) What is the average loading of passengers compared with the maximum passenger capacity of these trains, allowing for a reasonable pick-up and set-down of short distance travelling passengers?

(4) If these passenger services were converted to total miscellaneous goods carrying, what would be the average earnings per mile allowing for full capacity loading from Perth and the probable lighter loading on return to Perth?

The CHIEF SECRETARY replied:

(1) Two in each direction.

(2) Approximately 1.66d.

(3) Approximately 24 per cent.

(4) The question does not clearly indicate the hon. member's intention. If he sets it out fully in writing, I will have it examined.

### LOCAL AUTHORITIES.

#### *As to Rates on State-owned Properties.*

Hon. E. M. DAVIES asked the Chief Secretary:

Referring to the statement by the Premier, as reported in the Press recently—that Cabinet had agreed in principle to the payment of local authority rates on

houses owned by the Government—will the Minister inform the House whether it is intended to include police and prison warders' quarters?

The CHIEF SECRETARY replied:

As indicated by the hon. member, Cabinet has agreed in principle to the scheme. A committee representative of all Government departments affected is to be set up to investigate and report upon the probable effects of the proposal and to recommend arrangements for its implementation.

### HOUSING.

#### *As to War Service Homes, Loans.*

Hon. A. F. GRIFFITH (without notice) asked the Chief Secretary:

As the House will not be sitting again this week, and I desire to obtain some information as soon as possible, I would like to ask, without notice, a question arising out of one that I asked the Chief Secretary last Wednesday. It was No. 6 on the notice paper, and dealt with the period of time between application and approval for a loan under the War Service Homes Act. My question is:

Will the Chief Secretary lay upon the Table of the House the instruction referred to in Answer No. 2 to my question asked last Wednesday?

This instruction was received from the Commonwealth Government on the 14th August, 1953.

The CHIEF SECRETARY replied:

I hope members will not develop the habit of asking too many questions without notice, because they should realise that most of the Ministers in charge of departments are in another place.

Hon. A. F. Griffith: I spoke to you about it, and gave you some warning.

The CHIEF SECRETARY: Yes. I am not referring to the hon. member in particular, but am merely taking the opportunity of pointing out to members that it is difficult—and I do not think members in this House expect it—to give answers to questions without notice, because most of the questions asked deal with departments over which neither Minister in this Chamber has any control. So I ask that members follow the usual procedure, unless the matter is urgent, and give notice of questions.

Hon. A. F. Griffith: In this case, about nine days would elapse, and that is why I have asked the question.

The CHIEF SECRETARY: I know that the Minister for Housing was very worried about the aspect referred to in the hon. member's question and sent two of his senior officers to the Eastern States to take the matter up with the Commonwealth Government. The R.S.L. in this State is greatly concerned and two of

its members spoke to me about it one day last week. However, I have not any information regarding the point raised by the hon. member, but I shall certainly speak to the Minister for Housing to find out how soon that instruction can be laid on the Table of the House.

### MOTION—URGENCY.

#### *As to Applications for Position of Conservator of Forests.*

The PRESIDENT: I have received the following letter from Hon. J. Murray (South-West):—

I desire to inform you that at the commencement of the sitting of the Legislative Council today, it is my intention to move, under Standing Order No. 59, the adjournment of the House to discuss a matter of urgency, namely—

That as the papers which have been tabled in connection with the calling of applications for the position of Conservator of Forests are due to be returned to the department and as perusal of those papers reveals—

- (1) that the Minister for Forests failed to carry out the resolution passed by the House on the 16th September that all files and papers relating to the calling of applications for the position of Conservator of Forests be laid on the Table of the House for a period of 14 days;
- (2) that the Minister also failed to Table a complete file in reply to my question on the 30th September,

failure of the Minister for Forests to carry out the resolution of the Council is considered an attempt to deny the House necessary information and a contempt of members.

It will be necessary for four members to rise in their places to support the proposal.

Four members having risen in their places,

**HON. J. MURRAY** (South-West) [7.41]: I move—

That the House at its rising adjourn till Friday, the 9th October, at 2.30 p.m.

As I stated in the letter addressed to you, Sir, my reason for moving this motion is that I take a very serious view of the position. Since the tabling of the last file, I have consulted various people and endeavoured to see some more suitable, and more conclusive, way to impress on the Government the concern of this House at its wishes not having been acceded to. Finally, I was forced to the conclusion that, in view of the urgent nature of this matter, the course I am following is the

only method by which I am likely to get a hearing since the files will shortly disappear from this House. In fact, I understand the department has sent for the relevant file today.

From the very outset, when dealing with this matter, I tried to be as fair as possible to the department and to the Minister. In another place it was said that certain members were endeavouring to embarrass the Government. I have no such intention. I have been seeking certain information in connection with what led up to a very serious state of affairs, and I felt in duty bound to endeavour to get the papers which would reveal to this House the facts and figures in relation to the calling of applications for the position of Conservator of Forests.

When I did so, I fully expected that the Minister would table files not necessarily dated 1953, but files that went back a considerable period before that, for the simple reason that the matter which has arisen is not new by any means or in any shape or form. The papers that have been tabled, however, are conspicuous by the absence of any valuable information. In reply to a question in another place the Minister refused to table the papers, saying it was not in the public interest to do so. I venture to suggest that any member of the House could examine those files very closely and not find anything that would do harm to any individual.

If they were laid at the corner of St. George's Terrace for a fortnight or a month for everybody to see, no harm could come of it. There is nothing in those files, and I suggest that the Minister knew very well that they contained nothing of any real importance. When the papers were first tabled, I drew attention to the fact that the file submitted by the Minister was most disjointed. It had obviously been picked over and the eyes and the meat had been picked out of it and all that was left was the refuse. I want to prove that point by reading out one particular item because I intend to make reference to it at a later stage. It is a note from the Premier to the Minister for Forests and is dated the 12th March, 1953. It is as follows:—

Would you please submit the question of the proposed reappointment of the Conservator of Forests for a term of seven years to me with such suggestions as you may think advisable to enable the matter to be dealt with by Cabinet?

I have already drawn the attention of the House to the fact that that minute is dated the 12th March, 1953.

That is the second item on this particular file; the first one is dated the 4th March. We now turn to the middle of the file and in doing so, what do we find with the original document dated the 12th March? One would think it should have reached at least May or June.

We find, however, that there is a letter from the Conservator of Forests to the Minister dated the 15th January, 1952.

Hon. C. W. D. Barker: Are you suggesting the Minister has taken some papers off the file?

Hon. Sir Charles Latham: Do not answer that interjection.

Hon. J. MURRAY: I am not suggesting who took the papers off the file. I suggest that this file has been specially arranged for the edification of the House, and that it is a dishonest practice. In this letter, dated the 15th January, 1952, we find that the Conservator had this to say—

I have exhausted all means available to me within the strict interpretation of the Public Service Act. I do think it strange that the Public Service Commissioner can do such things as lower the status of a senior divisional officer; delete a fire duties allowance, reduce the status of research officer from that of a divisional officer to that of an assistant divisional officer.

I read that item only to show that way back in 1952 there was a degree of friction between the Conservator and the Public Service Commissioner, but in going through the file I find there is no indication from either the present Minister or the previous one that he has taken any cognisance of this correspondence from the Conservator. If this file were complete, we could follow up the story and see just how far this case had developed and how far it had been aggravated over the period from January, 1952, to the termination of his actual appointment.

I want to leave that file alone for the moment—it was among the original files tabled—and refer to the file tabled in reply to my question on the 30th September which was as follows:—

(1) In view of the fact that the "administration" file of the Forests Department contains papers relating to the calling of applications for the position of Conservator of Forests, will the Minister inform the House why this file was not included with those tabled on the 22nd September in accordance with the resolution passed by the House?

(2) Is he prepared to table this file now?

The reply was—

(1) The existence of such a file was unknown to the Minister for Forests. However, the file relates to the establishment and functioning of the Forestry Advisory Committee.

(2) Yes.

When the Minister replied to my question and tabled this file, I knew perfectly well that I was not going to get the file

I had asked for. The Minister clearly showed that he would not make available the administrative file of the department. I greatly regret that I was not in a position—and I am not in a position now—to give the exact reference number to the particular file, but when I asked for it, I anticipated—as anyone else would have done, considering the long period that this department has been functioning—that we would get a file probably twice as thick as the one now before me, because much material passed through the department prior to the end of 1952 all leading up to the calling of applications for the position of Conservator.

I also say without fear of genuine contradiction that since the end of 1952, there must have been many letters on the administrative file relevant to the calling of applications for the position of Conservator. When I called for the file, I was in some doubt as to what we would find on it and whether there would be very much at all of concern to this House, but I did expect to find on the administrative file of a large department the story that would include the correspondence between the department and the Land Settlement Committee, and, if necessary, the views of the Minister for Lands on the question, which I know the ex-Minister for Lands held at one time. The Minister had accused the Conservator of deliberately hanging up the land settlement scheme to the extent of some 500,000 acres. Copies of the papers in relation to that matter should have been on the administrative file of the department. To my mind such papers would have been helpful to us in forming conclusions as to the difficulty that has arisen.

On the file I would have expected to find more of the story regarding the dispute between the Conservator and the Public Service Commissioner. All of those matters should have been on the particular file, and it would have been quite a bulky one, but instead of that, the Minister explained that he was not going to table the administrative file, but would table the file relating to the setting up of the advisory committee. The dog ears on the papers show that they have been turned over many times—it is a file much in demand—but not all the documents have been included. The file is numbered 943/53, indicating that it was started at some time in 1953. On the folio sheet appear the words "This sheet shall not be written on" and it indicates what the file contains—"Press cuttings, advisory committee, 1159/53", but there are no Press cuttings on it.

When we examine the file, what do we find? On the Minister's file is a memo from the Premier dated the 11th March, 1953, asking for certain information and suggestions such as the Minister might think fit. I have read that minute to the House, but I wish to stress the date. No. 1

on this particular file, which is supposed to be the administrative file of the department, is dated the 11th June, 1953. Now I ask members whether such a department could be run without having any item previous to that date. No. 1 on the file is a personal memo written by the Conservator, and the Minister stated today that he was personally occupied with the £3,000,000 contract and another for £400,000 involving much detail and that he was therefore unable to give time to the Forests Department. That in itself, I should say, is a very serious matter.

On the 12th March, the Premier asked the Minister for Forests to investigate this matter. The memo clearly indicates that, while the Minister might have had some memorandum from the Conservator, he was too busy to reply by memorandum because there is none on the file. He was also too busy to discuss personally forestry matters with the Conservator up to the 11th June. I venture to say that at that stage the Minister had already made up his mind what he intended to do, because very shortly afterwards, he arranged for the famous advisory committee. This committee came into existence about the 24th July, roughly a month after the Minister had been too busy to discuss forestry matters with the Conservator, but he went on and made a recommendation to Cabinet about the setting up of the advisory committee.

To carry on with this most incomplete and inconclusive file, the folios have been numbered in pencil. I suggest that those numbers have been put there so that the papers may be returned to the files from which they have been taken and have been put into this folder for our use. On the 23rd July, 1953, the Conservator wrote to the Minister—

I wish to submit that the constitution of the committee on the lines set out by you in your minute of the 15th July is not conducive to the efficient management of the department.

There is nothing on the file to show that the Minister went into the matter with the Conservator apart from sending him a minute of his intention; and, having sent that memo. to the Conservator, he apparently continued forthwith to appoint his committee. Another memo. from the Conservator, on the 24th, clearly indicates that the Minister was going to be too busy, until after the House rose, to view forestry matters in the bush. I do not blame him for that, as he is a busy man, but I draw attention to the fact that those are memos. written by the Conservator and that they may have been taken from one file and placed together on this file which is labelled, on the outside, "Administration of Forests Department".

There is on this remarkable file another memo., dated the 6th August, 1953, from the Conservator to the Minister, as follows:—

It would assist me in my administration of the department if you would kindly inform me which saw-millers complained regarding last proposed sales and what they complained of.

