profit and loss accounts shall be prepared and submitted to the Auditor General.

Hon. W. C. Angwin: What does Section 22 provide?

The MINISTER FOR WORKS: I have not come to it yet.

Hon. W. C. Angwin: Because you have always failed to comply with it.

The MINISTER FOR WORKS: The hon. member makes his charges in a good-humoured way. I am merely proffering a little explanation for those members who were not in the House when the Trading Concerns Act was before us. Section 23 provides that interest shall be payable to the Treasurer. In addition there are a number of provisions in the Trading Concerns Act, every one of which is applicable to any trading concern that may be brought under the Act. I have taken what seemed to me to be the most salient sections of that Act to explain to hon. members who, however, can readily refer to the Trading Concerns Act of 1917, where they will see for themselves how we stand. The principal trading concerns, the sawmills, the brickworks, and the implement works, were brought into being by the Scaddan Government.

Mr. SPEAKER: This Bill does not deal with any of those.

The MINISTER FOR WORKS: But if I may be permitted to say a few words I will not take more than a moment or two. Those concerns were established by the Scaddan Government in pursuance of the views which they then held, and which, I think, members of that Government hold even now.

Hon. P. Collier: All Parliament holds those views now.

The MINISTER FOR WORKS: If that is so the hon. member will have even more than the twelve apostles to follow him. At the time these concerns were brought into being it was stated by the Scaddan Government that in their accounts and conduct generally they would be treated exactly in the same way as a private business. The amendment of the Act during the late Mr. Frank Wilson's tenure of office was simply to bring them a little more closely up to that standard than the original Bill had done. It is not that I do not believe the Scaddan Government did everything which they thought was needed; but we found in practice that even more was required, and so we amplified the provisions. The accounts are being kept to-day, in fact for some years past, almost since their inception, they have been kept, on exactly the same lines as the accounts of any up-to-date business in any part of the world. So when members hear certain authorities on finance, such as the president of the Chamber of Commerce, making wild statements in regard to the trading concerns, those members may feel assured that the trading concerns are being run on business lines, and that therefore they may defy the criticism of the Chamber of Commerce in that respect. I move—

That the Bill be now read a second time.

On motion by Hon. W. C. Angwin debate adjourned.

House adjourned at 9.5 p.m.

Legislative Council,

Tuesday, 2nd September, 1919.

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

MOTION—TAXATION ON UNIMPROVED LAND VALUES.

Hon. J. E. DODD (South) [4.33]: I move—

That in the opinion of this House a tax should be levied on the unimproved value of land to meet the interest charges, or part of the interest charges, on the railways, and a corresponding reduction made in freight charges.

In submitting this motion I am not unmindful of the fact that two and a half years ago I asked the House to consider one of a similar nature. However, it was not debated, but I think with the exercise of patience and perseverance I may induce the House to carry it on this occasion. I may point out that since that time quite a number of organisations and societies have carried resolutions in favour of this principle. The Australian Natives Association have carried such a resolution, and they are doing all they possibly can to induce most of their branches to push the matter forward. The National Labour party at their last conference also affirmed the principle, and the Official Labour party have placed the question of land values taxation in the very forefront of their programme. The Moderator of the Presbyterian Assembly in his annual address drew attention to this reform and urged that something should be done. Further, quite a number of returned soldiers associations are also asking that something be done in this direction. One of the most important bodies of all, the Coun-

try party, at their last conference also carried a resolution in favour of a tax on the unimproved value of land, and they went further than I am asking the House to do at the present time. They asked that the interest and sinking fund be borne by taxation on the unimproved value of land. No sinking fund, however, is charged against the railway deficit. The Country party, who were always opposed to anything in the shape of land values taxation, having taken up the matter, this House will do well to debate it and see whether there is anything in the principle, and whether or not it should be adopted. First of all I would like to draw attention to the primary industries, because the success of our railways is built upon the success of the primary industries. If these industries fail, the railways must fail, and so it is well to take stock for a few moments of the position of those industries. The first I would draw attention to is that of gold mining, and I would like to contrast that industry to-day with what it was, say, in 1901 or 1903. Anyone who travelled on the goldfields in the earlier days and who may travel there to-day cannot but be struck by the terrible shrinkage there is in the population as well as in the gold returns, while a general air of depression is noticeable in most centres outside of Kalgoorlie. I may mention such one-time flourishing towns as Kanowna, Kookynie, Menzies, Davyhurst, Bardoc, Kurnalpi, and places on the Murchison such as Sandstone, Mt. Magnet, Cue, and Day Dawn. A large number of those towns are reverting back to the aboriginal and to the rabbit, and the men who once worked there are gradually coming in to the bigger centres to work in a few deep mines. I am sorry to say that the products of those deep mines are gold and miners' complaint. The cost of working the mines to-day is compelling thousands of men to abandon work in outside places. It is only necessary to mention the output of 1903 and compare it with the output of 1918, to show what I mean. In 1903 the output was two million ounces. In 1918 it was 876,000 ounces. The total yield of gold from our mines is worth 138 millions sterling, and the dividends paid total 27 millions sterling. Those are big figures and, as I say, it would be well for us to try to discover the cause of this decline and see whether we can do something to remedy it. We must bear in mind in connection with the goldfields what the men employed there have to put up with. Not only has there been a shrinkage in the values of many mines, but to-day the wages are lower than they were 20 years ago. Despite all the immense increases in wages which have taken place right throughout Australia in various other callings, the wages in the gold-mining industry are lower to-day than they were 20 years ago. True, the hours are shorter—they are 44—but the fact remains that the wages are not as high as they were. A lot of people will say that it is all very well to talk, but that if the gold is not there it is impossible to meet with success. I think I am safe in saying that those who have eyes with which to see and brains with which to think will realise that gold is still there. From Kanowna to Southern Cross and to Westonia from east to west, and from Peak Hill to Norseman from north to south, I guarantee one could put a shovel in any part of auriferous ground and get colours. There are millions of tons of ore. People sometimes laugh at the idea when it is suggested that the goldfields are as good to-day as they were 20 years ago. I admit we may not be likely to get phenomenally rich finds such as those which were made at the Wealth of Nations in Coolgardie and at other places in Kalgoorlie, but there is an immense amount of rich ore-bearing material that will pay to work, provided of course that we can bring the cost down. I may also refer to the farming industry and point out how we stand there. Throughout our farming areas and throughout our goldfields as well, there is a huge network of railways and some of them are the finest equipped in the world. The railway running between Kalgoorlie and Menzies is one of the best equipped we know of, and so it is in other districts. Let us look at the farming industries and realise what is going on there. A few months ago I took a short trip through one of the farming areas and one thing that struck me in those country towns was the class of building to be seen. We find a nice police station, good education quarters, a nice bank, a palatial hotel and all public conveniences fitted out very comfortably indeed, but on going to the farms what do we see? There is a striking contrast. The majority of the settlers to-day are living in humpies. Certainly there are a few prosperous farmers, but most of them are living, as they all do in the early pioneering stages, and I do not think they will get out of that stage unless we can make the cost of farming less. When we come to consider the area of good land we have—I do not say we have such good land as there is in the East—but we have big areas of patchy land, a great portion of which is good, and in spite of the easy nature of the clearing and the use of modern implements, we find that it will not pay to grow wheat at 3s. a bushel. Indeed, in 1917 it cost 6s. 9d. a bushel to produce wheat. We must realise that at the present time things are in a pretty bad way in connection with farming operations. There are no fewer than 900 abandoned farms in the State, while the sum of one million sterling has been advanced by the Industries Assistance Board and I do not know how many millions by the Agricultural Bank. Let us ask the reason why we are in such a bad way. It is simply a matter of cost, and if we can get the cost down we might have a possible chance of making farming successful. In regard to our orchards, almost the same state of affairs exists. Mr. Nicholson in his speech the other day, very forcibly pointed out some of the difficulties orchardists were subjected to. We know that a number of them cannot make a living from

their holdings. There are hundreds who work away from their orchards during the day and put in whatever spare time they have in the evenings and on Sundays on their own properties in the hope of making them pay. The goldfields cannot get the fruit that they would like to have. They get fruit certainly, but they cannot get it in the quantities that they would take if it could be sent up at a reasonable cost. Places like Denmark and other orchard and garden growing centres are almost on their last legs because they cannot get their fruit and vegetables away. Hon. members representing south-west areas know that the producers there cannot get the sale for their products they ought to. If there was any means of getting them to the goldfields and other centres more cheaply, a much increased quantity could be taken. So far as the timber industry is concerned, the companies connected with it may have done well, but I do not think the men engaged in it are getting wages that are extraordinarily high, or that they are living in palaces.

Hon. J. Nicholson: The timber companies have not done well.

