

will go down to it. Another 12 nights of trotting will mean a total of 52 nights of trotting per annum. Then, in order that the 52 meetings may be got in during the year, there will be trotting in Perth on Wednesday night and trotting in Fremantle on Saturday night.

Mr. Teesdale drew attention to the state of the House.

Bells rung and a quorum formed.

Mr. HUGHES: There are in this State about 500 racehorses and about 500 or 600 people engaged in the occupations of owner, trainer, and jockey. Their upkeep has to come out of the workers. It is the mug punter that keeps the game going. By increasing the number of race meetings we shall increase the number of non-producers in the community. I myself am fond of racing and trotting. If I could afford it, I would go to the trots every Saturday night. I have spoken to bookmakers regarding this matter and they have said to me, "There is as much racing as the State can stand." Undoubtedly Perth trotters will go to Fremantle.

Mr. Mann: Don't forget that some of the dates are for charitable purposes.

Mr. HUGHES: I will deal with that aspect later. In order to get in the additional dates, there will have to be trotting on week nights and probably on holidays. Why cannot 30 trotting meetings be held in Perth and five at Fremantle, instead of 35 in Perth? I suppose I know as much about racing as the average mug knows, and I am convinced that we shall not benefit the State by increasing the number of racing dates. The Western Australian Turf Club, of their own volition, withhold 22 dates during the year, simply because the State cannot stand them. That is sufficient reason for us to pause before saddling the people with another trotting venture. The proceeds of two of the twelve meetings proposed for Fremantle shall, we are told, be devoted to charity. If Parliament increases the number of trotting meetings annually from 40 to 52, it will be only natural to expect the racing clubs to use the full number of their dates. If one could total up what it costs to keep the owners and trainers and jockeys and bookmakers and general hangers-on of racing, one would find that it was a heavy burden on the community. With 40 nights trotting and 81 days of galloping this community has all the racing it can stand. I am sorry this Bill has come forward at such a late hour, because I have not with me certain notes from which I could inform the House as to the cost of keeping all those race meetings going in Western Australia. In the ultimate analysis it is the working man who keeps the racing game going.

Mr. Teesdale: He seems very contented under the burden, so it is no use growling.

Mr. HUGHES: If a plebiscite of the people were taken I doubt whether there would be a majority for increasing the number of trotting meetings from 40 to 52. Perhaps the hon. member has not experienced the gambling lure.

Mr. Pantom: They have trotting goats at White City.

Mr. HUGHES: Unfortunately not at our carnival. I hope the House will not agree to the second reading.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading.*

Read a third time and transmitted to the Council.

*House adjourned at 4.55 a.m. (Thursday).*

## Legislative Council,

*Thursday, 18th December, 1924.*

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The PRESIDENT took the Chair at 3.0 p.m., and read prayers.

### QUESTION—FEDERAL ROADS GRANT.

Hon. V. HAMERSLEY asked the Colonial Secretary: 1, Were the instructions, issued by the Minister for Works to the road boards of the State respecting the expenditure under the Federal roads grant, wherein it is stipulated that landholders shall not be employed, approved by the Federal Government? 2, Have similar instructions and reservations been made by any Government of any other State of the Commonwealth? 3, Do the Government consider these instructions are conducive to the economical construction of roads in the outback centres and fair to landholders.

The COLONIAL SECRETARY replied: 1, No. This was not considered necessary, the practice being that if men who depend upon this class of work for a living are available, they must be employed. If not

available, others including settlers must be engaged. Instructions to this effect were given at the instance of the New Settlers' League by the late Hon. Premier on the 1st October, 1923, and are similar to those observed by road boards carrying out work under the Commonwealth roads scheme. 2, The information sought is not available. 3, The Government have no reason for believing that these instructions will affect the economical construction of roads, and further consider that the instructions are fair both to settlers and to men who depend upon the work for a livelihood.

## BILL—WORKERS' COMPENSATION ACT AMENDMENT.

### *Further Recommittal.*

On motion by Hon. A. Lovekin, supported by Hon. J. J. Holmes, Bill again recommitted to further consider Clauses 3 and 5 and the Third Schedule.

### *In Committee.*

Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

### Clause 3—Amendment of Section 4:

Hon. J. J. HOLMES: Yesterday Mr. Cornell raised a point as to Subclause 1 which seeks to amend the definition of the word "dependants." I was at the Crown Law Department this morning and the Solicitor General incidentally remarked that the definition in the Bill would exclude children over the age of 16 years as dependants. I think Mr. Cornell pointed that out yesterday.

Hon. J. Cornell: That is not the opinion the Solicitor General gave to the Minister for Works.

Hon. J. J. HOLMES: Perhaps the Minister will now take up the matter.

The COLONIAL SECRETARY: I have just received a communication from the Solicitor General. I have not had time to study it, but I shall read it. It states—

The effect of the Council's amendment as it stands is that no child over 16 would be a dependant under any circumstances. The words "under the age of 16 years" must be struck out. On pages 3 and 4, the letter "c" seems to have been omitted in reprinting by error. The correction as shown in red ink should be made. In Subclause 10 of Clause 5 the words "and the dependants of such worker" should be inserted after the word "Act" in line 2, in view of the wording of the subclauses proposed by Mr. Holmes. Otherwise the term "worker" in Subclause 10 might be deemed not to extend to dependants.—W. F. Saver, Solicitor General. 18th December, 1924.

Hon. J. CORNELL: This demonstrates the extraordinary state of affairs at the

Crown Law Department. It exemplifies the truth of the statements made here from time to time that one can get from that department exactly the opinion he desires. Subclause 1, as it appeared in the original draft of the Bill, read:—

By the deletion of the words "such members" in the definition of the word "dependants," and the insertion in place thereof of the following words:—"The widow and the children under the age of 16 years of a worker (whether dependent upon the earnings of the worker at the time of his death, or not so dependent), and such other members."

All that we did by way of amending the subclause was to strike out the words in parenthesis—"whether dependent upon the earnings of the worker at the time of his death, or not so dependent." With that exception we agreed to the original draft of the Bill as submitted by the Minister. Now we are told that is wrong. Where are we likely to land after such an experience? A Bill that has run the gauntlet of another place and has almost passed through this House is wrong. I could have understood it had we altered the context of the subclause, but we did not do so.

The COLONIAL SECRETARY: I move an amendment—

*That in lines 4 and 5 of Subclause 1 the words "under the age of 16 years" be struck out.*

Hon. J. CORNELL: In view of what has happened our wisest course would be to reject the Minister's amendment and to delete the whole of the subclause, thus leaving the definition as it stands in the Act. Then the Parliamentary draftsman could have a go at it next session. By that time he might have got his second wind.

Hon. J. NICHOLSON: To overcome the difficulty, I suggest that we strike out Subclause 1.

Hon. A. Lovekin: If we agree to the Minister's amendment, it can go to another place and there will be time to consider it.

Hon. J. NICHOLSON: Yes, but the subclause is really unnecessary. The meaning given to "dependants" in the original Act covers all that is necessary. The Minister should agree to the striking out of the subclause.

The COLONIAL SECRETARY: I cannot deal with the matter in an aimless way. Having received the advice of the Parliamentary Draftsman I must place the information he has given me before the Committee. I have had no time in which to give the matter consideration.

Hon. A. LOVEKIN: The Minister must follow the advice of the Solicitor General. We should allow the amendment to pass, and can subsequently reconsider the matter when the Bill is returned to us from the other House.

Hon. J. DUFFELL: What will happen if we agree to the amendment?

Hon. J. Nicholson: It will mean that the widow will be regarded as a dependant whether or not she was living with her husband.

Hon. J. DUFFELL: It will also mean that a child of 40 may be regarded as a dependant. The section it is proposed to amend is very much plainer than the subclause.

Hon. A. J. H. Saw: If we adhere to the original Act we shall have the judgments of the court to define what the words mean.

Hon. J. J. Holmes: The better plan would be to strike out the subclause.

Amendment put and negatived.

Subclause put and negatived.

Clause put and negatived.

Clause 6—Compensation on workers dying from or affected by certain industrial diseases:

The COLONIAL SECRETARY: The Parliamentary Draftsman states that the word "and" should be added to one of the paragraphs. I move an amendment—

*That at the end of paragraph (b) the word "and" be inserted.*

Hon. A. J. H. SAW: The original Bill was wrongly drafted in this particular. As it was subsequently amended it was in conformity with the New South Wales Act in this respect.

Amendment put and negatived.

The COLONIAL SECRETARY: I move an amendment—

*That in Subclause 10, line 2, after the word "Act" there be inserted "and the dependants of such worker."*

Hon. J. CORNELL: Is not this loading up the clause unnecessarily? The Queensland legislation does not contain those words. If the worker cannot produce a medical certificate, his dependants will not count. The production of the certificate, however, ought to end the experiment.

The COLONIAL SECRETARY: I do not agree with Mr. Cornell. Both the worker and his dependants will, in the absence of a certificate, be deprived of the benefits under this measure. If the worker is deprived of those benefits, necessarily his dependants should be.

Hon. J. CORNELL: If John Brown comes to Western Australia and fails to obtain a medical certificate, he is not a worker and his dependants do not enter into the picture at all.

Hon. A. J. H. SAW: I do not know where Mr. Cornell gets the idea that a man must produce a certificate before he can become a worker. He must produce a certificate before he can obtain the benefits of workers' compensation. That is equitable insofar as it refers to pneumoconiosis and miners' phthisis. If the amendment is not carried

a man might obtain employment without a certificate and then die, whereupon his dependants would claim under the Workers' Compensation Act. It is quite right that a medical certificate should be required before a man enters into an occupation in which miners' phthisis is so prevalent as it is in our gold industry.

Hon. J. E. DODD: I agree with Dr. Saw to some extent. Suppose some of the Jugoslavs coming out here obtained employment in our mining industry without certificates, what would be the result? The employer may get out providing he pays the benefits under this measure.

Hon. J. CORNELL: The amendment will not improve that position.

Hon. J. J. HOLMES: Under the Queensland law the worker must have been resident in the State for five years out of the preceding seven years, and must have been employed in the industry for not less than 300 days. We fix a maximum of £875 as against Queensland's maximum of £400.

Amendment put and passed.

Hon. J. CORNELL: Mr. Dodd has thrown a new light on this clause. There is nothing to debar the employment of a man in any of these occupations without a medical certificate, but he will not be entitled to the benefits of workers' compensation unless he produces a certificate.

Hon. A. J. H. SAW: That is as regards the worker coming to Western Australia.

Hon. J. CORNELL: Yes. An unscrupulous employer should be prevented from putting on a man who has not a medical certificate. The legislation of New South Wales and South Africa in this respect provides that no man shall be employed in mining unless he has passed a medical examination. I move an amendment—

*That after "section" in line 3 of Subclause 10, the following words be inserted:—"or be employed in the process of mining or quarrying or stone crushing or cutting as set out in the second column of the Third Schedule to this Act."*

Hon. A. J. H. SAW: I saw this danger when I first read the clause in the original Bill, and that is why I secured the deletion of other diseases than those arising from mining, stone crushing and so on. These diseases are slow of growth. A man coming from abroad or from the other States who secured work on the mines would not show indications of the disease in a day or a month. It would unnecessarily hamper the industry if we were to insist that before a man was employed in a mine he should produce a medical certificate to prove he was not suffering from any of these diseases, some of which require a thorough and efficient examination, very often entailing the use of X-rays. Justice would be done and no harm inflicted if men were allowed to work on the mines, because they have their unions and naturally they would be informed that before they could derive any advan-

tage from the Workers' Compensation Act they would have to produce medical evidence to prove they were not suffering from these diseases.

Hon. H. STEWART: It seems to me that the amendment would be more effective if it were inserted after the word "phtthisis" in Subclause 10 of the reprint of the Bill. The more I look through the Bill, the more it is clear to me that the Government have not given this matter the consideration it deserves.

Hon. J. Nicholson: That is so.

Hon. H. STEWART: If the Bill goes forth as it is framed now, it will be absolutely unworkable and ineffective until an amending Bill is introduced to overcome some of the difficulties. Thus, the Bill will react against the industry and those engaged in it.

The CHAIRMAN: The hon. member must deal with the amendment before the Chair.

Hon. H. STEWART: Workers could come from the Eastern States or South Africa and engage in the mining industry here without anything to stop them doing so. Thus we would become a dumping ground for men suffering from these diseases. There is no protection afforded by the Bill. One of the oldest supporters of the Government in the Assembly, a man who has had experience in these matters, is of opinion that the position is not safeguarded because we are merely providing for sectional matters. The Leader of the House will find that the warnings given to him by other members as well as by myself, are perfectly justified, and that there is danger of injustice to those affected by the third schedule.

The COLONIAL SECRETARY: Mr. Cornell's amendment will have the effect of preventing dependants of workers concerned from being employed in the industry and will also provide that they shall not be entitled to compensation. Mr. Cornell does not intend to debar dependants from securing employment.

Hon. E. H. HARRIS: It is evident that we have merely got into further complications. This emphasises the fact that the consideration necessary to assure the passage of the Bill has not been given to it. Mr. Cornell's amendment would be better placed in the old Bill as he indicated at the outset.

Hon. J. CORNELL: At the outset it seemed quite a simple matter to overcome the difficulty. On second thoughts I see that no machinery is included in my amendment to assure expedition in carrying out the objects it has in view. In addition, it may inflict hardship upon the persons able to produce medical certificates. The position could be rectified only along the lines of the South African legislation which provides for the worker, on passing the medical test, being furnished with a certificate, to which his photograph and signature are attached, which prima facie entitles him to employment in the industry without ques-

tion. It will not be easy to frame the necessary amendments straight away, but perhaps it could be done on recommittal or when the Bill is before the Assembly again. In the meantime I will withdraw my amendment.

Amendment by leave withdrawn.

Hon. J. DUFFELL: I move an amendment—

*That Subclause 10 be struck out and the following inserted in lieu:—"A worker after the commencement of this section of this Act shall not be entitled to benefit under this section until he has lodged with the registrar a certificate from a medical referee appointed under this Act certifying him to be free from pneumoconiosis or miners' phtthisis. Notwithstanding anything to the contrary in this Act, any worker who by the operation of this subsection is not entitled to benefit by the employer under this subsection shall be entitled to receive from the Department of Mines compensation which shall be assessed in accordance with the provisions of this Act."*

I move this with a certain amount of feeling, realising as I do the thought and attention the Committee have given to this subclause. As it stands, it will have a far-reaching effect on the mining industry. It will create widespread distress and will be the means of throwing many men out of employment. Words fail me to express what I really feel about this.

Hon. J. Cornell: Your amendment is out of order, for it is appropriating money. It says that the Mines Department shall find money.

