

of the prison, and whatever the superintendent or the Inspector General of the Insane, or the Director of Aborigines, or the Chief Harbour Master, or the Secretary for the Labour Bureau, or the Government Astronomer, or the Secretary for the State Children Department, or any of the other 20 or 30 chief officials who come under his control, say, the Comptroller General, the tweedledum, and the Under Secretary, the tweedledee, are prepared to back up, whether it is a matter of a murder having been committed in the mental ward of the Perth Public Hospital, or whether it is simply a matter of flogging a person by mistake in the Fremantle gaol. The Under Secretary will back up the word of the man who is under him in any particular department. It shows a wonderful esprit de corps, and a wonderful class consciousness, which unfortunately the workers of the State have not acquired, but it is of no use to the State or to the public. It is a thing we can compliment him upon, that is, in the way that he stands behind his officers, but, on the other hand, whatever happens at the gaol it is only a matter of the superintendent saying to the Comptroller General of Prisons, and the Comptroller General whispering to the Under Secretary "We will stand together." As far as I can gather, it appears that a few months ago a man was admitted into the Fremantle prison. There was an unfortunate mistake, and as a result of that the man was flogged. I stood within an ace of getting inside that prison myself.

Mr. Lutey: It might have been you.

Mr. JONES: Suppose I had got in and such a mistake had been made with me.

The Minister for Mines: You would have been wakened up.

Mr. JONES: It is all very well to laugh. The superintendent of the gaol might have minuted to the Comptroller General, and the Comptroller General might have passed it on to the Under Secretary, and the Minister might have ordered them to offer me a public apology, but the public apology would have come too late. Directly the mistake occurred the superintendent found out that he was sick. I want an explanation as to how it was the sickness, which was supposed to be the result of some prisoner knocking him down, occurred at that time. I realise the Colonial Secretary has the hardest row to hoe of any Minister. I know he conscientiously looks after his departments, and I am going to do my best to help him through his Estimates.

[The Speaker resumed the Chair.]

Progress reported.

BILL—DOG ACT AMENDMENT.

Received from the Legislative Council and read a first time.

BILLS (2)—RETURNED FROM THE COUNCIL.

- 1, Merchant Shipping Act Application Act Amendment.
- 2, Midland Railway.

House adjourned at 11.13 p.m.

Legislative Council,

Wednesday, 5th November, 1919.

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

PAPERS—DENMARK LANDS, RE-PRICING.

Hon. J. A. GREIG (South-East) [4.33]: I move:

That there be laid on the Table of the House, the report of surveyors Canning and Lefroy on the Denmark settlement in connection with the repricing of the Denmark lands, together with all evidence given by the settlers in this locality before these gentlemen.

Some time ago, I asked several questions with regard to the further surveys in the South-West and, having received an answer to those questions, I felt somewhat concerned as to what may happen if the settling and handling of that part of the State is not very carefully considered. I am asking for the papers so that members will be able to see for themselves exactly what has taken place and where mistakes have been made, so that those mistakes may be rectified and remedied. I understand the leader of the House is quite agreeable to the papers being laid on the Table.

Question put and passed.

BILL—SUPPLY (No. 2).

Third Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [4.35]: I move—

That the Bill be now read a third time.

Hon. J. J. HOLMES (North) [4.36]: I claim the indulgence of the House in order to make a few observations on the Bill. Yesterday I left the House for two minutes in order to verify some figures from the records of the House and, during my absence, the Bill authorising an expenditure of something in the vicinity of a million pounds passed its second reading. We had been for three days discussing the best way of disposing of our refuse wheat and yet, in two minutes, the second reading of the Supply Bill, authorising the expenditure of nearly a million pounds sterling, was passed. I do not ask the leader of the House to reply to-day to the points I shall raise but, when the Appropriation Bill comes down in a few weeks' time, I shall be glad if he will then offer some explanation on behalf of the Government. On referring to the Estimates for the present financial year, I find that the estimated deficit will, on the 30th June next, amount to £4,100,000. The estimated deficit for the current year is £593,394. The deficit for the first four months of the current year, according to the published figures, amounts to £465,398. It will be seen that, although only one-third of the current year has expired, four-fifths of the anticipated deficit for the year has already accumulated. To keep within the estimated deficit during the remaining eight months of the current year, the Government have an excess of expenditure over revenue of only £127,951 to come and go on. A further perusal of the Estimates discloses the fact that the increased revenue for the current year, as against last year, amounts to £357,917, but the expenditure amounts to £394,252 more than last year. In other words, to collect £357,917 we have to expend an additional £36,335 over and above the amount to be collected. Explanations will probably be offered to show that the Estimates are justified but, reading them in a common sense business way, they are most unsatisfactory. Assuming that the estimated deficit at the 30th June, 1920, will be £4,100,000, and that we shall have to pay 6 per cent. interest on that amount, the interest on the accumulated deficit will be a charge of approximately £250,000 on the revenue for 1920-21. If we get the money at $5\frac{1}{2}$ per cent., it will mean a charge of £225,000, and if we get the money at 5 per cent., it will mean a charge of £200,000 for interest on next year's revenue. I would emphasise that this represents the interest on the deficit without any reference to the interest on the money we have borrowed for the development of the country. I have been accused of being a traitor to my country for having referred to the deficit as having reached something in the vicinity of £2,000 per day, but the deficit for the last month was approximately £3,500 per day. If I was charged with being a traitor to my country for having directed attention to the fact that the deficit amounted to £2,000 per day, I do not know what charge will be levelled against me now that I have

drawn attention to the fact that the deficit approximates £3,500 per day. The interest on the deficit next year, calculated at 6 per cent., will represent £700 per day; at $5\frac{1}{2}$ per cent., £625 per day, and at 5 per cent., £550 per day. We have to remember that our financial relations with the Commonwealth are every day becoming more advantageous to the Commonwealth and less advantageous to the State. I have previously expressed the opinion, and I repeat it, that we have no hope whatever of receiving any special consideration from the Commonwealth. One has only to read the morning paper to see what consideration the development of this country is receiving at the hands of the Commonwealth. We have the two parties before the public aiming at a general election. Are they aiming at the development of Western Australia or of the Commonwealth? No. Both parties are out vote-catching, and vote-catching only. If we are expecting consideration at the hands of the Commonwealth we are on false premises, for the Commonwealth cares little for Western Australia, due to the fact that we have no voting strength here for the Federal Parliament. Any economy or any betterment of the conditions must come from within the State and not from without, and while a conference is suggested with the Federal authorities to deal with the financial problems of Western Australia, I respectfully suggest that it is time for a conference of all parties in this State to see if something cannot be done to put the affairs of the State in a better condition. The solution of the difficulty is economy, profitable production, and increased population. I think it is apparent that 300,000 people cannot carry the burden that is being imposed upon them every day. Apart from our financial obligations with regard to the State, there is the obligation to provide for the welfare of the soldier. The proposal at the present time is to provide money for returned soldiers. As far as I can judge the amount involved is likely to be anything from 20 to 30 millions.

The PRESIDENT: I do not think the hon. member is in order in discussing repatriation on the Supply Bill.

Hon. J. J. HOLMES: I could connect my remarks with it if given an opportunity, but I have no desire to detain the House further, except to say that it is all moonshine to expect any consideration from the Commonwealth. We have to put our own house in order, and my reasons for making these remarks is that when we have the Appropriation Bill before us in two or three weeks time the leader of the House will probably supply information which may justify the present condition of affairs.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [4.48]: When the Appropriation Bill is presented I will certainly bear in mind the remarks of the hon. member. I do not know who accused him of being a traitor to his country. I

never did. I have suggested he would do his country greater service by presenting facts in as favourable a light as they would permit, instead of placing them in an incomplete and unfair light. The only further remark I propose to make at this stage is that anyone who has followed the financial affairs of Western Australia even for the past two or three years, let alone the time the hon. gentleman has been in politics, knows that the figures for the first four months have no relation to the figures at the end of the period. The hon. member raised exactly the same point about 12 months ago and made all sorts of suggestions as to what would be the deficit, but when it was all boiled down it was found that the deficit was within £12,000 of the amount estimated by the Treasurer. I have no reason to suppose that the estimated deficit at the end of the current year will be greatly exceeded. But it is a matter which can be dealt with more fully on the Appropriation Bill.

Question put and passed.

Bill read a third time and passed.

BILL—WHEAT MARKETING.

Report of Committee adopted.

BILL—LAND TAX AND INCOME TAX.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [4.52] in moving the second reading said: This is the usual annual Bill providing the rate of land and income tax and excepting in two particulars the Bill is identical with that passed last year. There are two differences between this Bill and that passed last year. The first of these is the proviso to Clause 2 (a) as follows:—

Provided that the tax payable in respect of a pastoral lease shall be at the rate of one penny for every pound sterling—(i) of a sum equal to twenty times the amount of the annual rent reserved by the lease; or (ii) if the lessee has applied for a new lease under subsection four of section thirty of the Land Act Amendment Act, 1917, and such application has been approved, or the lessee has, under the provisions of the Land Act Amendment Act, 1918, paid double rent in respect of his holding of a sum equal to twenty times the amount of the annual rent payable or paid by the lessee.

Pastoral leases held under the Land Act are liable to land tax. The unimproved value is, as prescribed by the definition of "unimproved value" in Section 2 of the Land and Income Tax Assessment Act, 1907, a sum equal to twenty times the excess of the fair annual rent above the rent reserved by the lease. This has, in practice, worked out at a sum equal to twenty times the rent reserved

by the lease. By the passing of recent amendments of the Land Act, a large number of pastoral leases have come under a new scale of rents which has been fixed for the time being at double the previous rent paid. The increased rent paid by these pastoral leases may be taken as equivalent to the fair annual rent. It follows, therefore, that twenty times the excess of the fair annual rent above the rent actually paid by these lessees is really zero, the effect of which is, if this condition is to continue, that such pastoral lessees would pay no land tax. The other difference is that in Clause 5 of the Bill now before Parliament, slight alterations in the wording have been made as compared with last year's Act—Section 3—but I have the assurance of the Crown Law authorities and the State Commissioner of Taxation that the alteration is purely a matter of drafting and has no practical effect beyond making the meaning clearer than before. I do not ask the House to pass this Bill without such consideration as they deem necessary, but it is my duty to say that any undue delay of the Bill will cause serious inconvenience to the Taxation Department. Taxpayers had to furnish their returns on the 1st September and pending the passing of this Bill forms cannot be issued although prepared, and if there is any undue delay in the passing of the Bill it will mean delay in the office and in the collection of the taxes.