Again there is nothing on the file to show whether the Minister was going to accede to the Conservator's request or whether he just wiped him off completely, as I conclude he did. The memo. I have read out is numbered 16; and on top of it in handwriting which, judging by other documents I have seen, I believe is that of the records clerk, appears the wording, "Copy from 612/53", which shows that it is a letter taken from another file for our special benefit.

No. 15—I would appreciate seeing the Minister's answer to this one—is headed, "Copy from 1024/53", again showing that it was taken from somewhere else and placed on this file. This letter says—

Following upon your instructions in your minute of the 15th July some information has been supplied to and other information is being prepared for the committee on a number of matters as requested. I am uncertain whether the department is correct in supplying certain particulars of sawmill production, estimated life, etc., which the department has always regarded as confidential.

I think any department would regard such information as confidential. Saw-millers and the like give information to this department and do not want it broadcast from the housetops and for confidential information of this kind, to be handed willy-nilly, to a temporary advisory committee set up to advise the Minister on certain subjects, is not playing the game.

Here we have these documents numbered 1 to 17 on a file which is claimed to be the administrative file of one of the most important departments in this State. I do not wish to labour the point, but I say that had that file been tabled complete and without interference, it would have given this House much valuable information on which to base its view as to what happened and is happening in the Forests Department, and it might have given members some help in deciding, when the Government makes a decision in regard to the future Conservator, whether it has done the right thing or not.

If I could have found any other method of stressing the regrettable circumstances of the present case, I would have used it, but here we have Ministers of the Crown, when members in this or another place asked for papers, arranging that certain papers only be tabled for our

benefit. I would have gone so far as to move for the appointment of a select committee, in order that we might have all the papers before us, but unfortunately at this stage that action could not be taken.

**HON. J. M. A. CUNNINGHAM** (South-East) [8.6]: I desire briefly, Mr. President, to give my reasons for supporting the motion and the plea of the member who moved it, that this House should insist on its right to have information made available when and as members need it. If a member requests the tabling of a file and receives the necessary support from the House, when it is subsequently laid upon the Table, members are entitled to assume that it is complete. If it is not, I feel that such an action constitutes contempt of this House and amounts, in fact, to malpractice.

Members of this House and another place are the policemen of the people and theirs is the only voice that members of the public have by means of which to ask for information that is considered vital. It is up to the member concerned to decide whether it is wise or unwise to use the information supplied; but in the present instance a file was called for and in the opinion of the member who asked that it be produced—which opinion he formed after having studied it—the file is not complete or satisfactory to the requirements of this House.

This Chamber should take a very strong view of the present attitude of members of the Government, here and in another place, towards it. When a member of this House asks a question, he does not do so capriciously, but the same cannot be said of another place. We all know that the present hate session towards the Upper House is merely the usual old red herring that is hauled out whenever the pressure becomes a little heavy on Government members in another place.

Very often it is successful, but I believe the time has arrived when this House should take up a strong attitude. I do not refer only to such matters as the file with which we have been dealing, but also to questions asked in this House, which are treated in a most irresponsible way. I would remind the Chief Secretary that about a year ago, when sitting in the seat I now occupy, he attacked the previous Government on the same point.

Questions asked in all sincerity are being treated in a contemptuous manner, judging by the form of the answers supplied. I feel sure that the attitude adopted by members, including Ministers, in another place is merely an attempt to ease the pressure from their necks. I believe that the legislation of the next three years will be strewn with monuments to the Government's broken promises to the people, and that we will have some heavy sticks to wield at the end of that period. I support the motion.

**THE CHIEF SECRETARY** (Hon. G. Fraser—West) [8.10]: The speech of the hon. member who has just resumed his seat reminded me of the saying that fools rush in where angels fear to tread. Because one member rose and made accusations, Mr. Cunningham jumped in before any explanations could be given. He prejudged the position before the other side of the case could be put and delivered the diatribe that members have just heard. I suggest to him that he be more patient in future and wait, before joining in the debate, until both sides of the case have been put.

I thank Mr. Murray for having made available to me today a copy of the letter that he presented to you, Mr. President. I appreciated his action as I like to know when matters of this kind are being raised in the Chamber, so that I can reply straight away. I know that there is truth in the old saying that if mud is thrown, some of it will stick, no matter how unjustifiable the throwing of the mud may have been. The hon. member has made his accusations tonight and has given me the opportunity of replying to them.

This evening, I had a few minutes with the Minister whom the hon. member has attacked. I was not able fully to discuss the position with him but I am able to tell the House that all the papers of which the Minister had knowledge and all on which action had been taken, to wit the Forests Department file, the Public Service Commissioner's file, the Crown Law Department file and the Minister's own papers, have been tabled in accordance with the resolution of this House. In view of that, I would like to know where is the ground for the hon. member's complaint.

On the 30th September he asked for a further file to be tabled and up to that stage the Minister had no knowledge of its existence. However, when the hon. member asked his question a search was made by the Forests Department, resulting in the revealing of the file referred to. A perusal of it shows that it deals with matters pertaining to the Forestry Advisory Committee. Except for a few lines on page 1, which merely informed the Conservator that the position had been reclassified and applications called for, and a copy of the advertisement on the final page, the whole file deals with the establishment and operations of the Forestry Advisory Committee.

**Hon. J. Murray:** I still say that there is a file under the title I mentioned which has not been tabled.

**THE CHIEF SECRETARY:** And I still say that all files, of which the Minister has any knowledge, have been tabled in this Chamber, and no Minister can do more than that. In paragraph 2 of the hon. member's letter which has been read tonight, he states that the Minister also failed to table the complete file in reply

to his question asked on the 30th September. This file had not been sighted by the Minister up to the time that question was asked, nor has it yet been seen by him.

Hon. J. Murray: It is still not the file I asked for.

The CHIEF SECRETARY: The Minister did not place any paper on the file, nor did he remove any from it. If the file is not complete, then, in effect, the hon. member is directing his accusations against the officers of the Forests Department. When this question was before the House previously, I made an offer, on behalf of the Minister for Forests, to the hon. member to inspect these files at the Forests Department if he so desired. That offer has been open for months, and yet not one member of either Chamber has visited the department to look at the file.

Hon. J. Murray: The Minister knows that that document contains nothing of public interest.

The CHIEF SECRETARY: A moment ago the hon. member made some remark about the Minister not having conferred with the Conservator of Forests. He must remember that the Minister took office only in March and, naturally, before any Minister would make any serious move in connection with his department, he would familiarise himself with the problems at first hand. So between March and June the Minister was familiarising himself with the general activities of the Forests Department. At no time did the Minister tell the Conservator that he was too busy to discuss forestry matters with him. That was one accusation the hon. member made during the course of the debate. What the Minister did say was that he was too busy to take a trip through the State forests with the Conservator, which is an entirely different matter. I am surprised that the hon. member has gone to such lengths as he has done in regard to this matter. It is entirely unsatisfactory for matters that concern Ministers in another place to be ventilated in this Chamber in a manner such as this. I am wondering how close the hon. member has gone to making a breach of Standing Orders. Standing Order No. 394 reads as follows:—

No Member shall use offensive words against either House of Parliament or any Member of such House, or against any Statute, unless for the purpose of moving for its repeal, and all imputations of improper motives and all personal reflections on Members shall be withdrawn forthwith.

The latter part of that Standing Order is the most important.

Hon. H. Hearn: That is mostly honoured in the breach.

The CHIEF SECRETARY: I will be surprised if the hon. member can dovetail with that Standing Order the state-

ment he has made tonight. Has he not made a straightout accusation against the Minister that papers have been removed from the file?

Hon. J. Murray. I did not say that they were removed; I said the file was not complete.

The CHIEF SECRETARY: What other interpretation can one place on that remark? If the hon. member says the file is not complete, that is a straightout accusation to the effect that the file has been tampered with. The hon. member has made the statement in such a way that the whole blame has been placed on the Minister. I believe, too, that he suggested the figures on top of one of the folios had been rubbed out.

Hon. J. Murray: I said they had been made with pencil.

The CHIEF SECRETARY: Does the hon. member think it is fair that he should make accusations in this Chamber against a Minister in another place and, further, make them under the cloak of a motion for the adjournment of the House? He has made those accusations in such a way that the Minister concerned has no way of replying to him. I think it is a despicable way to deal with a matter of this description, and I hope we will not see a further instance of this type of procedure. I repeat to the hon. member that all the files dealing with this matter have been tabled. I repeat also my challenge to him that he should visit the Forests Department with a view to having a search of the files there to ascertain if he can find what he has been unable to find in these files now before the House.

Hon. J. M. A. Cunningham: How can any member do that and find the information when the Minister himself was not sure as to what the files contained?

The CHIEF SECRETARY: I am suggesting that he will not find the files because they are not there to find.

Hon. J. M. A. Cunningham: Is the Minister suggesting that all these files are complete?

The CHIEF SECRETARY: As far as the Minister is concerned, they are complete. No other construction can be placed on this motion by the hon. member except that the Minister is responsible for the position that has been created. That is a wrong impression to engender in the minds of members of Parliament or the general public. Surely there must have been some other way for the hon. member to achieve his objective. He has been looking for something that he thought was on the file, and because he has not found it—because it was not there to find—he is so disappointed that he has taken the action he has tonight.

What satisfaction can the hon. member get from the way he has put this matter before the House? If this motion to ad-

journal the House were carried—but, of course, he will withdraw it—how much farther would he be advanced? What action is that for any member to take? It is a negative action! It would lead one to the conclusion that all he is seeking is some political advantage and that he is not worrying whether he might besmirch anyone in the process. I do not object to any member who has a just cause taking action that will achieve some results, but I do object to members taking action which gets them nowhere but which, in the process, might besmirch someone else. Therefore I hope that this will be the last of this unfortunate business now that the hon. member has examined all the files that have been tabled.

Surely, if the hon. member has examined all the files that have been made available to him in this House, and also takes the opportunity of searching the files at the Forests Department, he will be satisfied that someone is telling him a tale. He is like the man who goes to the racecourse and believes the tale put up by a confidence man, because I am sure he believes the tale that has been told him in this instance. If anything further is to be raised in connection with this matter, it should be done in another place. Surely the hon. member is not the only watchdog of the public in regard to the forests in this State! There are many other members in another place who represent the same area as that represented by the hon. member, but they have not taken any action similar to his.

Hon. J. M. A. Cunningham: Was not a similar approach made in another place which was treated in an extremely cavalier fashion?

The CHIEF SECRETARY: I do not know what happened in another place. I have enough to occupy my mind in this House. If members in another place were treated in a cavalier fashion, they must have taken it very quietly. I do not read "Hansard," but I do read the newspapers, and if members in another place had been treated in a cavalier fashion, as the hon. member suggests, naturally I would expect to see some reference to it in the Press. However, apparently no serious action has been taken by them. I think I have made sufficient reply to the hon. member. He has been seeking something that does not exist. He has been shown all the files of which the Minister has any knowledge, but he still cannot find the information he seeks in them. Therefore, I repeat that I hope that this is the last we shall hear of this matter.

HON. SIR CHARLES LATHAM (Central) [8.25]: I have no wish to enter into a serious discussion on this matter, but I am surprised at some of the statements made by the Chief Secretary. We must not lose sight of the fact that we

have the same constitutional rights, with rare exceptions, as members in another place. If something is passed by an absolute majority in another place but we, in the interests of the public, feel that this House has a right to request the Government to do certain things in connection therewith, then, unless there are very sound reasons against it, because of the interests of the public, that request should be granted. Otherwise, we could easily slip back into a form of Government, even in this State, that might be detrimental to the people.

I was in the country when the hon. member moved for these papers to be tabled, but since then I have glanced at them and, to my mind, with my slight knowledge of departmental management, they have been kept in a slipshod manner. The folios of these files are not even numbered. As far as I am aware, in all departments the numbering of the folios of departmental files has always been strictly complied with. Usually, of course, when a Minister sends a minute to the Under Secretary, he refers to the folio of the file. In this instance, it would be quite easy for a charge to be made against the Government, or against the officer in charge of the department, for not ensuring that the pages were properly collated and numbered.