Hon. J. DUFFELL: I am making this further appeal, realising fully the responsibility that will be thrown on the mine owners if the subclause, as it stands, comes into operation. No insurance company could take the risk of those engaged in mining at the present time, many of whom are already suffering from phtthisis. Dr. Saw has had long experience of insurance companies, and I ask him would the A.M.P., or any other insurance company, take the risk of £750 each on a body of men, without first knowing that each was in a perfect state of health at the time the risk was incurred?

Hon. J. J. Holmes: Not £750, but £870.

Hon. J. DUFFELL: No insurance company could relieve the mine owners of responsibility under the subclause as it stands. That being so, what would be the position of the miners, some of whom are far advanced in phtthisis?

Hon. J. Cornell: You need not wax pathetic over that. If they cannot be provided for under the Act they will go to the Charities Department.

Hon. J. DUFFELL: We require to make some provision under which they will not have to go to the Charities Department. The House realised the position when it passed

the Miners' Phthisis Act in 1922. That Act has not yet been proclaimed, and if the Bill goes through, none of us can tell what will be the result. In my view the Miners' Phthisis Act will go by the board, the Government will be relieved of all responsibility and the general taxpayer will have to foot the Bill. My amendment will go a long way towards relieving the position.

The CHAIRMAN: The words proposed to be inserted are out of order, inasmuch as they are contrary to Section 46 of the Constitution Act. If the hon. member were to strike out the concluding part of the words proposed to be inserted, the remainder would be in order.

Hon. J. DUFFELL: Very well. I will modify my amendment accordingly.

Hon. J. E. DODD: I hardly know where the amendment is likely to lead us. It is a very sweeping provision. I want to do all I can to help the mining industry, but I should like to ask whether this amendment may not be going too far. It practically says to the mining companies: "We are going to give you a clean bill of health in respect of every man in the mines"; and every man in the mines suffering from any of the illness or diseases in the schedules will, in all probability, lose his employment. To ask for a medical certificate from every man engaged in the mines will cause no end of trouble. A new man going into the mines could reasonably be asked for such a certificate, but to ask for it from every man now in the mines, may result in widespread loss of employment. The amendment is certainly very sweeping. Mr. Duffell wishes to transfer to the Government the liability for all the affected miners in the mines to-day. Will the Government accept that? I do not think they will. In the last year of the Mine Workers' Relief Fund the figures, in reference to tubercular patients, are:—number of inmates in the institution, 10; admitted during the year, 20; deaths, 8; number who left the institution, 11; number remaining in the institution, 11. When we embrace fibrosis and all the other cases which may not be contagious, we are taking a very wide sweep, although I am prepared to let the amendment go to another place and see what the Government have to say about it. The mining companies deserve some consideration.

Hon. J. CORNELL: If we can defeat the amendment it will be worth a considerable expenditure of powder and shot. The carrying of the amendment would mean that the benefits of compensation to men in the metalliferous mines are as indefinite as ever. Before any part of Clause 5 of the Bill could be applied, every man engaged in the mining industry would have to undergo medical examination, and he could not obtain or retain employment without it. To examine every man employed in our mines is absurd, and the proposal clearly indicates

that the people responsible for it know nothing about the subject. It is an accepted fact that the sole predisposing cause of miners' phthisis—pneumoconiosis is only a condition of miners' phthisis—is inorganic rock, and the degree of miners' phthisis depends upon the amount of free silica in the atmosphere where the men work. There are employees in numerous occupations in the mining industry whom it would be absurd to bring under medical examination or to assume that they are ever likely to contract miners' phthisis. These are engine-drivers, fitters, labourers on the surface, the clerical staff, and a dozen other classes of employees who never breathe the silica-laden atmosphere, and who are not likely to contract miners' phthisis. These are points that the framers of the amendment have not foreseen. If the hon. member had provided that only men at present employed underground or in the dry crushing mills should be subject to medical examination, he would have been logical. If on the Golden Mile there are 3,000 men employed, it is safe to assume that 1,800 will be no more likely to contract miners' phthisis than are members of this House. I hope the subclause will be retained. If Mr. Duffell is earnest in his pathetic appeal on behalf of miners, I hope he will not disqualify all men employed in the industry, but will deal with only those likely to contract the disease. Mr. Duffell quoted the Miners' Phthisis Act. That measure does show intelligent inquiry in its construction, for it provides for the examination of underground workers only.

Hon. J. Duffell: How about ex-underground employees suffering from the disease, and now working on the surface?

Hon. J. CORNELL: It is recognised by authorities that until tuberculosis superimposes itself upon the silicotic lung, a man charged with silica will probably live as long as a man without it. The death rate from pure silicosis is only about 3 in 1,000. What I fear from a medical examination of the miners on the Golden Mile particularly is not the number of men in a silicotic state, but the number in whom tuberculosis will also be found. Those men will be provided for under the Miners' Phthisis Act.

Hon. J. EWING: I support the amendment. A large number of men would have to be examined before they could be employed, and we do not want to put anyone to undue expense. I suggest that the amendment be confined to underground workers. Some arrangements must be made before the measure is proclaimed, and we have not had an explicit statement of what the Government propose to do. Some protection should be afforded in the event of the Bill being proclaimed on the goldfields. This can be given by our insisting upon an examination of miners, which will cause the Government to make arrangements that it is hoped will be satisfactory

to both parties. All we want is that justice shall be done to the miners and the industry.

Hon. T. MOORE: Beneath all that members have said there is an idea that a burden will be placed upon the industry that it cannot afford to bear. The industry has never borne the burdens it should have done in the interests of miners, and the companies have not looked after the lives of their men by making proper provision for ventilation, and so on.

Hon. J. Ewing: They should do so.

Hon. T. MOORE: Yes, but they have not done so.

Hon. J. CORNELL: I am beginning to think that the benefit the miner will get will be received in heaven.

Hon. T. MOORE: If there are miners so ill in health that no insurance company will handle them, it is a disgrace to the industry. But for the Wooroloo Sanatorium, which is a magnificent institution, there would have been no place to which the afflicted miner could go for attention. I am not worried about the industry as much as I am about the men.

Hon. J. Ewing: That is my view. They will have to be provided for when they are put out of the industry.

Hon. T. MOORE: Unless something is done to induce the mining companies to bear their share, the entire burden will continue to fall upon the Government.

Hon. J. Ewing: I want the Government to say what their share shall be.

Hon. T. MOORE: Men are losing their lives to-day in making profits for the shareholders of these companies.

Hon. J. DUFFELL: As a result of the suggestions that have been made by members—

Hon. J. Cornell: I did not make a suggestion. I only criticised your lack of knowledge.

Hon. J. DUFFELL: I do not know why I should be attacked in this way; I did not mention the hon. member.

Hon. J. Cornell: I rise to a point of order. Mr. Duffell has intimated that he is about to do something as a result of suggestions that have been made by members. I ask him to name one member who has made a suggestion.

Hon. J. DUFFELL: What is the point of order?

Hon. J. Cornell: I do not want the hon. member to speak in conundrums.

The CHAIRMAN: I think Mr. Duffell might be allowed to proceed without interruption.

Hon. J. DUFFELL: As a result of the suggestions, I intend to move an amendment to speak in conundrums.

Hon. T. Moore: On your own amendment?

Hon. J. DUFFELL: Yes, as a result of the suggestions that have been made.

Hon. J. Cornell: As the result of an afterthought.

Hon. J. DUFFELL: For the amendment I have moved, I will substitute the following:—

*After the commencement of this section of this Act an underground worker shall not be entitled to benefit under this section until he has lodged with the registrar a certificate from a medical referee appointed under this Act certifying him to be free from pneumoconiosis or miners' phthisis.*

Hon. J. Cornell: It was not a suggestion but an attempt to correct your ignorance.

Hon. J. DUFFELL: I ask for a withdrawal of that remark.

The CHAIRMAN: Mr. Duffell evidently regards that remark as offensive, and I am sure the hon. member will withdraw it.

Hon. J. CORNELL: Mr. Duffell has pointed out to me as having suggested that he should do that which he is about to do.

The CHAIRMAN: Mr. Duffell objects to the remark and regards it as offensive. I ask the hon. member to withdraw it.

Hon. J. CORNELL: I withdraw the remark and desire to make a personal explanation. I did not refer to Mr. Duffell as being ignorant, but to his being ignorant of the subject he was dealing with.

The CHAIRMAN: Perhaps Mr. Duffell will proceed with his remarks.

Hon. J. DUFFELL: I have moved my amendment in its new form.

Hon. J. CORNELL: By way of personal explanation I wish to point out that when I spoke earlier and said that the Miners' Phthisis Act operated only in respect of men underground, I was confusing the South African legislation with our own. The South African legislation deals with the men underground, whereas our Miners' Phthisis Act provides for the examination of all men engaged in connection with our mines, but it provides for examinations for symptoms of miners' phthisis and tuberculosis, men being excluded from the industry who are suffering from the latter disease only. If Mr. Duffell had desired to show his own weakness he could not have done so more effectively than by his amendment. When I pointed out the absurdity of the examination of all men, like a drowning man grasping at a straw, Mr. Duffell moved his latest amendment. He came here armed with a single copy of an amendment that was to go all the way, but as promptly he has been prepared to substitute it with another amendment going only half the way.

Hon. J. E. DODD: To bring forward an amendment such as Mr. Duffell has presented is very unfair to members, because we cannot possibly grasp its effect upon the other clauses of the Bill. The measure has been before us for weeks and we have not even had an opportunity of seeing his amendment. I wish to safeguard the men to the fullest extent. I have been working on this problem ever since I have been in

Western Australia. I also wish to avoid trouble such as cropped up in New Zealand, when, as soon as the legislation was passed, the miners had to petition to have the Act amended. It would be unfair to ask all the men engaged in the mining industry to submit themselves to a medical examination. The mining companies have been relieved of responsibility regarding industrial diseases from the inception. They should never have been relieved of that responsibility, the whole of which had to be borne by the men themselves until, with the establishment of the Mine Workers' Relief Fund, the companies and the Government shared it with them. In New South Wales all the miners have to submit to a medical examination when required by the medical authorities who say whether the men shall be re-engaged, or not further employed in the industry. In our legislation there is nothing to say that the mining companies shall re-engage a man who has been examined even though he should be proved to be free from the disease. The company would be the sole authority under Mr. Duffell's amendment. Then again is it fair to say to the Government that we will give the mining companies a clean bill of health at the present stage, that all the men shall be medically examined and that any man suffering from or likely to suffer from these diseases, must leave the industry and thus place the whole responsibility on the Government.

Hon. J. Ewing: No one suggested that.

Hon. J. E. DODD: I want a fair thing to be done all round. I agree with those who say we should help the gold mining industry in the days of its adversity. I am willing to render all the help that is possible, but I would not agree to do so to the extent of relieving the industry from the liabilities that should be justly shouldered. I shall vote against the amendment, and the Committee would be well advised to allow the subclause to stand.

Hon. J. J. HOLMES: Some members appear to concentrate on the mining industry without regard to other industries. That is not quite fair. Mr. Moore blamed this House for not doing anything to protect the miners. That was not correct. A Bill passed this House in 1922 but has not yet been proclaimed. That is not the fault of this House.

Hon. T. Moore: I did not say that.

Hon. J. J. HOLMES: The Bill will break down of its own weight. If Mr. Duffell's amendment will add to the difficulty, I will vote for it for that reason if for no other. I went to considerable trouble this morning with the officers of the Crown Law Department in an endeavour to amend the Bill to make it swing into line with the Queensland legislation. No one seems prepared to view the Bill from the standpoint of equity. Thus I am forced to take up the attitude that I will make the Bill as stringent as I can so that it shall break down of its own

weight. Members can search Acts dealing with these matters elsewhere, and peruse the Bill before us, and they will not find in the Bill three pennyworth of equity compared with what is done in other States.

Hon. J. NICHOLSON: The more the Bill is discussed the clearer it becomes evident that the Bill has been introduced without that mature consideration that we ought to expect regarding such legislation. I agree with Mr. Dodd that we should provide something fair and equitable, so that the industry responsible for a great many deaths shall compensate adequately those who suffer. The Bill will have no effect until proclaimed.

Hon. J. J. Holmes: It will never be proclaimed with this clause in.

Hon. J. NICHOLSON: The Miners' Phthisis Act, passed in 1922, has not yet been proclaimed. I do not see how the Government can proclaim the Bill now before us seeing that they cannot proclaim the Miners' Phthisis Act. The result will be that the Bill, brought before us so hastily and without proper consideration, will have to stand aside until another Bill is introduced to amend it. Comparison with the Queensland and New South Wales legislation will demonstrate that the Bill has not received proper consideration. I cannot see any objection in the circumstances to the amendment proposed by Mr. Duffell. It will compel the Government to give this matter the reconsideration that is necessary.

Hon. J. E. Dodd: It will probably result in a strike!

Hon. J. NICHOLSON: I am sorry to hear that. My sympathies are with the miners who have been bandied about since 1922. I agree that something should be done to protect their interests, but the Bill before us is neither fair, just, nor equitable.

Hon. T. MOORE: I cannot allow Mr. Holmes to say that I made a statement that was not true. He refuted my assertion that this House had prevented legislation being enacted that would have given some advantage years ago to many men now dead. In 1912 or 1913 Mr. Dodd introduced a Bill in this Chamber. It had been carried by a large majority in the Assembly, and on that occasion the Legislative Council did prevent justice being done to the miners at a time when the industry was at the highest stage of its prosperity. I throw that back at the hon. member.

Hon. J. J. Holmes: Was I in the House then?

Hon. T. MOORE: Did I say that the hon. member had done it? One does not care to be called to attention, as it were, and to be told that something one has said is not correct. My statements are generally well considered. I do not often speak on Bills nor do I speak at length. At that time much more could have been done for the miners than can be done to-day. That is

the great pity of it. Now we have to undo a wrong that was done then. I suppose there are members here now who were in the Chamber at that time. If so, I ask them to retrace their steps and award now the justice that was denied to the miners owing to the action taken 12 years ago.

Hon. A. J. H. SAW: It seems to me that the debate this afternoon is going over the ground that we traversed last night. I was struck by the candour of Mr. Holmes—he always is candid—when he said he was going to vote for Mr. Duffell's amendment because it would add another weight to the Bill which was already overloaded, and that in consequence the Bill would break down with its own weight. In other words he meant that it was the last straw that would break the camel's back. It is precisely for that reason that I intend to vote against Mr. Duffell's amendment. Theoretically there is no doubt that a medical examination is a perfectly good thing, and it would be splendid if the mines were starting de novo. But, as I indicated last night, remembering the present stage at which the mining industry has reached, that is not a practical suggestion. The men on the mines claim that they have given their best years to the industry, and it is not right to say to them now, "You must be medically examined, and if you show any trace of disease, you are not to be allowed to go back to the mines." Is that fair or just? If we were starting with a fresh industry which had no obligations, that attitude could be taken up. The mines have been creating this disease for some 30 years, and it is only fair now that they should take up their proper share of the burden. They should have done so long ago, but we are now dealing with a decaying industry, and it is not possible for the Government to throw the whole of the burden on the mines. I have already said that the examination of the miners will take a very long time. It will have to be done by experts, otherwise it will be valueless. The examination will take, not months, but a couple of years to complete. I appeal to members to give the miners that small measure of relief to which they are entitled. For too long have they been allowed to go on incurring these perils and getting no adequate compensation from the mines. The industry should have been taxed years ago to provide for the disease, and in the course of time the mines should have had to shoulder the whole responsibility. I hope the Committee will not give a decision hostile to the inclusion of these industrial diseases. Already we have had three divisions bearing on the question as to whether these diseases should be included or not, and the one we are about to take will be the fourth. What will inevitably happen will be that the miners will refuse to accept it. Personally I shall not blame them, and if, through the amendment being carried, the

mining industry is hung up, then it will have deserved that fate.