Hon. A. SANDERSON (Metropolitan-Suburban) [4.53]: One must pay attention to the explanation and request of the leader of the House and it is quite evident from his attitude that he is going to give us time at any rate to understand this clause. I hope he will give us until next week because on the face of it it certainly demands inquiry when the pastoralists are picked out for special treatment, probably, or possibly, necessarily so. It is indifferent to me whether they are pastoralists or wharf labourers, I want to clearly understand what is proposed before I make any comment, and in spite of the lucid explanation, and in spite of the fact that it is all down here in black and white, I do not pretend to clearly understand what the effect of passing this clause will be. I can assure the leader of the House that as far as I am personally concerned, there will be no attempt on my part to delay for one moment longer than is necessary to understand the Bill, and speaking entirely for myself I will reserve my remarks for the Committee stage.

Hon. Sir E. H. WITTENOOM (North) [4.57]: Unfortunately I am afraid there is no alternative except to pass the second reading and to pay the taxation it calls for. There is no mistake about this clause, it is unmistakably plain. It means that they are going to charge the taxation on the double rental that pastoral lessees are paying pending the time that their pastoral leases are re-valued. There was a case in

court the other day in which this matter was brought up and it was decided that they could not charge income tax on the double rent for the simple reason that it was quite possible that the extra rental would be returned.

Hon. J. Nicholson: That was a road board rate.

Hon. Sir E. H. WITTENOOM: Under the amended Land Act passed some little time ago leaseholders could for the time being surrender their leases with a view to having them re-valued, provided that pending the time this re-valuation came out they would pay double the rental, but when the re-valuation was issued it was not incumbent on them to accept it. After they accepted the re-valuation they got an extension of time from 1923 to 1943, but they had the power of refusing that re-valuation and then they only continued to go for the term of the existing lease, namely, until 1923. All those who have applied—and I think the majority have—to have their leases re-valued, have paid the double rental and it is now sought to charge income tax on the double rental instead of the single one. Therefore unless it is charged on the double rental it cannot be charged on anything. The only thing to do is to insert a proviso that those who do not accept and who have returned to them the double rental will be exempted. In Committee it is likely that I shall raise this point and it can then be considered more deliberately. I desire to make the usual protest with regard to the method of taxing incomes. Why on earth they resort to the absurd system of decimals and go into euclid and algebra in order to find out the values, I do not know. It would be very much easier to divide a hundred into four twenty-fives and in that way everybody would understand it.

Hon. J. Duffell: It is put in to bamboozle the people.

Hon. Sir E. H. WITTENOOM: It is absurd to ask the people to go to this immense amount of trouble in every case. One is forced to employ a professional man to know exactly what taxation he has to pay. If the method were simplified a person could himself calculate the amount he had to pay. Now it is so involved that unless a man is a mathematician it is impossible to master the position.

Hon. J. J. HOLMES (North) [5.3]: The object of the Bill is to impose a tax upon the amount paid by the pastoralist. This amount is not revenue and cannot be considered revenue although it is included in the revenue figures of the State. The amount paid by the pastoralist, or 50 per cent. of it, at all events, should be held as trust money. It is paid on the understanding that if they approve of the re-appraisal of their leases, the money will be retained by the Government or so much of it as the Government will be justified in re-

taining. But the Land Act goes further. A wrong impression has been created that the pastoralist has to pay only double rent for the extension of his lease. It is nothing of the kind. The pastoralist is paying current rent. He is also paying a similar amount which is held in trust pending the valuation of the lease. Power is given to impose six or even 10 times the present rental—if the appraisers so desire—and the Bill proposes to tax the money that is paid by the pastoralist to the Government, that money should be held in trust until the matter is decided. Surely we have not got to that stage when that money deposited with the Government must be taxed.

The Minister for Education: We are not taxing the money; we are taxing the land.

Hon. J. J. HOLMES: The pastoralist has the right when the appraisal is made, to revert to the present conditions, and the present conditions are that he pays a certain rental and on that rental he pays land tax. I do not want anything for the pastoralist that is not fair, but here is a distinct departure that requires earnest consideration.

Hon. J. E. DODD (South) [5.5]: I wish to draw attention again to the fact that in connection with this Bill we propose to make no alteration whatever in the incidence of taxation. Almost ever since the Act has been in operation some difference has been made each year in the incidence of taxation until now, but there has been no difference in regard to land values taxation. With regard to the point raised by Sir Edward Wittenoom and Mr. Holmes as to the re-valuation of pastoral leases, why not point out to the leader of the House that no re-valuation has taken place since the Act has been in operation. There should be a re-appraisal. The last valuation took place in 1906. I know of land on which the same tax is being paid to-day as was paid in the first year when taxation was imposed. I fail to see why that should be so. With regard to the tax generally, I can only repeat what I said last year and that is that the income tax serves no object other than the collecting of money for revenue purposes or to liquidate our deficit. It is a most exacting tax and the most inquisitorial one we know of. Further than that, the main objection is that the tax is passed on, and if anyone only likes to read the report of the Commissioner of Taxation he will soon find that that is so. The pastoralist and farmer, however, cannot pass it on. I simply desire to make these few remarks to emphasise where I stand with regard to this legislation.

Hon. V. HAMERSLEY (East) [5.7]: I only desire to say in reply to Mr. Dodd's remarks with reference to the re-appraisal of pastoral areas that hon. members are aware that the department controlling the operation of this measure were very nervous that those owning land would apply for an alteration of their figures. Since this

Act has been in operation, the department acknowledge that there has been a great reduction in values. The department claim that no very great change from time to time takes place with regard to the unimproved value of the land, but it is well known that with the fluctuations in the price of money and the greater difficulty we have in obtaining money for working the land, the land has consequently depreciated in value. A few years ago money was readily obtainable at $4\frac{1}{2}$ per cent, but to-day the price has increased to such an extent that it is difficult to do anything with the land. The difficulties in the way of raising money have increased, and land values have gone down. The same thing applies to city property, and I think if the department reclassified and re-valued the land, it is more than likely it would be found that the values were considerably reduced. If the department were to carry this out, it would only be necessary for them if they found that values were reduced to go to the House and say "We must have revenue and the rate per pound must be increased." I just make these remarks by way of assuring Mr. Dodd that the department knows well how to look after itself. It is a question of valuation and if they could do anything by having a re-appraisalment they would speedily urge upon the Government to insist on having that re-valuation made. I certainly feel that were a re-appraisalment made, the values would be much reduced.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [5.9]: In order that hon. members and particularly those immediately interested may have an opportunity of considering the proviso, I propose to defer the consideration of the Committee stage until to-morrow. I would ask any hon. member who wishes to move an amendment to the proviso to place that amendment on the Notice Paper.

Question put and passed.

Bill read a second time.

MOTION—TAXATION ON UNIMPROVED LAND VALUES.

Debate resumed from 2nd September on the following motion by Hon. J. E. Dodd—

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.

Hon. A. SANDERSON (Metropolitan-Suburban) [5.15]: I do not wish to say much on this motion because I cannot see that it will have any practical effect. I always listen with great attention, interest, and pleasure to any remarks made by Mr. Dodd on matters of public importance, but

I do not think on this occasion he has shown his usual skill in putting his finger on the spot. I will put it to him in my way and if he thinks it is worth while to reply to my arguments, he can do so at a later stage. Let us assume that this motion is put into force. What will be the position? Take a personal illustration. Say I have a block of land at Broome worth £1,000 and a tax is being levied on that land. In certain circumstances I have no objection to the tax on the land. I support it, but what will you do with it? If I have that block of land and I pay on the unimproved value I want to see the money used locally. If it is for the general purposes of the country, whether State or Federal, then it must be handed over without any stipulation of the kind proposed in the motion. I confess I do not understand the object of trying to connect up the railways with this question of the taxation of land. I regret that the hon. member has not seen fit to bring forward a motion to give the municipalities the same power that the road boards have and that is to levy a tax on the unimproved value of land. I think he could get this motion passed here and in another place, and I think the pressure which would be brought to bear by the different parties and sections in Parliament would be great enough to compel the Government to bring in this measure which is demanded by all the municipalities, at all events those I represent, and which would be of great benefit to the country.

Hon. J. Nicholson: The rate is based on the unimproved value.

Hon. A. SANDERSON: Everyone knows of the taxation on unimproved values. I regret that Mr. Dodd has not brought his guns to bear to get this power given to municipalities. In addition to the local governing bodies, which are in a position to tax, we have also the State and Federal taxing authorities. Who is to get the money derived from a tax on, say, the £1,000 block I have mentioned? Is it to be distributed amongst the municipalities, State and Federal, or is it to be handed to one of these and, if so, who is to distribute the money? Our system of taxation in this country, speaking generally, is unfair, and the poorer we are, unless we play our cards uncommonly well, the more we will have to pay.

Hon. J. E. Dodd: Quite right!

Hon. A. SANDERSON: At the same time, I do not think it is going to end all our woes. The principal difficulty with which I am confronted is the point I have mentioned, that, assume we are in favour of this, who is to get the money—the municipality, the State or the Federal authority? Will one authority get it, or will the three get it? If one is to get it, which one, and why is it going to take it? If it goes to the Federal authorities, the State will be left in the lurch. I cannot see any answer to the question. We can say that the muni-

cipalities shall have the power of fixing the unimproved land value, which they do not possess at present. The motion does not commend itself to me altogether, but to the extent that it includes the unimproved land values taxation, it has my support. My admiration for Mr. Dodd in the political arena is great, and I hope this will bring him a little gratification to go on with his public work. I will, therefore, support the motion, knowing, however, that it will not have any practical effect.