Hon. J. E. DODD: That is a further reason for the argument I am trying to put before the House. For a long time past the timber companies have been seeking to bring about a reduction of railway freights. I see by the report of the Forestry Department that something like 500,000 tons of wood is annually burnt at the timber mills because there is no sale for it. Last night, for instance, which was very cold, there must have been hundreds of families in Perth who had no fuel available with which to make a fire to keep themselves warm. Firewood is almost at a prohibitive price in Perth, namely, 12s. 6d. for a half load. How much wood would a man earning 10s. or 12s. a day be able to buy? The only primary industry I know of that is doing well is the pastoral industry, and there are many reasons why that is so. The war is responsible for much of this prosperity, and those connected with it have not had the charges to meet that have had to be met by many other industries. I should now like to draw attention briefly to the cost of our railway system. The total capital cost, according to the returns for 1918, was something like £18,000,000, the earnings were £1,816,000, and the expenses £1,451,000, leaving a deficit after paying interest charges of £289,000. The interest amounted to £654,059. I find that our railway system for a population of, say, 320,000, extends over 3,491 miles of railway open for traffic, and that there are 160 miles of railway under construction, and, I think, 900 miles of private railways. That is one mile of railway for every 70 persons. If we take the State railways only, we find that there is one mile of railway for every 80 persons. Although it has been stated in the House that the land along the railways has all been selected, I should like to point out that it has not all been developed. There are hundreds and thousands of acres which have not been developed, and will not be developed for many years to come unless we alter our method of dealing with them. The principal charges from which our railways derive their revenue are, first of all, passengers £519,000, parcels and horses £74,000, goods and minerals £1,013,000, and livestock £38,000. That is an immense charge upon the people. Unfortunately it is the people who are going out into the wilderness, whether they be farmers, shearers, squatters, or others engaged in pioneering work, who are paying most of these charges. I should like to further examine the figures for goods and minerals. I find that coal, coke, and charcoal make up a total of £48,000, wool £36,000, ores and minerals £47,000, hay, straw and chaff £47,000, wheat £129,000, other grain and flour £66,000, firewood £59,000, local timber £109,000, fruit £49,000, fertilisers £12,000, and all other goods £405,000. It must be apparent to anyone who examines these figures that an immense increase is added to the cost of living by these charges. Let us consider the item of local timber, £109,000, and then think of what a man must pay in order to get sufficient timber with which to build a house. Let us also take other goods, £405,000. I suppose that refers chiefly to groceries and clothing, etc. There is also £129,000 for wheat. The figures are phenomenal. There is something over one million pounds charged for goods and minerals to the people who are using the railways. I want to point out the difference in treatment meted out to the user of the railways and the user of the roads. We ask the user of the railways to pay every charge. He has to pay the cost of maintenance, and the cost of construction, and is asked to pay the interest charges. Almost every charge, except that of sinking fund, up to date has been charged against the user of the railways. The user of the roads, however, is treated very differently. He simply pays a license fee for his vehicle, and that is all. I suppose the amount of the license fees is infinitesimal as compared with the cost of constructing the roads.

Hon. Sir E. H. Wittenoom: There are plenty of road rates.

Hon. J. E. DODD: I know. If we could place the cost of running the railways on the same basis as the roads it would be very much better, but we do not even do that. It is the man who pioneers the outback portions of the State who uses the railways most, and yet he is the man who is called upon to pay most. Why should the public have to pay out of the national exchequer for the upkeep of the Fremantle-road, for instance, whilst the man who uses it is only required to pay a license fee, and the user of the railways has to pay all charges? Let us take the case of the road from Kalgoorlie to Boulder. A large amount of money has been spent on

that road from the national exchequer. Why should the main roads be built out of public money, and the man who uses the railway pay every charge in connection therewith. We cannot possibly justify such a system. Undoubtedly, freights fall harder upon the miner, the shearer, the squatter, the mine owners, and other people living in the country than they do upon those who live nearer the centres of population. The railways are creating land values to a large extent along the route they run, and more especially do so at the terminal points. This also applies to the State steamers, except that there is no cost of keeping up a roadway. That is free and open to all. I should like to give an instance of how values are being created by our railway system. Railways do not create all the values, but they do create a large percentage of them. Let us take the case of the land which was owned by Mr. Perry, between the municipal endowment blocks and Leederville. The value of that land was £18,000. This, at all events, was what Mr. Perry obtained from the city council. All the improvements on the land consist of a lime kiln and, I think, a four or five-wire fence. There is no other improvement except possibly a well. The city council are paying to Mr. Perry nearly £1,000 per annum in interest for this land. Its value has been largely created by our railway system, by the people settling in and around that land, and by the tramway system. Those who have made the values, however, are compelled to pay the cost. In addition, I believe the Perth City Council are going to cut up a large number of lots for the benefit of soldier settlement. These will be sold to the soldiers, who will have to pay the enhanced price on this land for which they fought, and out of this £1,000 a year Mr. Perry will be able to buy war bonds, and obtain interest upon them. I heard one gentleman say that this land is not near a railway and that it cannot be said that the railways have created this value. It seems to me almost too childish to argue. The railway is within three miles of this land, and it certainly has affected the increased price of it. Let us take the case of the Keane's Point property. A number of public spirited men, such as Mr. Lovekin, Mr. Boan, Mr. Quinlan, and others, acquired that property for the benefit of the people. They had considerable trouble in getting hold of it for the sum of £5,000, as £7,000 was asked for it. I should like to sketch briefly the history of that land at Freshwater Bay. An interesting publication has been issued by Mr. Lovekin dealing with this land. It shows a greater appreciation in land values in Western Australia than in any other instance I know of. The publication runs as follows:—

> In the reign of His Majesty King William IV., "of pious memory," as legal documents of the period designated him, when Governor James Stirling was ruler of this then Crown colony, one John Butler, "an innkeeper" at the Half-way Place on the old Perth-Fremantle road, was given a grant of 250 acres along the north bank of the Swan River, known as Freshwater Bay. This grant was made to Butler "in consideration of certain location duties performed to the satisfaction of the Governor." The date of this grant was 10th January, 1835. It would appear, however, that at a still earlier date John Butler was in actual possession of the block, which was known as Location 84, and which comprised 250 acres. The proof of this is that at a still earlier date, by an instrument dated 11th July, 1832, a deed poll, given under the hand and seal of John Butler, was executed as a charge on the land in favour of Peter Brown, Colonial Treasurer, for an advance of £16: the deed "comprising all that block of land on the north side of the Swan River known as Prospect Place." John Butler was evidently a progressive colonist, and infected others with faith in the future of the colony, for, on 13th December, 1834, he executed another deed poll over this block and other property on the Avon River, as security to Robert Broadhurst Hill, of Liverpool, England, for an advance of £200; the block 84 being described therein as "the farm and pasture lands at Freshwater Bay." In 1848, on 10th May, Mr. Hill gave a deed of release over this property, "originally known as the 'Half-way House' grant by the Crown to John Butler." It is thus clear that the "Half-way House," or inn, was erected in the locality known as "Prospect Place." John Butler appears to have died in 1847, for his will was proved on 1st August of that year. It discloses the fact that he left a widow, Ann Butler, two sons, "William Burton Butler, of Perth, gentleman," and "John Burton Butler, of New South Wales," and a daughter (Ann) who married "Mr. Horace Sampson, of Port Phillip, gentleman." Again is the property described as "now, or originally known as the 'Half-way House.'" Up to this time all the transactions in the property were under the old Middlesex system of conveyancing, which, in Australia, was replaced by the Torrens Act, and in this State took the form of the "Transfer of Land Act, 1874." In 1886 Mrs. Butler died in Victoria, apparently at the home of her daughter, Mrs. Horace Sampson, at Kew. Herbert James Henty, of Melbourne, the sole surviving trustee under Mrs. Ann Butler's will, made application to bring the land under the new Act, and a title was granted him on 15th June, 1886, as trustee, and it was immediately transferred by him to Horace Sampson, the son-in-law of Mrs. Butler. Henty's application for a title to the land had been made on the 9th October of the year previous, but was opposed by one Thomas Briggs, under caveat on the grounds of "adverse possession." Briggs, however, did not pursue the case further, for Hen-

ty's attorneys, Messrs. Leake and Harper, having formally notified the Commissioner of Titles of Briggs' withdrawal of his caveat, a title was then issued to Henty as Mrs. Butler's trustee on 15th June, 1886. Horace Sampson became the sole possessor of the land by transfer from Henty on 27th January, 1887, who, on the same day, mortgaged it to the Colonial Treasurer, the Hon. Anthony O'Grady Lefroy, for a loan of £250. On the 25th March, 1887, and while the mortgage to the Colonial Treasurer was still undischarged, Sampson sold the whole block of 250 acres to a syndicate of Perth citizens, the partners' names appearing on the deed of transfer are "George Leake, Charles Crossland, and Alexander Forrest, all of Perth, gentlemen," for the consideration of £3,750. The mortgage was paid off on 10th June, 1891, and the final registration to the new partners was made on 15th October following. During this period of escrow, the land had been cut up into sale allotments by Surveyor d'Arcy Irvine, of Mr. Crossland's office, and plan, now officially known as No. 422, was lodged with the transfer. This plan introduces a new name to the locality, for it is that of the new settlement to be designated "Peppermint Grove." As first divided into sections, and then further subdivided into allotments, the plans show that Section No. IV. constituted the water fronted peninsula or tongue of land marked on the maps as "Butler's Hump." This section, two months after (on 22nd December, 1891) the sub-division, was sold by the syndicate to Mrs. Lilla Rebecca Wharton Keane. It contains eight acres 31 perches, and the consideration given was £1,100. The last remaining allotments of Peppermint Grove were those between Butler's Hump and Mason Street, and they were transferred to Mr. Alex Forrest on 21st November, 1900.