Hon. J. NICHOLSON: Whilst this is an obligation on the part of the mining industry, we must remember that the companies have been in operation for years past and that these companies are made up of shareholders who change from time to time. At the present time the shareholders are interested in what Dr. Saw describes as a decaying industry. Are they to be left with the whole of the burden? If there was something in the Bill to safeguard that position, and to relieve the industry of a certain portion of the burden, I would be in favour of the amendment.

Hon. J. DUFFELL: Dr. Saw seems to think that if the clause is amended in the way I have suggested, the effect will be bad on the miners.

Hon. E. H. HARRIS: There is no doubt about that.

Hon. J. DUFFELL: Under the Miners' Phthisis Act the responsibility is that of the mine owners and the Government. If the clause is passed, the Government will be cut out and the mine owners will carry it all. The result will be serious.

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

Ayes	..	..	..	9
Noes	..	..	..	13

Majority against .. 5

#### AYES.

Hon. J. Duffell	Hon. J. J. Holmes
Hon. J. Ewing	Hon. A. Lovekin
Hon. J. A. Greig	Hon. J. Nicholson
Hon. V. Hamersley	Hon. H. A. Stephenson (Teller.)

#### NOES.

Hon. C. F. Baxter	Hon. W. H. Kitson
Hon. A. Burvill	Hon. G. W. Miles
Hon. J. Cornhill	Hon. T. Moore
Hon. J. E. Dodd	Hon. A. J. H. Sav
Hon. J. M. Drew	Hon. H. Seddon
Hon. E. H. Harris	Hon. J. M. Macfarlane (Teller.)
Hon. J. W. Hickey	

Amendment thus negatived.

Clause, as previously amended, agreed to.

Clause 21—Addition of Third Schedule:

Hon. A. LOVEKIN: Last night I was surprised to see the division on the amendment moved by Mr. Miles to this clause, and I think I ought to give the Committee another opportunity of considering this very important question from, at any rate, my viewpoint. We claim that we are a British community, and it is a boast that in no British community is there any distinction between the treatment of a coloured man and that of a white man. Under Mr. Miles's amendment, however, we reach this position, that we are prepared to penalise industries



carried on by members of our own race employing members of the white races, but that when it comes to the pearling industry we will take away such penalisation from the white man or the coloured man who may be carrying on that industry, and that we will permit pearl divers to be absolutely unprotected by this measure. If it goes forth to the world that that is the attitude of this House, it will not redound very much to our credit. Therefore I have thought fit to ask the Committee to reconsider its decision of last night, and see whether we cannot get back to the position that our race has boasted of for centuries, namely, that whenever any person, whatever his race or colour, enters a British community he receives fair treatment, equity, and justice. If we adhere to the amendment carried at the instance of Mr. Miles, we not only deprive the coloured diver of rights which he ought to have equally with the white man, but in the event of a white diver at any time going down into the depths while employed in the pearling industry, we shall also be depriving him and his dependants of the benefits of this measure. I do not wish to leave the amendment to go down to another place for its deletion to be suggested there, thus giving persons a rod to flog us with by saying that we in the Upper House are favourable only to the employment of slaves in the North, without any measure of security or redress or assistance in case they meet with accident or disease.

Hon. J. Nicholson: They are entitled now to compensation if they meet with accidents.

Hon. A. LOVEKIN: I move an amendment—

*That in the description "Compressed air illness" the words "other than in the pearling industry" be struck out.*

Hon. J. J. HOLMES: When Mr. Miles divided the Committee last night I voted with him; but I have since looked into the matter and found that all these men have signed on under the Master and Servant Act. As citizens of Western Australia, even though only temporarily, they are certainly entitled to the protection of the law. The matter is one which closely affects the province I represent, but after due consideration I have come to the conclusion that it is not my duty to exempt an industry which happens to be in my province, while every other industry elsewhere in the State is penalised. I shall vote for Mr. Lovekin's amendment.

Hon. G. W. MILES: Mr. Lovekin's argument does not hold water. He places himself on a pedestal, and says that we as Britishers should treat the coloured races the same as the white race. In Australia the coloured races have never been treated the same as the white race. First of all, there is the White Australia policy; and a coloured man cannot get a miner's right.

Talking in the strain adopted by Mr. Lovekin is mere playing to the gallery. Mr. Holmes, it seems, is going to reverse his vote of last night. The men in question, however, are not permanent residents of Western Australia, but remain here for only a year or two. Why should they receive the same consideration as the permanent residents of Australia?

Hon. A. Lovekin: If they get injured, why not?

Hon. G. W. MILES: The only argument used by Mr. Lovekin was the possibility of a white diver being injured. To comply with the conditions of this measure will be a severe handicap to the pearling industry.

Hon. A. Lovekin: Why employ Asiatics?

Hon. G. W. MILES: Because white men cannot work in the industry. I hope the words will be retained.

Hon. J. J. HOLMES: Because the pearling industry happens to be in Mr. Miles's province, he deems it his duty to protect that industry. Yet he has been a party to penalising every industry elsewhere in the State.

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

Ayes	..	12
Noes	..	9

Majority for .. 8

#### AYES.

Hon. A. Burvill	Hon. J. M. Macfarlane
Hon. J. M. Drew	Hon. T. Moore
Hon. J. W. Hickey	Hon. J. Nicholson
Hon. J. J. Holmes	Hon. H. Stewart
Hon. W. H. Kitson	Hon. H. J. Yelland
Hon. A. Lovekin	Hon. J. Ewing

(Teller.)

#### NOES.

Hon. J. E. Dodd	Hon. A. J. H. Saw
Hon. J. A. Greig	Hon. H. Seddon
Hon. V. Hamersley	Hon. H. A. Stephenson
Hon. E. H. Harris	Hon. J. Cornell
Hon. G. W. Miles	

(Teller.)

Amendment thus passed: the clause, as amended, agreed to.

Bill again reported with amendments, and the report adopted.

Read a third time and returned to the Assembly with amendments.

#### BILL—FAIR RENTS.

Received from the Assembly and read a first time.

#### BILL—RACING RESTRICTION ACT AMENDMENT.

Received from the Assembly and, on motion by Hon. W. H. Kitson, read a first time.

## ASSENT TO BILLS.

Message from the Governor received and read notifying assent to the following Bills:—

- 1, Treasury Bills Act Amendment.
- 2, Noxious Weeds.

## BILL—APPROPRIATION.

*Second Reading.*

Order of the Day read for the resumption of the debate from the previous day.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading.*

Read a third time and passed.

## BILL—FORESTS ACT AMENDMENT.

*Assembly's Message.*

A message having been received from the Assembly notifying that it had agreed to Nos. 1 and 2 of the amendments made by the Council, but disagreed to No. 3, the message was now considered.

*In Committee.*

Hon. J. W. Kirwan in the Chair; the Colonial Secretary in charge of the Bill.

Council's amendment No. 3—Clause 3, delete this clause and insert in lieu thereof the following:—"This Act shall continue in force till the 30th day of June, 1925, and no longer."

The COLONIAL SECRETARY: The reason given by the Assembly for disagreeing with the amendment is that the time allowed is not sufficient to permit the department deciding as to the amount necessary for reforestation of sandalwood. I move—

*That the amendment be not insisted on.*

Hon. H. STEWART: The reason given by the Assembly is quite inadequate. The Council did not regard the position from the point of view of reforestation of sandalwood at all. The reason for the amendment was to keep in effect the Forests Act of 1919, yet making an exception in order to help the Government in its revenue during this financial year.

Hon. J. CORNELL: When we had the Bill in Committee the Colonial Secretary explained that the Government were

desirous of appropriating certain revenue for this financial year only. But the shape in which the Minister submitted his proposal to limit the Bill to the present financial year was not in accordance with our Standing Orders, and so the Committee put it into the shape prescribed by the Standing Orders. In other words, the Council met the Minister's own desires; yet when the amendment goes to another place it is disagreed with. One has only to read the debate in another place, as reported in the newspapers, to see that the courtesy of another place towards this House is comparable with the courtesy of an aborigine to his gin.

The CHAIRMAN: Order! The hon. member is not permitted to reflect upon the other House of Parliament.

Hon. J. CORNELL: Although I have made nothing but a true statement, yet if it be in conflict with the Standing Orders I will withdraw it. The Premier himself, be it said to his credit, was not averse to the arrangement arrived at through his Minister in this House. As Mr. Stewart has said, that arrangement was never intended to apply to the reforestation of sandalwood. It was an honest attempt to give the Government some assistance during the present financial year. After the amicable arrangement arrived at, the Conservator of Forests made a statement, which was reported in the "West Australian" of the 13th December as follows:—

Commenting yesterday on the debate in the Legislative Council on the Forests Act Amendment Bill, the Conservator of Forests (Mr. S. L. Kessell) stated that it might appear from the discussion that the condition of our forests and the necessity for providing for adequate supplies of softwood did not require an expenditure as great as the amount available in the reforestation fund at the present time. "This is by no means the case," said Mr. Kessell, "there are hundreds of thousands of acres of cut-over jarrah bush waiting attention, and the work of planting softwoods has hardly been started. The Forests Act became law only in 1919, and reforestation work was started in 1920. The silviculture of local species was practically unknown, and a tremendous amount of careful experimental work has been necessary. On the retirement of Mr. Lane-Poole in 1921, the Conservator was the only professional officer in the department. Since that date the training of officers fitted to carry on administrative and silvicultural work has proceeded, and now the department has reached that stage when the necessary staff and data are available to undertake developmental work, both in afforestation and reforestation, on a very much larger scale. With the rapid depletion of our timber resources, unless certain reserves are

to be allowed to accumulate in the fund, the time is rapidly approaching when, with decreased revenue and increased expenditure necessary for reforestation work, funds will have to be made available from other sources."

If that is not a justification for what we did, I do not know where to look for it. It demonstrates the need for jealous care of the fund and of forestry generally. I hope the amendment will be insisted on.

**THE COLONIAL SECRETARY:** Mr. Cornell said I compromised the House and was responsible for the amendment. That is not so. I saw that the Committee were in favour of limiting the operation of the Bill, and next day I got a suitable amendment prepared in case members were still of the same opinion. They still insisted that the operation of the measure should be limited and so I presented the amendment, but it was not my amendment. I have done that sort of thing repeatedly in order to convenience members. No one was more surprised than I when I read the Conservator's statement in the "West Australian." I had been in close touch with him and he had never told me that he had an elaborate scheme in preparation. Since the Bill was last before us, I have received a volume of papers dealing with the scheme.

**Hon. J. J. Holmes:** I suppose that statement was made with the approval of the Minister?

**THE COLONIAL SECRETARY:** It was not.

**Hon. J. Cornell:** When our responsible officers have to get the approval of the Minister before they can make a statement of that kind, it will be time to get rid of them.

**THE COLONIAL SECRETARY:** There was no indication of a big scheme in the Conservator's report for last year, and it seems to me this scheme has only recently been developed.

**Hon. G. W. Miles:** I have never heard such an absurd reason for disagreeing with an amendment as that given by the Assembly. It reads:—

The time allowed is not sufficient to permit the department deciding as to the amount necessary for reforestation of sandalwood.

That is the very reason why we should insist upon the amendment. The limitation was imposed in order that Parliament might decide whether this money is again to be taken into Consolidated Revenue.

**Hon. H. STEWART:** The Assembly's reason for disagreeing is inadequate. In six months it should be possible for the Government to determine how much they require, even if dealing with sandalwood only. When we passed the amendment, members made clear that sandalwood alone was not concerned. The Minister argued that the money was not needed specially to foster the

growth of sandalwood; yet the Conservator bears out exactly what was in the minds of members, that although there was a good revenue from sandalwood, it should not all be sacrificed to the present needs of the Government and we should not lose sight of the needs of general forestry. As to the Conservator's statement in the "West Australian," I was surprised because we do not generally get that kind of thing from officers, and I was pleased because of the correctness of the views he expressed. I hope there will be no trouble between the Minister and the Conservator as a result of the statement.

**Hon. J. NICHOLSON:** We should emphatically reject the motion moved by the Minister. If we do not, we shall be handing over the whole of the revenue from sandalwood to the Government to do as they please with. This clause limits the Bill to a period of one year. Owing to financial stringency, we are allowing the Government to have the use of all but 10 per cent. of the revenue from sandalwood for one year, because it was considered that period would constitute a fair test and would give the Government time to right the finances. If an extension be necessary—

**The Colonial Secretary:** The 31st December, 1925, would be acceptable.

**Hon. G. W. Miles:** Why?

**The Colonial Secretary:** For the reason given by the Assembly.

**Hon. J. NICHOLSON:** Is the Colonial Secretary prepared to suggest that we should agree to the 31st December?

**The Colonial Secretary:** The Premier is prepared to agree to that.

**Hon. J. J. Holmes:** I gather he is prepared to agree to this.

**Hon. J. NICHOLSON:** The financial year closes on the 30th June, and that is the proper date.

**Hon. A. Lovekin:** The matter can come up again next session.

**Hon. J. CORNELL:** It is rather unusual for a member of Parliament, who favoured these sandalwood regulations, to receive a congratulatory telegram from the secretary of the sandalwood producers, the men in the bush, but I have just received such a telegram congratulating me on the stand I took on the Forests Act Amendment Bill.

Question negatived; the Council's amendment insisted on.

Resolution reported and the report adopted, and a message accordingly returned to the Assembly.

## BILL—LAND TAX AND INCOME TAX.

*As to First Reading.*

**THE COLONIAL SECRETARY** (Hon. J. M. Drew—Central) [6.2]: I have been led to understand by a member of this Chamber that he has a majority of members

at his back, and that it was the intention of the House or his intention to oppose the first reading of this Bill, and have it returned to the Assembly. That is an unusual course to take.

Hon. J. Nicholson: This is the first I have heard of it.

The COLONIAL SECRETARY: I would, therefore, have to make my second reading speech on the first reading.

Hon. J. Ewing: That will be a most unusual thing to do.

The PRESIDENT: It can be done under the amended Standing Orders, which are similar to those adopted by the Senate. Any Bills that cannot be introduced by the Legislative Council can be argued or amended on the first reading.