Hon. Sir E. H. WITTENOOM (North) [5.20]: I should almost say that I have welcomed this hour to some extent, because I have been looking forward to the debate for some considerable time. I had fortified myself with a few facts some weeks ago, but now I have almost forgotten them. I find myself compelled to echo the words of Mr. Sanderson, and say that I have always the greatest admiration for the speeches which fall from the lips of Mr. Dodd. I do not say he is an orator, but he is a very keen reasoner, and a logical arguer, and these are points in a man's speech which generally carry conviction to his hearers. I have been, to a large extent, convinced by many of his speeches, but on this occasion he has been exceedingly disappointing. Up to the end of his speech I wondered when the points were coming out. But they never did come, or, at all events, carried no conviction to my mind about the subject before us. The motion is an important one. It seems at first sight to carry conviction, but only to the superficial thinker. I am opposed to a land tax of any description. In Western Australia, where the whole of our progress is almost dependent on the development of the land, and where every encouragement should be given to those who take up the land to develop it, to tax it is wrong. The only taxation in connection with land that I consider permissible is on lands within municipalities or townsites, which should be taxed for their upkeep, as well as all land in road boards, which should be taxed for the purpose of keeping up the roads. For the purposes of the revenue of the country, however, I do not think the land should be taxed at all. Every inducement should be offered for people to develop the land and in as inexpensive a manner as possible. Those who have gone on the land in the past have not found it a very remunerative operation, and therefore any tax in regard to them should be, if possible, withdrawn. Any suggestion for the taxation of land should be carefully considered. Land is responsible for the forward march of Australia and for most of our wealth. On the Address-in-reply I said there were four articles which it was necessary we should have for our living that come out of the land, namely, bread, meat, vegetables, and fruit. There is only one way in which we can get them, and that is by work. There is no artificial way

of getting them, such as by electricity. The foundation of this work and the origin of these products is the land. As these are the stable products of our life, and as we are always talking about cheap living, and wanting this class of goods as cheaply as possible, every encouragement should be given to people to go on the land and produce them as cheaply as possible. We are now faced with this proposal to place an extra tax upon the land. A few of the subjects which have been opened up by Mr. Dodd in the course of his remarks are as follows:—taxation on unimproved values, position of the goldfields industry through freights, position of the farming industry through freights, position of the orchardists, of the timber industry, of the pastoral industry, the high cost of living, the raising of railway rates, and I think also the appreciation of land values round the city and towns. I think Mr. Dodd said something, too, about turning the wilderness into a garden. Were I to address myself to all these subjects, I would require a considerable amount of time, and do not know whether I would convince many people by the time I had finished. I will, therefore, deal with only one or two of these points. I am rather of opinion that the hon. member has been somewhat influenced by a gentleman named Henry George in this matter.

Hon. J. E. Dodd: Quite right!

Hon. Sir E. H. WITTENOOM: May I include Mr. Karl Marx?

Hon. J. E. Dodd: No

Hon. Sir E. H. WITTENOOM: I know some of the views of our mutual friend, may I say, on these subjects. Mr. Dodd sets out as a reason for this tax on land that many industries are suffering through being ruined by high freights. These industries comprise the gold mining industry, farming and wheat growing, fruit growing, and the timber industry. He also said that, owing to this, the railways are run at a loss. The only exception he made was the pastoral industry, the success of which, he says, is largely due to the war. That is one of the worst errors he made in the whole of his speech. Something like 1s. 6. per lb. on wool was taken away from the pastoralists by the British Government and the price they received here—15½d. per lb. all round—is on a par with what they received before the war, always remembering the additional cost of wages and all other matters in connection with the industry. So that the war did nothing for them in that way, but what did help them to a large extent in war time were the good seasons, and they made up to some extent for several preceding bad seasons. The meat market was never influenced by the war at all, because this State never exported meat. Wool before the war was 1s. a pound on an average. Since then it has been about 1s. 3½d. But the difference in the cost of production and in the rates for shearing and labour make it about equal, so I do not think the

war improved the rates for wool. With regard to the mining industry, I do not think we can say that freights interfere with it very much. There is a difference in taking up the food and so on in connection with the freights. That, however, is not what makes the increased cost there, but the increased wages and increased price of articles used in connection with the industry. Mr. Dodd said that wages were not increased, but I think members will agree that hours have been lessened, and that is about the same thing. The trouble on the goldfields is that all the articles in connection with production have increased to a large extent, but unfortunately the price of gold remains the same, and the consequence is that the low-grade mines and those of not such a payable nature have been abandoned. I do not think the matter of freights had anything to do with that. As far as the timber industry is concerned, although they would be pleased to welcome lower rates, they do not find it altogether a disadvantage. Their trouble is with ships. The farming and the fruit industries are dependent upon the land, and therefore if the land is to be taxed to lower the freights they are getting a left-handed compliment, and they would be in the same position. Unfortunately Mr. Dodd draws a gloomy picture. He said, "Owing to the railway freights the industries cannot succeed. There are 900 abandoned farms, a million pounds owing to the Industries Assistance Board, and many millions to the Agricultural Bank, and if the freights were cut down these would all succeed." This is a very strong indictment, and if it is true surely the Government, and especially Governments preceding the present one, should have found some method of dealing with freights so that we should not have such a terrible burst up. What does Mr. Dodd suggest as an alternative in the face of such a picture? He suggests that 4d. in the pound should be put on unimproved value of the land. That is the remedy for this terrible state of affairs. Then we come to the railways. For several years for some reason they have been run at a loss. It is not very long ago that they were making from £100,000 to £200,000 per annum profit, but I am told that the reason for their failure to pay now is that people along the railways are holding lands and keeping them unimproved for investment purposes. I have never found the slightest proof that along the railway lines there is a lot of good land being held up for investment purposes. Mr. Cornell interjected at the time that the people were asking too much for the land and could not sell it. I know a good deal about the railways of the State, from Albany to Nannine, and from Perth to Kalgoorlie, and I can honestly say that I do not know of 5,000 acres of unoccupied land along any of those lines that I would have at a gift, or that anyone would hold for speculation. I agree that there are thousands of acres unoccupied and unimproved. Why? Because, I am sorry to say, it is not suited for

any particular use from a remunerative point of view. But I do not say that they are no good. Go from Midland Junction to Gingin, and tell me who would have much of that land? Go from Geraldton to Mullewa, and who could do with much of that land? Then take the land on the way to Kalgoorlie and between Bridgetown and Perth. I have asked some people what it would cost to clear that land, and they have said it would cost £10 an acre if it was wanted to be cleared in a couple of years, or £2 an acre if it was not wanted for five or six years. But everybody cannot wait that time. The statement that there is a large area of land in close proximity to the railways fit for cultivation and held for purposes of speculation is entirely mythical, and if it is a fact I have never seen any proof. The mischief is that until the past few years a remunerative price was not obtained for growing wheat. The result is that large areas of land along the railways which should be producing grain or something else for the railways to carry are used for stock. Therefore the railways were being robbed. As soon as people can be induced to grow grain instead of stock here, the railways will be payable. But suppose there are large areas of land being held for speculative purposes, then let the Government step in and resume them, and let those people who want land purchase it. If that price cannot be agreed upon it may be taken to arbitration. I was sorry to hear Mr. Cornell insinuate that the titles of much of this land were got in, shall I say, under fictional circumstances. As far as I know, the lands were obtained honestly and squarely. The fact that these lands are unused may be one cause of the failure of our railways to pay. But there are other contributing causes, and one of them is that the management of the railways is not economical. A good deal more care might be used in the running of the railways. Not that I think there ought to be lower wages. I do not believe in lowering wages. But I say, pay good wages and let us have work for them. Economy in management, and production, are the two factors which together will make our railways pay. Another of the reasons why our railways do not pay is that we have built lines all over the country without being able to give those lines traffic. Instead of accompanying the development of the country by railways, instead of encouraging immigration as we opened up the country, we have, to say the least of it, refrained from encouraging immigration. I am a firm believer in railways preceding settlement. But let us be sure that the settlement will come. Mr. Dodd's cure for high railway freights is to impose an unimproved land values tax. He sees all these abandoned farms and the debt owing by the men on the land, and he says, "Put on an extra 4d. in the pound." That is his remedy. I do not think it will answer. I am certain that the question of wheat growing is not dominated by freights. I know of land right on the railways which has been

farmed for years and which has not been made profitable, although the cartage was less than five miles. The failure may be due to bad farming or other circumstances. No doubt distance of carriage influences the matter of wheat growing, but freights are not altogether the governing factor. On the Address-in-reply I was bold enough—I thought myself very brave at the time—to suggest that 5s. per bushel should be guaranteed to the farmers for their wheat. As to the motion itself, I am sorry to say that I shall be obliged to oppose it, for I cannot find a single argument in its favour. The land is the source of our food supply, and the source of our success, and the foundation of everything existing in Western Australia. Therefore the land should be made as free as possible from taxation, and every encouragement should be given to those who settle on it. If there is unused land in prominent situations which is being held for speculative purposes, let the Government step in at once and take it. If my memory is correct, it is only a year or two since the leader of the House stated with a certain glee that he was having a return prepared of land along the railway lines, showing what was being used and what was unused. That return would be very interesting indeed, and would probably solve the question raised by the motion. I have been looking forward to the production of the return. Was it ever made?

The Minister for Education: The information was given at the time.

Hon. Sir E. H. WITTENOOM: What the result was I do not know. In a State such as this, which lives on production, every inducement should be offered to those on the land to produce as cheaply and as extensively as possible, and the reason I advance for holding that view is the reason advanced by Mr. Dodd in support of his motion—that it is on the primary industries our railways depend.