It shows conclusively the appreciation that has taken place in the value of land in Western Australia. Had the late Mr. Alexander Forrest and Company sold all the land on the 1891 basis they would have received £34,000; in 1917 on Keane's valuation they would have got £125,000 for it, less the original cost and cost of subdivision. Thus, in 80 years the value of that land had appreciated something like £500 per acre. Today, I suppose, it is worth much more. I know of other land near the Old Men's Home at Claremont which was sold 12 years ago at £250 per acre. Suppose Butler had been given the whole of Perth, as he might easily have been, or suppose that the Government had given to a number of our earlier settlers the whole of the land, where should we be now? There would be just as much equity in giving almost the whole lot to those who came first as in giving what was given. Today that 250 acres of land at Freshwater Bay is worth probably a quarter of a million. The argument we adduce is that that land should be compelled to pay some of the charges for railway construction, since its enhanced value is due largely to railways. Take other estates. Consider the Mount Lawley estate. There we have scores of people who will work all their lives to get their homes, while a few men are receiving all the accrued value. The appreciation of land values was also to be seen in the sale of Mr. Levi Green's property the other day for £46,000, and in the offer for sale of Lord Forrest's property. Two or three years ago there was a reserve of £35,000 on that property. Although it will be said that a large amount has been paid in taxes, the fact remains that most of the taxes have been paid on improvements. It is true that a certain proportion is paid under the Federal land tax, but the greatest amount, as I say, is paid on improvements. Up where I am living there are eight corner blocks within two not very long streets. Four of those corner blocks are still vacant. If a man were to put up a house on one of those blocks he would pay for his industry, whereas the people holding those blocks are taking advantage of the industry of others, without paying a solitary cent. Nor is this confined to the locality to which I am referring; it is typical of the whole of Perth. Wherever one goes one can fine corner blocks held for the accrued value. Again, I might point to the Bon Marché Stores. Apparently a gentleman is anxious to sell his property because he has to pay an absentee tax; but just the same he is drawing £1,400 a year in rents for a 66ft. frontage. The man who has gone out into the wilderness is helping to make that property equally with those who are reaping the advantage. The incidence of our present taxation represents something like 44 per cent. for the metropolitan-suburban districts, 40 per cent. for country districts, seven per cent. for pastoral leases, six per cent. for "other towns," and one per cent. for the goldfields. Under the present appraisement, which is altogether out of date, having been made in 1906, the total land values represent £18,000,000. Probably land values have increased to more than double that figure. The farmer is beginning to realise where the land values are, and is beginning to see that a tax on land values will not hit him in the way he has always feared. Also a number of others are beginning to arrive at the same conclusion. I was interested in a remark made by the new Acting Railway Commissioner, Colonel Pope, at Albany the other day. He said it was a strange anomaly that, while people cheerfully submitted to pay the highest prices for commodities daily required, they protested loudly against any increases in railway freights. I should like to know from the leader of the House whether that presages increased railway freights. I am sorry that the first public utterance of the new Acting Commissiner should have been of that nature. If the new Acting Commissioner is going to run the railways simply from the point of view of making them pay, he will have the whole of the countryside out

against him. Had it not been for the agitation against the increases proposed a few years ago, the railway charges would have been further increased. They were increased during the term of the Scaddan Government and again during the regime of the Wilson Government, and if we are going to insist on the outback user of the railways making up the burden of the deficit through increased railway charges, I think the Government are up against an agitation such as they have not dreamed of. If Colonel Pope wishes to depopulate the country, he cannot do it more effectively than by increasing railway charges. I am loth to criticise any man newly in office, but I am sorry that the Acting Commissioner should have made the remarks he did at Albany, which seemed to me to indicate—especially since the Minister for Railways was present—that there is something in the minds of the Government not wholly unconnected with increased railway charges. This motion is not one for a single tax. I do not believe that a tax on land values is going to cure all the ills of society. There are those who can argue that a single tax ought to be brought into operation, and that a tax on land values ought to be the only tax. I am not one of those, but I must say I have never yet heard that argument successfully controverted. Some of the finest debaters I have ever heard are able to advance the ideal that the one tax on land values should be the only tax, and I believe there are in Perth to-day men prepared to go on the platform and debate it with anybody. However, I am not advancing that theory. All that I am advancing is that the land values of the State should help to pay some of the cost of our railways, because the railways have created the land values. During the Address-in-reply debate a couple of sessions ago Sir Edward Wittenoom and Mr. Carson appeared to get somewhat mixed in regard to land and land values. Mr. Carson said he would scientifically tax all undeveloped land, but would not tax land values. To tax undeveloped land only would be wholly unscientific. What I desire is to see a tax placed on the value of land, not on the land itself. Somebody asked me what the Western Australian Bank would pay under a land values tax. Of course it was a ridiculous question. The Western Australian Bank is built on very valuable land, which would have to pay its full share of taxation. The shareholders of the bank also are living in homes built on valuable land, and so would have to pay their share.

Hon. Sir E. H. Wittenoom: They pay land tax now.

Hon. J. E. DODD: But if relief were given in other ways they could afford to pay even more in land values taxation. To my thinking the Federal land tax is most unjust in providing a £5,000 exemption. I do not believe in any exemption. If we are to go in for land values taxation, we must have no exemption. The Minister for Education said the amount that would have to be raised, namely £500,000 or £600,000, was too large to be raised by direct taxation. Why is it too large an amount to be raised by direct taxation, if it is not too large to be raised by indirect taxation? Surely people are better able to bear direct taxation than they are to bear indirect taxation. Further, I do not think it is necessary to raise such an amount all at once; we can go slowly. If we go in for land values taxation and do not wish to make it unpopular, we should impose a fair tax of 3d. or 4d. in the pound so that it cannot be passed on. When we compare the land values tax with the income tax, we can see how much more just is the former. I shall not argue against income taxation because, for many years, this State will be compelled to impose it. Take the Taxation Commissioner's report and it will be found from the list of those who pay the tax that there are only two or three sections who cannot pass it on. The wage-earner cannot pass it on; the salary earner cannot pass it on, and the pastoralist and the farmer cannot pass it on, but almost every other section of the community can. The merchant tells us straight out that he will pass it on by increasing the price of his goods. When first the income tax was brought into operation, I think Mr. Brennan, of Kalgoorlie, in an interview with the "Kalgoorlie Miner," said the business men would pass the tax on; they would charge for it in the price of their goods. There are only two or three classes of people who pay income tax and cannot pass it on and they, with the possible exception of the pastoralist, are the least able to pay it. Mr. Stewart said he would be prepared to support the tax provided it did not go into general revenue and that it was imposed for the specific object of reducing railway freights. I agree with Mr. Stewart and would be prepared to say that the tax should be imposed for this specific object; in fact, the motion provides for that.

Hon. H. Stewart: How would you control the Minister?

Hon. J. E. DODD: I believe a tax of this description would help to decrease the cost of living. If we can relieve people of the payment indirectly, through railway freights, of £400,000 or £500,000 and replace it by direct taxation, I believe we shall be doing something to materially reduce the cost of living. If any man who has land would only work out the cost of railway freights and the cost of a land tax of 3d. or 4d. in the pound, he would see at once how much he would benefit under the land tax. I am not urging this motion for the sake of relieving the farmer alone, but because I believe the tax is absolutely just and that those who create the values should enjoy some of them. If the railways and the people settling around them create the value, surely there is nothing unjust in taxing that value for the people. Land is one of the elements of nature, just as air, sunshine and water are, and no man has a right to corner land any more than any of the other elements of nature. There was an interesting reference to land

value taxation in a recent report of the Interstate Commission. They said the question had been placed before them with a good deal of emphasis and they believed the man who turned a wilderness into a garden was taxed, but the man who turned a garden into a wilderness paid nothing. The man who makes improvements and does something for the benefit of the State is taxed, but the man who makes no improvements and merely holds unoccupied land pays very little. I think I have said sufficient to induce members to vote for this motion. I believe there are very large tracts of undeveloped land in this State, not only around the city and suburbs, but in the country. I read a report of the Narrogin or Williams repatriation movement, in which the chairman stated that there was an old bachelor who owned 30,000 acres of the best land, and who would not work, improve, or sell it.

Hon. J. A. Greig: That statement was not correct.