The COLONIAL SECRETARY: Unless I make my speech now an amendment may be moved that the Bill be returned to the Assembly. I would not then be in a position to put up a case for the Bill.

Hon. A. LOVEKIN (Metropolitan) [6.4]: This is one of the Bills that the Council may not amend. Under Standing Order 179 it is quite competent for the Minister to make his speech on the first reading. This Standing Order says—

On every Bill except such as the Council may not amend,—  
This is one of these.

—a question "that this Bill be now read a first time" shall be put by the President immediately after the same has been received, and shall be determined without amendment or debate.

The exception to this is a Bill that the Council may not amend. Standing Order 236 has been amended to accord with the Federal Standing Orders. It says—

Requests to the Assembly may be made at all or any of the following stages of the Bill which the Council may not amend:

—1, Upon the motion for the first reading of any such Bill; or 2, In Committee after the second reading has been agreed to, or 3, On consideration of any Message from the Assembly in reference to such Bill; or 4, On the third reading of the Bill.

I told the Minister, as I thought I ought to do, when members propose to take an unusual course, that I intended to act under Standing Order 236, and that when he had moved that the Bill be read a first time I intended to move an amendment to strike out all the words after "that," with a view to inserting the following words:—"The Bill be returned to the Legislative Assembly (I am following Standing Order 236), requesting them to make the necessary amendments in the Bill." In this Bill the super tax and the land tax are involved.

Hon. G. W. Miles: Upon what could this be debated?

Hon. A. LOVEKIN: On the first reading. This will cause the Bill to reach the Assembly quickly, and enable us to get on with the business. It must be obvious to members that we cannot go on with the Assessment Bill until we have settled the tax Bill. It is necessary to get the latter Bill back to the Assembly as soon as possible. That is why I propose to take this course of action. Members can then debate the Bill on the first reading. I propose to follow this course after the Leader of the House has moved that the Bill be read a first time. As we are striving for expedition in this matter, this is the best course to pursue.

Hon. J. EWING (South-West) [6.6]: This is a most unusual course to follow and one that surprises me immensely. The new Standing Orders are not thoroughly understood by members, because they have not been long enough before them. It is a surprise to me that it is possible to debate a question on the first reading. This was not the case before the new Standing Orders were adopted. Mr. Lovekin proposes that the Leader of the House shall make his speech on the first reading. Would it not be just as easy to pass the first reading and then permit the Minister to make his second reading speech in the proper order? Hon. members could then debate the question in the usual way.

Hon. A. Lovekin: I cannot move this amendment on the second reading.

Hon. J. EWING: The question of suitable amendments to the Bill could be considered in Committee after the second reading stage has been passed.

Hon. A. Lovekin: And we should lose a lot of time.

Hon. J. EWING: This course is hardly fair to the Minister. It is better to follow the procedure that has been followed for some years. I do not see how any time will be gained by pursuing the course proposed by Mr. Lovekin. The effect of it would be that another place would receive the Bill before it had passed the second reading here.

Hon. A. Lovekin: I intend to move that amendment.

Hon. J. EWING: The hon. member says he has a majority of members in this House behind him in such a procedure. If he has made arrangements of that sort, I have not been approached.

The PRESIDENT: The hon. member can soon test the matter.

Hon. J. EWING: I hope the Minister will stand up for his privileges and allow the Bill to follow the ordinary course. Mr. Lovekin will be more likely to lose time than to gain it. The procedure is quite new, and members of another place would not understand it. They will argue over it and delay will ensue that would not occur

if we followed the ordinary course laid down for us.

Hon. J. Cornell: We are not responsible for the failure of members of another place to understand it.

Hon. H. STEWART (South-East) [6.9]: I was sorry to hear it said that a certain member had a majority behind him in a course of action he intended to pursue. I resent that.

Hon. A. Lovekin: I rise to a point of order. I do not think the Minister said that, and I did not say it either.

The PRESIDENT: You did not make use of the expression, and you cannot rise to a point of order.

Hon. J. Ewing: The Minister said it.

Hon. H. STEWART: I always accept any assurance that is given by the Leader of the House. I have every confidence in him, as have members generally. He is under the impression that it was intimated to him by one member that a certain course of action was intended and that it would be backed by a majority of the House.

Hon. A. Lovekin: He did not say that.

Hon. H. STEWART: He was evidently under that impression.

The PRESIDENT: The Minister made the statement.

The Colonial Secretary: I think I said I was informed that it was the intention of the House to take this course. I do not think the word "majority" was mentioned.

Hon. H. STEWART: Then it was put up to him that it was the intention of the House to do this.

Hon. J. Duffell: Evidently something had been going on.

Hon. H. STEWART: I was not in accord with the remarks of Mr. Ewing until their conclusion. The Leader of the House yesterday indicated that he would make his speech on the first reading, and in that way warned members that an unusual procedure was impending. Any member who was in the House at the time would have found out, as I did, that this course was being followed because of the alteration in our Standing Orders. This is the only knowledge I have of the matter. I would support the procedure suggested by Mr. Lovekin except for the warning uttered by Mr. Ewing. We, in this House, can act in accordance with the new Standing Orders, but if we send this Bill down at the first reading stage, members of another place may not understand that our Standing Orders have been altered.

Hon. J. Duffell: We will support the Minister in this.

Hon. H. STEWART: This may give rise to a misunderstanding between the two Chambers that it would be well to avoid.

Hon. A. Lovekin: Our Standing Orders do not affect another place.

Hon. H. STEWART: Even if the Minister proceeds to deliver his explanatory

speech, he will not be placed under any hardship, because he has been ready for two days to follow that procedure. The only thing that weighs with me in supporting the attitude taken up by Mr. Ewing is that this procedure may bring about a misunderstanding between the two Houses.

*Sitting suspended from 6.15 to 7.30 p.m.*

#### *First Reading.*

The COLONIAL SECRETARY (Hon. J. M. Drew—Central) [7.30] in moving the first reading said: The Bill seeks to increase the land tax without improving the finances of the country in a direct manner. At present the tax is  $\frac{1}{2}$ d. in the pound on improved land and 1d. in the pound on unimproved land. It is proposed in the Bill to have one rate only and that has been fixed at 2d. in the pound. This will give the Government an increased income, but that does not mean that the Treasurer will find himself handling more money than in the past. It is proposed that the surplus revenue to be raised under the Bill shall be used as a set-off against a reduction in railway freights and fares and the provision of a fund for the construction and maintenance of main roads. I have said that the increased tax will not mean an improvement in the finances directly. It is not difficult to recognise, however, that it must do so ultimately by indirect means. The high railway freights at present imposed represent a heavy burden upon the primary producers of the State who are following their occupations in districts remote from ports. The farmers, mine-owners and pastoralists are the principal sufferers. In the majority of instances they are carrying on their industries in the back blocks and the expansion of those industries is undoubtedly handicapped by the high railway freights. The condition of the finances may be excused as a temporary expedient, it cannot be justified as a permanent remedy. From the point of view of the prosperity of the State it is a suicidal policy to adopt methods that discourage enterprise and penalise production. The Bill aims at supplying the means whereby relief will be extended to the primary industries without loss to the revenue of the State. The first principle contained in the Bill is that all landowners, without exception, shall bear their share of the concession it is proposed to grant to those who are maintaining our railway system by their industrial activities. All users of the railways, whether by means of the receipt or despatch of goods or as passengers, will benefit by the imposition of this tax.

Hon. A. Burvill: Will there be a guarantee that freights will be reduced?

The COLONIAL SECRETARY: Yes. The value of our land for taxation purposes as at the 30th June last is set out in Table "M" on page 11 of the annual report of the Commissioner of Taxation. This shows that

the value of improved land for taxation purposes is £21,278,827 and of the unimproved land, £3,079,789. The area exempt from taxation is represented as valued at £2,977,532, making a grand total of £27,336,148. The value of the assessments at the present rate of  $\frac{1}{2}$ d. in the pound on improved land, and of the assessments at the rate of 1d. in the pound on unimproved land, would be, exclusive of the additional imposts of 50 per cent. in respect of absentees, some £44,332; on all unimproved lands, £12,833, and the amount in respect of the supertax, £8,491, making a total assessment of £65,656. The increase in the values of land for taxation purposes is estimated at £3,000,000 and this will give an additional amount, representing a grand total of £72,843, or roughly £75,000, which is the estimate for the year. In the Bill provision is made for abolishing exemptions and consequently the approximate total amount of land values for assessment would be, as per Table "M," about £27,336,148, which, with the increase in value of £3,000,000, would bring the total to about £30,000,000. On that basis with a flat rate of 2d. in the pound, the land tax assessments should amount to £250,000. The amount payable to the main roads fund at  $\frac{1}{2}$ d. in the pound will be £62,500. The amount available for the reduction of railway freights will be approximately as follows:—Total assessment, £250,000; present taxable value, £75,000; amount payable to main roads board, £62,500. Thus the balance available for the reduction of railway freights will be approximately £112,500.

Hon. J. M. Macfarlane: And of that amount £60,000 will probably be demanded by the unions for increased wages!

The COLONIAL SECRETARY: I know nothing about that. Last year the amount received from land taxation was £71,449, of which approximately £62,130 was at the ordinary rate of taxation, and £9,913 from the supertax of 15 per cent. The estimate for this year at the same rate of tax is £75,000, of which approximately £65,218 will be at the ordinary rate and £9,762 as the result of the supertax of 15 per cent. It will be remembered that these are estimated collections as distinct from assessments which are totally different. Should the rate of tax be passed as contained in the Bill, the revenue for this year will be greater than the estimate. As I have explained, however, it is not intended to benefit the general revenue from the new tax to a greater extent than formerly. The taxation proposed by the Bill is on a flat rate of 2d. in the pound on the unimproved value of all land. I will give the House particulars of the land tax imposed in other States and in New Zealand. In New South Wales the tax is levied only on the unincorporated portion of the western division. The tax is 1d. in the pound on the unimproved value. There is an exemption of £240, and where the unimproved value exceeds that amount, a re-

duction equal to the exemption is made. Where several blocks are held, only one amount of £240 is deducted. The land tax in Victoria is a halfpenny in the pound on the unimproved value of all land exceeding £250. Where the unimproved value exceeds the exemption of £250, the exemption decreases at the rate of £1 for every £1 of the excess and disappears at £500. The land tax in South Australia is as follows:—Residents, up to £5,000, a halfpenny in the pound; over £5,000, a penny in the pound; absentees, the same plus 20 per cent. In Queensland the land tax is on the following basis:—

From..		To.	Rate in the £.
Under ...	£ 500	...	pence.
From ...	500	1,000	1
	1,000	2,000	1
	2,000	2,500	2
	2,500	3,000	2
	3,000	4,000	2
	4,000	5,000	2
	5,000	10,000	3
	10,000	20,000	3
	20,000	30,000	4
	30,000	50,000	4
	50,000	60,000	5
	60,000	75,000	5
	75,000	upward	6

In addition the tax in respect of mutual life assurance societies is a super-tax of 2d. in the pound up to £2,500, and of 3d. in the pound over £2,500. The statutory exemption varies from £300 to £1,500, according to use, except in respect of absentees, companies, and life assurance premiums. In Tasmania the land tax is as follows:—£2,500 and under, 1d. in the pound; over £2,500 to £5,000,  $1\frac{1}{2}$ d. in the pound; over £5,000 to £15,000,  $1\frac{1}{2}$ d. in the pound; over £15,000 to £30,000,  $1\frac{3}{4}$ d. in the pound; over £30,000 to £50,000, 2d. in the pound; over £50,000 to £80,000,  $2\frac{1}{4}$ d. in the pound, and over £80,000,  $2\frac{1}{2}$ d. in the pound. In New Zealand the land tax, where the unimproved value does not exceed £1,000, is 1d. in the pound, and for every pound in excess of £1,000,  $1/20,000$ th of a penny up to 7d.  $17/20$ ths. Where the unimproved value does not exceed £1,000, an exemption of £500 is allowed. Between £1,500 and £2,500, there is a similar exemption decreasing by £1 for every £2 over £1,500, disappearing at £2,500. The taxation commissioner has discretionary powers to grant relief in special cases. It must not be overlooked that  $\frac{1}{2}$ d. in the pound of the proposed tax is to go towards the construction and maintenance of the main roads of the State, under the Main Roads Bill now before Parliament. It may be that that Bill will not become law this session, in which case the money will be set aside.

Hon. J. J. Holmes: For an Act that may never exist.

The COLONIAL SECRETARY: I have already mentioned what we propose to do in connection with the reduction of railway

freights and fares, and I may add that in the other States the whole of the proceeds of land taxation go into Consolidated Revenue and are not used in the way of providing any form of relief to the people. The estimated unimproved value of the occupied land of the State is £40,000,000. That is what is expected as a result of a revaluation, but the figures at the present time stand at £30,000,000. The Bill also provides for the continuance of the 15 per cent. super-tax this year. The Treasurer could wish that he were in a position to delete this item, but he found that he was not able to do so as the finances are showing no improvement whatever on last year's figures. The Treasurer budgeted for an improvement over last year of £40,191. At the end of last month he was £16,200 behind the results of last year. This means that to realise the figures budgeted, he must improve during the next six months as compared with last year by £56,392, plus £5,000 allowed the other night for the re-growth of sandalwood. To achieve that he must get all the revenue he has estimated to receive. In the next seven months he must get £154,000 more revenue than in the same period of last year. For the seven months he has to meet increased interest and sinking fund to the extent of £141,000. Anticipated savings are set against this and reduce the total to £98,000. The remission of the super-tax would mean a further loss of revenue to the extent of £86,000. It will be seen that if we are to succeed in getting the deficit down—that is the wish of all—we must have this money. I commend the Bill to the consideration of the House and I feel sure that members will pass it in a reasonable form. I move—

*That the Bill be now read a first time.*

Hon. A. LOVEKIN (Metropolitan) [7.50]: I intend to move an amendment. It is as follows:—

*That all the words after "that" be struck out with a view to inserting other words.*

I have given a good deal of consideration to this tax Bill and the assessment Bill, and I have come to the conclusion that I ought to exercise the right given to us by the Standing Orders to see how far the Bill is to be insisted on by another place, or how far this House is prepared to go in connection with it. The Bill is the ordinary tax Bill for the year. I may also explain that if the words I propose to strike out are deleted, the words I propose to substitute will become the substantive question, and members will be in a position to discuss and, if they choose, delete what I propose to insert, and replace the words with others.

Hon. J. Nicholson: What are the words that you propose to substitute?

Hon. A. LOVEKIN: That the Bill be returned to the Legislative Assembly re-

questing that House to make amendments. These amendments will be set forth. I am following the procedure set out by Standing Order 286. The amendments will be these—

Clause 2, the word "one penny" be substituted for "twopence."

Clause 6, to be omitted.

Clause 8, to be omitted.