Hon. J. MILLS (Central) [5.53]: I was not present when Mr. Dodd moved this motion, but I have no doubt he backed it up by strong arguments. However, I cannot follow him in this instance. To a certain extent my own sentiments were expressed by Sir Edward Wittenoom. My view is that instead of taxing the land we should cultivate a desire to live within our means, and thus we would be relieved of the necessity for everlastingly casting about for fresh avenues of taxation. It is only about a year ago that this House was engaged in framing an Act under which soldiers should have land at half price. To-day, within the year, we are discussing a motion to tax the land which we enabled soldiers to purchase at half price. Thus there is a risk of our gift to the soldiers proving somewhat left-handed. Again, there are the young pastoralists on the outer fringe of settlement who are just beginning life: they certainly cannot bear this additional taxation. As regards the valuable corner blocks in the cities

carrying office buildings and business premises, which, I take it, this motion more particularly seeks to get at, the proprietors would simply pass on the additional taxation, through the tenants, to the consumers. Residential properties, owned chiefly by poor people, on the outskirts of the city would be taxed directly, and those owners can least afford to pay the taxation. I understand that a farmers' conference approved of the principle of the tax proposed by this motion, but I attribute that approval to the fact that the farmers present were, largely, wealthy men with well developed properties. If this land tax were imposed and railway freights correspondingly reduced, such farmers would benefit. But no benefit would accrue to the poor farmer outback, who has little produce to send to market. Again, the farmers on the Industries Assistance Board cannot afford to pay additional taxation. Surely Mr. Dodd would not argue that they are a class who should be further taxed. We invite people to come and settle on our lands, but this proposed taxation will tend to keep immigrants away from Western Australia. Sir Edward Wittenoom referred to the fact that our railways are not paying. That fact, in my opinion, is due largely to want of population. Sir Edward advocates that land should be taken from owners alongside the railways who do not utilise their property. The land is certainly utilised, but it is held in huge areas of from 300,000 acres up to about 1,200,000 acres. I do not think it is in the interests of either the State or the railways that such large areas should be held by individual holders. If there were more holders of land, there would be more population. I regret my inability to support Mr. Dodd's motion.

Hon. J. NICHOLSON (Metropolitan) [5.57]: I would not have taken part in this discussion but for some remarks made by Mr. Sanderson on an interjection of mine which I think he must have misunderstood. I interjected that under the Municipalities Act land which is unimproved and unoccupied is taxable on the basis of the unimproved capital value. I refer Mr. Sanderson to the Act itself, which provides that—

The annual value of rateable land which is unimproved and unoccupied shall be taken at not less than £7 10s. per centum on the capital value.

The method laid down in respect of land which is improved or occupied is that of fixing the rateable value at a fair average of the annual rental derivable from the land, and there is a provision that the annual value of rateable land which is improved or occupied shall in no case be deemed to be less than four per cent. on the capital value of the land in fee simple. So that a person receiving even a small rental is bound to pay on not less than four per cent. of the capital unimproved value of the land. With regard to the motion so ably proposed by Mr

Dodd, there is one point that occurs to me. Are we going to arrive at a solution of our present difficulties by imposing such a tax as the motion has in view? Further, would the imposition of such a tax as Mr. Dodd proposes, and on the lines he suggests, assist us out of our difficulties? In relation to any new method of taxation, it is first necessary to ascertain whether the tax or series of taxes will bring about a better condition of affairs than exists at present, and will relieve us from some of the financial difficulties in which we find ourselves. The hon. member, in submitting his motion, drew various contrasts, one between the goldfields and more populous neighbourhoods. He referred to such places as Kanowna, Kurnalpi, Kookynie, and Menzies, some of which places have actually become more or less dead, and as a contrast gave an instance of property at Keane's Point which had vastly increased in value and on which the owners had made a considerable amount of profit in the course of some years. The position will be a very unhappy one indeed for the owners of property on the goldfields area, which is now depopulated, because that land brings in no income and, in fixing taxation, the Government in fairness should naturally have some regard to the possibilities of the earning capacity of the land. It is an absolute impossibility to get any benefit from that land. In the case of the land at Keane's Point, I venture to think that another form of taxation would probably meet the case, namely, a tax on the unearned increment. I am prepared to give the fullest consideration to any tax which will improve the existing condition of affairs. If this tax can be shown to be one which will bring about a remedial position, I shall be prepared to support it but, from the facts adduced so far, I do not think it would bring about that position. The motion is sufficient to awaken interest not only amongst hon. members, but among the people outside and should lead to further inquiry. It is a matter which the Government should inquire into and take steps to ascertain whether this method of unimproved land taxation is the best method or whether some other method or methods would be better. I would support a motion for the appointment of a committee to inquire into the proposal but, at present, I cannot support the motion.

Hon. J. CUNNINGHAM (North-East) [6.5]: I support the motion. The intention of the mover is to assist our primary producers. The motion states that a tax should be levied on the unimproved value of land to meet interest charges or part of the interest charges on the railways, and effect a corresponding reduction in freight charges. Sir Edward Wittenoom, when speaking a few minutes ago, said railway freights did not materially affect the mining industry. We must remember that, within the last four years, there has been an in-

crease—in two instalments—of 20 per cent. in railway freights to the goldfields. This makes a big difference to the people on the goldfields far removed from Perth, the people on the North Coolgardie goldfield and the Murchison, including the Meekatharra goldfield. It has been pointed out repeatedly that, owing to the heavy increases not only in the cost of living but in the cost of mining requisites, the industry in some parts of the State has been practically starved out of existence. Therefore, any reduction in railway freights must make a material difference to the goldmining industry of the State. Reference has also been made by Sir Edward Wittenoom to the unoccupied land adjacent to our railways. I gathered he was under the impression that the greater portion of the unoccupied lands are really not fit for cultivation or capable of producing wealth. If this motion is carried and the Government act upon it, we should then find out whether the hon. member's contention is correct or otherwise. Our object should be to make the land available for settlement; settlement means production. As pointed out by Mr. Mills, there are some estates adjacent to our railways running into 10,000 to 12,000 acres held by one man or one firm. In a State like this, where good productive land is so scarce—and Sir Edward Wittenoom admits this fact—such a state of affairs should not be tolerated. Only recently the Government have been hard put to it to secure suitable land for soldier settlement. If the motion is acted upon, land which has been put under offer to the Government at a certain figure and which was not acceptable at the price, will be made available for soldier settlement. Sir Edward Wittenoom referred, and perhaps intentionally, to only those lands outside the metropolitan area that would be affected by a tax on the unimproved value, namely, the land held by farmers, and he said it would not be a good thing for the State to add to the already heavy burdens of the primary producers. The bulk of the wealth in unimproved land values of the State is held not a great distance from the Town Hall, Perth, and these land values have been created not by the present holders, but by the industry of the people right throughout the State, those engaged in the mining industry as well as those engaged in the timber, pastoral and other industries. These people have all added to and created the values of our metropolitan lands. This is where the money would come from under land values taxation and, if this motion is given effect to, it will mean the taxing back to the people of the wealth that the people themselves assisted to produce. While these land values are created by the industry of the people throughout the State, and held by a few people within the metropolitan area, these few land holders contribute very little or nothing to the railway system of West-

ern Australia. This point is worthy of consideration. How will this proposal affect the genuine producer who is working his property and doing his best in his own interest and to assist the State? It will not inflict any great hardship on him.

Hon. H. Stewart: According to the use made of the land.

Hon. J. CUNNINGHAM: No, it will be according to the unimproved value of the land. I fail to follow the logic of Sir Edward Wittenoom's arguments on the motion. I was inclined to think he had a very poor grip of economics so far as land values are concerned. Apparently, some members of this House have given very little consideration to the subject, though it is a matter of great importance to the whole of the people of the State. It certainly is a matter of vital importance to the railway system and to those genuinely engaged in primary production.

Hon. V. HAMERSLEY (East) [6.13]: I do not see eye to eye with the mover of the proposal to reduce freights and interest charges on the railways by a tax on the unimproved value of the land. If we tax the unimproved value or the unearned increment, we shall be taxing the thrift of the people. It will be a direct blow to those who wish to save and invest their earnings in land. An onslaught on the thrift of the people will reduce the quality of the people and frighten away those who look to invest their money in land. It will reduce capital values generally and affect the whole of the values of the State, because investments will be rendered less certain than they are at present. Under such a system of taxation, it would be better for the community not to invest in land but to take up brewery or bank shares or invest in some direction of that sort. Yet not one of such investments is so good for the State as investment in land.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. V. HAMERSLEY: Before tea I was remarking that, in my opinion, the suggestion to impose a tax on the unimproved value of land is a direct tax upon thrift, and it is, therefore, a very dangerous form of taxation. It is claimed that population increases the value of land, so that the man who puts his money into land as an investment will reap a greater reward with the advent of a greater population. But he is not the only one who benefits by that increased population. Therefore, he should not be the only one to come under this burden and directly bear all the forms of taxation which fall upon the man who invests in land. I claim that the increase of population also enhances the values of an investment made by a person who, say, puts his money into a bank, and sits back and draws his dividends. I claim that the increase of population also enhances the value

of the investment of one who puts his money into brewery shares. The greater the population the greater the consumption of liquor, and consequently the greater will be the value of the shares. The same thing applies to the person who puts his money into any other form of investment. But the poor unfortunate man on the land has, in my opinion, to pay an unfair proportion of the costs. As a rule, we find that a great many who put their money into land lose considerably by it. I know many cases where land has been disposed of at less than its cost. I have heard of a man buying land who would afterwards be glad to give it away for the rates that had to be paid on it. At all times, therefore, we should encourage people rather than scare them off acquiring land. It has been claimed by Mr. Dodd that some of these properties have been acquired very often cheaply, and that after a number of years have become enhanced in value to such an extent that the people have been regarded as equivalent to robbers because they have been supposed to have made enormous profits. There are a great many, however, who have suffered a great loss and there should be some form of compensation for those people. Rather than see a fund provided so as to bring about a reduction of fares and freights on the railways, I would prefer to see the position turned the other way about, and compensation paid to those who have on many occasions suffered by investment in land. I particularly want to draw the attention of the House to this phase of the question, that if we do pass a measure of this description, it gets into the hands of officials who are not always sympathetic and the question of values is always likely to crop up for reappraisal, as was hinted at this afternoon in connection with another measure. It is very difficult indeed to arrive at the true unimproved value of some of these properties. I can give instances where very inferior values have been placed on properties. I know of one or two cases where the Taxation Department and the local authorities have given the unimproved value of property as something like £5 an acre. The owner made several appeals to bring about a reduction and finally came to the conclusion that it was abominable to pay on that valuation. He put up his land for auction and it brought £2 an acre. I claim that that person had a direct grievance against the local authority, or the board, or whoever was responsible for the valuation. But he had no redress, and if we continue passing legislation of this nature it will irritate others and cause greater difficulties. I agree with Sir Edward Wittenoom that we do not want to put this tax on for the purpose suggested by Mr. Dodd. I do think, however, that the local authorities should be armed with power to raise revenue. Subsidies could then be withdrawn and the whole of the land taxation imposed by the local authorities could reasonably be spent within those centres where the money had been raised. In that way it