Hon. J. E. DODD: It appeared in the report. Whether it is correct or not, there is a very large area of undeveloped land in this country and if we placed a tax on the unimproved value, we should force it into use. I am not moving this motion out of any desire to embarrass those living in the city. If a tax were placed on the unimproved value of land, I should have to pay part of it. I have a block of land on which nothing is being done and I pay very little on it but, at the place where I am living, whenever I effect any improvements and try to make it worth living in, I am charged for these improvements. Where I do nothing, I am not charged, and if there is any increase in the value of this land, I shall reap some of it. I trust members will look into this matter and not pass it over as before. There is a very big consensus of opinion towards belief in this principle. If we look at it from the standpoint of the State only, we shall realise that we should at least give the principle of unimproved land values taxation a trial and make a corresponding reduction in railway freights.

Hon. J. CORNELL (South) [5.25]: I second the motion. Mr. Dodd has touched upon many points and covered a very wide field of argument. The mover finished, as he began, by trusting the House would give the motion serious consideration and extend to it that searching inquiry and close scrutiny that it warrants. By giving the motion attention, this House will demonstrate that it has again returned to its useful state. Some little time ago, this question agitated the minds of only a few; they were as a few crying in the wilderness, but since then, some advance has been made. To-day the farmer as a class is favourable to land values taxation, and the Moderator of the Presbyterian Church has even seen fit to step into the ranks of the supporters of this principle. If the motion is not agreed to by the House, Mr. Dodd and myself will have the consolation that we have with us the man who produces the provender on which we exist, and the man whose interest is in our welfare when we leave this earth. The great aspect I am concerned about is that the future welfare of our two great primary industries, farming and goldmining, warrant the closest inquiry into this question. We talk of the wealth, the affluence, pride and position of our towns, but they are contingent upon the progress and prosperity of the men who leave the thickly populated parts to go out back. How are we to give relief to these people? Are they worthy of relief? Undoubtedly they are. Whom do we propose to touch in order to relieve them? The motion proposes to touch land values, to take portion of the values, created by the birth and influx of population into the State and by the construction of the railways which branch out from the city, in order to assist those who have gone further afield. The value, which no individual creates by his own personal energy and effort, should go to those to whom it belongs, namely, the whole of the people of the State. The motion does not propose to devote the proceeds to the whole of the people of the State, but to assist a portion of the people. That portion undoubtedly needs assistance. We hear the clarion cry "Produce, produce, produce" but unless some innovation is brought about in this State, the parrot cries of "produce" will not avail. This motion endeavours to introduce an innovation which will have a beneficial and far-reaching effect. Take the case of two farmers in so far as they are affected by railway conditions. One came here in the early days and settled at Northam; another came later and settled at Burracoppin. Did the latter settle at Burracoppin because he wished to? No, he settled there because the land nearer the city had been taken up.

The PRESIDENT: Order! The time for the discussion of motions has expired. Unless the Council otherwise orders, this debate must be interrupted.

[Resolved: That motions be continued.]

Hon. J. CORNELL: The Burracoppin farmer settled there because the intervening land had been taken up. To-day the farmer is forced to go further out from the centre and then has a heavier impost placed on him in the shape of higher railway freights on his produce. No process of reasoning has yet convinced me that that is an equitable system. On the contrary, the system is utterly wrong. The farmer who is forced to go farther afield should not be burdened with an extra impost. However, the first principle of our railway management seems to be to make the railways show a profit, to make them pay. Legislation on the lines of this motion would have the effect of evening up railway rates on certain lines of produce as to which there is to-day great disparity. Take, again, the gold-mining industry.

There is no doubt as to the part which that industry has played in the development of Western Australia. The great centre of that industry, Kalgoorlie, is situated 390 miles from Perth; and, as the result of our system of railway rates, for every pound of benefit the Kalgoorlie community reap from the industry, the citizens of Perth reap at least three pounds. That is the ratio. The worker in Kalgoorlie has to pay for his commodities at a much heavier rate than the worker at, say, Northam. On that ground an extra rate of wages is frequently claimed at Kalgoorlie, and sometimes granted, but sometimes refused. Any added burden, as Mr. Dodd has pointed out, may mean disaster to the mining industry, and the closing down of low grade mines. By what means can we obtain relief for that industry more speedily than by a reduction of railway freights? In the metropolitan area the grant of increased wages frequently means nothing to the employer, because the increase is passed on. In the case of the gold mining industry, however, the increase cannot be passed on. With the present system of managing our railways, an increase in the wages of the railway workers would mean an increase in rates of freight; and it is generally accepted that the gold mining industry cannot bear additional burdens. Mr. Dodd has advanced other reasons why this motion should be passed. The hon. member referred to the timber industry and fruit growing. He pointed out that despite an excellent market on the goldfields for fruit and vegetables the orchardists and vegetable growers of the Mt. Barker district are languishing. And why? Owing to the high cost of railway carriage. As Providence has so placed our greatest industry that it cannot grow the necessary fruit and vegetables and cannot obtain them from nearer sources of supply than Mt. Barker, we should do something by reduction of railway freights to bring the producer and the consumer together. It may be argued that the motion asks for something impracticable, and that it would impose hardships on some while not benefiting others. But to-day it is generally admitted that hardships are imposed by high railway freights on the primary producers. The only persons upon whom this motion would impose a hardship are the land holders in highly congested areas. And how would such a land holder be affected? Mr. Dodd has made an excellent case regarding the increased land values in such localities as Keane's Point. I have no objection whatever to the land holder who utilises his land to the fullest extent, but I do most decidedly object to the speculative holder. The imposition of a tax on unimproved land values would undoubtedly get at the speculator.

Hon. J. Nicholson: Suppose he cannot sell his land.

Hon. Sir E. H. Wittenoom: In that case the Government would resume and occupy.

Hon. J. CORNELL: The only valid reason why such a holder cannot sell to-day is that he is asking too much. At any rate, that is the cause in the great majority of instances. We should inquire closely how some of those who to-day hold land of considerable value in this State obtained that land. In Western Australia, less than in other countries, the origin of the ownership of land frequently will not bear inquiry. We know how it came about in Great Britain, where, often land was taken by force, and has been kept by force until to-day. In this country, some of the land was obtained by free gift, and in other cases it was bought in the very early days, and its value has been largely increased. I say we should take back that added value. Let me refer hon. members to the Cooper estate, close to Sydney, which was got for about two gallons of rum. The sight of that estate and the buildings on it would convert any member to the principle of this motion. I agree with Mr. Dodd regarding Colonel Pope's remarks on railway management. What should agitate the minds of the Government and of those in control of our railways is the reduction and not the increase of railway freights. It is all very well to say that the community cheerfully shoulders the additional cost of articles of daily consumption. I have never known of anyone doing so cheerfully. Very frequently the consumer tries to dodge paying the added cost. If there is no greater statesmanship to be found in this Government than a declaration that the people must pay heavier railway charges, it is time that the control of our affairs was handed over to some other body. It may be that Colonel Pope made his remark in a humorous vein, but I sincerely trust that no attempt will be made to increase railway freights. I strongly urge that, on the contrary, every effort should be made to reduce the burden on the primary producers and workers of this country. Lastly, the report of the Industries Assistance Board states that the board are satisfied that in this country it is impossible to grow wheat profitably at 4s. per bushel. When we have arrived at that conclusion I think it is time to put on our considering caps and see how we can improve the position, and relieve the farming industry. That can only be done early in the piece, by getting right down on railway freights.

On motion by Hon. A. Sanderson debate adjourned.

PAPERS — IMMIGRATION NEGOTIATIONS.

Hon. A. SANDERSON (Metropolitan-Suburban) [5.48]: I move—

> That all the papers in connection with negotiations between the Imperial Government and the Western Australian Government, on the subject of immigration, be laid on the Table of the House.

I hope it will not cause any surprise or annoyance to hon. members if I am particu-

larly brief in submitting this motion. The attitude I take up is that we, as members of the Legislative Council, are entitled before anything definite is decided, to have these papers placed on the Table of the House. The matter of immigration or emigration, whichever one wishes to call it, is of importance. It is a matter in which several members here, like myself, have taken a very close interest for many years. It might be considered germain to this motion, and certainly it will be interesting, to trace what has been done in regard to immigration to Western Australia over a period of years. But the one object I have in moving the motion is to get the papers on the Table of the House. I hope it will not be regarded as discourteous to the Government or to members, if at the present juncture, I do not go into the matter at length. When the papers are placed on the Table, I am sure we shall have some valuable information. We are not permitted to refer to "Hansard" of this session, but hon. members can look at it for themselves and they will find therein a statement made by the Premier that the Imperial Government are prepared to send out immigrants here with £500 apiece, and also that the Imperial Government are prepared to vote a grant of one million pounds sterling at the pre-war rate of interest—I suppose 3½ per cent.—to the Government of Western Australia to enable them to deal with immigrants whom they propose to send out at the rate of 1,000 a month. We, as representatives of the people, having a close interest in the welfare of the State, are entitled to know before we enter into anything definite exactly what it is proposed to do. I make a special appeal to my friend Mr. Dodd, hoping that he and the hon. member who seconded the previous motion will not consider it amiss if I ask that my motion be carried this afternoon. I have no desire that an academic discussion on immigration should take place. I have the greatest desire, however, to gain all the information possible in regard to the communications which have taken place between the Western Australian Government and the Imperial Government. That is why I am submitting the motion. I hope that an adjournment of the debate will not be agreed to, and I hope hon. members will support the motion. There is no suggestion of hostility to anyone in the motion, but there is a keen desire on my part to see the communications which have passed between the two Governments. I will be very glad to offer explanations on comments which may be made when I reply, as I understand I have the right to reply.