I have no idea what information the hon. member seeks or for what purpose he intends to use it. However, so long as I am a member of this House, I intend to be particularly careful to ensure that if a member—no matter which side of the House he is on—is seeking information in the public interest and it is not detrimental to an individual, he will get it, provided that a majority of the House is in agreement with him. Therefore, I do not think we should take the statement made by the Chief Secretary seriously, namely, that if another place is not prepared to allow information to be made available, this House should remain silent; because, if that is so, we might as well abolish this Chamber immediately.

The Chief Secretary: I did not suggest it.

Hon. Sir CHARLES LATHAM: I think I heard the Chief Secretary correctly when he said that certain business was exclusively the concern of another place. He did not use those exact words, but he conveyed to my mind that there were certain things that were exclusive to another place.

Hon. H. Hearn: Because the Minister was down there.

Hon. Sir CHARLES LATHAM: After all, with one exception, and that is finance—and even there it is a very limited power of which we have been deprived—we have exactly the same rights as another place. I can look back over 33 years in Parliament and in that time there has been a very harmonious relationship between the two Houses, irrespective of the political

flavour of the party with the majority. There has been a complete and clear understanding, and only on very rare occasions has there been any great conflict between the two Chambers. I would like to see that continue. But members and Ministers in another place must bear in mind that unfavourable things are said about this House, and about members of this House. I know what members are called! The result cannot be harmonious working between the two Houses. Attempts may be made to abolish the Legislative Council, and I would have no objection to them. But so long as we are in existence, we have constitutional rights; and I am jealous about safeguarding them. I ask members on both sides, irrespective of politics, and because they have been elected by the people that the Constitution provides shall elect them—

Hon. R. J. Boylen: Thirty per cent. of the people!

Hon. Sir CHARLES LATHAM: It would not matter if it were only 5 per cent.

The PRESIDENT: Order! Will the hon. member please resume his seat? Under the Standing Orders, it is necessary that when an hour has elapsed, before the debate on a motion can be continued, the hon. member who is speaking must have leave of the House to continue his remarks. Will somebody move accordingly?

Hon. A. L. LOTON: I move—

That the hon. member's time be extended.

Motion put and passed.

Hon. Sir CHARLES LATHAM: I was commenting on the fact that the Minister felt aggrieved that certain members were taking an advantage which he considered, unreasonable, and probably unfair. I do not think any Minister should be so—I do not like to use the word—"thin-skinned." But I do not think any Minister should be so careful of his feelings as to make charges against a member whose views are in opposition to his, or to those of the Government.

Looking through these files, I should say they had been kept in a very slipshod manner. There are no page numbers. The Minister has not had much experience in office, but he has had a good deal of political experience, and he will know that a perfect file will be properly numbered from the last letter upwards. I have not had much time to inspect this file, but the letters do not appear to be in sequence of date, and it seems as though they were picked up from here and there and put together haphazardly.

Hon. G. Bennetts: The previous Minister must have left them in that condition.

Hon. Sir CHARLES LATHAM: I am not charging any Minister, and I am not blaming anyone. The Minister may never have seen these files. If the Chief

Secretary is going to deal with every file in his department, he will have a very busy time! Of course, he could not do it. I am not blaming the Minister; but there is a departmental officer—either the correspondence clerk or somebody else—who is responsible for this. The people who do the filing are responsible, and I would like them to be advised that in future, if Parliament wants files—and members have a perfect right to ask for them—they should be supplied properly. Over the years, files have been made available. There are times when I think that a Minister can quite rightly say to a member seeking a certain file that it contains something strictly confidential and detrimental either to the department or the officer concerned; and, although it cannot be made available generally, it will be open to inspection by the member at the office of the Minister concerned. That has been done frequently.

In this instance, it seems to me that the member asking for the papers has some idea in his mind that they contain information that should be made available to the public. From just a glance at the files, I cannot see that they contain anything that is detrimental to the Conservator, officers of the department, or the Minister. There has certainly been delay in the appointment of a Conservator, but I am not blaming the present Government for that, because the previous Government could have made an appointment if it had so desired, since the position became vacant by effluxion of time. But the present Conservator has continued in employment.

I do not think we should allow any departmental officer, when he is asked for papers and when exactly what is required is clearly stated, to determine what should be submitted. I know that the hon. member will withdraw his motion, and I would not like to see this House begin to censure the Government on such matters. At the same time, I believe it should exert itself by saying that when the tabling of papers is sought, and there is no objection by the Minister himself, those papers should be completely supplied. In years gone by, I have found in another place that all papers requested have not been supplied, but never yet has a Minister there failed to supply them ultimately. However, this is the worst lot of papers I have ever seen tabled. I hope the Minister will not simply become annoyed and feel that the action taken by the hon. member is merely against the Government, particularly when this is a public matter. After all, we represent the people of the State, and are the custodians of their liberty. How can they speak to Parliament except through members? There is no other way of which I know; though, of course, they can present petitions to Parliament.

The Minister for the North-West: And write to the papers!



Hon. Sir CHARLES LATHAM: Oh, yes!

The Minister for the North-West: Which they do.

Hon. Sir CHARLES LATHAM: I suppose they get a feeling of satisfaction even from that.

The Minister for the North-West: Some of them will get a feeling of satisfaction from this debate.

Hon. Sir CHARLES LATHAM: Probably I am ignorant of this matter; I know nothing about it. I am not taking sides in a controversy between the hon. member and the Government; but while I am here, I am going to see that if this House by a majority, asks for certain files, those files shall be supplied, and supplied completely, in conformity with the motion that is carried. So long as I am in this House, I shall support any member in that direction, whether he belongs to the Labour Party, the Liberal Party or the Country Party, because we have a sacred trust and, so far as I am concerned, that trust will be fulfilled.

HON. E. M. DAVIES (West) [8.40]: I feel that Sir Charles Latham has endeavoured to put on the Chief Secretary's reply to the innuendoes and aspersions made by Mr. Murray when moving for the adjournment of the House a different construction from what was intended. The Chief Secretary did not attempt to deny that this House was entitled to receive any information for which it asked. As a matter of fact, I believe he suggested, and told the hon. member, that all the files he had asked for had been tabled; and no objection has been raised to any member asking for a file to be tabled, although from time to time Ministers have objected to tabling files that have been sought. But there have been other ways and means of obtaining the information desired, and I am one who has endeavoured to secure information by means suggested to me.

I believe that what the Chief Secretary attempted to say was that it is not reasonable for a member of this House to adopt a certain method of casting aspersions on or making innuendoes against a Minister or a department, and that this is not the proper place for such a thing to be done, when the Minister concerned does not happen to be in this House. He tried to point out that there is another place where some member could do exactly what Mr. Murray did, namely, move the adjournment of the House and then make charges against the Minister so that the Minister, being present, could answer them immediately.

I agree with the Chief Secretary that any member has the right to ask for any file to be tabled and to seek information he is entitled to be given, but I also agree that if a member has a desire to cast aspersions on or make innuendoes against the integrity of a Minister or any other member

of Parliament it should be done in the House where that Minister or member sits and is so able to defend himself. That is what I gathered the Chief Secretary meant to convey. He did not endeavour to tell members that they were not entitled to ask for information, but tried to point out that it was not fair for them to make charges in this House against a Minister who was in another place and was thus unable to defend himself. Surely to goodness someone in another place could have moved for the adjournment of that House if it was desired to make a charge against a Minister there, so that such Minister would have the opportunity to make a reply!

The PRESIDENT: Before the debate proceeds, may I suggest that questions of innuendoes and aspersions should be left in abeyance. There have been aspersions and innuendoes on other occasions in this place and it is desirable that that should not be extended.

HON. J. MURRAY (South-West—in reply) [8.44]: Before observing the usual procedure and asking permission of the House to withdraw the motion, I would like to say in reply to the Chief Secretary that at the outset of my remarks I pointed out that I regretted very much the method I had to adopt to achieve my aim in this matter. I indicated that these papers would be leaving this Chamber today or tomorrow, and we would thus have no opportunity of discussing the matter further, unless we asked for the file to be tabled again, and then there would be no guarantee that the same papers would be forthcoming. I suggested it was a job more for a select committee which could see that it got all the papers it wanted. It might have been desirable to go to the length of appointing a Royal Commission to examine other matters, but a Royal Commission would have been too long and tedious to achieve immediately what I desire.

The Chief Secretary suggested I knew of a certain document on a file which I asked for, or that I suspected certain documents were there, and because they did not appear on the file tabled I was a little upset. He suggested that people had been whispering in my ear. If people had whispered in my ear in relation to this matter they would have given me essential information, which would have been the file number and the reference number on the file to the particular document, if there was such a document. In this case, certain papers were tabled, and I went through them to see if certain things were referred to, but they were not in the papers.

I decided that in any department, whether it be the Forests Department, the Lands Department or any other, the administrative file should contain copies of nearly every document that passed

through it. Therefore, because there had been correspondence, etc., leading up to the calling of applications for a conservator of forests, I asked for the administrative file to be tabled, and I found that the Minister claimed that the Forests Department had not got an administrative file. I just will not believe that, and I refuse, on the floor of the House, to accept the Minister's challenge and go and search for the file in the Forests Department. If we cannot get it here by a motion of the House, then I suggest that if tomorrow I took a search warrant to the Forests Department and searched for a week, I still would not find the file I asked for, because it would not be available to be found. But that file is there. It is a key document of the department, and it has not been tabled. With these few remarks I ask leave to withdraw the motion.

Motion, by leave, withdrawn.

#### **BILL—INDUSTRIAL DEVELOPMENT (KWINANA AREA) ACT AMENDMENT.**

Received from the Assembly and read a first time.

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

##### *Second Reading.*

Debate resumed from the 29th September.

**HON. SIR CHARLES LATHAM** (Central) [8.50]: The Bill proposes to amend the Act which was passed in 1942, the object of which was to hand over to the Federal authorities the control of the finances, more or less, of the whole of Australia, of which Western Australia was, and is, a part. The Act therefore prevented the State Government from imposing any tax on income or on entertainments, and it also stopped the State Government from imposing a goldmining profits tax or a hospital tax. The Act sets out that the imposition of these taxes shall be suspended for the period from the first day of July, 1942, up to and including the last day of the first financial year to commence after the date on which His Majesty ceases to be engaged in the present war, and no longer.

I doubt whether any member of this House has seen anything officially stating that the war has ceased. Generally a proclamation is made to tell us that His or Her Majesty has made peace. As far as my knowledge goes, it would be difficult for peace to be made with any of the nations with which we were at war. Germany is divided into two sections, even now. East Germany and West Germany are under separate governments. However, I am prepared to accept the word of the authorities; but, as Mr. Watson pointed out, it was remarkable that last year, when certain information was

asked for, the Crown Law advised that we were still at war with our enemies. According to what we have learned since, some time prior to when the information was given in this House, or in another place by the Attorney General, we had already made peace. These things are misleading, and members do not have an opportunity to know what has taken place. We are told that the peace was concluded some time in April, 1952, so that on the 1st July, 1952, the statutes came into force once more. The Government of which I was a member at the time was evidently unaware of that.

**Hon. H. S. W. Parker:** It is 12 months after.

**Hon. Sir CHARLES LATHAM:** No, the Act says that the provisions are suspended up to and including the last day of the first financial year to commence after the date on which His Majesty ceases to be engaged in the present war; and that was in April, 1952.

**Hon. H. S. W. Parker:** It would be June, 1953.

**Hon. Sir CHARLES LATHAM:** Evidently the officers whose duty it is to watch this class of legislation did not advise the Government that these Acts had automatically come into operation. The present Government proposes to carry on with the suspension until Parliament otherwise orders, with one exception, and that is in regard to the Entertainments Tax Act which will be brought into operation and is, in fact, already being used by the Government. My objection is that the Federal Government has already made payments to this State which cover the amount that would be collected by the entertainments tax. So the people in Western Australia, together with those in the rest of the Commonwealth, have already had the money taken from them by that means, and now it is intended to put a second tax on them for the remainder of the financial year.

I have a strong objection to this form of taxation. The Treasurer advised us that the money was to be used for charitable causes, such as hospitals, and he referred particularly to the blind school. He also mentioned others. We are already taxed to provide finances for these people, as the Federal authorities, by means of the pension, make considerable payment to them. I am not saying they are not entitled to every penny of it, but they receive a liberal pension.