Clause 2 refers to the land tax. Clause 6 refers to the super tax. Clause 8 is a polyglot clause containing deductions and amendments to the assessment Act. Clause 2 of the Bill imposes a land tax. This year the land tax on unimproved land is 2d. as against 1d. in previous years. As hon. members know, under Section 16, improved lands get a rebate of 50 per cent., so that under the Bill improved land would be 1d. and unimproved land 2d. I can see no reason whatever for increasing this tax. The people of the State are already overburdened with taxes, almost to the crushing point. Industry and enterprise are restricted, due to taxation. Anyone that wants to launch an industry, or to extend one, cannot do so by reason of the taxation being so much greater than it is elsewhere. I think we were on common ground in this House last session that if the super tax and other taxes were then allowed to go, there would be a reduction this year. Instead of that we now find that there is an increase. It is not only the increase of the rate per pound from 1d. to 2d., but I ask members to keep the increased assessment values and the disallowance of the tax deductions in view. It is not only the 2d. that the Government are asking for, but considerably more than that, inasmuch as under the assessment Bill it is proposed to disallow in future the exemptions that were made in the past. The Government do not propose to permit them to continue any further, and therefore that course, too, will have the effect of increasing the tax. I find that the Taxation Department are also going to increase the tax in another way. I have here a notice of assessment of land tax—a composite notice. It refers to farm hands in the Dowerin district. In 1913 £700 was the assessed value of this particular land, and that went on till 1921. In 1922 the assessment jumped to £1,978, and on top of that this year it is proposed to double the tax and remove the exemption. That will be a very heavy impost and it is to be made to apply all round.

Hon. J. J. Holmes: They are more than doubling the tax.

Hon. A. LOVEKIN: The attitude of the Taxation Department reminds me of a story I heard Mr. Duffell tell. A storekeeper sold a saddle and forgot to whom he sold it. He sent accounts to all his customers and received payment 80 or 90 times over, because the people did not look at the bills that had been sent them. The action of

the Taxation Department amounts to the same thing. Here is a composite notice; it goes back to 1913, and the department declare that the person in question has not sent in any returns. So the department put up a notice and add fines and bring the amount due to £14 8s. 8d. Fortunately, the taxpayer had his receipts for the payments he had made and was able to convince the department. At first, however, the department stood to its guns, but afterwards surrendered and sent along an amended notice in which the whole of the tax was cut out. If the department are doing that all round, then, like the man who sold the saddle, they will probably reap a good harvest.

Hon. H. Stewart: Are you surprised at the department doing that?

Hon. A. LOVEKIN: I am surprised, because it is not a proper thing to do. It is said that the Taxation Department are out for all they can get. Of course, we cannot blame the officers for doing what they consider their duty in their particular sphere of occupation. On top of what I have pointed out—I do not know whether it is general, or whether it is an isolated case; I think it is general because there seemed to be new forms issued—the department are increasing assessments, removing the exemptions and then doubling the tax. I do not think settlers ought to be called upon by this House to submit to that kind of thing, and, therefore, I propose to request—that is all we can do—that the Legislative Assembly restore the tax to what it was last year and previous years, namely, 1d. instead of 2d. That is the first request I am asking this House to make. Now with regard to the income tax. It will be remembered that in 1921 a question was raised in this House, when Mr. Colebatch was Minister, as to the super tax, and the increased tax rate from .006 to .007. A conference was held, and at that conference it was understood that if we yielded to the increased rate from .006 to .007 and it was found afterwards that our contention proved correct, that the increase would yield more money than the exemptions, the tax would be reduced in the following session. In the next session it was argued that our contention had not been established. I had a controversy with Mr. Ewing on the subject. I insisted upon the figures that I quoted, and looking back to-day, I find that what I said was absolutely correct. Mr. Ewing will remember that at the last sitting he said I must not look at the cash, I must look at the assessments. I say, to estimate what you will get from the tax you must adopt a business attitude; that is, take into account your book debts brought forward, what cash you have received, and also what you are carrying forward and thus get at the amount of the tax. Mr. Ewing then on behalf of the department contended that it was the assessments that must be looked at. Whether one calls them assessments

or calls it cash, the time comes when they will be converted into cash. The assessments have now been converted into cash. The cash in 1921, when the matter was argued out with Mr. Colebatch, amounted to £240,166; and the cash received according to the last Estimates amounted to £502,265. So that the income tax has gone up year by year, as I said in 1921 it would, till now, when we have the figures which Mr. Ewing said we should have, the 1923-24 figures, we see that the amount of cash received was £502,265. We agreed to lift the rate from .006 to .007. That being so, I think we may fairly come back to it, seeing what an incubus the super tax is upon the people, and how it is militating against the extension of business and enterprise. In the face of these figures, and in the face of the distinct promise given to us, which promise cannot be got behind to-day, because we have now had three years' experience, we are entitled to ask for reduction of taxation. Where Mr. Ewing last year, and Mr. Colebatch and the Commissioner of Taxation in the previous years, fell into error in their calculations was that they forgot to take into account a new provision then put into the assessment Act for the first time. The provision is that the dividends payable to any person should be added to the person's income and the tax rate increased accordingly. That provision brought in a considerable amount of money which neither the department nor the Minister at the time took into account; and the result is that while the amount of the tax in 1904, when we agreed to that provision, was £240,166, to-day it is £502,265. Instead of going back from .007 to .006, I am suggesting that the super tax be taken off, the returns from the super tax amounting to practically the same money, although it is a little to the benefit of the Treasurer to retain the .007 instead of the super tax. That is the second request which I propose we make to the Assembly—to take off the super tax in accordance with the undertaking of a previous Government, and in the light of the figures which the Treasurer himself has given us in the Estimates. I now come to the third point I propose to submit to the Assembly as a request, and that is to ask them to delete Clause 8 of this Bill. I do not want hon. members or anyone else to look at the clause too carefully, because if the Assembly will be good enough to strike the clause out for us we can put each of its items into the assessment Bill. A similar clause was in the tax Bill of last year, and it was put in to give certain exemptions and provide for certain deductions, because we had no assessment Bill before us into which those things could be put, and in which they could find their proper place. So, rightly or wrongly, they were put into the tax Bill, and the people had the benefit of them. But on the present occasion we have an assessment Bill, and therefore have the



opportunity to put all these things in their right place.

Hon. J. J. Holmes : If we approve of them.

Hon. A. LOVEKIN : Obviously. That goes without saying.

Hon. H. Stewart: You are not giving an undertaking to put them in?

Hon. A. LOVEKIN: How could I give an undertaking? I am only a unit here. As hon. members know, I speak only for myself. I never do speak for anyone except myself. I am going to ask the Assembly to delete that clause, because I do not want to be a party to its deletion here, since the Assembly would immediately turn round upon this House and say that we had put a tax Bill into the waste paper basket. That is what I want to avoid if I possibly can, and it is for this reason I am taking the course of sending these three requests to the Assembly at the present time. If hon. members will look at Clause 8 and refer to the paragraph relating to capital expenditure, and will then look at Section 30 of the Assessment Act, they will see that that paragraph is practically provided in the Act. Only the insertion of two or three words is needed. The words in the clause, "Travelling expenses incurred in producing or protecting the income" are almost the very words that appear in paragraph (d) of Section 30 of the principal Act.

Hon. J. W. Kirwan: Is the hon. member sure that the other place will not tell us we have no power to delete Clause 8?

Hon. A. LOVEKIN: The other place can tell us, and properly so, that we have no power to delete Clause 8. I am not proposing that we should delete Clause 8. My amendment is that we request the Assembly to be good enough to delete that clause.

Hon. J. W. Kirwan: They may tell us that we have no power to make such a request. The limitation in the Constitution Act is, "Provided that any such request does not increase any proposed charge or burden upon the people."

Hon. A. LOVEKIN: Quite so. The amendment does not increase any charge or burden upon the people. I do not wish at this stage to anticipate. I propose to allow the Assembly to tell us that if they think fit. That is one of the reasons why I am trying to put the matter up in this way. I hope Mr. Kirwan will not seek to place obstacles in the way of an effort to expedite business. If the Assembly say that we have no power to make such a request, we shall know where we are; but there is no harm at the present juncture in making the request. I have no doubt the Assembly will be wise and say to us, "You have the assessment Bill before you; put those things into the assessment Bill, and then we shall have the measure as it ought to be."

Hon. J. W. Kirwan: That is why I asked the question.

The PRESIDENT: Order! The hon. member will please address the Chair.

Hon. A. LOVEKIN: I am thankful to Mr. Kirwan, because he wanted to aid me all the time. "Donations in money to Government or incorporated institutions" is another exemption under the Bill. The exemption, however, is provided already in Section 30 of the principal Act, by paragraph 14. Then comes "Moneys expended for educational scholarships." That is in Section 30 of the principal Act. Next there is the allowance of £40 for each child under the age of 16 years dependent upon the taxpayer. If hon. members will look at Clause 8 of the assessment Bill, they will see that Subclause 4 proposes to increase the amount of the deduction from £40 to £62. In the Bill before us there is a further increase of £10. Further, the Bill states—

The deduction from allowances set out in paragraphs 1 to 6 herein—  
The allowance for children is in paragraph 5—

shall be in addition to and in extension of those prescribed by the Land and Income Tax Assessment Act, 1907.

So that when we pass the Assessment Bill, and then pass this separately, there will be a total allowance of £72 provided for each child. These tax matters are very difficult even for us who have something to do with them from time to time, but from the point of view of the general public, who want to understand what taxes they have to pay, it is only a fair thing that they should be able to get the assessment Act and see exactly where they are. We ourselves would not think of looking in the tax Act for deductions and exemptions; much less can we expect the general public to do so. Therefore, in order that the public may be convenience, and also in order that the legislation of this country may be put on a proper footing, all these matters should go into an amendment of Section 30 of the principal Land and Income Tax Assessment Act. Like Mr. Kirwan and other members of this House, I realise that it is very difficult for us to secure alterations in a Bill such as that now before us. We have either to pass it, or else reject it wholly; we cannot amend it. Our only chance of getting any modifications is to make requests to the Assembly. Now, before we deal with the assessment Bill, it is necessary that we should know exactly how we stand regarding this tax Bill, because, assuming for the moment that we cannot get any relief in respect of this tax Bill from the Legislative Assembly, we shall have to consider whether we shall put the Bill in the waste paper basket, or whether we shall pass it and take advantage of the assessment Bill, which we can amend so as to put in it provisions that will have the effect of modifying the measure now before us. I have a number of amendments to the assessment Bill, of which

I have given notice, and which are very necessary amendments, as hon. members will see as we proceed. But we want some more things to be insisted upon than are set out in this Bill. From a word or two of conversation I have had with the Premier, I am in hopes—I have no reason to believe anything, but I am in hopes—that the view which the hon. gentleman takes of this Bill is that we may get some relief. I have moved these amendments in this way so as to expedite business by sending the Bill back to the Assembly as quickly as possible and getting an early answer.

Hon. J. EWING (South-West) [8.15]: I do not think the course adopted by Mr. Lovekin is the best available to us. We could easily have gone into Committee, discussed Clause 2, and the question of the supertax and the raising of the land tax to 2d. The Government are not going to get the Main Roads Bill through this session, so why do they want to increase the land tax? Are they going to collect the money and hoard it up, or will they use it on the construction of roads and the reduction of railway freights? If the Colonial Secretary can assure us that the increased taxation, if collected, will be spent on roads and on reducing railway freights, I will not oppose the clause; for although it means increased taxation, still it is for a good purpose, namely, the reduction of railway freights.

Hon. V. Hamersley: You do not think you are going to get that, do you?

Hon. J. EWING: Most decidedly I do. I cannot doubt the word of the Premier.

Hon. V. Hamersley: But the railway men are asking for increased wages.

Hon. J. EWING: If I thought for a moment that the money was going to be used to pay increased wages, I would not vote for it. However, the Premier has said that this money will be earmarked for the reduction of railway freights.

Hon. J. Cornell: I do not think you are right in that.

Hon. J. EWING: Also for the improvement of our roads. In view of that, the provision will not have any opposition from me. But I must be satisfied that the money is not to be taken for any other purpose.

Hon. A. Lovekin: Why take it from the people to hoard it up?

Hon. J. EWING: If the people are to get good roads and reduce railway freights, there is something to be said for the clause. As for the super-tax, I will not combat the figures placed before us by Mr. Lovekin. Last session we had a heated controversy over this question. The responsibility for combating these figures is not on me this session, but on the Minister. The Minister, with the assistance of the departmental officials, can put up any case he likes. I am glad it is his duty, not mine, to place the position before the House in support of the super-tax. Last session I

told the House that the Government of the day could not afford to repeal the super tax. The Colonial Secretary has said the same thing to-night. But what was said by Sir James Mitchell, the then Colonial Treasurer, last session was this: He estimated that his deficit would be £298,000, and he said: "If I get it down to that sum I pledge myself that I will do away with the super-tax." Actually, the deficit was reduced to £225,000. The Minister says to-night he must have this super-tax, that £154,000 more has to be received before he can reach the estimate for this year. For my part I believe the Government will be able to reduce the deficit considerably below the estimate.

Hon. J. Nicholson: If they get this extra taxation.

Hon. J. EWING: They will do it without the extra taxation. Yet the Premier says the deficit is going to be very much more than he thought. However, he ought to know that during the next seven months the position will improve so materially that he will get well below his estimate. Therefore I will support Mr. Lovekin in his amendment. The people require some relief from taxation, and the Government ought to be granting them that relief. I will not say anything about Clause 8, for I think a similar clause was in the Bill of last year. I am in accord with the proposal to send the Bill back as soon as possible and get an early answer.

Hon. H. STEWART (South-East) [8.25]: I support Mr. Lovekin, because it is more expeditious to send the Bill back with recommendations than to send it back with a request for the deletion of Clause 8, leaving the others to be dealt with in Committee. I hope Mr. Ewing, instead of making two bites at a cherry, will support Mr. Lovekin's amendment.

Hon. J. Ewing: I intend to do so.

Hon. H. STEWART: In regard to the proposed increase in land taxation, Mr. Lovekin referred to the increased assessments now being made in most of the agricultural areas. Those assessments will not affect to the same extent all people holding agricultural land. Those who have had revaluations will be more severely dealt with than those whose land has not yet been revalued. Recently there has been a re-appraisal of pastoral leases. So this increased taxation will fall upon pastoral lessees following on that re-appraisal, which in itself means more revenue to the Government.

Hon. V. Hamersley: And on top of a drought.

Hon. H. STEWART: In the existing Assessment Act are wise provisions that have no place in the Bill. There is the exemption for land up to an unimproved value of £250 for utilised agricultural land. That was resolved upon in order to foster production from the land. The man who utilises his land is taxed only half the

amount levied upon the man who does not utilise his land. Further than that, ever since the introduction of the income tax, a person earning his income from the land has been allowed a rebate to the extent of the land tax he paid. That was not done simply to foster agricultural production. It was in the nature of an equitable arrangement. Contrast the person who acquires an agricultural property at £5,000 and from the production of that property earns a taxable income with a merchant or a manufacturer who invests £5,000 in stock and plant and earns income. The former is taxed on the unimproved value, which is the capital he puts into the business, as well as on his income. In what other business in this State is the capital taxed?