Hon. J. W. KIRWAN (South) [5.52]: I second the motion.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [5.53]: I move—

That the debate be adjourned.

Motion put and negatived.

Question put and passed.

BILL—GENERAL LOAN AND INSCRIBED STOCK ACT AMENDMENT.

Received from the Assembly and read a first time.

BILL—DIVORCE ACT AMENDMENT.

Second Reading.

Hon. J. NICHOLSON (Metropolitan) [5.55] in moving the second reading said: I intend to be brief in submitting this measure. I would refer hon. members to the memorandum which is attached to the front of the Bill, which memorandum gives a fairly good summary of the objects of the measure. I might, however, state that after I moved the first reading of the Bill, I made a statement to the Press to the effect that it was not intended by the measure to widen the grounds at present existing upon which divorce might be granted. I had overlooked the fact that the last clause of the Bill does widen the grounds. It is my desire now to point out the error I made and to call the attention of hon. members to the fact that a new ground for divorce is introduced in Clause 10 of the Bill. I desire to explain that the primary object of the Bill is to meet a deficiency which exists in our law of divorce and to bring the State law into line with the English law, that is, so far as it relates to the restitution of conjugal rights. Our principal Act relating to divorce is practically a copy of the old English Act of 1857, but in England it was found necessary to make some amendments. The provisions to which I refer are those contained in Clauses 2 to 6. These clauses deal with matters relating to the restitution of conjugal rights, and they are an exact copy of the Act passed in England in 1884, with the exception of Clause 5, which is slightly altered to be in accord with our own existing law. We are not, in those clauses, introducing anything new. At the present time, as the law stands, in order that a decree for restitution of conjugal rights may be enforced, the only means whereby a court can enforce such a decree is by attachment or imprisonment. The falsity of that position has long been recognised, and so far back as 1884 the English Parliament brought into force a provision to remedy the deficiency. It must be recognised by every member that where a man or woman refuses to comply with an order for restitution of conjugal rights it will not be possible to make him or her any more amenable to the order by imprisoning that person. The parties have become estranged and they have decided to live apart, and no order will bring them together again. In England it was recognised that failure to comply with such an order of the court would be equivalent to desertion, and would entitle an aggrieved party to take such proceedings

as was competent under the English law—and that would be for a judicial separation. In this State, however, in 1911 we passed an amending measure enlarging the ground upon which a divorce might be obtained. Amongst these grounds we have it that a decree of divorce may be obtained for desertion as well as for adultery on the part of either husband or wife. Clause 5 provides that failure to comply with an order for restitution of conjugal rights shall entitle the aggrieved party then to regard that failure as desertion and the court will be entitled to pronounce a decree of dissolution. Clause 6 is simply a machinery clause and makes the necessary provision for orders, and on anyone failing to comply, it provides for the custody and maintenance of the children. In Clause 7 there is a slight amendment of the 1911 Act which we have in force. Section 6 of the Divorce Amendment Act 1911 is repealed by Clause 8, Subclause 2, and there is a slight enlargement of the provisions of that Act contained in Subclause 1. The particular enlargement is to found a domicile particularly for the wife who is deserted by her husband, and who may have gone to parts where it is impossible for the wife to trace him. In order that proceedings may be taken for dissolution of marriage on the ground of desertion, the court will not entertain a petition unless it is clearly established that the husband is domiciled within the jurisdiction of the court. The wife's domicile follows that of her husband. Many cases have arisen where a wife has been deserted and it has not been known exactly where the husband is, or he may be in such parts of the world that it is impossible for the wife to follow him. The purpose of the clause is to found a jurisdiction for the wife and to remove that incapacity from which she suffers at present, and provide for her a means of applying to the court without having to follow the husband to parts far beyond the seas. A saving provision is inserted in Clause 9 so that parties will not resort to this State for the purpose of availing themselves of the equitable and just provision to which I have just referred. In Clause 10 there is a new ground of divorce to which I alluded earlier. The clause reads—

> (1.) Any husband married on or after the first day of January, one thousand nine hundred and nineteen, may present a petition to the court praying that his marriage may be dissolved, and it shall be competent for the court to decree a dissolution therof, on the ground that prior to the celebration of the marriage his wife has been guilty of incontinence, and was, at the time of celebration of the marriage, pregnant to a person other than the husband of the marriage: Provided that—(a) In the case of a marriage celebrated prior to the commencement of this Act, such petition must be presented within six months after the commencement of this Act; and (b) In the case of a marriage celebrated after the commencement of this Act, such petition must be presented within nine months after the date of the marriage. (2.) The respondent to any such petition may avail herself of any defence or answer thereto which would be competent to a respondent to a petition for disolution of marriage on the ground of adultery.

No man, however great an opponent of divorce he may be, can rightly or justly, or on any sound argument, oppose such a ground for divorce as this.

Hon. J. Cornell: Would it not be better to find out before than after marriage?

Hon. J. NICHOLSON: The hon. member is suggesting that a certificate should be furnished. I do not propose to enter into a discussion on that particular aspect of the case. We recognise, and our laws recognise, the sanctity of the marriage tie. There is no doubt that any man whose lot it is to find himself married to a woman in the condition suggested in this clause, cannot but recognise that the sacredness surrounding the marriage bond, in which we all believe, is absolutely shattered. That confidence which the one party reposes in the other is totally and absolutely destroyed. It must be an impossibility for either party ever to live with the other again in that harmony which is so essential to the unity and well-being of the community. There is no doubt that if a woman enters into a marriage bond with a man, she practically warrants that she is not in the condition suggested here. The man has confidence in her, and once that confidence is removed all chance of these parties living together in unity is removed. The war has, unfortunately, brought many instances of grounds which call for relief. If there is any ground which cries out for relief from a marriage bond, which must appeal to sane-thinking men and women as being irksome, and worse than irksome, to the parties concerned, it is a ground such as this.

Hon. H. Stewart: Would it be well to add others?

Hon. J. NICHOLSON: There are other grounds which hon. members may desire to add.

The Minister for Education: Is that ground for divorce in operation anywhere else?

Hon. J. NICHOLSON: I believe not in the other States. At any rate this matter was considered by the Crown Law authorities.

The Minister for Education: Merely from the point of view of drafting?

Hon. J. NICHOLSON: When parties are united in matrimony there is a warranty that the woman is free from any condition such as this, and it is a question whether it is not fraud on her part to enter into the matrimonial bond if she is in such a condition.

Hon. H. Stewart: Is there any comparable relief for a woman in the case of a man suffering from disease?

Hon. J. NICHOLSON: I am only too pleased to consider any fair and equitable grounds for both sides.

Hon. J. Cornell: Marriages which this clause proposes to annul would be conveniences and not marriages.

Hon. J. NICHOLSON: No. The grounds which are provided here are of such a nature as will be readily acceptable to all opponents of divorce generally.

Hon. J. W. Kirwan: Are there not enough divorces in Australia already?

Hon. J. NICHOLSON: That is not the question. If we have a divorce law it is only right that that law should provide safeguards which afford a reasonable means for both parties to have their marriage dissolved, if one or other has committed such an offence as to make it impossible for them to live together again.

Hon. J. W. Kirwan: This Bill is to increase the number of divorces in Australia.

Hon. J. NICHOLSON: It is not calculated to do that.

Hon. Sir E. H. Wittenoom: It is to provide against an omission.

Hon. J. NICHOLSON: Primarily, the Bill is to provide against an omission. The primary clauses of the Bill deal with the restitution of conjugal rights. It seeks to enact that which has been in force in England since 1884, and to correct a deficiency which in England the authorities found they were suffering from. As we know, in England obstacles which are raised to divorce are so great, and the means provided for divorce are so few, that there can be no hesitancy on the part of hon. members to admit the necessity for this provision here.

Hon. J. W. Kirwan: It is a considerable advance on the English Act.

Hon. J. NICHOLSON: The clauses from Nos. 2 to 6 in no way alter the English law.

Hon. J. W. Kirwan: But the remaining clauses do.