The blind school, whether it is a trade school or anything else, is there for the purpose of educating the blind, and that is a very worthy object. I am not averse to money being made available for that purpose. In the school some trades have been developed and sales of certain goods are made. I suppose the people are paid wages, or receive some sort of remuneration, but I am not certain about that. If the blind people have to be provided

for, let us ask everyone who pays taxes to make some contribution, and not just the people who seek amusement.

Surely this is a bad form of taxation. If we go to a picture show, we are to be penalised because we will have to contribute to the alleviation of the disability of these people. This means of imposing taxation is not new, but it seems to me to be a very poor principle. Since the Bill was before us last, the Government has taken certain action, and therefore no matter what steps we take now, we can do very little to remedy what has been done. If we say we will not pass the measure, the Government still has an Act on the statue book, unless we can repeal it, and I do not know that we have power to repeal a taxing measure. After all, the Bill does set aside the Act, and automatically we bring these taxing measures back into existence. It is now proposed to suspend three of them, and the one that the Government is picking out to use is the entertainments tax. If the Government carried out the law of the land, it would impose a tax on goldmining profits.

Hon. H. S. W. Parker: It would collect it, you mean.

Hon. Sir CHARLES LATHAM: Yes, it would be collecting it, and also it would be collecting an income tax and a hospital tax. But it is not carrying out the law. It should have been collecting these taxes from the 1st July of this year. I am not blaming this Government particularly, but it is a very loose way for any Government to handle the laws of the land. After all, if we are going to make laws, we should observe them, and the Government should see that they are observed and set a standard for the people to follow.

The Minister for the North-West: Do you want the other taxes imposed?

Hon. Sir CHARLES LATHAM: When one looks at the methods the Government is trying to adopt to raise money, I should say that if it did impose those other taxes, it would be the end of the Government's career.

The Minister for the North-West: Do you think they should be imposed?

Hon. Sir CHARLES LATHAM: If the Government is to carry out the law, yes.

Hon. H. S. W. Parker: It is not that they should be imposed, but that they should be collected.

Hon. Sir CHARLES LATHAM: They are already imposed, and the Government has not carried out the law. There is a good deal of objection to this measure, and for the benefit of members I wish to read a letter which has been sent from Big Bell, to a member of another place. The residents of that town object to the State imposing entertainments tax. They say—

The balance of relief to taxpayers contemplated by the Federal Budget would, in some measure, be upset by the reimposition of the tax.

We object in principle to the re-introduction of the tax.

The Big Bell district has already felt the impact of increased railway freights and housewives' shopping, to say the least, has been considerably inconvenienced. The proposed tax is the last straw.

We further understand that exemption from the tax is proposed for taxpayers above the 26th parallel.

We earnestly request you to use your endeavours to secure the defeat of the measure, or, if this cannot be achieved, to use all your powers of persuasion to ensure that districts such as Big Bell, Meekatharra, Cue, Mt. Magnet and Laverton, whose problems, isolation and difficulties are already well known to you, receive exemption from the tax.

That is signed on behalf of the Big Bell Parents and Citizens' Association, The Big Bell Cycle Club, the Big Bell Country Women's Association, the Big Bell Rifle Club, the Big Bell Tennis Club, the Big Bell Sub-branch of the R.S.L. and the Big Bell District Picnic Committee. It has not been signed by either the cricket association or the football club.

Hon. G. Bennetts: It is a wonder they did not write to their members.

Hon. Sir CHARLES LATHAM: They probably did send the hon. member a copy. If they did not do so, I can only imagine that they preferred some member on this side of the House to present their case.

Hon. E. M. Heenan: How did you get a copy of it?

Hon. Sir CHARLES LATHAM: Quite easily.

The Minister for the North-West: But you want us to collect the gold tax.

Hon. Sir CHARLES LATHAM: I did not say that. I asked that the law be observed.

The Minister for the North-West: That is so.

Hon. Sir CHARLES LATHAM: I did not say that the Government should impose such a tax. I meant that the law should not be set aside.

The Minister for the North-West: You said that it is imposed and should be collected.

Hon. Sir CHARLES LATHAM: I stated that according to the law it should be collected.

The Minister for the North-West: That is right.

Hon. Sir CHARLES LATHAM: I did not say that it should be.

The Minister for the North-West: Did not you say that the law should be enforced?

Hon. Sir CHARLES LATHAM: I am not responsible for enforcing the laws of this State. The Minister knows that I have no powers to say that the laws shall be enforced, unless I apply to the court in the same way as an ordinary citizen. There are ten Ministers of the Crown whose responsibility it is, both individually and collectively, to see that the laws of the land are carried into effect.

The Minister for the North-West: That is right.

Hon. Sir CHARLES LATHAM: And members of this House are here to see that the Government does its job. This Bill is a slipshod way of doing things. I am not going to support the measure, but I have to be extremely careful, because the tax has already been reimposed and the Government has power to collect it. But it is against the wishes of my electors that there should be double taxation, and that is what this measure will mean. I do not know what arrangements are being made by the Federal authorities about a State imposing a tax which the Commonwealth Government has set aside; and it seems that the other three taxing measures automatically came into existence on the 1st July.

This is a most unfair tax. Originally the measure was introduced into Parliament with the idea of collecting money for hospitals. Governments of all political flavour introduce measures and say, "We will use this money for hospitals, or some other charitable purposes." Usually, in a short while, that is altered and the money goes into Consolidated Revenue.

Hon. A. L. Loton: It does not matter for what purpose it is collected, the Government takes it.

Hon. Sir CHARLES LATHAM: When the Act was first introduced in 1925 the object was to provide money for hospitals, and when I became Minister for Health I found that the hospitals did not have any money. I did what I believed to be the right thing; I had an Act passed by both Houses which provided for a tax of 1d. in the £ and that money was paid into a trust fund for hospitals. It was not paid into Consolidated Revenue, and the money did materially help our hospitals. That state of affairs lasted until the Act was superseded by this statute we are now discussing. I am not supporting the Government in this measure except to say that no matter what action we take, the Government already has power to impose the tax and under the circumstances this Bill will pass. However, it is not a good class of legislation.

HON. L. CRAIG (South-West) [9.71.]: I do not deny the Government the right to tax the people; it is the function of a Government, if it so desires, to raise money by imposing on the people a tax of some form or another. But I think that the Government should let the people know that they are to be taxed, and then it can take full responsibility for its actions. I support the action of this House, because I think we had a right to hold up this legislation so that the responsibility for imposing this tax could be clearly understood by the people. It is only fair that the Government should take full responsibility and not pretend that an entertainments tax has smoothly proceeded from one Government to another. The Government completely released the people from entertainments tax.

Hon. H. K. Watson: The Commonwealth Government.

Hon. L. CRAIG: Yes. The Commonwealth Government said, in effect, "We think that this is one tax from which the people should be relieved, and therefore we are going to relieve them of paying entertainments tax." The people have a right to know that the State Government has been reimbursed, for the next 12 months, for the taxes which were imposed under the Commonwealth-State Financial Agreement. Under the agreement certain State taxes were taken over by the Commonwealth Government and the States received reimbursements from the taxes collected.

This measure will mean the imposition of a new tax, and it is being done in a piecemeal fashion. In my opinion the Government should have said, "This tax is finished. We will leave a period of one, two, or three months and then we will bring down a Bill reimposing a complete tax, and in that Bill we will show the various activities, such as sporting and charitable, that will be exempted under the State measure." In that manner the Government would have accepted the responsibility of imposing a State tax.

Apparently for political purposes—and we would probably do the same—the Government feels that the people should not realise that a tax has been taken away and reimposed. The Government wants the tax to continue as if there had been no change. That is not unreasonable, because whichever party was in power would do the same thing if it felt it had an obligation to impose a certain form of taxation. In other words, the Government wants the tax to be imposed as painlessly as possible, and there is nothing unreasonable about that. But I think that this House was justified in holding up the legislation so that the people could be informed that this is a completely new tax which the Government feels it should impose in order to augment the Treasury. The money will be collected, and paid into Consolidated Revenue, and the Treasury will be relieved of the responsibility of paying out

money to those charities which have been mentioned. So really this is a method of financing the Treasury. They were the only points I wanted to make, and the Government must take full responsibility for imposing upon the people a completely new tax.

**HON. A. F. GRIFFITH** (Suburban) [9.12]: I agree with the sentiments expressed by Mr. Craig. He said that the Government must accept the responsibility of imposing upon the people a completely new tax, and with that I entirely agree. When the Chief Secretary moved for the suspension of Standing Orders so that the House could deal with this measure, he used words to this effect: "This tax must come into operation on the 1st October." Some members might recall that by way of interjection I asked him why he had used the word "must." Of course the Chief Secretary realised then that there was no reason for using the word other than the implication that the tax must, from his Government's point of view, be a continuous one from the 30th September to the 1st October. This would prevent bringing about a state of affairs in Western Australia where the people of the State would say, "This Government is imposing upon us a tax which the Commonwealth Government has removed from us."

I do not think there is any doubt in the world about that. By the words he used in his second reading speech it was paramount in the mind of the Chief Secretary. He said that he was in the happy position that if this Bill was thrown out the tax would still go on, and that there would be greater revenue for the State Government. I do not think there is any doubt at all—and there cannot be any doubt in the mind of any member of this House—that the objective of the Government was to have this as a continuous tax, so that the people who went to entertainments on the 1st October would not appreciate the fact that they had been relieved of a tax by the Commonwealth Government Budget, and that the tax, in the words of Mr. Craig, was being reimposed.

**Hon. R. J. Boylen:** You rate the intellect of your electors very lightly. Do you not think they can read "The West Australian"?

**Hon. A. F. GRIFFITH:** Of course they can! But it might be of interest to the hon. member to know that in conversation with a couple of people I was told that they were not aware of the fact that they were being taxed. That is true. This whole situation is created by the words I want to quote from the Federal Treasurer's Budget speech which he delivered on the 9th September. Under the heading of "Entertainments Tax," he said—

The Government proposes to abolish entertainments tax and the abolition will become effective in regard to

entertainments held on and after the 1st October, 1953. This tax has largely been levied upon those popular entertainments which in modern times people have come to value as part of their normal enjoyments in life.

And I emphasise these words—

Its removal must therefore be regarded as an aid to both family and individual budgets.

In my opinion that is what started the whole thing. I question the moral right—not the legal right, because we have it on our statutes—of a State Government to reimpose on the people a tax from which the Commonwealth Government saw fit to give them relief.

**Hon. H. K. Watson:** The Treasurer of New South Wales did the right thing.

**Hon. A. F. GRIFFITH:** Yes; we understand he is doing the right thing. In effect, he has said, "We have collected the tax for 1953-54 and we will not impose it for this current financial year." As we know, Queensland never had an entertainments tax, and I do not know that the removal of the tax by the Commonwealth Government will rush Queensland into introducing legislation to reimpose the tax. It did not take very long—just two days in actual fact—for our Treasurer to give it to the Press—and I heard it mentioned a little earlier that we read these things in the newspapers—and thus to tell the people that entertainments in this State might be taxed.

**Hon. R. J. Boylen:** That is what your colleagues are growling about; that they have not told the people.

**Hon. A. F. GRIFFITH:** I venture to suggest that the Treasurer is in the unenviable position at present of having made so many pre-election promises—

**Hon. F. R. H. Lavery:** Not again!

**Hon. A. F. GRIFFITH:** Yes! I know it hurts the hon. member.

**Hon. F. R. H. Lavery:** It does not hurt me. I could bring you some pictures of spiders' webs.

**Hon. A. F. GRIFFITH:** I am surprised at the hon. member. If this does not hurt him, then nothing would. I certainly would not like to be in the unfortunate position of having to support a Government that prior to the election had talked about reducing costs, etc.