Hon. A. Lovekin: The new assessment Bill will not allow him to deduct that from his income tax.

Hon. H. STEWART: Quite so, and on top of that, increased taxation is to be imposed. There is a point the Minister mentioned, and I think his interpretation of it was most unfair. In moving the first reading of the Bill, he said it was proposed now not to refund the land tax to a person whose income from production on the land was in excess of the land tax, and he added that other States had a property rate which was double the rate for income earned through personal exertion. Under the Bill, it is not the man who has agricultural property and gains his income from renting it that gets the exemption from land tax; it is the man who utilises the property and produces income by using it. The comparison drawn by the Minister would not hold, and there was no justification for his bringing it forward. I hope he will not again cite it as a reason for taking away a concession that has been granted ever since the land tax was instituted and the income tax imposed. There is another point that probably has never been put before the Council. When the tax was imposed upon the unimproved value of land, the intention was to tax the unearned increment. When a tax is imposed on the unimproved value, we tax not only the unearned increment but also what the owner paid for the land in the first instance. The amount upon which the tax should be levied is not the unimproved value of the land, but is the unimproved value less the capital actually paid, whether the land was bought from the Government or from a private person. This is a most inopportune time to bring down a measure for increasing the land tax. I have often urged that before any further taxation is imposed upon land, we need an equitable and systematic scheme of land valuation. Before I entered this House, the Minister introduced a Bill for that purpose, but did not meet with success. If he again introduced such a measure, I do not think he would have any difficulty in getting it passed.

Hon. T. Moore: It would meet the same fate.

Hon. J. Ewing: It would increase the tax.

Hon. J. Nicholson: What was the Bill?

Hon. H. STEWART: A measure to inaugurate a system of land valuation comparable to that in operation in New Zealand. On the agricultural land of New Zealand extremely generous exemptions are allowed. They have a tax of 1d. in the pound on the unimproved value after deducting the capital value of mortgages and encumbrances, and an exemption of £500 is allowed if the remaining value does not exceed £1,500. In this State the exemption has been £200, and it is proposed to wipe that out altogether. In New Zealand there is a special exemption where the income is not greater than £200; and £2,000 net unimproved value may be allowed as an exemption from land taxation.

Hon. J. Nicholson: But where the land has doubled in value, they could easily give a good big exemption.

Hon. H. STEWART: They also provide a substantial exemption for widows and children—£3,500 net unimproved value. The minimum exemption in New Zealand is £500, and it ranges as indicated. Yet it is proposed to wipe out our exemption of £200. It is proposed to wipe out the refund of land tax, which is a tax on capital, and which has been allowed as a deduction from income earned from production from the land. It is also proposed to double the rate of the land tax. It is most inopportune to bring forward these extra impositions. If the Government wish to consider the imposition of extra land tax, the question should be dealt with on a comprehensive basis. I hope the House will support the proposal to ask another place to modify the provisions of the measure.

Hon. J. J. HOLMES (North) [8.39]: I do not propose to argue the point whether the mode of procedure proposed is correct or otherwise, but it certainly will facilitate business, because we shall then be able to speak once instead of speaking so often in Committee. We are told the increased land tax is necessary, because the finances must be adjusted, but I do not think we have heard anything about the increase of expenditure. It only needs a little thought to arrive at the conclusion that if the Government reduce hours, as they have done, only one result can follow, and that is increased expenditure must be entailed. We know that hours have been reduced from 48 to 44 per week. This House refused to embody the 44-hour week in the Arbitration Bill. We insisted upon it being left to the court to decide on the evidence as to the number of hours to be worked. It is said that sound business men work their employees only 44 hours a week, although they are entitled to work them 48 hours. But men in business have a right to do just as they please with their own money. The Govern-

ment, however, are acting in a position of trust for the whole of the people of the State and have established an Arbitration Court which is maintained at a big expense, and they have no right to go behind the court and reduce hours when such a reduction must automatically lead to increase of expenditure. There is to be no attempt to encourage thrift or energy. Every move made is with the object of penalising the thrifty and the industrious, and if that policy is pursued there can be only one result—industries will be bankrupt. It does not require much thought, then, to reach the conclusion that if we bankrupt our industries, we must also have a bankrupt State. Reference has been made to the amount of taxation paid in the Eastern States. I have a schedule showing the taxation charge on income from personal exertion in this State as compared with Victoria, and the figures show that there is a little inducement for personal exertion here; certainly nothing like there is in Victoria. The following is the schedule:—

Income from personal exertion.	Taxation in Western Australia.	Taxation in Victoria.
£	£ s. d.	£ s. d.
500	11 10 0	6 5 0
750	23 1 2	13 10 10
1,000	29 5 6	18 15 0
1,500	84 16 0	31 5 0
2,000	146 12 6	45 16 8
2,500	225 4 2	60 8 4
5,000	869 16 9	133 6 8

Hon. V. Hamersley: No wonder our people are clearing out.

Hon. J. J. HOLMES: This is a nice position for Western Australia to face. Thrifty and industrious men, who work not only for their own advancement but for the State as well, should receive different consideration. In Western Australia the £5,000 income from personal exertion is taxed to the extent of £869 16s. 9d., whereas in Victoria it is about one-seventh of the amount, namely, £133 6s. 8d. We were told that portion of the land tax would go towards reducing railway freights. I do not think it would be offensive to say that this is just a little bit of birdlime. Once more we are up against the 44-hour proposition. I fail to see how we can expect any improvement in our railways so long as we increase the rate of pay and reduce the hours. I fear that if, by taxing the people on the land, a surplus in the railways is created, there will immediately be a demand from the railway employees for more pay. We have been told that our railways are not paying because the land alongside them has not been put to its fullest use. The Closer Settlement Bill will overcome that difficulty. It would be a fair thing to await the effect of that Bill upon the railways before we proceed to impose this additional tax of 100 per cent. upon the people. This is a nice

little proposition to put before the people we want to place on the land. It is also proposed to strike out the exemption of £250. In some of the Eastern States, where the cities are over-populated, such as Sydney, where the people number over a million within 10 miles of the post office, all kinds of notices are put up inviting individuals to go back to the land. In this State every succeeding Government, when they want money say "Back to the land." It is to the land we are looking for production. The more we penalise the producer, the less revenue shall we get. We were told that half of the increase in the land tax, that is half of one penny, would go towards our main roads. It is not likely that this House will agree to pass that.

Hon. J. Stewart: And there is an extra tax to be imposed under the Traffic Bill.

Hon. J. J. HOLMES: I was under the impression that one halfpenny of the extra penny was to be spent on main roads.

Hon. H. Stewart: No.

Hon. J. J. HOLMES: And that the other halfpenny was to go towards reducing railway freights.

Hon. H. Stewart: That is not the position. There is special provision in the Traffic Bill for a tax of a halfpenny in the pound.

Hon. J. J. HOLMES: That halfpenny is part of this tax.

Hon. J. Ewing: I think you are quite right.

Hon. J. J. HOLMES: The Government want to tax the land in order to effect a reduction in railway freights.

Hon. E. H. Gray: That is good sense and good government.

Hon. J. J. HOLMES: It would be good sense to say that the people who are using the railways should pay the freight.

Hon. E. H. Gray: What about land adjacent to the railways?

Hon. A. Burvill: What about the people who are leaving their lands idle?

Hon. J. J. HOLMES: They are now taxed 100 per cent. more than the people who are using their land. We passed a Bill to prevent these people from allowing their land to lie idle any longer.

Hon. A. Burvill: It is still idle.

Hon. J. J. HOLMES: Common sense suggests that the users of the railway should pay. If there is not enough traffic on the railways, the way to make the traffic produce more revenue is to encourage the producer to turn out more. He will not be encouraged if we penalise him at every stage, as is proposed here. Mr. Stewart referred to pastoral leases. The appraisement of the leases was anything but satisfactory. In a Bill this House provided that proximity to a port, a market, or a railway, should be taken into consideration. That seems to have been overlooked. Pastoral lessees, who are battling to open up the country far removed from civilisation are, in some in-

stances, paying higher rates than some who are nearer the ports and railways. In justice to pastoral lessees, I wish to point out that the present time is most inopportune for penalising them with an additional land tax. They are faced with one of the worst droughts ever known. If I told the House what has happened in some instances members would be appalled. On one station 11,000 sheep short were mustered three months ago. Unfortunately it is a newcomer who owns it.

Hon. E. H. Gray: The high prices for wool will help them out.

Hon. J. J. HOLMES: I presume the fettlers on the railways are amongst those whose hours were reduced from 48 to 44.

Hon. T. Moore: They got that long ago through the Arbitration Court.

Hon. J. J. HOLMES: The fettlers are working five days a week, but the men who are battling to develop the lands adjacent to the railways are working seven days a week so that the fettlers may work only five.

Hon. T. Moore: It is a wonder the people on the land do not rush to take the fettlers' jobs.

Hon. J. J. HOLMES: A man will often get mixed up in a business that he cannot get out of when he wishes to. Successive Governments remind one of people whose cry is "Give, give," but never say that they have been given enough. Apart from the 15 per cent. super tax in the outlying ports and other places, there is another super tax of 20 per cent. If we calculate 20 per cent. on 5s. wharfage charges at Fremantle, we get 6s., an increase of 1s., but if we calculate 10s. on wharfage charges in the North, that is 2s., an increase of nearly 40 per cent. as against the 20 per cent. at Fremantle. These are some of the disabilities that people away from the city are faced with. The further one gets from civilisation the less noise one can make and the less is done for one. We should pause before we take on the responsibility that will be attached to this measure. Reference has been made to the Assembly not agreeing to the excision of Clause 8. If we send the Bill back to the Assembly, they will be wise to delete that clause and let us put it in the assessment Bill, where it ought to be. I support the amendment.

Hon. J. CORNELL (South) [8.55]: I was inclined at first to think that this procedure would lead to expedition, but I do not think so now.

Hon. J. Ewing: Quite right, it will take twice as long.

Hon. J. CORNELL: And we may be snubbed for our pains.

Hon. J. Ewing: Very likely.

Hon. J. CORNELL: I have compared the Bill before us with the present Act. In two respects only do they differ. One is as

regards the increase in the land tax from 1d. to 2d. in the pound, and the other is that the provision for a super tax in its application to the land tax has disappeared. Clause 8 compares with Section 8 of the Act. The object of the amendment is to return this Bill to the Assembly with a message that they should strike out Clauses 6 and 8. The discussion will undoubtedly range around whether the land tax should be 1d. or 2d. in the pound. No objection has been raised to any other part of the Bill. Having gone part of the way, we should have gone the whole hog and should have sent the Bill back with our request made in one instalment. Almost since the inception of the super tax, I have opposed its imposition. When the super tax was imposed the State was affected by the aftermath of the war. Our finances were in a deplorable state and the deficit was appalling. The House agreed to the imposition of the super tax. The assurance of the Leader of the House was that it was to be imposed for one year. The finances did not materially improve when the tax Bill came before us again, but the House raised little objection, taking all things into consideration, and re-enacted the super tax. Then there came another attempt to impose the tax. The Assembly had increased the exemptions to £250. The reduction for a child was raised from £20 to £50, and thus more relief was given to the taxpayers. Despite that relief, be it said to the credit of this Chamber, we agreed to the super tax for still another year. Last year a compromise was arrived at. Now we find that still further exemptions are to be made with respect to the lower incomes and a still larger deduction for children is provided. These provisions will decrease the number of income taxpayers in the State, although we still ask one section of the community to carry for another period the super tax that was merely imposed as a war expedient. Taking all things into consideration it is about time that we cried a halt and got away from these expedients. When sitting in Opposition, members of the present Government claimed that all these war expedients should be done away with, but now they say that the super tax must be continued.

Hon. T. Moore: That was not a war measure.

Hon. J. CORNELL: It was.

Hon. T. Moore: The super tax was imposed long after the war.

Hon. J. CORNELL: It was imposed four years ago, when the deficit was about £750,000 per annum. I will not be a party to continuing the super tax unless the incidence of taxation that applied when it was first imposed is still applied. With the relief afforded people now, it means that men drawing practically £8 a week pay nothing in income tax.

Hon. T. Moore: It all depends upon the taxpayer's family.

Hon. J. CORNELL: Yes, and there are many in that position whose families pay towards their upkeep.

Hon. T. Moore: Those people would get no exemption.

Hon. J. CORNELL: It is time to cry a halt when we have such a position. While we are asked to accord such relief to people at one end of the social scale, we must remember that we are asking those at the other end of the scale to continue this war expedient.

Hon. E. H. Gray: And they are well able to carry it.

Hon. J. CORNELL: Of course you believe in class legislation; I do not. It cannot be said that I am a champion of the fat man. Despite all that is said against men of wealth, if their wealth is judiciously used they confer a boon on the community for which the labouring man has much to be thankful. I am not alone in my contention that the super tax should be abolished. If members look at "Hansard" for last session they will find that the member for East Perth, whom no one will charge with being a champion of the fat man—I believe he is not in very good odour to-day with the party with which he is associated—supported the abolition of the super tax and dealt with it from the accountancy standpoint. The present Premier voted for the abolition of the super tax together with the Minister for Works, the Honorary Minister (Mr. Munsie), and Messrs. Corboy, Heron, Lutey, and Marshall. To-day the Premier says he must have the super tax.

Hon. J. Ewing: He is most inconsistent.

Hon. J. CORNELL: He says now that the finances will not permit of the super tax being done away with.

Hon. J. Ewing: He will get more revenue than he anticipates.

Hon. J. CORNELL: We were told that when the finances showed a definite improvement the super tax would be dispensed with. Mr. Ewing, when Leader of the House last year, gave us that assurance.

Hon. J. Ewing: That is quite right.

Hon. J. CORNELL: Despite the fact that the revenue shows a decided improvement, the super tax is to be continued. A great proportion of the people who have to pay that impost are taxed up to 4s. in the pound plus the super tax as against 1s. 6d. in Victoria. If the super tax makes all the difference, where will a man invest his money, here or in Victoria? Patriotism is all right, but it does not enter into such questions of £ s. d. I know where I would go to. I would go where many who support the super tax would go themselves in the circumstances. Next we come to Clause 8. I predict that on this point we will get the snub of our lives. We have not got a feather to fly with. I have carefully perused the records, and so far as I can ascertain there is only one possible reason why we should ask the Assembly to delete the clause in question. That arises from Sub-

section 6 of Section 46 of the Constitution Act, which reads—

A Bill which appropriates revenue or moneys for the ordinary annual services of the Government shall deal only with such appropriations.