Hon. J. NICHOLSON: I have omitted to fully explain the amendment to be effected by Clause 7 and should like to do so.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. NICHOLSON: Before tea I was about to explain Clause 7. Under the Divorce Act Amendment Act of 1911, provision is made by paragraph (d) of Section 2 for divorce on the ground that the respondent is a lunatic or a person of unsound mind and has been confined as such in any asylum in accordance with the provisions of the Lunacy Act of 1903 for an aggregate of five years within six years preceding the filing of the petition and is unlikely to recover from such unsoundness of mind. A number of applications made under that section have come before the courts and been dealt with, but I am informed many cases are excluded from the benefit of that section by reason of the inclusion of the words "in accordance with the provision of the Lunacy Act of 1903," which limits the exercise of that ground to those cases where the wife or husband in this condition of mind is actually within the State. In a number of cases the afflicted spouses, because of better conveniences outside the State, are resident outside the State, and the husband or wife as the case may be is unable to get the intended relief, simply because the words "in accordance with the provisions of the Lunacy Act of 1903" are included in the section. To remove that difficulty Clause 7 is suggested, whereby it is proposed to omit the words "in accordance with the Lunacy Act of 1903." I commend the Bill to the favourable consideration of hon. members and I trust it will receive their support. I move—

That the Bill be now read a second time.

On motion by Hon. J. W. Kirwan debate adjourned.

BILL—MENTAL TREATMENT ACT AMENDMENT.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [7.35] in moving the second reading said: It will be remembered that in 1917 Parliament passed an Act entitled the Mental Treatment Act, the purpose of which was to provide for the separate treatment of soldiers temporarily mentally afflicted because of the war, without the necessity for their being certificated as insane. The care of the soldier in this matter is the responsibility of the Commonwealth Government, and it was at the request of that Government the legislation was enacted. It has, I believe, operated satisfactorily. An institution has been established at the expense of the Commonwealth Government, although it is supervised by our own officer, and so far as I know there is no trouble in connection with it. But the attention of the State Government was drawn by the Acting Prime Minister to a difficulty that might easily arise unless a small amendment of that Act were passed by Parliament. The letter from the Acting Prime Minister, dated 25th March of this year, is as follows:—

> I desire to inform you that in connection with the consideration of the position of returned soldiers who are mentally affected in consequence of injuries received while on naval or military service, it has been brought to my notice that your State has provided legislation relating specially to the treatment of mental disorder of recent origin arising from wounds, shock, and other causes. It is understood that one of the principal objects of this legislation was the desire to avoid attaching to soldiers wounded in the service of their country the stigma of lunacy. I am advised, however, that this legislation (The Mental Treatment Act, 1917, No. 9 of 1917), while providing for the custody and treatment of the soldiers, makes no pro-

vision for the control of their property. As this is a matter which is most important, not only to the men themselves, but also in many cases to their dependants, I shall be glad if your Government can see its way to introduce amending legislation to give to some State authority, such as the Master in Equity, power to control the property of the soldier. It is suggested for your consideration that if the legislation in this connection confer powers upon a State officer in some other capacity than that of an officer of the Lunacy Department, it would tend to preserve the soldiers from the stigma of lunacy.

On inquiry being made as to the procedure at present followed in regard to soldiers' property, the Acting Master of the Supreme Court reported—

The estates of soldiers dealt with under the Mental Treatment Act, 1917, are administered by me as Master in Lunacy under the provisions of the Lunacy Act, 1903, in the same way as the estates of insane or incapable persons. (See Regulation 9 of the Regulations under Mental Treatment Act. "Government Gazette," April 27, 1917, page 619). With regard to the idea of preserving these soldier patients from the stigma of lunacy, I have already an arrangement with the Inspector General that patients certified by him as "Shell shock" may operate on their own accounts to the extent of drawing their pensions or making allotments. I would suggest that Regulation 9 be amended to commit the estates of soldiers received under the Mental Treatment Act to the "Master of the Supreme Court," to be administered in like manner to estates in the hands of the "Master in Lunacy." I would then sign correspondence, especially letters addressed to soldier patients or their relatives, as Master of the Supreme Court and deposit moneys in the Savings Bank under the same title and instruct officers not to use lunacy stationery in correspondence. I think this would remove any reason for resentment by soldier patients or their relatives and so meet the wishes of the Federal authorities and all concerned.

The Crown Law authorities subsequently advised that there was some doubt as to the legality under existing legislation of dealing with soldiers' estates in this way. The Crown Solicitor reported—

As there seems to be some doubt whether persons received under the Act of 1917 are "insane patients," and in any case it is desirable that that expression should not be applied to them, I think a section should be inserted in that Act expressly giving the Master power to administer their estates and applying, with modifications, the provisions of the Lunacy Act relating to "incapable persons."

This is what the present Bill proposes to do. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee, etcetera.

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

BILL—PEARLING ACT AMENDMENT.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [7.45] in moving the second reading said: The existing Pearling Act was passed in 1912. It was brought into operation by proclamation on the 1st April, 1913. It amended and consolidated the previously existing Acts relating to pearl shell fisheries, and at the time it was thought it would embody all the provisions necessary for the control and regulation of the industry. The experience of succeeding years has shown that there are certain defects in it. It is the proposal of the present Bill to remedy these defects. It may not be generally known to the public of Western Australia, although no doubt it is well known to members of this House—that Western Australia plays an extremely important part in the pearl shell industry of the world. According to the latest figures I have been able to obtain, the total world's production for 1918 was approximately 2,000 tons and, of that total, no less than 1,403 tons was produced in Western Australia. Thursday Island, Queensland, produced 237 tons, leaving a balance for the rest of the world of only 360 tons. It will be seen that Western Australia has a very big hold on the pearl shell industry of the world, so big a hold that it is well worth considering if we cannot turn this industry to even better account in future than has been the case in the past. Investigations have been made recently as to the possibility of establishing in this State the secondary industries which depend upon the pearling industry for raw material. I am not in a position to say that these investigations have gone very far, but it is by no means impossible something of this sort might be done. Instead of sending our pearl shell away to give employment in other lands, the making of buttons, knife handles, and such like articles should provide employment for people here. There are many difficulties about competing with countries that have a large market for the manufactured article, but it should be quite possible to overcome those difficulties when this country apparently has the control of so large a proportion of the world's total output. During the war, the production of pearl shell in this State has necessarily decreased. I have had compiled an interesting table showing the operations of the industry from 1909 to 1918. This table—I do not propose to read all the details—shows the number of white, aboriginal, and Asiatic employees in the industry, dividing the Asiatics accord-

ing to their different countries of origin. It also shows the quantity of pearl shell obtained during each year, the value of the pearl shell, the value of the pearls, and the value of the boats and the equipment. Prior to the war, the industry had been steadily on the up grade and, in 1913, the number of persons employed was greater than it had been in any previous year in the history of the industry, a total of 2,663. It was also significant that at that time the number of white employees was very much greater than it had been before. For instance, in 1909 there were only 148 white employees against 2,073 Asiatics, whilst in 1914, immediately prior to the outbreak of the war, the number of white employees had almost doubled, numbering 279. The industry was becoming one in which a larger number of white people obtained employment and I have no doubt that condition would have continued but for the outbreak of the war. Immediately the war began, a large number of men engaged in the industry volunteered for active service and this, and the disorganisation of the market made it impossible to carry on on the same lines, and the number of white employees dropped in one year from 279 to 79. In 1913-14 also, the industry reached its maximum value. In 1913, the value of pearls obtained was £79,000 and the value of the pearl shell £237,000, making a total of over £300,000. In 1914 there was an increase in value of pearls to £84,000 and the pearl shell was worth £219,000, again a total of over £300,000 for the year. Since then the industry has suffered through the consequences of the war. In 1915, the year immediately succeeding the outbreak of war, the value of pearls was only £12,568 and the value of the pearl shell only £117,433. Since then, the industry has revived to some extent and last year the value of pearls was £46,116, and the value of the pearl shell £180,310. All these figures relate to the North West, of which Broome is the centre. The fisheries at Shark Bay are on a much smaller scale, the total product not exceeding £10,000 in value for any year. The figures there were in approximately the same proportion, showing the industry was steadily developing up to the time the war began, and then suffered a set back. I allude to these matters to indicate not the possibility, but the certainty of a very big revival in this industry now that the war is over. In pre-war days, the Shark Bay pearl shell realised about £25 to £45 per ton, very much less than the Broome shell, which realised at auction, according to the latest sales of which we have a record, from £7 10s. to £18 17s. 6d. per hundredweight. During the war, in order to assist the pearlers, the Government from time to time came forward with guarantees for advances. The banks made the advances and the Government gave a guarantee; the idea was that on the realisation of the shell the Government should be repaid. With very few exceptions the offer of the Government to provide the guarantee accomplished all that was necessary. Buyers increased their prices and consequently the Government were not called upon to exercise this guarantee to any great extent. The first guarantee was £125 a ton for Broome shell and £8 for Shark Bay shell. That caused the buyers to increase their prices, and, the matter having been carefully investigated on the advice of experts, the guarantee on Broome shell was subsequently increased to £140 per ton and again buyers increased their prices and there was little demand for the Government assistance. The grand total guaranteed by the Government in connection with the industry was £11,953.

Hon. R. J. Lynn: Our credit is not so bad after all.

The MINISTER FOR EDUCATION: Of that amount £2,680 has been already repaid, and there is no doubt that the balance will be repaid as soon as the shell is realised upon at a very early date.

Hon. J. Nicholson: It speaks well for the North-West.