**Hon. F. R. H. Lavery:** Tell them, "Mr. Lavery agrees with that." I can take it.

**Hon. A. F. GRIFFITH:** I am sure the hon. member can take it; I do not know what else he could do in the circumstances. To get back to the theme of my speech. I believe the Treasurer is in the unenviable position of endeavouring to find a way to gain extra money from revenue in some shape or form in order that he may have

a chance of carrying out the election promises he made. Like Mr. Craig, I do not deny that the Government should have the right to tax. As Mr. Craig said, it is unquestionably the function of Government. But I am sure members will agree—those of them in this House who subscribe to the political thought to which I do and also those who are opposed to me if they are fair—that the only tangible reason for insisting on the imposition, or reimposition, of this tax, on the 1st October, was so that the public would not feel it and would not be hurt.

Hon. H. Hearn: Would not know they were being hurt.

Hon. A. F. GRIFFITH: That is the same thing.

Hon. H. Hearn: No, it is very different.

Hon. A. F. GRIFFITH: The Treasurer in another place said in as many words that it would be highly undesirable—and I have a pull of his speech—to allow a tax to rebate for a period and then to reimpose it on the people a short time later. I have no recollection of any member saying that he intended diametrically to oppose this legislation. There is notice of amendment on the notice paper with which I agree, but all this House asked the Government for was time to consider the matter to allow the Government to have an opportunity of further considering in its own mind whether it would be right and proper to impose this tax. Nobody can deny that setting up the administration for it must have been a terrifically rushed job, because the Budget speech was not delivered till the 9th September, and it came into operation on the 1st October. I doubted very much whether the Government had the necessary administration set up to collect the tax.

Hon. F. R. H. Lavery: I am sure the Government is sorry it did; you could have helped it out.

Hon. A. F. GRIFFITH: I wish the hon. member would not be silly. I am trying to give some constructive thought to this Bill, which I think is my right, and I feel the hon. member should have thought more of my intelligence than to make an interjection like that. It was a rushed job, but it was nevertheless put into effect. I repeat that all the members on this side of the House, and the Opposition members in another place asked for was time to consider the matter.

Hon. H. K. Watson: What do you mean when you say "on this side of the House"?

Hon. A. F. GRIFFITH: I am standing over here.

Hon. L. Craig: The sensible side.

Hon. A. F. GRIFFITH: I beg the hon. member's pardon.

The Chief Secretary: He thinks he is in another place.

Hon. A. F. GRIFFITH: I do not think I am in another place at all.

Hon. H. K. Watson: We are all right on this side of the House.

Hon. A. F. GRIFFITH: I will have to sort myself out, and make sure that I do not commit a similar error again. I shall refer to myself perhaps as being in company with those who try to see reason for the benefit of the people.

Hon. H. K. Watson: That is better.

Hon. A. F. GRIFFITH: Thank you! The Opposition in another place took some action to try to give people a little relief from the tax, because they did not want the people to be given the distorted idea that there was to be some relief given them from entertainments tax; relief of any accountable nature, anyway. In reading the Treasurer's speech, I noticed that a member by interjection asked him—when he referred to the exclusion of tax up to 1s. 6d.—where entertainment could be obtained for 1s. 6d. The Treasurer's reply was not very convincing. However, I repeat that all that was desired by those people who did not support the introduction of this Bill, and its hurried passage through the House, was that a little time should be given to consider it. The Chief Secretary, because he is Leader of the Government in this House, and no doubt because he had his instructions, told us that this tax must go on on the 1st October. I still differ from him on the subject because I feel it only has to go on because the Government thought it expedient that it should go on.

When Sir Charles Latham was speaking, the Minister for the North-West made an interjection and asked whether he wanted a hospitals tax, income tax and goldmining profits tax to be imposed. I would say that the only reason for this tax being imposed is that the Commonwealth Government thought fit to give the people some freedom from it. As I have already said, in the first place I doubt very much the moral right of this Government to impose on the people of Western Australia a tax from which the Federal Treasurer thought fit to give them relief. I have to support the second reading of the Bill because, in the words of the Chief Secretary—and I repeat them—he is in the happy position of being able to say that if this Bill were thrown out, the people would be taxed more. It is a very undesirable state of affairs for any Minister to be in the happy position that he can tax the people more.

Hon. J. M. A. Cunningham: Whether they want it or not.

Hon. A. F. GRIFFITH: That is so. However, I cannot quarrel with it, because the statute is in existence, and it must operate. Accordingly I have to support the second reading of the Bill very reluctantly; but I do hope that when the measure is in the Committee stage, the Government will take a sane view and give a good deal of consideration to the amendments on the notice paper, which are designed to pro-

vide for the people greater relief from entertainments tax, than the present Bill endeavours to provide.

**THE CHIEF SECRETARY** (Hon. G. Fraser—West—in reply) [9.29]: I would like to reply to the last two speakers first. I am surprised that members in this Chamber still endeavour to create—and Mr. Craig did the same thing—

Hon. L. Craig: I did it nicely.

**The CHIEF SECRETARY**: That goes without saying. The hon. member always does it nicely. But members have still endeavoured to create the psychology that has been apparent right from the jump, particularly when they suggest that this Government is imposing a new tax.

Hon. L. Craig: So it is.

Hon. H. Hearn: The suggestion is that the Government is collecting it twice.

**The CHIEF SECRETARY**: Sir Charles Latham was not here when I moved the second reading of the Bill. I am surprised at the speech he made, particularly in view of the fact that he has been a Cabinet Minister in a previous Government. But since the hon. member was not here, I shall refresh his memory as to what has happened. This entertainments tax was started in 1925.

Hon. Sir Charles Latham: By a Labour Government.

**The CHIEF SECRETARY**: Yes, by a Labour Government. I never deny facts.

Hon. Sir Charles Latham: That was not the first one.

**The CHIEF SECRETARY**: That is the present one. The Commonwealth Government at that stage decided to withdraw from entertainments tax for admissions up to 2s. 5½d. and the State took it on. In 1930, when the hon. member was a Minister, did the Government take off the tax?

Hon. Sir Charles Latham: No, it was paid into revenue.

**The CHIEF SECRETARY**: That Government doubled the tax, and the hon. member has the cheek to stand up and talk about this new tax.

Hon. L. Craig: The responsibility for it was shifted.

**The CHIEF SECRETARY**: The Government of that day was so greedy that, although the Commonwealth exempted tax up to 2s. 5½d., the State took it on, and this was during the depression years.

Hon. Sir Charles Latham: I wanted to remind you of that because at that time there was not much revenue from income tax.

**The CHIEF SECRETARY**: When people had less money, the Government imposed the entertainments tax.

Hon. Sir Charles Latham: But there was not much revenue from income tax at that time.

**The CHIEF SECRETARY**: The State at that time was collecting entertainments tax on amounts up to 2s. 5½d. and the Government of which the hon. member was a Minister doubled the tax, and the Commonwealth, which was taxing charges above 2s. 5½d. made a similar increase. Yet those members now have the cheek to tell us that we are imposing a new tax.

Hon. Sir Charles Latham: So you are.

**The CHIEF SECRETARY**: That is ridiculous hypocrisy.

Hon. Sir Charles Latham: You are doubling it now because the people have already paid it.

**The CHIEF SECRETARY**: I mention these points to indicate the psychology that members are endeavouring to create.

Hon. C. H. Simpson: What did the Collier Government do in 1933?

**The CHIEF SECRETARY**: That Government lessened the tax.

Hon. C. H. Simpson: No; that Government doubled it again.

**The CHIEF SECRETARY**: It was the Government of which Sir Charles Latham was a Minister that doubled the tax.

Hon. C. H. Simpson: No; in 1933 the Collier Government doubled it.

**The CHIEF SECRETARY**: How filthy-white and pure those hon. members are! This so-called new tax has been in operation since 1925, and yet members try to hoodwink the public with statements of that sort. They have got away with it, too, because the Press has not published the real facts.

Hon. H. Hearn: You would not want the Press to publish the truth.

**The CHIEF SECRETARY**: Like George Washington, I always want the truth. I have stated the actual position because I wished to remind Sir Charles Latham of it. I wanted also to correct the psychology members have been endeavouring to create that this is a new tax. What happened was this: In 1942 we were so patriotic that we allowed the whole of the entertainments tax to go to the Federal Government.

Hon. L. Craig: But it was reimbursed to you.

Hon. Sir Charles Latham: You know very well that it came back in the form of reimbursement.

**The CHIEF SECRETARY**: All the other States protested.

Hon. Sir Charles Latham: Now do not mislead the public like that. It was included in the uniform taxation.

**The CHIEF SECRETARY**: During the debate another mistake was made to the effect that we were getting it in a lump sum from the Federal Government. I should like to know where Mr. Griffith got the authority for saying that.

Hon. A. F. Griffith: You said so in this House.

Hon. C. H. Simpson: It was the statement of the Federal Treasurer.

Hon. Sir Charles Latham: Let us deal with it in Committee.

The CHIEF SECRETARY: Can Mr. Griffith show me any Federal grant stipulating so much reimbursement for income tax, so much for entertainments tax and so much for other taxes? The States are given a lump sum by the Federal Government.

Hon. Sir Charles Latham: You know that those things are set out in the reimbursement Act.

The CHIEF SECRETARY: And does the hon. member know that the Federal Government in 1946 waived that phase of entertainments tax? The only way to convince the hon. member will be to quote a statement that has been prepared for me.

Hon. H. K. Watson: Prepared by whom?

The CHIEF SECRETARY: By responsible officers of the State.

Hon. Sir Charles Latham: You are not permitted to introduce new matter when replying to the debate.

The CHIEF SECRETARY: I am replying to statements made in the course of the debate.

Hon. A. F. Griffith: Did you not say that you had received this money and would get it whether the House passed the Bill or not?

The CHIEF SECRETARY: I was conveying then what I am conveying now, that nobody knows whether the amount received by way of Federal reimbursement included anything for entertainments tax. Another point to which Sir Charles Latham referred had relation to the cessation of the war. Here is the history of that phase.

Hon. Sir Charles Latham: We had one history of it given to us last year.

The CHIEF SECRETARY: When I make a mistake, I am always prepared to admit it. The early information I received was that the war officially ended on the 30th June of this year.

Hon. H. Hearn: That was to get the balance sheet correct.

The CHIEF SECRETARY: We have found that that was incorrect, but it was not the fault of anyone in the State that we had not the correct information. Although the war was officially declared off by the Federal Government, no advice to that effect was sent to this State. Since the 30th June was given as the date, investigations have been made, and I have the information received from the Federal Government.

Hon. C. H. Simpson: It was included in a Bill that was introduced here.

The CHIEF SECRETARY: The real position is that the war officially ended with the various enemy countries as follows:—Hungary, Finland, Bulgaria and Rumania, on the 10th July, 1948; Austria on the 7th October, 1948; Germany on the 9th July, 1951, and Japan on the 28th April, 1952. Therefore the State Tax Act came into operation on the 1st July, 1953, as the Income and Entertainments (War Time Suspension) Act suspended the provisions of the State tax Acts until the last day of the first financial year after the date on which the war ended, and that was the 30th June, 1953.

Hon. Sir Charles Latham: Who sent that information over?

The CHIEF SECRETARY: That is the information obtained by the Solicitor General from the Federal Government.

Hon. A. F. Griffith: The Government should have been sure of that when the Bill was drafted.

The CHIEF SECRETARY: The Federal Government was so close with its information that it did not inform us.

Hon. A. F. Griffith: The word "three" is used in the Bill.

The CHIEF SECRETARY: Yes, but since the Bill was printed, we have received this information.

Hon. C. H. Simpson: That applies only to the operation of the Act.

The CHIEF SECRETARY: Anyhow, the date is definite now. That is the correct information.

Hon. H. Hearn: Official?

The CHIEF SECRETARY: Yes, right from the horse's mouth. I trust that members will not continue their opposition to the proposals in the Bill and, in support of this hope, I intend to quote from a sub-leader in "The West Australian" of Friday, the 2nd October.

Several members: Oh! Oh!

Hon. A. L. Loton: Are you going to make use of "The West Australian"?

The CHIEF SECRETARY: Like the hon. member, I am prepared to make use of anyone or anything when it suits me.

Hon. Sir Charles Latham: There is no doubt about that.