That furnishes the only feather with which we have to fly. I have looked up "Hansard" for last session, and on page 1590 I find that the present Premier moved an amendment that is almost word for word with Clause 8 of the Bill. After a very short discussion the then Premier said:—

I do not think these amendments affect the position to any material extent. Perhaps it would be better for me to look into them and subsequently tell the Committee to what extent the proposals differ from the Act.

At a later stage the then Premier, when the debate was resumed, dealt with the position and quoted opinions furnished by the Crown Law Department respecting this question. It seems extraordinary that this should have been submitted to the Crown Law Department to ascertain whether the proposals should be embodied in such a Bill.

Hon. J. W. Kirwan: What was the opinion of the Crown Law Department?

Hon. J. CORNELL: It is set out on page 1696 of "Hansard." The Bill imposes a tax, but it says that notwithstanding the tax there shall be deductions. We shall have to give reasons for asking that this clause be dropped, but I have not heard any advanced yet.

Hon. J. W. Kirwan: The reason given by the mover was that the clause should be included in the assessment Bill.

Hon. J. CORNELL: It is included in the assessment Bill. Members will find that the £10 as against the £40 in the tax Bill of last session arose in this way, that the Federal Government after we had fixed our assessment increased the child deduction to £50 and the £10 was put in to make the deduction equal in our legislation. The most extraordinary thing is that though a similar clause was before us last session, on turning up "Hansard" I find that not a single word was said about it. Having passed it last session without question, we now propose coolly to ask another place not to include it this session. I want to know where our consistency comes in. I understand that this was put in at the instigation of the present Premier when Leader of the Opposition. What was done was due to the vagaries of the Commissioner of Taxation, who did not interpret the Assessment Act in accordance with the wishes of Parliament. I repeat that our better course would have been to do as we did before, namely, to confine ourselves to the 2d. and the super-tax.

Hon. T. MOORE (Central) [9.20]: I hope the amendment will not be carried. I have expressed the opinion here time after time that the people who are using the railways

pay too much, and that industry is being crushed because of that fact. If members will only go into the question of the amount that is paid in railway freights year after year, they will find that the tax is enormous.

Hon. V. Hamersley: And it is still increasing.

Hon. T. MOORE: I do not think that is correct; it has certainly not increased lately. It did, however, increase up to last year. The mining industry is also being hard hit by heavy freights, because the mining centres are so far away from the seaboard. Freights are keeping back mining operations on the eastern goldfields and on the Murchison. Relief must be got somehow. The Bill does not propose to add anything to the revenue, and if hon. members do not believe what the Premier has said in this respect, they can, if they wish, embody an amendment to that effect in the measure. I am certain, however, that the Premier is honest in his expressed intention that he will not take the money into revenue, and that he will use it only for a special purpose.

Hon. J. Ewing: He has pledged his word.

Hon. T. MOORE: And he must live up to that. The people would lose confidence in any Government if the expressed word of that Government could not be relied upon. What has been happening in connection with roads on which it is proposed that certain money should be spent? Do hon. members believe it is good business for the country to go on building its roads out of loan money? Reference has been made to a proposal to spend £10,000 out of loan on the Armadale-road. What a wonderful way of financing! But that is exactly what we are doing. We are doing ever so many things out of loan and when members say that the finances are brighter and better than they were, I assure them, having studied the question, that that is not so, that we have been borrowing money and spending it lavishly.

Hon. V. Hamersley: False prosperity.

Hon. T. MOORE: That is so, and it is wrong to continue to proceed on those lines. If we are not prepared to face the building up of the country ourselves some other expedient must be found. Loan expenditure was greater last year by a big sum than in the preceding year. This year, owing to the commitments of a previous Government, the loan expenditure will be higher still. There must be an end to this business, and when the end does come, people will have to carry the burden. We cannot continue to borrow money at the rate we have been doing. We have been borrowing a great deal more according to our population than any other State in Australia. No one will believe that that is a good policy. I am surprised to think that members will not face the facts that are before us and endeavour to do what we can without always rushing to London. There must be a stop!

and when that does take place those who are established on the land will have to foot the Bill. We cannot for ever go on borrowing at the rate we have been doing and passing the payments on to future generations. During the last two or more years we have been the biggest spending State in Australia, and whenever an attempt is made to meet our financial obligations, we should seize the opportunity to assist in every possible way in that direction. The amount that the farmer is paying on what he is buying and selling is enormous. He pays freights both ways and is caught in every direction. To-day there is a chance of getting hold of the people who have the land and compelling them to do something, so that relief may be given, and I am surprised that members who represent country districts should be displaying any opposition to the proposals of the Government. There will be a day of reckoning, and when it comes I warn the men on the land that they may have to foot the bill.

Hon. V. HAMERSLEY (East) [9.26]: I was pleased to hear the remarks of Mr. Moore. One would almost think that he had suddenly taken up some land and was beginning to understand the difficulties farmers have to face.

Hon. T. Moore: I have spoken in a similar strain in this House many times.

Hon. V. HAMERSLEY: I have considered the Bill and I realise that a greater tax is to be put upon those who have land. I naturally ask myself what process will the Government adopt when they extract this greater tax from the people on the land; what method will they adopt to recoup those people for the increases that they have been obliged to submit to during the last year or two. Under the Bill we are taxing all the people of the State. A great many will be taxed who are entirely out of reach of railways. The railways do not come into their consideration at all. The railways do not serve them, and have never improved the value of the land they hold. Yet we are asked in this measure to double the tax upon them. The Midland Railway Company own about 300 miles of line running through an agricultural centre. As regards all the land served by that railway, how will the Government recoup to the Midland Railway Company what they will extract from the people owning land along the line?

Hon. T. Moore: I hope the Government will buy that railway, so that it will not be a burden any longer.

Hon. V. HAMERSLEY: In connection with this measure we cannot deal with hopes, but only with facts that are staring us in the face. Mr. Moore put up an earnest appeal, which impressed me; but I cannot help thinking there is a certain amount of danger, as we saw from the recent trouble at Fremantle, where there was a demand for

increased wages. The railway employees, too, want higher wages. Are the Government anticipating something of the kind, and are they seeking to prepare for it? They know that railway fares to-day are so excessive as to have induced severe competition from motor lorries. Indeed, anybody could start out with an ordinary wagon and cart against the railways, were it not for the loss of time. I have by me some figures which I took out some time ago in this connection. I have just realised that they apply very closely to the present Bill. A few years ago the cost of construction of our railways averaged about £1,500 per mile. To-day our railways on the basis of a construction cost over £5,000 per mile. That is a wonderful increase, and the cost of construction is to be charged against the tax under this Bill, or else freights will have to be increased in view of the higher costs of working and the higher interest upon the total cost of the railway system. In 1917 working expenses per mile were £430. In 1921 they had risen to £684, an increase of £254 per mile. In 1917 staff and wages hands numbered 6,584; in 1921 they numbered 8,083, an increase of about 2,500 to work the same railway mile age with the same rolling stock, and with practically the same tonnage to be handled and practically the same passenger traffic. In 1921 the loss on the railways was about £100,000 more than the loss in 1917, although the department had in 1921 an income exceeding by a million sterling that which they had in 1917. In view of the increase in the number of hands, what can we anticipate if we tell the Commissioner that by a land tax we are going to recoup him some of the department's losses and make up to him some of the increased working expenses in which he has become involved? I fear that the railways will continue to make losses, on account of the outside competition. We know that motor lorries, using petrol which costs a great deal more here than in any other part of the world, are carrying traffic along the roads right from the farms to the sea ports.

Hon. T. Moore: They can do it as long as we make the roads.

Hon. V. HAMERSLEY: The Federal Government has been granting us money for road-making purposes. New settlers, however, are denied the opportunity to employ their horses in the slack season on the roads running past their homesteads. They are prevented from obtaining work on those roads. By instructions of the Government to the road boards, the farmers are not to be permitted to take contracts for road-making or road repairs. Special instructions to that effect have been issued to the road boards. If they have any work, they are only to employ men sent along to them from the cities and townships—men who, it is claimed, are

inclined to follow this kind of day work on the 44-hour system and at a very special rate of wages. That arrangement is unfortunate, because the men in question have no teams. Yet the neighbouring farmers, who have teams, are prevented from working at the roads. We can only assume that the Government have started another State trading concern. The road boards are instructed to employ the men I refer to at so much per week, and are informed that teams will be made available to them at special rates. Now we are asked to pass a taxing measure to make up for some of the anticipated extravagance likely to accrue to this country from carryings-on of that nature. I was very surprised to learn of the conditions of contract thrust upon the country districts with regard to the making and repairing of roads. In spite of it all, if the railways do not improve their system of working and give a better and more economical service than has obtained in the past, we should not be asked to pass a measure putting on a special tax designed to recoup the railways their future losses. I shall support the amendment, although I do not agree that it represents the best method of attaining the ends we have in view. My remarks are not made in any hostile spirit, but in all good faith. I have an idea that the railways are not giving the best service possible, or working on the best business lines. This year the railways will have tremendous traffic, and should be able to make both ends meet without an addition to their revenue from taxation of this nature. If private individuals can compete with the railways along roads that are in a frightful state, then I say the sooner we scrap our railways the better.

Hon. A. BURVILL (South-East) [9.40]: I would have preferred the Bill to go into the Committee stage before these amendments were put up. I do not favour Clause 8, especially after Mr. Cornell's remarks. The super tax, in my opinion, should not have been brought forward in this Bill. Now as to the penny in the pound land tax, and its effect on the small farmer. Particularly in the Albany district, in which I live, railway freights are a very serious consideration. If a special land tax is put on and earmarked for reduced freights, the Albany people, who have gone into the question carefully, will not mind that tax. The average farm in the Albany district comprises about 200 acres. According to the Taxation Department, land values in the Albany district now range from 15s. to 30s. per acre. I will take the land on the basis of 30s. Another penny in the pound would mean to the Albany settlers another half-penny in the pound, because of their lands being improved. A half-penny in the pound on a farm of 200 acres, on a valuation of 30s. per acre, would mean a payment of 12s. 6d. per year. Most of the people holding 200 acres have a good



deal of their land under cultivation. I will estimate the proportion at one-half, 100 acres per farm. I will suppose a modest return of four tons per acre. Those Albany people have two markets—one at Perth, 340 odd miles away; the other at Kalgoorlie, 800 odd miles away. If railway freights can be reduced 1s. per ton per hundred miles, it will mean to those Albany farmers a saving of about £17 per annum in respect of Perth freights, against 12s. 6d. tax they will have to pay, and a saving of about £40 in respect of Kalgoorlie freights, against the same tax. As long as the money is earmarked for the reduction of railway freights, and these people get corresponding reductions, they will be better off. The Minister told us that £62,500 was to be set aside for roads, and £112,500 would be applied to reduction of railway freights. If the Albany people get their share of that reduction, they will be far better off. Mr. Hamersley said a good deal about the competition of lorries with railways. The hon. member happens to live in the wheat belt. Still, with the present low rates of freight on wheat, the lorries will have a hard job to compete with the railways. It must be borne in mind that of late railway freights on wheat have been gradually going down, and not up.

Hon. T. Moore: The lorries will not take super. at the rate at which the railways carry it.

Hon. A. BURVILL: I believe in a low freight on super. by way of back loading. Wheat two or three years ago was 1.12d. per ton mile. In the last return from the railways it is 1.04d. I do not think any of our motor lorries can compete with that freight. But in other directions the railway freights are very high, particularly on timber and perishable products. If this proposed reduction of railway freights is going to benefit the farmer, and if the money for roads is to be spent on country roads, the halfpenny in the pound increased taxation can only be regarded as a satisfactory exchange for benefits to be derived. I do not intend to support the amendment.

Hon. H. SEDDON (North-East) [9.46]: I suggest an amendment on the amendment that "Clause 8" be struck out. I do this because I think that to allow an amendment containing such a provision to go to another place is to lay ourselves open to a serious rebuff. The Bill contains one or two features that ought to commend themselves to the House. Principal amongst them is the proposal to meet expenditure out of taxation rather than out of loan money. That, certainly, is a step in the right direction, and one advocated by this House for years past. Realising the enormous increase in our loan expenditure, we ought to do all we can in that direction. I should like to see an increase rather than a decrease in the spread of taxation, and I

hope the Government will consider that. I trust members will support my amendment on the amendment, and so avoid a rebuff.

The COLONIAL SECRETARY (Hon. J. M. Drew—Central—in reply) [9.48]: I cannot see any justification for the attitude adopted by some members. I have watched the movement in this Chamber while the Bill has been under consideration, and I can see that prominent in the action of hon. members has been an effort to obscure the real object of the proposed increased taxation. It has been said that the object is to impose a further burden on the community. Mr. Lovekin said there was no reason for increasing taxation, which will injure industries and be a burden on the people. I deny that. I showed in my opening remarks that it would not be a burden on the people, but would actually relieve them of part of their existing burden by bringing about a reduction in railway freights, and in addition providing for the construction and maintenance of main roads. Out of the tax of 2d. no less than 1½d. is to be devoted to the assistance of settlers. Only two or three hon. members have directed attention to the main point, namely, that the increased taxation is in the interests of the country districts. The city and towns have been built up on the development of the back country, but have contributed nothing whatever to the relief of settlers, whether goldfields, agricultural or pastoral settlers. Agricultural settlers will contribute only one-third of this increased taxation; the rest will have to be found by the city and the towns. In regard to the valuations of land, Mr. Lovekin quoted two instances of increases in values. But those increases have been on account of the prosperity and development of the back country.

Hon. A. Lovekin: It was farm lands that I quoted.

The COLONIAL SECRETARY: The object of the Bill is to help further development. In Victoria there is but a low rate of tax, only one halfpenny in the pound; but it must be remembered that the average value of agricultural land in Victoria is £10 per acre.

Hon. T. Moore: More than £10.

The COLONIAL SECRETARY: Whereas here the average value is not more than £2 per acre. Reference was made to the increase in collections from income tax last year. That was not due to the tax itself that year, but to the large amount of arrears that was collected last year by special effort.

Hon. A. Lovekin: That is not so.

The COLONIAL SECRETARY: The surer tax has been imposed for years past.

Hon. V. Hamersley: It is time it was taken off.

The COLONIAL SECRETARY: Efforts were made to induce the late Government to abolish it, but it has not been abolished.

Now, when the present Government desire to reduce the deficit, the intention of hon. members is to block us and hinder us to the extent of £86,000. It will be impossible for the Premier to carry out his intention to reduce the deficit if the £86,000 derived from the super tax is to be denied him. Loans raised last year and the year before have served to increase the interest and sinking fund bill of this year by £240,000. That has to be made up, and there is not sufficient revenue, apart from the super tax, to enable it to be done. That £240,000 was spent on works that will not be reproductive for some years to come, in some instances for 10 years to come. The cause of the increase in the deficit is very clear. It has not been due to maladministration. When the Scaddan Government came into power they were confronted with the building of 12 railways, one of them nearly 300 miles in length, that had been authorised by the Wilson Government. Those 12 railways involved an expenditure approaching £3,000,000. On top of that, the Scaddan Government brought down Bills authorising the construction of 14 other railways. Those 26 railways had no prospect of paying interest and sinking fund, or even working expenses, for some years. The result was a big increase in the deficit. Now those railways are gradually becoming profitable, and within a few years they will be paying handsomely. So, the deficit has been due, not to maladministration, but to natural causes altogether beyond the power of any Administration.