The MINISTER FOR EDUCATION: It speaks well for the importance of an industry of which Western Australia has something approaching a world's monopoly, considering not only the quantity but the quality of shell produced on our coast. With these few remarks in regard to the industry generally, I would direct attention to the provision of the Bill. Clause 2 provides for an amendment to Section 5 of the principal Act. This amendment is necessary to define the limits of "tropical waters adjacent to Western Australia" as used in Clause 9, Subclause 3 of the Bill. The area so defined may be said to include all that water as shown upon the ordinary map of Western Australia, but extending as far south as just below or south of the vicinity of Shark Bay only. The phrase "the ordinary map of Western Australia" would be better understood if members had a map before them. If we take the northernmost point of Western Australia and proceed for a distance of three miles north and then from the most westerly point of Western Australia, proceed three miles west, and draw two straight lines, one to the west and another to the north, we have practically the territory included in the provisions of the Bill. It has been suggested from time to time that difficulties were likely to arise from people establishing the pearling industry somewhere else and working our pearling grounds from some foreign country. The Federal jurisdiction extends to the full distance covered by the ordinary map of Western Australia, but that applies only to British-owned boats. It has been suggested that someone might establish the industry under a foreign flag, but I do not think there is much danger of that being done. If it were done it would be up to this State and the Commonwealth Parliament to see that the profit from an industry belonging to Western Australia was protected for this State.

Hon. G. J. G. W. Miles: Is that limit recognised under international law?

The MINISTER FOR EDUCATION: Yes, but it would apply only to British-owned boats. In Clause 3 the word "document" is used, and consequently it becomes necessary to define its meaning. Therefore it is included in the definition clause. Clause 3 aims at the widening of the scope of the licensing officers' powers in dealing with applications for licenses, but more particularly with ship licenses. Section 25 (b) of the principal Act provides certain provisions in this direction, but the amending clause more clearly defines and extends the officers' powers. Clause 4 provides for the amendment of Sections 13 and 15 of the principal Act. These amendments are consequential as, in Clause 6 of the Bill—inserted to permit of the transfer of a ship license from one ship to another—the words "removal" and "remove" are used in connection with ship licenses. Clause 5 is of exactly the same nature and is purely consequential. Clause 6 is a new provision, but I think it is entirely justifiable. Under the provisions of Section 26 of the principal Act a ship license may be transferred as from one person to another, but no provision has been made for the removal of a license as from one ship to another. In the case of a licensed ship lost or damaged to such an extent as to render its further employment impracticable, it is imposible to transfer such license to another ship the property of the same owner. It is considered that such a provision is reasonable and desirable. Clause 7 amends Section 42 of the principal Act. That section provides for the closure of portions of pearl shell areas, and a penalty is provided for a contravention of any such Order in Council. There is, however, no power under the section to forfeit pearls and pearl shell unlawfully obtained from areas so closed. This is considered very necessary. There are other offences which are punishable by forfeiture and it is desirable that the court should be able to order the forfeiture of pearls and pearl shell when unlawfully obtained from closed areas. Clause 8 provides for the amendment of Section 60 of the Act. At the present time, Section 60 prohibits unlicensed persons north of the 27th parallel of South latitude from selling pearls to a licensed pearl dealer, and similarly no licensed pearl dealer shall buy from an unlicensed person. In practice, however, it has been found that an unlicensed person may deliver pearls to a licensed pearl dealer, and a licensed pearl dealer may receive those pearls and subsequently sell them. The intention of this clause is to prohibit not only the buying and selling, but also the delivery and the receiving of pearls by or from an unlicensed person. Clause 9 is a new clause, and provides that no pearl is to be sent out of the portion of the State to which this part of the measure applies unless after notice to the inspector. This amendment aims at the more direct supervision of dealings in pearls and the suppression of illicit pearl dealing. At the present time pearls may be exported or sent out of the State without restriction as regards a notification to the inspector. The provisions of this clause will not, however, apply to what might be termed second-hand pearls, namely, pearls previously exported, or to pearls found outside "Australian waters adjacent to Western Australia," the definition of which is set out earlier. A good many clauses of this Bill are designed for the purpose of preventing as far as possible the illicit dealing in pearls, and provision to that effect has been strongly requested by the Pearl Dealers' Association, and I think it is highly desirable in the interests of the industry. Clause 10 inserts a subsection to Section 54 of the principal Act. At the present time, while Section 64 provides for registered places of business of a licensed pearl dealer—Section 58 provides that no pearl dealer's license shall be granted or transferred to a person who is licensed to sell intoxicating liquor under a publican's general, wayside house, Australian wine and beer, or Australia wine license—it does not prohibit the sale of pearls at a registered place of business which is portion of other business premises. Except in the case of banks, it is thought that the registered place of business for pearl dealing should be apart from other business premises; hence the amendment Clause 11 provides for the insertion of a section at the end of Part II. of the principal Act to stand as 73a: "No person shall act or be employed or engaged as the agent or deputy of a pearl dealer unless he is himself the holder of a pearl dealer's license." Under existing conditions a pearl dealer licensed under Section 58, Division 5, of the principal Act may, by registering certain places of business, employ unlicensed persons to deal in pearls on his behalf. In other words, a pearl dealer licensed at, say, Broome, may register places of business under the one license and employ several persons to deal on his behalf. This is considered undesirable. By Section 58 of the Act it becomes necessary that a resident magistrate before issuing a pearl dealer's license shall be satisfied that the person so licensed is a person of good character and reputation. Under present conditions the object of the section is likely to be defeated. The amendment provides for the licensing of all agents or deputies. Clause 12 provides for amendment of Sections 84 and 88 of the principal Act. Those amendments are necessary in order to bring the whole of the provisions of Part III., pearl fishers, into line. By Section 74 of the principal Act all "pearl fishers" are to be employed under agreement in the preseribed form, which must be read and explained in the presence of a "superintendent" and attested by a "superintendent." In Sections 84 and 88 the words "inspector" and "magistrate" appear, and as their use leads to confusion it is considered that they should be deleted and the word "superintendent" substituted. There are two clauses of this Bill which it will not be competent for the House to deal with at present, but

I take it there is no harm in my explaining the intentions of the Bill in those particulars.

The PRESIDENT: So far as the procedure of this House is concerned, the clauses are not supposed to be in the Bill.

The MINISTER FOR EDUCATION: Under Part III. of the principal Act no "pearl fisher" may be employed except under agreement in the prescribed form. Agreement forms of a somewhat similar nature are provided by the Merchant Shipping Act in respect of crews, etc., but whilst under that Act a scale of fees for engagements, discharges, agreement forms, etc., has been set out, the Pearling Act, 1912, omits to make a like provision. It is considered necessary that such a scale be embodied. Hence the amendment. The scale of fees provided is identical with that chargeable under the Merchant Shipping Act. Clause 14 deals with Section 94 of the principal Act, which provides for the search of premises, but not of persons or effects. In dealing with matters connected with illicit pearl dealing, it frequently becomes essential that a person or his effects be searched; but under existing conditions an inspector has no statutory power to act in this direction. The amendment is inserted with a view to overcoming that difficulty. Clause 15 proposes to insert a new section to stand as 101a, dealing with beachcombers' licenses. By Section 10 of the principal Act the following licenses may be granted:—Ship licenses, general licenses, exclusive licenses, divers' licenses, and pearl dealers' licenses. No provision was, however, made for the issue of licenses to beach combers. Beachcombing includes the work of collecting pearl-shell from the waters of the State, principally on the north-west coast, during low tides. It rarely occurs that boats or ships are used, and consequently persons so employed are in a position to evade the provisions of Division 2 (Ship Licenses) of the Act. It is considered that persons collecting pearl shell in this manner should be licensed. The fee set out is the same as that for a general license, namely, £4 per annum. Another proposed new section, to stand as 101b., provides for pearl cleaners' licenses. At the present time persons cleaning, cutting, or working pearls are not required to be licensed. Several persons are so employed north of the 27th parallel of south latitude. It is considered desirable that the operations of these persons be placed more directly under departmental supervision. The provisions in regard to the keeping of books and the signing of same upon delivery or receipt of pearls are somewhat similar to those provided by Section 65 of the principal Act—"pearl dealers' book." Proposed new Section 101c refers to shell buyers' licenses. For the more efficient supervision of the industry it is considered desirable that all persons dealing in pearl shell north of the 27th parallel of south latitude should be licensed. At the several pearling centres, including Shark Bay, persons so operate. The section is intended to prohibit the purchase of pearl shell from persons who do not hold one or other of the pearling licenses under the Act. Proposed new Section 101d gives additional powers of inquiry by inspectors. This proposed section aims at the widening of the powers of inspectors in regard to inquiries from licensed pearl dealers, or cleaners, under the Act. In view of the alleged practice of illicit pearl dealing, these powers are considered essential. Clause 16 proposes an amendment of Section 102 of the principal Act, which amendment is also required in order to strengthen the hands of inspectors in making their inquiries. Clause 17 proposes an amendment of Section 103 of the principal Act, which is considered necessary as bringing the whole section into line. As provided by Subsection 1 of Section 103, "the ship involved and all things thereon" shall be liable to process of execution for enforcing payment of penalty, etc., but Subsection 3 as it now stands omits to mention the words "and things." Clause 18 provides for an amendment of Section 104 of the principal Act. This amendment is intended to provide that the Governor may make regulations with regard to the limitation of the amount of money which may lawfully be carried or kept on any pearling ship. There can be but little doubt that a considerable amount of whatever illicit pearl buying takes place is carried on at sea, whilst the pearling vessels are being operated. In an endeavour to minimise the practice, it is considered desirable that action as indicated in the amendment be taken. Clause 19 proposes a new section to be inserted in the principal Act. At the present time the Act does not fix the limitation at which prosecutions may take place. The provisions of the Justices Act are therefore relied upon. Owing to distance and irregularity of mails, it has been found that the period provided by the Justices Act is insufficient in some cases where the authorities are dealing with such places as Broome; hence the period of twelve months asked for. Clause 20 provides for an amendment to the Third Schedule. At the present time the fee for a pearl dealer's license is £10. This low fee was fixed by the principal Act as it was thought that a higher fee would perhaps be beyond the scope of the "smaller" buyers. Experience, has, however, shown that few, if any, "small" men participate in pearl dealing, and it is thought that a fee of £50 is not too high for the privilege. From and inclusive of 1913 the average number of pearl dealers' licenses issued each year has been slightly under 13. Clause 21 provides for an amendment of the Sixth Schedule of the Act. The Pearling Act, 1912, as it now stands, makes no provision for the compulsory carrying of life-saving appliances other than an approved life-belt for each person on board, and one approved life-buoy on pearling ships other than store ships or tenders. In other words, it is not compulsory for the ordinary pearling lugger to carry life-saving appliances