The CHIEF SECRETARY: In that sub-leader, the editor stated that the opposition to the State entertainments tax "seems to be an instance where Opposition members in both Houses have been applying party politics more lustily than the situation has warranted." Those are very true words, and I am sure Mr. Griffith's conscience must prick him when he considers that statement.

Hon. C. H. Simpson: We might not agree with it.

The CHIEF SECRETARY: I agree with it, though I should imagine no one would say that "The West Australian" was a



rabid supporter of the present Government. It is quite apparent that the opposition to the Bill is of purely political motivation. Mr. Watson commenced by stating that the Bill had been submitted with undue haste, and he would prefer to have time to consider the matter at a more leisurely rate. However later in his speech he conceded a point that, as the parent Act had obviously ceased to operate as from the 30th June, the Government was in a somewhat difficult position regarding the collection not only of entertainments tax, but also of income tax, goldmining profits tax and hospital tax. That is quite correct. We were in a difficult position and we saw a way out of it.

Hon. A. F. Griffith: But you said you would be pleased to get double the tax.

The CHIEF SECRETARY: No, the hon. member is endeavouring to twist what I said. I stated that I was in the happy position that, whether this House passed the Bill or not, the tax would go on, but if the House did not pass the Bill, we would get more tax. The blame would be on this Chamber. I was not glorying in the fact that we would get more taxation, but I did have an opportunity to say that, no matter what members' views were, we would get the tax. I am surprised that the hon. member should twist my words.

Hon. A. F. Griffith: I shall show you in "Hansard" what you did say.

The CHIEF SECRETARY: I did not read the proof of my speech, but what I have just told the House is the effect of what I said.

Hon. H. K. Watson: Are you accusing "Hansard" if misrepresenting you in the report?

The CHIEF SECRETARY: Now, see how Mr. Watson would twist the words I have just used!

Hon. H. Hearn: You said it was incorrect.

The CHIEF SECRETARY: I think I made it clear, when introducing the Bill, that it was the Government's intention to consider further amendments during the session, but as it was desired to suspend the collection of entertainments tax only until the 30th September, there was need for haste. I think even Mr. Watson will agree with that.

Hon. H. K. Watson: Indeed, no!

The CHIEF SECRETARY: This need for haste was occasioned by the unexpected announcement by the Federal Treasurer that the Commonwealth did not propose to collect entertainments tax after the 30th September. No previous announcement of this intention had been made and all parties affected by the entertainments tax—that is, the State Governments and those persons who pay the tax—were taken by surprise.

Hon. A. F. Griffith: What would have been wrong with your giving the people relief for a couple of weeks?

The CHIEF SECRETARY: The hon. member should not indicate that he is such a novice in politics as not to know what the effect would be.

Hon. A. F. Griffith: I do know.

The CHIEF SECRETARY: The hon. member knows that the imposition of any tax, no matter how justified it might be, is always resented.

Hon. L. Craig: Why should not the Government accept that responsibility? Is it not the function of the Government?

The CHIEF SECRETARY: There is no need to accept it, because the tax has been provided for on the statute book all these years.

Hon. L. Craig: You are trying to smother it up.

The CHIEF SECRETARY: Not in any shape or form. Mr. Watson also referred to the proposal to exempt from this tax all entertainments held north of the 26th parallel of south latitude. He considered that other outback centres, such as Sandstone, Laverton and Esperance should also be excluded. The Government has already announced its intention to give consideration to other outback centres, but a difficulty arises in defining the centres. It is easy to define the area north of the 26th parallel, but not so easy to define other outback centres. Sir Charles Latham read out a letter from the Parents and Citizens' Association at Big Bell, but I have here a letter from the secretary of the progress association there stating that they are not happy about the prevailing prices for the admission of children to the local picture show, and that they would like the matter to be looked into. He states that the earlier price was 11½d., but some weeks ago it was raised to 1s. 10d. Not only has the price for admission to the picture show been increased considerably at Big Bell, but also a lot of sporting organisations are taking advantage of the reduction in the entertainments tax. I saw an advertisement for the trots last Saturday night stating, "No reduction in price", and that is what is happening over a large portion of the State.

Hon. L. Craig: What about the Government's action in increasing freights?

The CHIEF SECRETARY: There is a squeal from some members because the Government is doing what it is entitled to do and intends to collect this tax under legislation that has existed since 1925. If the Government does not take advantage of that legislation, the people in the entertainments business will reap the benefit.

Hon. A. F. Griffith: You have no right to say that.

Hon. H. Hearn: He is simply presuming, in order to make out a good case.

The CHIEF SECRETARY: I am not presuming, and I have referred to the advertisement for the trots which stated, "No reduction in price".

Hon. A. F. Griffith: Did you not see to-day that admission to the pictures is cheaper with the imposition of the tax—

The CHIEF SECRETARY: And yet some members are complaining! My statement is correct that a large number of the entertainment people will take advantage of the reduction. I have mentioned one advertisement that I saw.

Hon. H. S. W. Parker: What do you mean "will take advantage of it"?

The CHIEF SECRETARY: They will mop up the difference.

Hon. H. S. W. Parker: All the indications are to the contrary.

The CHIEF SECRETARY: Only some of them—

Hon. H. S. W. Parker: They will not go back on what they promised.

The CHIEF SECRETARY: I know of another show which charged 1s. 6d. and where the charge should have been reduced to 1s. 2d., but the actual reduction was only to 1s. 3d.

Hon. L. Craig: How can they put up the price of entertainments if the Prices Control Commissioner is doing his job?

The CHIEF SECRETARY: How do they usually put up such prices?

Hon. L. Craig: How can they do it?

The CHIEF SECRETARY: It is being done, as the hon. member can see for himself.

Hon. L. Craig: In that case, they must have been charging lower rates previously than they were entitled to.

The CHIEF SECRETARY: Does the hon. member think the picture show proprietor at Big Bell could induce the Prices Commissioner to double the charge for admission? Mr. Watson stated that the Government's proposals were "morally indefensible, legally questionable and financially unwise, dangerous and possibly futile." The money raised will be welcome revenue. These are high-sounding phrases, but an examination shows that they are totally without foundation. In order to explain why they have no foundation, it is necessary for me to review the proceedings which affect the collection of income and entertainments taxes by the States; also the payment of reimbursements by the Commonwealth to the States, which no longer collect these taxes.

What is known as uniform taxation was imposed by the Commonwealth Government on the States against the wishes of the then State Premiers. The then Prime Minister, Mr. John Curtin, intimated that the collection of these taxes by the Commonwealth as the sole taxing authority

would be a wartime measure, and he promised that it would be revoked by the Commonwealth Government at the end of the first financial year after the termination of hostilities. Uniform taxation came into operation in 1942. The first proposal affected only income tax, but during the same year entertainments tax was also included. The Commonwealth Act dealing with income tax, which was replaced in 1946 and which was known as the States Grants (Income Tax Reimbursement) Act, 1942, included in Section 4 the following:—

In every financial year during which this Act is in operation in respect of which the Treasurer is satisfied that a State has not imposed a tax upon incomes, there shall be payable by way of financial assistance to that State the amount set forth in the Schedule to this Act against the name of that State, less an amount equal to any arrears of tax collected by or on behalf of that State during that financial year.

In the same year, the Commonwealth Parliament passed the States Grants (Entertainments Tax Reimbursement) Act, 1942. This Act was repealed in 1946.

Hon. H. K. Watson: It was amalgamated with the other Act.

The CHIEF SECRETARY: My information is that it was repealed. Section 3 of this Act reads—

(1) In respect of the financial year which commenced on the first day of July, 1942, there shall be payable by way of financial assistance to each State mentioned in the First Schedule to this Act the amount set forth in that Schedule against the name of that State provided the Treasurer is satisfied that that State has not, after the date fixed by proclamation in pursuance of Section 2 of this Act, levied and collected a tax upon payments for admission to entertainments.

Hon. A. F. Griffith: Does the Chief Secretary know that a few days before the Federal Budget speech, Mr. Calwell, that great man, advocated the abolition of the entertainments tax?

The CHIEF SECRETARY: I would not know what he did, and I do not often hear the hon. member refer to him as a great man. To continue—

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

In order to become eligible to obtain the reimbursements provided for in the two Commonwealth Acts, the Parliament of this State, in 1942, passed an Act known as the Income and Entertainments Tax (War Time Suspension) Act, 1942, which provided for the suspension of the legislation dealing with the imposition and collection of income tax, entertainments tax, goldmining profits tax and hospital tax. The State Act provided that this suspension should "continue up to and including the last day of the first financial year to commence after the date on which His Majesty ceases to be engaged in the present war and no longer." It has been there all the time and has merely been suspended. All the hubbub is about the Bill which seeks to extend the suspension from the 30th June to the 30th September last. Members are creating a great furore about it, but that is all the Bill seeks to do.

Mr. Watson raised a query as to whether, legally, the war had yet ceased, and in support of his doubts he referred to a discussion which took place in Parliament in 1952 when consideration was being given to the Profiteering Prevention Bill. He stated that Parliament was then advised that, in the opinion of the Solicitor General, the Profiteering Prevention Act was still in operation, and that, in fact, war had not ceased because a peace treaty had not been signed. It is true that, when that Bill was being considered, the Solicitor General was of the opinion that war had not ceased. Since then, however, he has been advised by the Deputy Commonwealth Crown Solicitor in Western Australia that, in fact, by gazettal notice on the 1st May, 1952, the Commonwealth Government, for all legal purposes, terminated the then remaining hostilities and that the war ended as from the 28th April, 1952. The Rt. Hon. R. G. Casey signed a certificate to the effect that Australia was no longer at war with any country.

The result of that statement by the responsible Minister of the Commonwealth Government is that the State Act suspending the collection of income tax, goldmining profits tax, hospital tax and entertainments tax ceased to be effective as from the 30th June, 1953. The fact is that the legislation under which the entertainments tax is being collected in this State came into operation automatically on the 1st July last, yet some members are trying to say we are introducing a new Act.

Hon. H. K. Watson: Did it come into operation more automatically than did the income tax legislation?

The CHIEF SECRETARY: I am speaking of the entertainments tax. Members are not being fair with the public when they say we are introducing a new tax.

Hon. H. K. Watson: The tax is as dead as Caesar, and but for a legal quibble it would stay dead.

The CHIEF SECRETARY: It is on the statute book and was suspended only because it was taken under the Federal Act which ceased to be operative on the 30th of June last, at which time our old Act automatically came into force. As a Government, we are prepared to stand up to anything we do, and all I ask of members is that they be fair and tell the public the truth, which is as I have stated.

Hon. L. Craig: What about the position in New South Wales?

The CHIEF SECRETARY: I am not dealing with what applies there, but I know some members of this House are trying to make the people believe we are introducing a new tax. All I am asking those members is that they be decent, and tell the people the truth in this matter.

Hon. L. Craig: You are trying to pretend that you are not imposing taxation.

The CHIEF SECRETARY: When in Opposition I always fought fairly and I ask members to do likewise.

Hon. H. S. W. Parker: You have increased the freights on the railways.

Hon. L. Craig: What applies in this State must apply also in the other States.

The CHIEF SECRETARY: It is obvious, therefore, that the Commonwealth's wartime proposal that it should be the sole collector of these taxes ceased to be operative as from the 30th June last. It is now necessary, however, to review the Commonwealth's proposals regarding the collection of income tax. In 1946 the Commonwealth Prime Minister—Mr. Chifley—intimated to the State Premiers at a conference that it was the intention of the Commonwealth Government to make the Commonwealth the sole collector of income tax a permanent feature of Commonwealth-State financial relations. The Commonwealth Parliament in 1946 passed the States Grants (Tax Reimbursement) Act. Mr. Watson should note that it was 1946 and not 1943.

Hon. H. K. Watson: And will the Chief Secretary tell us what Mr. Chifley said when introducing that Act?

The PRESIDENT: Order! Will hon. members please let the Minister complete his speech.

The CHIEF SECRETARY: By that Act, the Commonwealth legislation dealing with income tax reimbursements and entertainments tax reimbursements was repealed. Section 5 of the Commonwealth Act of 1946 reads as follows:—

In respect of any year during which this Act is in operation and in respect of which the Treasurer is satisfied that a State has not imposed a tax upon incomes, there shall be payable by way of financial assistance to that State

an amount calculated in accordance with the provisions of this Act (other than this section), less an amount equal to any arrears of tax collected by or on behalf of that State during that year.