would not be necessary for the Government to spend so much of their energies and time in keeping up departments for the distribution of various votes in different parts of the State. All the money raised in the various centres should be spent in those centres and in that way we would have a much better local equipment in the way of roads and public conveniences. At the present time the local bodies feel that there is already too great a drain on the people by the different forms of taxation. I claim that by the owners carrying out improvements on their properties, the whole community reaps the benefit. I do not altogether agree with the idea that the man who owns property in the towns would bear the lion's share of this taxation. I am satisfied, from the figures as I have read them, that these values will be very much greater throughout the country districts than they are in the cities. According to Knibbs, it is shown that the unimproved value of country lands is greater than that of city lands, so that the people who declare that the city will pay the whole of the burden of taxation, and that it will relieve the railways of the cost of freight and interest on construction, are quite wrong. I think it is extraordinary that the Farmers and Settlers' Association should have passed a resolution in favour of a tax of this nature. I noticed also that the Australian Natives' Association believe in a measure of this kind. It seems to me we are getting quite a sufficiently strong popular feeling in favour of this tax being put upon the community, but I consider it would be a dangerous step for us to take. The real benefit would be derived by those who are using the railways for joy-riding purposes, or going on seaside excursions, or even to picture shows. I know of people who were very disappointed because they missed a train at Fremantle and had to wait half an hour for another. But what about the man in the country who, if he misses a train, has to wait two or three days for the next? Moreover, it should be pointed out that the people in the country are already more heavily taxed by the railways than the people living within the metropolitan area. Those in the country have to pay half as much again per mile for the privilege of travelling, and their trains are very few and far between.

Hon. A. H. Panton: There is not much joy riding in the metropolitan trains.

Hon. V. HAMERSLEY: If such a proposal as that contained in the motion were carried, there would be no inducement to keep down the cost of the upkeep because the added cost can always be turned on to the man on the land. But the same thing applies to the number of trains which would be run and to the cost of construction. There would be no inducement to keep down the first cost of a railway because that cost would have to be borne by the poor unfortunate man who invested in land. The unimproved value of his land would have to bear the burden. All this only intensifies my feeling that if a tax of this kind were

imposed, it would rank side by side with the present Federal and State land taxes, and municipal and road board rates, and water and health rates. The culmination of it all would be that those who are thrifty and have invested in land would find the value of their investments practically gone. This proposed taxation would be an inducement to people to get out of the country. I am inclined to believe that the more of that form of taxation is put on, the more is the community on the land irritated. I know my own feeling in the matter, and I know that feeling is shared by others. The tendency of such proposals as this is to depress the people on the land, and to make them sit back. Under the conditions proposed by the motion, there would be less inducement to the management of our railways to keep down expenses than if the whole community were made to bear the burden through fares and freights. It is frequently assumed that the lands when originally acquired were obtained very cheaply, and that before the holders had them very long the value increased greatly. But that has not been the experience in this country. There may be isolated instances of phenomenal rises in value, but the number of those instances might be multiplied tenfold or even a hundredfold to represent the instances in which the value has not increased. Unless we can create and maintain a feeling that the people who make a profit out of land will be treated as entitled to that profit, the effect must be to retard the development of Western Australia. Mr. Sanderson says that the poor man pays most of our general taxation. But going round this country one finds that the poor man is he who holds land. He usually works very hard, and does not spend everything he earns; and that is the class of man we should encourage. In this sense I agree with Mr. Sanderson that the poor man is the man who on the whole carries the country. My impression is that a great deal more work would be done in the country if only we could induce people to leave the city. Too many remain in the centres of population with amusements at hand; and too many of these fritter away their time on the kerbstone. I believe that Mr. Dodd's suggestion emanates from those who are disposed to relieve the many of their share of taxation and throw the burden on the shoulders of the few. That is a system of taxation which we should avoid. Everyone should bear his fair share of taxation. Everybody has the franchise, and our policy should not be to cast the burden of taxation on the unimproved value of land with a view to relieving the Railway Department of the consequences of occasionally reckless working and of first costs of construction which are too high. I therefore must oppose the motion, which I regard as a dangerous proposal. I would far rather have seen Mr. Dodd put forward a suggestion that we should try to bring all taxation into

one form. I agree with Sir Edward Wittenoom's suggestion that all taxation could be raised through one office, that it could all be collected by the local authorities. Probably it would be an impossible task to persuade the Federal authorities to relieve the State of the burden put upon them by Commonwealth land taxation. No doubt it would be a difficult matter to induce the State Governments to do away with their unimproved land values taxation, although they do not derive much revenue from it. I believe that it was Mr. Wilson's intention, when he last went to the country, to repeal the land tax. As we know, he was not successful at the general election. If the proposal I refer to had anything to do with his failure to be returned to power, it shows that the centre in which he advocated his policy was not favourably impressed by it. Just at that time the electors were being courted by the Labour party, who succeeded to power; and certainly that party had no intention of abolishing land taxation. I look forward to the day when land taxation will be under the immediate control of the local authorities. Holding the views which I have expressed, I must oppose Mr. Dodd's motion.

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

MOTION—TRADE WITH STRAITS SETTLEMENTS AND JAVA.

Debate resumed from the 2nd October on the motion by Hon. J. Duffell—

"That in the opinion of this House, in view of the necessity for the encouragement of production by the provision of adequate markets for the results of such production, it is advisable that the Government of this State should take steps to develop trade and commerce between this State and the Straits Settlements and Java."

Hon. J. W. HICKEY (Central) [7.58]: I regret that the hon. member who secured the adjournment of the debate is not present to resume the discussion, since when that hon. member speaks on a subject of this kind he invariably furnishes interesting and important details, such as frequently influence members in the casting of their votes. Personally I fully sympathise with the motion. I realise that it has been largely prompted by a report which you, Mr. President, made some time ago, after a visit to the Straits Settlements and Java. As one who took a casual interest in the report at the time, and who has studied it more closely since, I regret that the Government of this State have not yet seen fit to proceed further in the matter. I regret that it should have been necessary for a private member to move this motion, but I trust that the result of the discussion will be to cause the Government to open up negotiations with

the Governments of the Straits Settlements and Java. I am satisfied that a trade with those countries would tend to the greater development of our natural resources. I am dealing with the subject impromptu, and I do not wish to appear parochial. At the same time, I have in mind my own portion of this State, and the opportunities of development there if a trade could be established between Western Australia and those countries. Take, for instance, the large agricultural centres of the Victoria district. We have there a flour mill which has been duplicated recently and the machinery is practically fit to compete with anything in the State and is situated at the last port of call between this State and Java. If advantage is taken of our opportunity that particular part of the State will benefit considerably. I regret that we have not the report upon which this motion is based which would give us an opportunity of dealing with it more exhaustively, but there are great opportunities and possibilities in the northern portion of the State for opening up trade with the Straits Settlements, particularly in wheat and in the freezing and canning industry. There is a certain amount of controversy going on as to where the meat works should be established. We understand that works are being established at Fremantle. That is quite natural because every district is entitled to its natural trade. Settlers in the Murchison country are anxious to establish works at Carnarvon and Geraldton, and when the works are established there will be possibilities of a large trade being opened up between the Straits Settlements and the Victoria district. I trust that those matters will be given consideration and that the motion will be carried with little or no opposition, because I think it is our duty to endeavour to develop the natural trade and take every opportunity to deal with these problems as we find them. We should take it a little further and get representation in these particular parts, and the Government should go so far as to appoint a Commission to report on the possibilities of trade in this direction. We are a producing country and are not exporting as much as we could.

Hon. Sir E. H. Wittenoom: Why not move for the appointment of a Royal Commission?

Hon. J. W. HICKEY: I am sure that the hon. member will use his influence in the direction he has indicated. I trust in view of his great influence that he will support the motion and that it will be carried, and that it will give an opportunity to open up trade between the northern portion of this country and the Straits Settlements. I have pleasure in supporting the motion.

Hon. J. J. HOLMES (North) [8.4]: One would have thought that with a Government in power whose primary object is to encourage the producer such a motion would hardly have been necessary. We gather

from the report presented and from other sources that the trade is there and we know from our geographical position that the trade belongs to us. Advice has been offered by those interested and in a position to know, as to how this trade might be secured to this State, but so far little has been done. We know also that the trade is drifting into other channels, and once trade gets directed into a channel it is not a very easy matter to bring it back to the State from which it was allowed to drift. There was a great opportunity for this State to have secured control of this Eastern trade during the period of the war. We had in this State transport facilities which no other State had. We had practically the only free boat, south of the line, at all events, the very boat required to open up such a trade. The leader of the House shakes his head, but during the period of the war the "Kangaroo" might have been diverted to opening up trade between here and the Far East. Those who took an interest in the matter urged the Government immediately after the "Kangaroo" was purchased to have one portion of her insulated. We have evidence that one portion of this boat could be insulated to carry 1,000 carcasses of beef and another to carry 3,000 carcasses. It was suggested that flour should be sent from Fremantle and meat from Wyndham, and that other products could be sent such as fruit, while in return we could get the products which are badly needed here. But during the past three or four years when this trade might have been encouraged by this ship, it was engaged in profiteering in another part of the world. That is not hearsay, but it is fact. Even the kerosene people, according to the Commission in the East, were able to secure the "Kangaroo" to bring a cargo of kerosene from America and to make an enormous profit, and yet we have a Bill before us to prevent profiteering. This is very interesting, but it does not seem to be the right way to develop the country. Private enterprise has done something in the matter. One firm in Fremantle purchased a boat during the war to open up the trade, but it was found that it was hardly suitable and another boat has been purchased and is running in that trade now. I do not wish to labour the motion. In my opinion a motion of this kind should not be necessary, but as very little or nothing appears to have been done I have much pleasure in supporting the motion in order that some good may result.

Hon. J. DUFFELL (Metropolitan-Suburban—in reply) [8.10]: I desire to express my appreciation to hon. members for the sympathy with which my motion has been received. I have very little to add in reply to the statements that have been made other than to say it is very gratifying to know that the motion has resulted in numerous interested people outside making

application for a copy of the report which was furnished by the President, and that the Premier has been interviewed by several people who are contemplating taking action in the direction indicated in my motion. I can only repeat that I am pleased it has been so well received and trust it will be carried unanimously.