other than the life-belts and life-buoy previously mentioned. In the interests of all concerned it is considered that the carrying of a dinghy should be made compulsory. Clause 22 adds a schedule to the Act, setting out the scale of fees to be charged under Part III., "pearl fishers," the payment of which is provided for by Clause 11 of the Bill. Those are the provisions of the measure, and I move—

That the Bill be now read a second time.

The PRESIDENT: Before putting the second reading, I desire to say that I have very grave doubts whether the Bill has been prepared in accordance with the Standing Orders of the Legislative Council. I refer more particularly to what occurs in Clause 15 of the Bill. That clause is printed partly in italics and partly not in italics. Our Standing Orders do not provide for anything else than a clause to be printed in italics. It is impossible for members to consider half a clause, and not the whole of it.

The MINISTER FOR EDUCATION: I was under the impression that on a similar Bill it had been agreed that if any portion of a clause was printed in italics no portion of that clause would be considered by this Chamber—not that the whole clause should be printed in italics.

The PRESIDENT: I think that was the intention. However, I would ask the hon. member to draw the attention of the Crown Law authorities to the point.

On motion by Hon. G. J. G. W. Miles debate adjourned.

BILL—HEALTH ACT AMENDMENT.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [8.14] in moving the second reading said: This is a very short Bill, and I do not know that it is likely to prove of a controversial nature. The object of it is fully set out in the memorandum which appears at the back of the Bill. By Section 41 of the Health Act Amendment Act, 1918, Section 242j, as enacted by the Act No. 55 of 1915, was amended by substituting for the words "whenever the Commissioner has received a signed statement in which shall be set forth the full name and address of the informant, stating that any person is suffering from venereal disease" the words "whenever the Commissioner has reason to believe that any person is suffering from venereal disease," and by deleting Subsections (5) and (6). It will be remembered that these provisions were passed after the Bill had been referred to and exhaustively considered by a select committee of this House. Subsequently an amendment was made by the insertion of Section 24 at the end of the Act of 1918, providing that the amendments made by Section 41 should continue in force until the 30th September, 1919, after which date Section 242j, as originally enacted should again come into operation. The intention of that amendment was to satisfy the objections of certain people who were of the opinion that the clause might possibly act unjustly. For that reason the operation was limited until the 30th September, 1919. Consequently, unless the amending Bill now before the House is carried during the present month the provisions of that section will expire. The Commissioner of Public Health has put up a brief memorandum dealing with this section, which I propose to read to hon. members. It says—

> The value of and need for Section 242, as amended by Section 41 of the 1918 Act, has been evident in the following types of cases, where the signed statement is either not applicable or where persons have been averse to using it. (1) Cases where the presence of venereal disease in new-born infants has pointed to its existence in the mother, more especially where the child develops gonorrhoeal ophthalmia immediately after birth. (2) Cases where a husband or wife believes the partner to be suffering from venereal disease, but that one will not seek medical advice. In such cases the Commissioner is asked to bring pressure to bear but there is refusal to sign a statement. (3) Cases where a parent considers a son or daughter to be suffering from venereal disease on account of certain evidences, but this is denied and medical examination is refused. In these cases, the parent is averse to signing any statement against his own child, but seeks the Commissioner's assistance. In addition the amended section still gives the Commissioner the right to act upon a signed statement if he considers this gives him "reason to believe." It can be confidently stated that the exercise of this section has not resulted in any case being unjustly or wrongly dealt with, whilst it has assisted the Commissioner to bring under treatment cases of venereal disease which otherwise could not have been dealt with. One example will show the value of the section. A man visited me and stated that he was not quite cured of gonorrhoea and feared that his wife was also affected, but she would not see a doctor. He also thought his two little girls had something wrong with them. Pressure was brought to bear upon the mother, and it was found that not only was she affected, but both the little girls, whilst the baby developed gonorrhoeal ophthalmia. All were immediately placed under treatment. The foregoing is but one example of several cases which have been dealt with under the amended section. Other cases have been dealt with of all the three types quoted, cases which, if a signed statement had been a condition precedent to action, could not have been dealt with.

This is the positive statement of the Commissioner as to the efficacy of this section. Against that I think I am safe in saying there has never been a single complaint or

suggestion that the powers conferred by that section have been abused. I would like now to place before hon. members a letter recently received by the Commissioner of Public Health showing the view that is taken of Western Australian legislation in other parts of the world. During the last couple of years we have had requests from many countries for copies of our legislation and reports as to how it has worked. The President of the Chicago Medical Society wrote to the Commissioner of Public Health on the 15th April of this year as follows:—

> I received a few days ago a copy of your annual report for 1917, for which I am writing to thank you. I have read with much interest your comments upon your Western Australian Venereal Act. I have been greatly interested in that legislation since it first came to my knowledge. I became acquainted with it upon looking up the literature of legislation in regard to the venereal diseases a few years ago, and I gave an editorial to it in the Journal of the American Medical Association, in which I wrote a series of editorials on activities throughout the world in regard to the control of venereal diseases. At that time I expressed the feeling that it would probably be a long time before any American Commonwealth would have the enlightenment to adopt such legislation. Much to my surprise, however, within a year I was able, at the invitation of the Health Commissioner of Chicago, to suggest your Western Australian Act, with slight modifications, for Chicago, and practically without a dissenting vote, it was adopted. This was the first time of its adoption, I believe, in the United States. Since that time it has been adopted in a modified form by the State of Illinois, and has become well known as the Western Australian Act. It seems to me to be far and away the most intelligent application of law to the venereal problem that we have had, and I am glad to have this opportunity to congratulate its author.

The remaining clauses of the Bill provide for the reprinting of the principal Act and its amendments. It also corrects a typographical error in Section 188 of the principal Act. I move—

That the Bill be now read a second time.

Hon. A. J. H. SAW (Metropolitan-Suburban) [8.20]: As one who was responsible in some measure for helping to shape the Health Act as it was originally drafted, and having had the privilege of reading the comments of the Commissioner of Public Health on its working during the years it has been in force, I desire to support the second reading of the Bill now before the House. During the time I was in the Eastern States I had the pleasure of speaking to those in authority there in connection with health matters. Our Act has been copied, to a certain extent, in the Eastern States and I have no hesitation in saying that we have far and away the best Act that has yet been introduced in Australia in connection with this subject. I quite recognise that the provisions that were inserted originally in the Bill as it was drafted—a portion of which was drafted, I believe, through my influence—have proved that further powers should be given to the Commissioner, so that the measure may work smoothly. I am not wedded entirely to my own ideas, but I hope to be able to take advantage of the experience which has been gained in the working of the Act. The Act has not yet had a fair chance. Owing to the absence of medical men, all that might have been done in connection with the working of the Act has not been done. Now that things are becoming settled, and with the advent of more medical men here, and probably with additional help for the Health Department, we will be able to do something towards curbing venereal disease in Western Australia.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

House adjourned at 8.56 p.m.

Legislative Assembly,

Tuesday, 2nd September, 1919.

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

QUESTION—MAIMED SOLDIERS, RAIL AND TRAM PASSES.

Mr. O'LOGHLEN asked the Premier: 1, Is it a fact that the New South Wales Government have granted a free railway and tramway pass for life to one-legged soldiers?