Hon. C. H. Simpson: Would not that enable the Commonwealth Government or the Grants Commission to possibly review the grant if the tax became operative in view of the fact that the Commonwealth had already reimbursed the State in regard to the tax?

The CHIEF SECRETARY: The hon. member knows that reimbursement by the Commonwealth Government to the States is made regardless of whether an entertainments tax has been imposed or not, and that in any State the basis of reimbursement is on population and the area concerned. The hon. member knows that, does he not?

Hon. C. H. Simpson: I am drawing the inference from what the Chief Secretary has just quoted.

The CHIEF SECRETARY: I do not know whether I read it very well, but what it means is that all that is taken into consideration is whether the State has imposed a tax upon income.

Hon. A. F. Griffith: No matter what taxes a State imposes upon its people, the Grants Commission will still grant the State its full reimbursement.

The CHIEF SECRETARY: All I am quoting is Section 5 of the Commonwealth Act of 1946. It will be noted that no reference is made to entertainments tax, the Commonwealth Act dealing with entertainments tax reimbursements having been repealed. The legal effect of the Commonwealth Act of 1946 was, therefore, that in order to obtain a reimbursement from the Commonwealth, the States had to satisfy the Federal Treasurer that they were not imposing a tax on incomes. The States could, however, have imposed an entertainments tax, but from the practical point of view, this was not possible, because the Commonwealth was continuing to impose a heavy tax on entertainments.

Hon. H. K. Watson: Because Mr. Chifley said that the one grant was to cover both entertainments tax and income tax.

The CHIEF SECRETARY: I am quoting from those Acts, and members cannot get away from them. The position now is that the State Act of 1942, suspending the collection of income tax and entertainments tax, ceased to operate as from the 30th June last, but in regard to tax on incomes, the State must not collect this tax if it wishes to be eligible to obtain a reimbursement from the Commonwealth under the Commonwealth Act of 1946. It will be noted that it is proposed to amend the State Act of 1942 to continue the suspension of the imposition and collection of tax on incomes until Parliament otherwise decides. The position with the enter-

tainments tax is, however, different. A State does not have to satisfy the Federal Treasurer that it is not collecting an entertainments tax in order to obtain a reimbursement under the Commonwealth Act of 1946.

Hon. L. Craig: We know that.

The CHIEF SECRETARY: Evidently members do not, because the remarks made during the debate have indicated that we have been paid the entertainments tax for this year.

Hon. A. F. Griffith: The Chief Secretary has just quoted the Commonwealth Act of 1946. That is not the date of the State's reimbursement.

The CHIEF SECRETARY: I am not talking about the reimbursement; I am talking about uniform taxation. It was the legislation governing that tax that absorbed all the other taxes. That is the legislation I am speaking about. It has been said in debate in this House, not once but repeatedly, that as a result of the reimbursement obtained from the Commonwealth we have already been recouped for the entertainments tax collected by the Commonwealth for this year.

Hon. N. E. Baxter: That is correct.

The CHIEF SECRETARY: I do not know whether the hon. member can read English or not, but he has not taken into account that reimbursement for income tax was made.

Hon. N. E. Baxter: It is implied in the wording.

The CHIEF SECRETARY: I do not care what is implied, but it is in the Act.

Hon. L. Craig: Premiers in other States have agreed that they have been reimbursed.

The CHIEF SECRETARY: If that is correct, it is not my fault. I hold myself responsible for anything I do, but not for something that anybody else does. The State is legally entitled to impose this tax without losing its rights to reimbursement. It is true that when informing the Premiers in 1946 of the Commonwealth's intention to be the sole collector of income tax, the then Prime Minister—Mr. Chifley—advised the Premiers that the total amount of the reimbursement payments included a reimbursement for entertainments tax. It is also true, however, that the State Premiers, at that time, were not satisfied with the total amount of the reimbursement payments, and evidence that the Commonwealth Government agreed that the amount was inadequate is shown by the fact that the total amount for the reimbursements calculated on the formula appearing in a Schedule to the Commonwealth Act of 1946, has been increased year by year by the Commonwealth Government by payment of supplementary grants.

In his speech, Mr. Watson made the point several times that the sole purpose of the Commonwealth Government in

abolishing entertainments tax was to relieve the family budget—I heard that repeated again tonight—particularly in regard to the man in the lower income group. It is questionable whether Mr. Watson really believes this statement himself.

Hon. H. K. Watson: Mr. President, on a point of order, I would like the Chief Secretary to withdraw that remark.

The CHIEF SECRETARY: If there is any offence taken by the hon. member I will withdraw it willingly, but the hon. member should know that I said it was questionable.

Hon. L. Craig: You were imputing.

The CHIEF SECRETARY: I said it was questionable. However, if the hon. member takes offence, I humbly apologise.

Hon. H. K. Watson: I heard the Chief Secretary refer to the observance of the Standing Orders earlier this evening.

The CHIEF SECRETARY: It is quite obvious that the relief granted to the family budget by the abolition of the entertainments tax would be almost infinitesimal. The real intention of the Commonwealth Government in abolishing entertainments tax was to make a pre-election gesture. I would think that everyone accepts it in that light. Mr. Watson went on to demonstrate his point that the State Government's proposals to impose entertainments tax are "financially unwise, dangerous and possibly futile" by saying that the Federal Treasurer could deduct from the amount of the supplementary grant any collections by the State of entertainments tax. This may be so. It has to be remembered, however, that the supplemental amount of the grant paid by the Commonwealth Government is paid by that Government purely as an act of grace, and the whole of it could be discontinued by that Government. So whether we submit legislation for the introduction of the entertainments tax or not, the Commonwealth Government could take it away from us.

Hon. H. K. Watson: It is a "monty" that Sir Arthur Fadden will take it away.

The CHIEF SECRETARY: It is most unlikely that the Federal Treasurer would take such a step. It is somewhat strange to find a supporter of the present Federal Government warning a State Treasurer not to impose taxation when only recently the Prime Minister, supported by the Federal Treasurer, warned the State Premiers that the Federal Government proposed to hand back to the States their full taxing powers. In making that statement, the Prime Minister emphasised that, in his opinion, it was anomalous for the Commonwealth Government to be collecting tax, part of the proceeds of which would be spent by the State Premiers with

no responsibility for raising it. Now we are to spend it, we are taking the responsibility for raising it.

Hon. L. Craig: That is all I was asking you to do. You were trying to avoid the responsibility.

The CHIEF SECRETARY: In what way?

Hon. L. Craig: You said—

The CHIEF SECRETARY: I said we were imposing an old tax.

Hon. A. F. Griffith: I will now repeat to you my other question. Why not let the Bill go for another couple of weeks until we can give it full consideration?

The CHIEF SECRETARY: It will be fully considered. I would like members to take particular notice of what I now have to say. If this State did not impose entertainments tax and other States did—and we know that other States are doing so—our position in relation to the Grants Commission would be affected. From newspaper reports, it appears that Queensland, Victoria and Tasmania propose to impose an entertainments tax. We would be adversely affected if they did so and we did not. As members know, the Grants Commission, in assessing the amount of the special grant to be paid to the State under Section 96 of the Constitution, has regard to the severity of the taxation raised by a claimant State. If other States impose an entertainments tax and we do not—

Hon. L. Craig: They propose to.

The CHIEF SECRETARY: The hon. member does not know what their position is. It may be entirely different to ours.

Hon. L. Craig: The Chief Secretary is very fully informed on those matters.

Hon. A. F. Griffith: The newspaper that I have here states that New South Wales does not intend to impose the tax because it is in fear of losing the Maryborough by-election.

The CHIEF SECRETARY: They are like some people in Western Australia; they are trying to make political capital out of it. If other States impose an entertainments tax and we do not, the amount of the grant otherwise recommended for payment to us by the Grants Commission will be reduced. Mr. Watson suggested that exemption up to 1s. 6d. is too low, and it should be raised to an admission charge of 4s. If this were done, the amount of tax to be collected would be seriously reduced. It is estimated that the Government's present proposals for entertainments tax will yield about £200,000 per annum. If exemption were granted up to and including 4s., about £160,000 of the tax would be lost.

Hon. L. Craig: It is not suggested that you should do that.

The CHIEF SECRETARY: It could not be seriously contended that the State's proposals for entertainments tax would impose any burden even on the person in the lower income group, or would act as any deterrent to a patron of any amusement on which entertainments tax was imposed.

Hon. H. K. Watson: That shows how unjust and harsh the tax is.

The CHIEF SECRETARY: I am sure that when we take the Bill into Committee we will listen to any suggestion put forward by the hon. member whereby we can obtain the £200,000 by some other means.

Hon. H. K. Watson: I will be pleased to do it.

The CHIEF SECRETARY: I repeat, I will be pleased to listen to such suggestions. To listen to them! Mr. Simpson followed much the same lines as Mr. Watson. It may be that I did not hear him correctly, but if I did, then I am afraid the hon. member was a little confused. He said that when the Commonwealth took over entertainments tax, the rates were substantially reduced. This is, of course, incorrect. They were substantially increased.

Hon. C. H. Simpson: No, I do not think I said that.

The CHIEF SECRETARY: Well, evidently I did not hear the hon. member correctly.

Hon. C. H. Simpson: I did say that in 1933 they were increased by the then Government.

The CHIEF SECRETARY: The hon. member contended also that if it were impossible to avoid suspension of all the taxes covered by the State Act of 1942, then the State must impose, as from the 1st July this year, income tax, goldmining profits tax and hospital tax. It is true that legally the State is entitled to impose these taxes, but from a practical point of view, it would be unwise to do so, because if it did, it would then lose the right to obtain the reimbursement payments under the Commonwealth Act of 1946. The Bill proposes to suspend the collection of all income taxes until Parliament otherwise decides.

Hon. C. H. Simpson: That is the reason this Bill was introduced. That is admitted.

The CHIEF SECRETARY: But the entertainments tax is in a different category, since the Commonwealth has now ceased to collect it and repealed its Entertainments Tax Reimbursement Act in 1946. Mr. Simpson said that 60 per cent of the entertainments tax is now collected on admission charges of up to 3s., and therefore, State proposals will impose a heavy burden on those occupying the cheaper seats. This is not so, because the

State tax is actually lower than has been paid under the Commonwealth taxation, and it does not follow that those occupying the cheaper seats are necessarily those in the lower income groups.

Hon. C. H. Simpson: But the Commonwealth people have waived it altogether for the very reason I have mentioned.

The CHIEF SECRETARY: The State tax is a reduction on what the Commonwealth was collecting. If it was such an impossible burden, then I have not heard one word of protest in this Chamber over the years against what the Commonwealth has been collecting.

Hon. H. S. W. Parker: You should go to the box offices!

The CHIEF SECRETARY: We have had Address-in-reply debates here for years, and I have not yet heard one complaint on that score.

Hon. Sir Charles Latham: We would not interfere with another Government, surely!

The CHIEF SECRETARY: I have not heard one complaint from the hon. member or from any other member in this Chamber. Not one word of complaint has been uttered. I have heard members talk about old-age pensions and lots of other matters, but I have never heard one word of complaint over the years about what the Commonwealth Government has been collecting in entertainments tax. And do not forget that it has been collecting possibly double what the State will collect from now on! It was all right for the Commonwealth Government; it could have that large amount. But when we propose to take only half, it is a terrible thing. Is there any substance in an argument that is based on those foundations?

Hon. N. E. Baxter: The argument was that you were doubling up.

The CHIEF SECRETARY: We are only taking 50 per cent.

Hon. J. M. A. Cunningham: That will comfort the electors a lot!

The CHIEF SECRETARY: Mr. Simpson quoted from a statement made by Mr. R. O. Starr to the effect that no cinema charged as low an admission fee as 1s. 6d.

Hon. C. H. Simpson: That is in the city.

The CHIEF SECRETARY: He said that therefore a remission of the tax up to and including 1s. 6d. would not help. That is not correct, as the Mayfair theatre had been charging 1s. 6d., including the Commonwealth tax.