Question put and passed.

Hon. J. DUFFELL: I move—

That the resolution be transmitted by message to the Legislative Assembly and their concurrence desired therein.

Question put and passed.

MOTION—FINANCIAL RELATION WITH COMMONWEALTH.

Debate resumed from 1st October on motion by Hon. A. Sanderson—

That in the opinion of this House the Government should at an early date appoint a Royal Commission to report on the financial relationship between the State of Western Australia and the Commonwealth.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [8.12]: I think it is quite unnecessary for me to say that the motion has my entire sympathy, that is, the object of the motion. But I think that when I have made the few remarks I intend to offer, the hon. member may possibly agree to withdraw the motion with a view perhaps to substituting another motion at a later date. That there was great necessity for such a report I readily admit. It is a matter upon which I have spoken in this House at great length on more than one occasion. In March of the present year the Perth Chamber of Commerce carried the following resolution:—

"That the Government be requested to obtain from Mr. Edgar T. Owen, State Commissioner for Taxation, a continuation and extension of his report dated 1899 as to the effect of Federation upon W.A. finance."

The Chamber of Commerce emphasised the fact that the report of Mr. Owen dated 1899 was so convincing and of so comprehensive a nature that it was desirable, no matter what little inconvenience might be caused in the Taxation Department, that Mr. Owen and no one else should be free in order to bring the report up to date. I was not present in the House—it was during my absence in Melbourne—when Mr. Sanderson moved the motion, but I have read the report in "Hansard" of the debate which followed, and several members made reference to the Commissioner of Taxation urging that he should be one of the commissioners. As a matter of fact, the Government, very soon after receiving this request from the Perth Chamber of Commerce, did appoint Mr. Owen to make the report,

and made such arrangements in connection with the working of the Taxation Department that Mr. Owen might be absolutely free to devote the whole of his time to the work; and in point of fact he has devoted the whole of his time to the work ever since, with the result that his report is now complete. It was handed to the Premier two or three days ago. It is a very comprehensive report and is enriched with tables covering the entire situation. I have no hesitation in saying that as a report on the financial relationship between the State and the Commonwealth it is far more complete than would have been the report of any Royal Commission. I have not yet been able to read the whole of the report, although I have spent what few hours I could in an attempt to get through it, but I have read the brief summary of it and I am satisfied that Mr. Owen has done his work completely and thoroughly. The Premier this morning discussed the matter with me and decided, on Mr. Owen's recommendation, that a copy of the report should be at once handed to the Government Printer. The report is now in the printer's hands and will be available at a very early date. When that report is before us it probably will be held desirable that some further action be taken. But in the meantime, the hon member will agree that the preparation of a report contemplated in this motion, has been done, and I think he will be satisfied, when he sees the report, that Mr. Owen has surveyed the position to an extent that no Royal Commission could have attained in a period three or four times as long. Mr. Owen was entirely familiar with the subject before starting on his investigations. He had every possible means of obtaining the necessary information, and he has devoted himself exclusively to the work for the past three months. Had this work not been done, I should have supported the motion most enthusiastically, but in the circumstances the hon. member's object will be met if he withdraws the motion for the time being and, when Mr. Owen's report is furnished, he might then very properly see the necessity for a motion favouring some further action.

Hon. A. SANDERSON (Metropolitan-Suburban—in reply) [8.17]: I certainly am not going to withdraw the motion. The report of the officer, which we have not seen, will no doubt be a valuable contribution to this question, but I am not satisfied that it will cover all the ground. Considering not only the financial questions but the Constitutional questions, one might almost say the Imperial questions, connected with our relationship with the Commonwealth, it is quite impossible that any individual's report, however able the officer, will cover all the ground. I admit Mr. Owen is a distinguished public servant whose opinion is of the utmost value and must be treated with great res-

pect. After the very moderate statement by the leader of the House, I do not wish to display any party or political feeling in this matter. I will content myself with saying that on the eve of the most important Federal election we have ever had, the public are entirely deprived of any guide on this question. This is to be deplored. I certainly would not criticise the leader of the House, even if I ventured to criticise his colleague on the score of the treatment which has been meted out to this motion. It is now some weeks since it was introduced. Yet I suppose I should not complain, because I recognise the very difficult situation in which we find ourselves. But surely it is deplorable that the one question of value and interest and importance to Western Australia, namely, that of the financial position as disclosed by our relationship with the Commonwealth, is the one the people know least about on the eve of an important election. If we follow the suggestion of the leader of the House we shall be depending entirely on the report of only one person. We have not that report before us, yet I am asked to withdraw the motion. Whether it will be carried is not for me, but for hon. members, to decide. I thank very warmly those members who have supported me. If one looks at the "Hansard" report of the debates one sees that I had very general support on this question. We have all waited with great anxiety to see what the leader of the House would say on the subject, and I must admit that I am somewhat disappointed. I do not wish to criticise with any severity what he has said, because we know his official position; we know that he is speaking, not for himself but for the Government, and that in consequence he has to be most guarded in his language and as to what he recommends and suggests. But there is a great responsibility on all private members in regard to public affairs. We cannot put on the Government the responsibility which rests upon ourselves. The most important questions are involved in our financial relationship with the Commonwealth and I refuse to take the opinion of one man; I want the opinion of half-a-dozen.

Hon. J. Nicholson: Adjourn the debate.

Hon. A. SANDERSON: No, certainly not. I have been waiting anxiously for many weeks to see the motion either carried or lost. I am astonished at the interjection. It is like the Scottish "non proven" verdict. I do not want a non proven verdict; I want "guilty" or "not guilty." The motion moved in another place by Mr. Gardiner, the ex-Treasurer of the State, asks for a select committee. This motion does not tie us down to a Royal Commission, because I tell the Government at once they can choose between a select committee and a Royal Commission as they think fit. Personally I should be satisfied with a select committee, although in this connection it does not offer the advantages of a Royal Commission. The expense would be abso-

lutely trifling as compared with the magnitude of the issues at stake. I will not withdraw the motion, and I hope hon. members will pass it as an indication that we want a full inquiry into this important question.

Question put and passed.

BILL—TRAFFIC.

In Committee.

Resumed from the previous day. Mr. Allen in the Chair; the Minister for Education in charge of the Bill.

Clause 13—Obligation to grant licenses:

The CHAIRMAN: When progress was reported we were considering Clause 13, to which an amendment had been moved by Dr. Saw to strike out from line 4 of paragraph (f) the words "or the number of licenses issued has reached the prescribed limit."

The MINISTER FOR EDUCATION: I moved that progress be reported on this clause in order to satisfy myself of the exact position. Whilst the discussion was proceeding I looked through Clause 40, "regulations," and was unable to find in that clause the provision I expected to find there giving the Minister power to frame regulations limiting the number of vehicles that might be licensed for any particular purpose. Had that power been there the Minister might have imposed a limit by regulation, which regulation would have been subject to disallowance by Parliament. On investigating the matter this morning I found that in the Bill as presented in another place there was in Clause 40 the following provision:—

Limit the number of passenger vehicles or carriers' licenses to be granted in any district.

The provision in Clause 13, "or the number of licenses issued has reached the prescribed limit" is supplementary to this paragraph in the regulations. By an oversight these words in Clause 13 were still left in the Bill. They would have been quite meaningless, because the regulation empowering the Minister to limit the number of passenger vehicles or carriers' licenses was struck out.

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

Clause 14—agreed to.

Clause 15—Cancellation of licenses:

Hon. J. CORNELL: I understand that an appeal may be made to a court of petty sessions if a license is cancelled. If I held a license and it was cancelled by a court consisting of two justices, could I appeal to a higher court?

The Minister for Education: Yes.

Clause put and passed.

Clauses 16 to 18—agreed to.

Clause 19—Traffic inspectors:

Hon. J. NICHOLSON: Under the Interpretation Act it is provided that where the word "shall" is used in any Act after the

passing of the Interpretation Act, it will become imperative and not permissive. As there are certain districts which will come under the control of the Minister, I presume he will undertake the appointment of these traffic inspectors, and that it is not intended to ask the local authority in a district to make any appointment.

The MINISTER FOR EDUCATION: That is perfectly clear. The obligation is on the local authority. In the particular districts to which the hon. member refers, the Minister is the local authority, so that the obligation is on him and no one else.

Hon. H. STEWART: I presume the Minister would, where possible, appoint Government officials to do this work in order to save unnecessary expense.

The Minister for Education: In the metropolitan area, the police will do the work.

Clause put and passed.

Clause 20—Licensing of drivers:

Hon. J. CORNELL: I am not in accord with the clause as it stands. I cannot see the necessity for motor drivers obtaining a certificate to drive a motor every year. I hope we shall amend the clause so as to provide that, once a motor driver is adjudged by a recognised tribunal to be duly qualified to drive a motor, he shall get a license just as a certificate is issued in the case of an engine-driver, and that this license will hold good until cancelled or suspended under the provisions of the Bill. The clause savours more of the nature of a revenue proposal than of a machinery clause to deal with the competency of a motor driver. To ask a motor driver to renew his license every year is wrong in theory and principle. I move an amendment—

That in line 3 the words "member of the police force" be struck out and "police officer" inserted in lieu.

I desire that the examination shall be a reasonable and fair one, and that it shall be part of the duty of the Minister to prescribe the examination and the fees therefor. Instead of any police constable issuing a license, the police officer will under my amendment do so. The Commissioner of Police should not delegate the power of issuing a license to anyone below a police officer.

The MINISTER FOR EDUCATION: It would not be wise to make the amendment because a police officer strictly means the Commissioner and his inspectors, and the issuing of licenses would be restricted to them. It would be better to leave it to the discretion of the Commissioner to detail members of the police force competent to do the work.

Hon. J. CORNELL: I was under the impression that sergeants and corporals would be recognised as officers. In view of the explanation, I ask leave to withdraw the amendment.

Amendment by leave withdrawn.

Hon. J. CORNELL: I move an amendment—

That in lines 3 and 4 the words "an annual" be struck out and "a" inserted in lieu.

This will provide for a license for all time until cancelled or revoked and will not necessitate one being granted annually at a recurring charge. The clause as drafted is purely a revenue-raising proposition.