Hon. J. J. Holmes: But why tax land?

The COLONIAL SECRETARY: In order to assist the outback settlers and make the towns pay something for the benefit of those settlers. I do not want it to go out to the country that the Government are introducing a Bill to persecute the farmers.

Hon. A. Lovekin: You are stopping all their exemptions.

The COLONIAL SECRETARY: In a country district a few weeks ago I met a farmer who said, "What is the use of the Government bringing in a Bill imposing 2d. land tax on the farmer and then taking it off the railway freights?" I said, "This tax applies, not merely to farmers, but to every landholder in Western Australia." He said it had never before been represented to him like that, that he had thought the Government intended to impose the tax on farmers alone. That sort of thing should not be permitted to get abroad. The Bill is not to penalise the farmer, but to help him. Mr. Ewing said that if the Main Roads Bill were not passed we would be accumulating the money collected from the tax. That money will be set aside in a special fund and allowed to accumulate until required. There does not seem to be any prospect of the Main Roads Bill passing this session, unless we adjourn over the holidays. That is not improbable.

Hon. A. Lovekin: It is in your hands when you shall adjourn.

The COLONIAL SECRETARY: The Main Roads Bill will be brought forward if we adjourn over the Christmas holidays, and there will be in it provision for this half-penny tax to be devoted to the construction of main roads. That money will not be utilised for any other purpose. Also I repeat my assurance that the railway freights will be reduced to the extent outlined in my opening remarks. Reference has been made to the pastoralists. The pastoralists are one of the wealthiest sections in our community. They have been suffering from the effects of drought, but the price of wool is higher to-day than ever before.

Hon. V. Hamersley: Have the railways anything to do with that?

Hon. J. Nicholson: Have the pastoralists got the wool?

The COLONIAL SECRETARY: A large proportion of them have. As a class they are very wealthy. To what extent will they suffer under the Bill? Only a percentage of the total tax will be paid by them. Mr. Stewart's criticisms were directed against the Land and Income Tax Assessment Bill. It is unnecessary to refer to them, because they have no immediate bearing on the Bill before us. Then we had a comparison of taxation in Victoria with that in Western Australia. The answer to that is that in our infancy we have built numerous railways necessary to the development of the country. But Victoria and Western Australia are in widely different developmental stages. Victoria is highly developed and has numerous secondary industries. Moreover, she is not in the same financial straits as is Western Australia. Mr. Holmes said "When money is required, back to the land." During 17 years no attempt has been made to increase land taxation. The hon. member, if he gives the matter a moment's consideration, will recognise that the imposition of this taxation will benefit the Government in no way, except indirectly through the increased prosperity of the country.

Hon. V. Hamersley: It will serve to make up some of the losses on the State trading concerns.

The COLONIAL SECRETARY: Mr. Holmes argued that the people who use the railways should pay for them. I reply that other people also derive benefit from the fact that people are using the railways. I do not say that applies to the hon. member because he is using his land and is contributing to the railway service of the State. Mr. Hamersley wanted to know what the position of the settlers on the Midland line would be. That is a private railway and it would have to come into line with the Government railways. If there was a reduction of freights on the Government line, the Midland railway would have to reduce their rates. They have benefited substantially by the increase of rates in force on the Government railways, and it is a condition of

their contract that if the Government reduced their freights and fares the company must follow suit.

Hon. V. Hamersley: Would you give them back the tax you take from them?

The COLONIAL SECRETARY: No; I think they have done very well. They have a monopoly of the traffic. I have no sympathy whatever with them in that respect.

Hon. J. J. Holmes: If you increase freights on the Government railways, you make them increase freights on their railway.

The COLONIAL SECRETARY: It is not necessary to say more. I have dealt with every aspect of the question by which members have sought to justify the returning of this measure to the Assembly. I have not heard of anything of the sort having occurred previously, and judging from the reception of the proposal and the poor arguments used to justify it, I should not like to see the experiment repeated. Here we have half a dozen members evading the main purpose of the Bill, and only about eight members have been present during the discussion on this important measure. I would prefer the old practice, though I am not a Conservative, that if the House considers any particular provision should be deleted from a Bill, it should be deleted in Committee after proper discussion. The procedure proposed to-night does not permit of proper discussion. No doubt many members thought it desirable not to say very much, in order that the Bill might reach another place as speedily as possible, but I am not at all satisfied with the experiment. I hope members will reconsider the position and not return the Bill to the Assembly, but that they will discuss it in the usual way and determine its fate.

Amendment (to strike out the words) put and a division taken, with the following result:—

Ayes	..	..	..	14
Noes	..	..	..	9
Majority for				5

## AYES.

Hon. J. Duffell	Hon. J. M. Macfarlane
Hon. J. Ewing	Hon. J. Nicholson
Hon. J. A. Greig	Hon. A. J. H. Saw
Hon. V. Hamersley	Hon. H. A. Stephenson
Hon. E. H. Harris	Hon. H. Stewart
Hon. J. W. Kirwan	Hon. H. J. Yelland
Hon. A. Lovekin	Hon. J. J. Holmes

(Teller.)

## NOES.

Hon. A. Burvill	Hon. G. W. Miles
Hon. J. Cornell	Hon. T. Moore
Hon. J. M. Drew	Hon. H. Seddon
Hon. E. H. Gray	Hon. W. H. Kitson
Hon. J. W. Hickey	

(Teller.)

Amendment thus passed.

Hon. A. LOVEKIN: The Standing Orders leave it open to the President to put a complicated question in paragraphs. I suggest you adopt that course in this instance as there may be disapproval of some of the paragraphs. Therefore, I shall move the first paragraph only. I move an amendment—

*That the following words be inserted: "The Bill be returned to the Legislative Assembly requesting that House to make amendments in the Bill as follows:—Request No. 1. Clause 3, Subclause 1, strike out 'two pence' and insert 'one penny.'"*

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

Ayes	..	..	..	12
Noes	..	..	..	9
Majority for				3

## AYES.

Hon. J. Duffell	Hon. J. Nicholson
Hon. E. H. Harris	Hon. A. J. H. Saw
Hon. J. J. Holmes	Hon. H. A. Stephenson
Hon. J. W. Kirwan	Hon. H. Stewart
Hon. A. Lovekin	Hon. H. J. Yelland
Hon. J. M. Macfarlane	Hon. J. A. Greig

(Teller.)

## NOES.

Hon. J. Cornell	Hon. G. W. Miles
Hon. J. M. Drew	Hon. T. Moore
Hon. E. H. Gray	Hon. H. Seddon
Hon. J. W. Hickey	Hon. J. Ewing
Hon. W. H. Kitson	

(Teller.)

## PAIR.

AYES.	NOES.
Hon. V. Hamersley	Hon. A. Burvill

Amendment thus passed.

Hon. A. LOVEKIN: I move a further amendment—

*Request No. 2—Clause 6, Delete this clause.*

This relates to the super tax.

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

Ayes	..	..	..	17
Noes	..	..	..	6
Majority for				11

## AYES.

Hon. J. Cornell	Hon. J. M. Macfarlane
Hon. J. Duffell	Hon. G. W. Miles
Hon. J. Ewing	Hon. J. Nicholson
Hon. J. A. Greig	Hon. H. Seddon
Hon. V. Hamersley	Hon. H. A. Stephenson
Hon. E. H. Harris	Hon. H. Stewart
Hon. J. J. Holmes	Hon. H. J. Yelland
Hon. J. W. Kirwan	Hon. A. Burvill
Hon. A. Lovekin	

(Teller.)

NOES.

Hon. J. M. Drew  
Hon. J. W. Hickey  
Hon. W. H. Kitson

Hon. T. Moore  
Hon. A. J. H. Saw  
Hon. E. H. Gray  
(Teller.)

PAIR.

AYES.

Hon. V. Hamersley

NOES.

Hon. A. Burvill

Amendment thus passed.

Hon. A. LOVEKIN: I move a further amendment—

*Request No. 3—Delete this clause.*

This is the most important part of the amendment. It will provide means by which another place can put right this Bill.

Hon. J. Cornell: Why do you want this clause struck out?

Hon. A. LOVEKIN: I want them to strike it out. If we put it in the Assessment Bill as we shall do, we cannot have it in the two Bills. They must strike it out as we cannot amend this Bill.

Hon. W. H. Kitson: It was in the Bill last year.

Hon. A. LOVEKIN: It was wrong then, as now. Although the matter is in the assessment Bill, it is not the same wording as it is in the tax Bill. For instance, all deductions other than capital may be made. That is not exactly as it is set out in the assessment Bill, and the Taxation Department refuses to allow quite a lot of ordinary business expenditure on the ground that it is not for the purpose of earning income. The Government propose under the tax Bill that all expenditure incurred in earning income, other than capital expenditure, shall be deducted. That is quite right and it is set out better than it is in the assessment Bill. The same thing holds good with the clause relating to deductions for members of Parliament. The assessment Bill is not as clear as the tax Bill. The Government knowing that the Bill is not quite as it should be, will take steps to put this amendment into the assessment Bill so as to make it certain that members of Parliament shall have these deductions. As the Assessment Bill stands, the amount is not to exceed £50 in one case and not to exceed £100 in another. The taxation Bill provides that the amounts shall be £50 and £100 respectively, and no right is left to the Commissioner for Taxation to question them. In the taxation Bill there is an extra allowance for children. The assessment Bill proposes to increase the amount from £40 to £62. If the other £10 were left in the tax Bill we should have a deduction of £72 for children, because it says that the amounts set out in

the six paragraphs are in addition to the amounts provided in the assessment Bill.

Hon. E. H. Gray: You do not object to that.

Hon. A. LOVEKIN: I do not know that I would. Where the £62 is there also should be the £10. We do not want the worker to be turning up the assessment Act and finding the deduction is only £62, for he would not think of looking at the tax Act to find the other £10. We should bring the two things together. We might do it ourselves, but for the fact that we cannot amend this Bill. If these clauses are out, the road is clear for the Minister, who will thus be able to put the amendments into the assessment Bill and have the whole thing in order.

The COLONIAL SECRETARY: All that Mr. Lovekin has indicated has been foreseen. The tax Bill will be held up until the Land and Income Tax Assessment Bill is passed, and it will be brought into line with the Land Tax and Income Tax Bill.

Hon. A. Lovekin: But we cannot amend the tax Bill and we cannot deal with the other until we know where we are with this tax Bill.

The COLONIAL SECRETARY: Both Bills must be brought into line.

Hon. J. CORNELL: We are tilting at a windmill, or straining at a gnat to swallow a camel. All that is involved is £10 for each child.

Hon. A. Lovekin: More than that.

Hon. J. CORNELL: Mr. Lovekin has got into his customary habit of crossing all his t's and dotting all his i's. I hope we shall get a rebuff if we insist upon this.

Hon. A. Lovekin: But it is not in order as it is.

Hon. J. CORNELL: Last session the hon. member raised no objection.

Hon. A. Lovekin: There was no assessment Bill before us then.

Hon. J. CORNELL: The assessment Act stood and had the same relationship to this clause as the Bill that will be passed. We are only courting trouble. There was some substance in the other two amendments.

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

Ayes	..	..	..	..	12
Noes	..	..	..	..	10

Majority for .. 2

AYES.

Hon. J. Duffell	Hon. G. W. Miles
Hon. J. A. Greig	Hon. J. Nicholson
Hon. J. J. Holmes	Hon. A. J. H. Saw
Hon. J. W. Kirwan	Hon. H. A. Stephenson
Hon. A. Lovekin	Hon. H. Stewart
Hon. J. M. Macfarlane	Hon. V. Hamersley

(Teller.)

## Noss.

Hon. A. Burvill	Hon. E. H. Harris
Hon. J. Cornell	Hon. J. W. Hickey
Hon. J. M. Drew	Hon. W. H. Kitson
Hon. J. Ewing	Hon. H. Seddon
Hon. E. H. Gray	Hon. T. Moore
	(Teller).

Amendment thus passed.

Question, as amended, put and passed.

## LICENSING ACT AMENDMENT BILL.

*Minister's explanation.*

The COLONIAL SECRETARY: Before moving the adjournment of the House I wish to draw attention to the fact that notice was given of my intention to ask for leave to introduce a Bill to amend the Licensing Act. Reference to the Bill was omitted from the Notice Paper, and I wish to have an assurance that the Bill will be reinstated on the Notice Paper for to-morrow.

The PRESIDENT: That will be done.

*House adjourned at 10.35 p.m.*

## Legislative Assembly,

*Thursday, 18th December, 1924.*

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

## QUESTION—RAILWAY EXTENSION.

Mr. GRIFFITHS asked the Premier: 1, Has anything been arranged regarding the requested extension by 10 miles of the Wyalkatchem-Bencubbin-Merredin line? 2, Is he aware that there are returned soldiers in the Lake Grace-Goomarin area, and that some of them are carting their produce 27 miles to the nearest siding? 3, Is he also aware that the original settlers, other than the returned soldiers, proved this district to be a safe one, and that consequently a re-settlement of this partially abandoned area is taking place, and that the re-settlers have been waiting from 12 to 14 years for transport facilities? 4, Will he go into this serious lack of facilities and advise at as early a date as possible whether steps will be taken to build the extension asked for?

The PREMIER replied: 1, This extension has not yet been authorised by Parliament. 2, It is regretted that a number of settlers in this and other areas have long distances over which they must cart pending the construction of additional railways. 3, The fact that the district is a safe one is known, and it is probable that a few settlers have been waiting for a railway for a lengthy period. 4, The matter will be considered.

## QUESTION—RAILWAY IMPROVEMENTS, MERREDIN.

Mr. GRIFFITHS asked the Minister for Railways: 1, Has he inquired further into the matter of the improvements so urgently necessary at the railway junction at Merredin? 2, If so, will he state at as early a date as convenient what is proposed to be done, and, if anything is proposed, when a start is likely to be made on the work?

The MINISTER FOR LANDS (for the Minister for Railways) replied: 1, The improvements necessary are known, but unfortunately owing to the limited amount of Loan money available nothing can be done for the time being. The best use will be made of the facilities available. 2, Answered by No 1.

## QUESTION—DRAINAGE, MERREDIN.

Mr. GRIFFITHS asked the Minister for Works: 1, What prospect is there of obtaining the money necessary to make the main drain at Merredin? 2, As this is the best time to carry out the work, will he expedite the matter?

The MINISTER FOR WORKS replied: 1 and 2, The land required will be resumed forthwith. It is regretted that it was not possible on this year's Estimates to provide funds for the construction of the drain.