Hon. C. H. Simpson: With that exception, a minor one.

The CHIEF SECRETARY: The hon member did not say that. People make statements that such a thing is not be-

ing done. When we produce evidence that it is, they say "It is only a minor one." What a ridiculous position for people to take up! Again I repeat, why not be fair to the public? That is all I ask. It has to be remembered, of course, that Mr. Starr is a prejudiced person, since he represents the motion picture industry. It must also be remembered that if Mr. Starr's suggestion to abolish tax up to and including an admission charge of 4s. were carried out very little tax would be collected.

Hon. N. E. Baxter: That is more or less in line with Victoria's proposal.

The CHIEF SECRETARY: Yes, but Victoria has an entirely different population to this State; and the amount of tax, even on the same basis in Victoria as here, would be fabulous compared with what we collect.

Hon. N. E. Baxter: They have a lot more necessitous people, too.

The CHIEF SECRETARY: They may have, but that does not make any difference. It is all very well to point to what Victoria is doing in regard to some matters; but if someone else quoted what was being done in a different direction, the hon. member would say, "This is Western Australia, and not Victoria, and we are judging what is best for this State and not worrying what other States are doing." Mr. Simpson also quoted from a speech made by the Premier at Northam, before the elections, in which the Premier stated that it would be his Government's intention to help the man in the lower income group, particularly in regard to electricity and gas charges and water rates. Entertainments tax is, however, in a different class. The Government considers it is right for those who attend entertainments to pay a tax on such entertainments. Electricity, gas, and water are essential amenities in any household, but even the lower-income earner is free to choose whether he will spend his money on an entertainment or not.

The surprising point was made by Mr. Simpson that admission charges to pictures in Western Australia are lower than they are in the Eastern States, and to the best of his knowledge, lower than they are in the United Kingdom. If that statement is true, there is no need for Mr. Simpson to worry. Even with the imposition of the State entertainments tax, they may still be lower. Therefore, the lower-income earner in this State is in a better position than his fellow in the Eastern States or the United Kingdom.

It was also said by the hon. member that the revenue collected from the proposed State entertainments tax will be such a small proportion of the State's total revenue as to constitute a poor return against the Government's declared intention to give all possible consideration to

those in the lower income group. The fact is that it will yield £200,000 a year, and with that sum available, the Government can give much needed help to worthy organisations now operating under great difficulties on account of lack of finance.

Hon. A. F. Griffith: Does the Minister think the Federal Government would have willingly discontinued levying this tax if it thought the States would hop on to it straight away?

The CHIEF SECRETARY: The reimbursement the States receive from taxation is in respect of income tax and not entertainments tax.

Hon. A. F. Griffith: What you will not do is answer questions unless it suits you, you.

The CHIEF SECRETARY: I want to tell members the true position regarding loan funds, and I deal with this matter because we are discussing finance and it is finance that is required very desperately by the Government.

Hon. H. S. W. Parker: Will you be able to connect your remarks with the Bill?

The CHIEF SECRETARY: If this does not relate to funds, what does? Of the £20,750,000 loan funds available, £3,750,000 has been specifically allotted for housing purposes under the Commonwealth-State Housing Agreement. This leaves a balance of £17,000,000 for the general works programme. Of the £17,000,000 the State Electricity Commission is expected to raise £2,000,000, and loan repayments are estimated to provide £1,000,000. The balance of £14,000,000 is the State's allocation of loan funds through the Loan Council. The £2,000,000 for the State Electricity Commission is not an allocation to the State, but is simply an approved borrowing programme, while loan repayments are the domestic concern of the State and form no part of the allocation to Western Australia through the Loan Council.

Hon. C. H. Simpson: Is not loan money raised in the State additional to loan allocations from the Federal authority?

The CHIEF SECRETARY: No. The loans raised by concerns such as the State Electricity Commission cannot be expended by the Government. The Under Treasurer reports that of the expected amount of £17,000,000, the sum of £11,344,000 would be required to meet contracts entered into by the previous Government. So the previous Government left us that little swinging debt of over £11,000,000.

Hon. N. E. Baxter: Does that include Kwinana expenditure?

The CHIEF SECRETARY: Be patient a moment, will you! This total commitment embraced the following amounts:—

	£
Railways .....	7,076,600
Tramways .....	10,000
State Electricity Commission .....	1,921,000
Public Works Department Engineering .....	465,300
Public Works Department Architectural .....	1,136,300
Metropolitan Water Supply .....	77,900
State Housing .....	348,500
Charcoal Iron Industry .....	8,000
State Hotels .....	2,400
State Shipping Service .....	300,000
<b>Total .....</b>	<b>£11,344,000</b>

That is the commitment left by the previous Government that we have to meet out of the £17,000,000.

Hon. H. S. W. Parker: Legacies from another Government!

Hon. Sir Charles Latham: The Chief Secretary is getting away from the Bill.

Hon. A. F. Griffith: What is the Minister trying to get at?

The CHIEF SECRETARY: I am trying to show that it is necessary for this Government, and it would be necessary for any other Government in power to carry out the taxation proposals that the State has a right to carry out, because of an acute financial position, for which, in this instance, the present Government is not entirely responsible. I am not blaming the previous Government for leaving us over £11,000,000 debt to be paid this year. I am merely stating what the position is.

Hon. A. F. Griffith: On that line of reasoning you would have imposed an entertainments tax whether the Federal Government vacated the field or not.

The CHIEF SECRETARY: I am not saying that the tax would not have been imposed, in view of the acute financial position, whether the Federal Government vacated the field or not. I am telling the hon. member that it is not due to any action of this Government that it is in such an acute financial position.

Hon. Sir Charles Latham: I think you have had a good go!

The CHIEF SECRETARY: In addition to the amounts I have already mentioned, £2,894,500 was earmarked for works at Kwinana, which left the large sum of £1,761,500 for other works. An additional £1,819,500 was found by arranging to pay off deferments in June, 1953, to the value of £1,403,000, and deferring payment to the Commonwealth of the £300,000 due in respect to the purchase of the "Kabarli."

The question might be raised as to how we were able to make such a substantial cash payment in June, 1953, in reduction of deferred liability. This was made possible, in the main, through the substantial

reduction in Government Stores holdings, which was achieved by the Government during the five months to the 30th June, 1953. By reduction of stocks and using the moneys thus released to meet deferred payments, this Government was able to save a considerable sum which would otherwise have been due in interest. In 1952-53 the Government received an income tax reimbursement of £10,854,554 from the Commonwealth as against a total of £11,192,000 in 1953-54, plus £6,000,000 from the Commonwealth Grants Commission.

Regarding that £11,000,000, we received a 4½ per cent. increase on the amount received by the previous Government, but that 4½ per cent. does not nearly meet the increased expenditure owing to basic wage rises. I think I have said enough—

Hon. Sir Charles Latham: We thank the Minister for his Budget statement!

The CHIEF SECRETARY: I think I have said enough regarding taxation. I am hoping that we can take the Bill into Committee tonight and make some progress. I leave the matter in the hands of members.

Question put and passed.

Bill read a second time.

*In Committee.*

Hon. W. R. Hall in the Chair; the Chief Secretary in charge of the Bill.

Clauses 1 and 2—agreed to.

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

Hon. C. H. SIMPSON: The amendment I now propose puts the Bill in order in a sense, because Clause 3 would have the effect of making this portion of the Act apply only until the 30th September. To-day is the 6th October. The Bill, if amended, has to be agreed to by another place and then has to be assented to, so it will probably be a fortnight, before it becomes an Act. The words "until the 30th day of September" would leave a hiatus between that time and the date when the Act is proclaimed. The effect of the two amendments I propose will be to put Section 4 of the Act into exactly the same category as the other three. The amendment I shall now move will tidy up the Bill. I move an amendment—

That in line 1 of paragraph (a) after the word "two" the word "four" be inserted.

The CHIEF SECRETARY: Mr. Simpson said he wanted to tidy up the Bill. I prefer to have an untidy Bill. I ask members not to accept the amendment.

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

Ayes .....	12
Noes .....	10
Majority for .....	2



Ayes.

Hon. N. E. Baxter	Hon. J. G. Hislop
Hon. L. Craig	Hon. J. Murray
Hon. L. O. Diver	Hon. C. H. Simpson
Hon. Sir Frank Gibson	Hon. J. McI. Thomson
Hon. A. F. Griffith	Hon. H. K. Watson
Hon. H. Hearn	Hon. J. Cunningham

(Teller.)

Noes.

Hon. C. W. D. Barker	Hon. Sir Chas. Latham
Hon. G. Bennetts	Hon. F. R. H. Lavery
Hon. E. M. Davies	Hon. A. L. Loton
Hon. G. Fraser	Hon. H. C. Strickland
Hon. E. M. Heenan	Hon. R. J. Boylen

(Teller.)

Amendment thus passed.

Hon. C. H. SIMPSON: I move an amendment—

That in line 5 of paragraph (a) the word "and" be struck out, and that the whole of paragraph (b) be struck out.

The purpose of this amendment is the same as that of the other. If Section 4 is now included in paragraph (a), then, of course, the words here become redundant.

Hon. H. K. Watson: It is really consequential.

Hon. C. H. SIMPSON: Yes. We have now agreed to re-establish Section 4, which applies to the Entertainments Tax Act. The words are in conflict with the alteration we have just agreed to.

The CHIEF SECRETARY: I hope the Committee will not agree to this amendment. Mr. Simpson says it is consequential, but I do not know that it is. This Act has been in operation again since the 1st July, but the Bill seeks to carry the suspension on from the 30th June to the 30th September. There is a possibility that, if this amendment is agreed to, complications may arise.

Hon. C. H. Simpson: They will arise if it is not agreed to.

The CHIEF SECRETARY: I think the hon. member should be satisfied now that he has had the first amendment carried.

Hon. A. F. Griffith: What complications do you think might arise?

The CHIEF SECRETARY: I do not know. The tax has been in operation since the 1st October, and the extension of the suspension is not required beyond the 30th September. If we agree to this amendment, an anomalous position might arise. The whole question can be discussed at a conference.

Hon. A. F. GRIFFITH: I think the 30th September has been used as the date for suspension because that is the day before the Commonwealth Government intended to give relief from entertainments tax.

The Chief Secretary: That is so.

Hon. A. F. GRIFFITH: The Chief Secretary apparently anticipates that the Government might have to refund some of its tax.

The Chief Secretary: How could it do that?

Hon. A. F. GRIFFITH: That is the point, and therein lies the whole crux of the argument. Because of the Premier's dogmatic attitude in saying that the tax will come in whether we like it or not, we are in a position where it is difficult to know what to do with an amendment. A couple of weeks' consideration could have been given to the whole position so that it could have been sorted out. I support the amendment because there will have to be a conference, and the whole matter can be discussed there.

Hon. H. S. W. PARKER: I think this amendment must be carried. If the Bill in its present form became law, Section 4, dealing with entertainments tax, would read that the suspension of the tax would continue until Parliament indicated otherwise, and then it would go on to use the words "until the 30th September, 1953".

Hon. C. H. SIMPSON: I think there has been some misunderstanding about this. I realise that the Chief Secretary and the Government want the Bill to be passed so that the tax can be collected, on the new scale, under the authority of the measure. The Bill was framed on that assumption, but that has not happened. Members agreed that the debate on this measure should be adjourned so that they could give it due consideration, and since that time the wording of the Bill has got out of line with what has happened. We desire now that the Entertainments Tax Act should be bracketed, as far as this particular suspension Bill is concerned, with the other three, and have exactly the same treatment. This is only a consequential amendment, and it should be agreed to. If the words are allowed to remain, the Bill will become useless.

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

Title—agreed to.

Bill reported with amendments and the report adopted.

*Third Reading.*

Bill read a third time and returned to the Assembly with amendments.

ADJOURNMENT—SPECIAL.

THE CHIEF SECRETARY (Hon. G. Fraser—West): I move—

That the House at its rising adjourn till 4.30 p.m. on Tuesday, the 13th October.

Question put and passed.

*House adjourned at 10.53 p.m.*