Hon. J. MILLS: No driver should be called upon to pay an annual fee, but he should be subject to examination, and should apply for a renewal of his license to ensure that he is still qualified to drive. Otherwise, some physical disability might lead to him becoming a menace to the safety of the public. If the hon. member moves an amendment in this direction, I shall support him.

Hon. J. Cornell: I propose to make provision for that later.

The MINISTER FOR EDUCATION: The reason for proposing an annual fee is partly to obtain revenue and partly because it is desirable that licensees should come up annually for review. It is the practice for drivers, wherever they are licensed, to come up for review annually, and pay an annual fee. In some cases the fee is higher than we propose. If it is necessary to come up annually, there must be administrative costs, and under the amendment there would be nothing to meet those costs.

Hon. A. SANDERSON: In ordinary circumstances I would support the amendment, but I wish to get the Bill through with as few amendments as possible. If the Bill is returned to another place at this stage of the session with a lot of amendments, there is a probability of its not being put on the statute-book. The Bill is very necessary, and it is with some hesitation and regret that I must oppose any amendment, because it is important to get the measure passed.

Hon. J. NICHOLSON: There is a great deal to be said for the amendment, but it will be necessary to meet the charges for re-examination.

Hon. J. Cornell: I will provide for that in a subsequent amendment.

Hon. J. NICHOLSON: The hon. member does not provide for re-examination. If a higher fee is to be paid for the license and there is to be a re-examination from time to time, which must be paid for, it is questionable whether the licensee would not be put to more trouble and expense than under the simple method of letting everyone come up automatically each year. The fee would be fixed by statute, and would not be likely to be increased as it could be under regulation.

Hon. J. CORNELL: What examination will a driver who already holds a certificate of competency have to undergo? I can conceive of no other than a medical examination. There should be a tribunal to

determine the degree of competency and to state at what time a person should come up for further examination. The proposal in the Bill is a new departure and will prove a tax on the livelihood of the motor driver.

Hon. J. DUFFELL: I referred on the second reading to the fact that in the case of a person owning a motor car and having several sons competent to drive the car, one license should be sufficient for the whole family.

The CHAIRMAN: That question is not before the Chair at the present time. We are now discussing an amendment by Mr. Cornell to strike out the words "an annual."

Hon. J. DUFFELL: Is it a fair thing to expect that a license fee shall be paid annually by several members of a family, which family owns a car? That would be an unjust imposition. So long as the members of that family have passed an examination one license held by any member of the family should be sufficient.

Hon. J. Nicholson: That has nothing to do with it.

The CHAIRMAN: We are now dealing with the annual license, not whether it is necessary for every member of a family who is able to drive a car to have a license.

Hon. H. STEWART: The hon. member has referred to the question of the annual license where there are several members of a family who are able to drive a car. There may be several brothers who are chauffeurs and who are engaged in driving taxi vehicles for hire.

The CHAIRMAN: We are not dealing with that question at the present time. We are dealing with the question of the annual license fee.

Amendment put and a division taken with the following result—

Ayes	8
Noes	8
A tie ..				0

AYES.

Hon. J. Cornell	Hon. C. McKenzie
Hon. J. Cunningham	Hon. J. Nicholson
Hon. J. A. Greig	Hon. A. H. Panton
Hon. J. W. Hickey	Hon. H. Stewart
	(Teller.)

NOES.

Hon. H. P. Colebatch	Hon. J. Mills
Hon. V. Hamersley	Hon. A. Sanderson
Hon. J. J. Holmes	Hon. A. J. H. Saw
Hon. G. W. Miles	Hon. J. Duffell
	(Teller.)

The CHAIRMAN: I give my casting vote to the noes.

Amendment thus negatived.

Hon. J. DUFFELL: Whilst favouring the annual license, I would put in a plea for the head of a family who owns a motor car, and more than one member of whose household

desires to drive the car. In this connection I do not refer to cars plying for hire, taxi cars. I contend that any member of the family should be entitled, after passing the examination, to drive the car under the license held by the head of the family.

The CHAIRMAN: The hon. member is out of order. Clause 20 deals only with the licensing of drivers.

Hon. V. HAMERSLEY: There are many centres in which vehicles are licensed by the local authority, represented by a road board secretary. A large proportion of those centres would be hundreds of miles distant from a police station. The license expires on the 30th June, and the holder is liable to a penalty if he runs after that date without a fresh license. He might visit the police station and find that the constable was away on a trip.

The MINISTER FOR EDUCATION: I do not recognise the difficulty which the hon. member seems to suggest. I doubt whether road board secretaries are more plentiful than policemen. If it is difficult for the license holder to get at the policeman, it will also be difficult for the policeman to get at the license holder.

Hon. J. A. GREIG: Suppose a man gets a license to drive the simplest kind of motor car, say a Ford, will that license give him the right to drive any other make of car, for which possibly he might not be competent? In the event of a license holder buying another make of car, would he have to pay a fresh license fee of 5s.?

The Minister for Education: That is not the intention of the Bill.

Hon. J. CORNELL: I do not think Mr. Hamersley need worry. All that will happen if this Bill passes will be an annual payment of 5s. As regards examination by the Commissioner of Police, the only satisfactory method of examination would be by a travelling board, like that for engine drivers' certificates. Probably the Commissioner of Police will appoint for this purpose some ordinary citizen with some little knowledge of motor cars.

Hon. G. J. G. W. MILES: How will back country drivers fare at centres where there is only a mounted trooper who knows nothing about motor cars? This is simply another of those Bills which are enacted for the thickly populated portions of the State, and which cannot possibly apply to the back country.

The MINISTER FOR EDUCATION: I see no difficulty. The driver in the back country will be able to get a license from the person appointed by the Commissioner of Police, who will always be able to find someone competent to decide such a matter.

Hon. J. CORNELL: I would like the leader of the House to connect his latest utterance with his earlier remarks regarding medical examination of candidates for licenses.

Hon. A. SANDERSON: As one who has driven a motor car for 10 years and knows

very little about it, let me explain to Mr. Miles that, so far as there is any favour at all, the Bill is in favour of the back country man. There will be no danger to the public from drivers of motor cars in the Kimberleys; the danger will be to the drivers themselves. The interests of drivers of motor cars in the metropolitan area are protected by the Automobile Club. I hope members will pass the clause as it stands. To say that the Bill is in favour of the metropolitan area as against the country districts is almost silly.

Hon. G. J. G. W. MILES: Would the motor driver licensed in the North-West have to obtain a fresh license on coming to the metropolitan area?

The Minister for Education: No.

Hon. G. J. G. W. MILES: Then I say the Bill does not protect the public as it should do, for I have driven with Nor'-Westers in Perth.

Hon. J. Nicholson: I have a new sub-clause which I think will meet that difficulty.

Hon. A. SANDERSON: The more qualified a driver is the more risks he will run. If we pass the clause as it stands it will be best for all concerned, and the protection for the public will be ample.

Clause put and passed.

Clause 21—Penalty for driving without license:

Hon. J. DUFFELL: I move an amendment—

That the following words be inserted at the end of paragraph (a):—"except in the event of more than one person in any family, who, having passed the necessary examination, shall be permitted to drive the said car on the same license as that already paid for on the condition that the said car is not to be used as a taxi car for the purpose of passenger trade."

I have already explained my reasons for moving this amendment and I commend it to the sympathy of hon. members.

The MINISTER FOR EDUCATION: Anyone having a motor car and being still more fortunate in having two or three sons able to drive that car can well afford to pay the fee. If the amendment is carried, it is contemplated that half a dozen persons shall be examined on the one fee. There will be some expense in connection with these examinations. Why therefore should all the examinations be carried out for the one fee? It may happen that there are half a dozen members in one family who want to become motor drivers.

Hon. J. Duffell: The examination will be necessary in the interests of the public.

Hon. G. J. G. W. MILES: If a man has a motor car and he is using it for business purposes, and he has two or three sons who are able to drive it, he has an advantage over the man who has to pay his employees for driving that car and who has to take out a separate license for each employee.

Hon. J. NICHOLSON: I oppose the amendment. The Government will be put to some expense in connection with the appointment of an examiner to test these people; therefore each person who undergoes an examination should be compelled to pay for his license.

Hon. J. DUFFELL: I am in accord with the clause which provides for an annual license. The Minister states that if a man is fortunate enough to have three or four sons who are able to drive a car, he should be in a position to pay for each member of the family who drives the car. That is not a fair attitude to take up. If expense is incurred in connection with an examination then, in the event of my amendment being carried, a fee may be claimed for each member of the family being examined. There should be only one license for a car which belongs to a family.

Hon. A. J. H. SAW: I take it the object of issuing licenses is to protect the public and to see that only those who are competent to drive cars will do so. Consequently, every person who drives a car should have to take out a license, and if he has to do that he should pay the fee involved by the examination.

Hon. H. STEWART: There is only one thing to do and that is to arrange that each person shall have a license. I was in favour of its being a permanent license, but every member of the family should have a license. As the Committee have decided it should be only one license, I intend to support the clause. There will be great difficulty in protecting the public if the amendment is carried. On the one license the names of the proposed four individuals would have to be endorsed as being qualified to operate under it. If a person is competent to drive a motor car he should not be restricted to any particular car that he owns.

Amendment put and negatived.

Hon. G. J. G. W. MILES: In reference to the collection of license fees by the police in the outside districts, I should like to know whether the fee is to go to the Minister or the local authority.

The Minister for Education: It will go to the people who collect it, namely, the police, who pay the cost of the work.

Hon. G. J. G. W. MILES: Why are the outside local authorities to be deprived of power to license motor drivers as they would license camel drivers? If the local authority have the right to collect the license fee for a car, they should also be allowed to collect the license fee for the driver.

The MINISTER FOR EDUCATION: The local authority collects the license fee for the car because the car wears the road and it is a proper charge. The driver does not do any injury to the road, and the local authority is put to no expense in the matter. The only expense that is incurred is incurred by the police in the issuing of the licenses. The local authorities have no

claim upon the small revenue resulting from the licensing of these drivers.

Hon. J. CORNELL: I thought there would be no departure from the existing state of affairs outside the metropolitan area?

The Minister for Education: There are no licenses given to motor drivers to-day.

Hon. J. CORNELL: After all, this proposal is purely a revenue-getting concern, and I hope the Bill will be recommitted so that some of these clauses may be struck out.

Hon. J. NICHOLSON: I hope the Minister may see his way to consider the question of recommitting the Bill for the purpose of dealing with some of the other clauses.

Hon. J. J. HOLMES: There is nothing being taken away from the local authorities. This is a new charge and has never been imposed before.

Clause put and passed.

Clauses 22 to 32—agreed to.

Clause 33—Application of this division:

The MINISTER FOR EDUCATION: There is an error in the second line of this clause. The words "application of this division" in the margin show what was intended. The clause states that "the Governor may by Order in Council published in the 'Government Gazette' declare that the provisions of this part." The word "part" should be "division." I move an amendment—

That the word "part" be struck out and "division" inserted in lieu.

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

Clause 34—Maximum weight of vehicles:

Hon. V. HAMERSLEY: I believe this clause will make obsolete all the wagons which are in use having a width of tire on the old basis.

Hon. A. H. PANTON: I wish to deal with an earlier part of the clause. I move an amendment—

That in line 4 the word "including" be struck out and "inclusive of" inserted in lieu.

By this amendment it will be provided that the six hundredweight shall be exclusive of the weight of the vehicle. Right through the State there are thousands of tires which will last for another four years at least, and a period of 12 months is not a sufficiently long time to allow for their wearing out.

The MINISTER FOR EDUCATION: I should prefer that the aim of the hon. member should be achieved in another way, that is, by altering the word "six" to "six and a-half" or even "seven."

Hon. J. Nicholson: Do you agree to ten?

The MINISTER FOR EDUCATION: I think it will make for a greater degree of uniformity than if we strike out the weight

of the vehicle, which should be included. A weight of $6\frac{1}{2}$ cwt. would meet all the cases mentioned by Mr. Panton. There is considerable difference of opinion on this matter. In South Australia I believe the weight was 10 cwt., but it was found advisable to reduce this to 8 cwt. On the other hand, I believe the conference here suggested $4\frac{1}{2}$ cwt.

Hon. J. J. Holmes: Will that apply to the whole of the State?

The MINISTER FOR EDUCATION: Yes.

Hon. A. H. PANTON: I fear $6\frac{1}{2}$ cwt. will not be of much use. Inclusive of the vehicle the weight should be 8 cwt., but I prefer the amendment as it stands.

Hon. J. J. HOLMES: The figure suggested by the leader of the House would not meet the case. This weight might be sufficient in the metropolitan area or the southern parts of the State. In the far North, however, it is customary to put 10 to 12 tons of wool on a wagon. Often there is a distance of 200 miles to cart to a port, and the vehicle is sometimes 10 weeks on the one journey. If these vehicles are now carrying 10 to 12 ton loads and there are no bridges or roads for them to damage, why restrict them?

The Minister for Education: It is not likely that the Bill will apply to them.

Hon. J. J. HOLMES: But I asked the Minister if the clause would apply to the whole of the State and he said it would.

The MINISTER FOR EDUCATION: Clause 33 sets out that the Governor may, by Order-in-Council, declare that the provisions of this part shall apply to any district. When I introduced the Bill, I explained that it was intended this division should apply only in proclaimed areas and that, for the rest of the State, the present Width of Tires Act would remain in force.

Hon. J. J. Holmes: Would this clause apply to the North if proclaimed by the Governor in Council?

The MINISTER FOR EDUCATION: Yes.

Hon. J. J. Holmes: Would the Government take it upon themselves to issue this proclamation without a request from the local authorities?

The MINISTER FOR EDUCATION: That is very unlikely.

Hon. V. HAMERSLEY: I am looking at this proposal from the point of view of the South-West. This proposal will apply to every wagon in the wheat belt and operations will be greatly hampered. The tires will need to be altered and this will represent a pretty big item. When the Width of Tires Act came into operation, owners of wagons were put to the expense of altering the tires in accordance with the size of the axle. They have not long completed this alteration and this clause will again put them without the pale of the law. It would be preferable to include the vehicle in the stipulated weight, which should be 8 cwt.

Hon. A. H. PANTON: If there is an understanding that 8 cwt. be inserted, I shall ask leave to withdraw the amendment.

Amendment by leave withdrawn.

Hon. J. NICHOLSON: I move an amendment—

That in line 4 the word "six" be struck out with a view to inserting "eight."

I would favour 10 cwt. and I regret that Mr. Panton has withdrawn his amendment.

Hon. A. H. Panton: Eight cwt. will work out about the same.

Hon. J. NICHOLSON: Members of the Contractors and Carriers' Association, who will be seriously affected by this clause, have suggested 10 cwt., for the following reason—

According to present loads, the limit placed on loading by this clause would reduce the weight of loads by 50 per cent., according to our present width of tires; also, there are a great number of persons who have recently purchased new tires and, at the present price of materials, great expense would be incurred in replacing them. Members consider that 10 cwt. per inch of width of bearing surface of tires would allow them to carry reasonable loads, which they aver would not occasion any damage to the roads.

Beside the Contractors and Carriers' Association, I am representing the views of the wood and coal merchants and other associations interested. They go on to say—

Members of these associations are unanimously of the opinion that this weight is not sufficient and, when the public begin to feel the effect of the clause, more will be heard of it. Take the farmer first, for instance; his wagons have been built in good faith to suit the conditions of the present Tires Act—that is to say, an axle of $2\frac{1}{2}$ in. with a tire of $4\frac{1}{2}$ in. This wagon is generally used to carry five tons and no farmer any distance from a siding will need to carry less than that weight in one load, for all his time is occupied and he generally has enough horses to pull five tons but, according to the new Act, he will only be allowed to load 3 tons 13 cwt. as the wagon will weigh 35 cwt., and if he should exceed this weight he is liable to a fine of £20. New tires will cost him over £50 per wagon. Is Parliament justified in putting the farmer to this expense? The most hard-working man of the community, working year in and year out without holidays, fighting a hard battle, is to be put to a waste of time through smaller loading and to a great expense to instal new tires. Again the I.A.B. farmers will have to go to the board for this extra money and that expense is on the country for the time being, and surely we have enough to cope with at the present time. The same applies to men who have been assisted by the Repatriation Department.

The Honorary Minister: Who wrote that piffle?

Hon. J. NICHOLSON: It is not piffle.

The Honorary Minister: I am speaking of the reference to the farmer.

The MINISTER FOR EDUCATION: I do not offer any objection to the amendment to strike out the word "six," but I am not prepared to accept the extraordinary conclusions drawn by the writer of the letter with the facts contained in the letter as a basis. He spoke of a farmer's wagon having $4\frac{1}{2}$ inch tires. Tires of this size would have a total bearing of 18 inches, on which the writer says they are accustomed to carrying five tons. If we allow 7 cwt. for the tires, we get a total weight of 6 tons 6 cwt. from which must be deducted 1 ton 5 cwt., the weight of the wagon, leaving 5 tons for the load. Seven, instead of 6 cwt. would meet the case put up in their letter, whereas the proposal to make it 10 cwt. would mean that the farmer would be entitled to carry, inclusive of the weight of the wagon, a load of 9 tons. This clearly shows that the suggestion that it ought to be 10 cwt. is not at all consistent with the facts set out. I do not offer any objection to striking out the word "six." I would point out that repeated conferences of road boards representing the very people that some hon. members here are representing have gone into the matter thoroughly and have looked at it from the interests of the farmer himself and their recommendation was $4\frac{1}{2}$ cwt., but the Government did not think this was enough.

Hon. V. Hamersley: To the inch of bearing surface on the tire?

The MINISTER FOR EDUCATION: I am not prepared to say whether that was exclusive of the weight of the vehicle, but even so it would not have made a difference of more than one cwt. The provision in the Bill is for a greater weight than that recommended by the road board conferences. If we go to the 7 cwt. we shall meet every reasonable case.

Hon. J. CORNELL: I am not favourably disposed towards the amendment. While 8 cwt. may be quite satisfactory so far as 5-in. or $5\frac{1}{2}$ -in. wheels are concerned, it is not satisfactory for the 3-in. wheel.

The Minister for Education: Quite!

Hon. J. CORNELL: I was under the impression that the 3-in. tire would do more damage to a road with a much smaller load than the $5\frac{1}{2}$ -in. tire would do. The lesser load should be on the smaller sized tire, and the greater load should be on the greater sized tire.

The Minister for Education: That is what the Bill provides.

Hon. J. CORNELL: The amendment provides that the same load will be carried on the 3-in. tire as on the $5\frac{1}{2}$ -in. tire. The logical way of dealing with the matter is to have a sliding scale, and I would suggest 6 cwt. for a 3-in. tire, 7 cwt. for a 4-in. tire, and 9 cwt. for a $5\frac{1}{2}$ -in. tire. If we fix a scale, the wagon builder, if a man wants $3\frac{1}{2}$ -in. or 4-in.

tires, will make the superstructure as strong as he would in the case of a 5-in. or $5\frac{1}{2}$ -in. tire in order that the farmer may carry the maximum load provided. The main arguments surrounding the whole question of width of tires is the question of the load and the damage it does to the road.

Hon. J. J. HOLMES: The principle suggested by Mr. Cornell is admitted in the Bill. When we come to the 6-in. tire we can carry as much as we like. The sliding scale suggested is worthy of support.

Hon. J. A. GREIG: Mr. Cornell's suggestions are sound. The sliding scale, however, should start with a 2-in. tire. The ordinary cart with about a 2-in. tire does most damage to the roads. From 4-in. to 6-in. we might carry 8 cwt., and from 3-in. and under 6 cwt. is sufficient, judging by the amount of damage which is done to the road.

Amendment put and passed.

The MINISTER FOR EDUCATION: I hope the Committee will not agree to insert the word "eight." If there is a general feeling that the clause could be improved by some form of sliding scale, I have not the least objection in bringing the matter before the Public Works Department.

Hon. V. Hamersley: I understand that is the recommendation of the Public Works Department.

The MINISTER FOR EDUCATION: I am prepared to report progress.

[The President resumed the Chair.]

Progress reported.

House adjourned at 10.25 p.m.

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Wednesday, 5th November, 1919.

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