

On motion by Colonial Secretary, debate adjourned.

House adjourned at 6.17 p.m.

Legislative Assembly,

Thursday, 9th November, 1916.

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

PAPERS PRESENTED.

By the Minister for Works: Dog Act, 1903, Regulations.

By the Honorary Minister: Health Act, 1911-12, Model by-laws adopted by the Wagin Municipal Council.

QUESTION—GOLD MINING INDUSTRY, PROPOSED CONFERENCE.

Mr. TAYLOR asked the Minister for Mines: Has he taken any action to carry out the promise made for the holding of a conference between the Chamber of Mines, the Miners' Unions, and the Prospectors' and Leaseholders' Associations, with the object of putting the gold mining industry of this State on a more prosperous footing?

The MINISTER FOR MINES replied: Yes. Suggestions have been personally invited by me from various associations and

unions, and from persons interested. Many have already been received. The conference will be held at a time convenient to those concerned as soon as Parliament rises.

QUESTION—INDUSTRIES ASSISTANCE BOARD.

Storekeepers' Accounts.

Mr. PIESSE asked the Minister for Industries: 1, What amount of money has been certified as owing to storekeepers by settlers under the control of the Industries Assistance Board? 2, What amount has been paid off same under Sections 7 and 8 of the third schedule of the Act?

The HONORARY MINISTER (Hon. J. D. Connolly), for the Minister for Industries, replied: 1, The amount of money certified as owing to storekeepers by settlers is not available, and to ascertain it would involve considerable labour and expense. The total amount of creditors of all classes, and certified to by settlers, totals approximately £600,000. 2, The amount paid to such creditors in the distribution of surplus proceeds, totals £48,646 5s. 9d. This figure covers the full amount of dividends declared to outside creditors under the Third Schedule, embracing Sections 1 to 8.

QUESTION—RAILWAY FREIGHTS, INCREASES.

Mr. E. B. JOHNSTON asked the Minister for Railways: 1, What is the estimated additional revenue per year which the Railway Department expect to raise from the latest increases in railway freights? 2, What is the reason for imposing these increases? 3, Are the Government aware that the increases will press heavily on all persons engaged in our primary industries? 4, Were the probable effects of these increased charges, in the direction of accelerating the existing tendency of population to leave the country districts for the City, and the consequent reduction of traffic, taken into consideration before they were approved?

The HONORARY MINISTER (Hon. J. D. Connolly), for the Minister for Railways, replied: 1, For the present financial year, £33,000. 2, To partly make up the deficiency

in the railway revenue, and so reduce the debit balance. 3, No. 4, No such results were, or are, anticipated.

QUESTION—RABBITS ON CROWN LANDS.

Mr. GARDINER asked the Minister for Agriculture: What action do the Agricultural Department purpose taking to keep down the rabbit pest on Crown lands adjoining those of private owners, whom they are compelling to eradicate the pest?

The MINISTER FOR AGRICULTURE replied: The Agricultural Department do not propose inaugurating any special scheme for the destruction of rabbits on Crown lands. Inspectors, during their travels, are taking individual action as occasion demands.

QUESTION—LIME DEPOSITS, DONGARRA.

Mr. GARDINER asked the Minister for Lands: In view of the Government's avowed policy of developing the lime deposits of this State, will he undertake to at once inquire into the best means of connecting the Government's own valuable deposits at Dongarra with the railway and wharf?

The MINISTER FOR LANDS replied: It has been decided to make the Dongarra lime deposits available for leasing, and notice to that effect will be published at an early date. Any application by a lessee or intending lessee to construct a railway or tramway to connect with the jetty or the Midland railway will be favourably considered.

QUESTION—STOCK LOANS TO SETTLERS.

Mr. S. STUBBS asked the Minister for Industries: 1, Is he aware that a large number of good settlers, who have made very reasonable progress towards success in their farming operations, are very much handicapped through lack of capital with which to secure sheep, for which they have the necessary grass and water? 2, Is it true that the Agricultural Bank lacks the necessary

funds for stock loans of this nature? 3, Will he take up this important subject in order that these settlers may be supplied with the necessary stock in approved cases on reasonable terms?

The HONORARY MINISTER (Hon. J. D. Connolly), for the Minister for Industries, replied: 1, Yes. 2, The financial position of the State, combined with the high price of stock, is such that the Agricultural Bank is not in a position, at present, to take up the question of providing farmers with sheep. 3, The policy of the Government is to make each farm a sound commercial proposition as speedily as financial considerations will allow.

QUESTION—LIQUOR REFERENDUM, GOLDFIELDS, COST.

Mr. MUNSIE asked the Premier: What was the cost to the State of the taking of the recent referendum on the goldfields, with regard to the early closing of hotels?

The PREMIER replied: The cost was £529 13s. 3d.

BILL—TRADING CONCERNS (No. 2).

Introduced by the Minister for Works, and read a first time.

RESOLUTION—SALE OF LIQUOR REGULATION ACT, TO CONTINUE.

A Message having been received from the Council that it had passed a resolution "That the Sale of Liquor Regulation Act, 1915, shall continue in operation for the further period of twelve calendar months from the 31st day of December, 1916, that is to say, until the 31st day of December, 1917," and requesting the Assembly's concurrence therein, the Message was now considered.

The ATTORNEY GENERAL (Hon. R. T. Robinson—Canning) [4.44]: The last section of the Sale of Liquor Regulation Act, 1915, provides that if a resolution is passed by both Houses of Parliament to the effect that the Act shall continue in force for a further period expressed in such resolution, then the operation of the Act shall so con-

tinue. As every member of the House knows, the whole sum and substance of the Sale of Liquor Regulation Act is contained in Section 5, which, by altering "six" to "nine," and "eleven" to "nine," establishes what is known as the 9 to 9 law. I move—

That the House concurs in the resolution forwarded by the Council.

Mr. ANGWIN (North-East Fremantle) [4.45]: I move an amendment—

That in line 3 the word "twelve" be struck out and "twenty-four" inserted in lieu.

The effect of this will be, of course, to continue the operation of the Act for two years instead of twelve months. I am very much afraid that there is no prospect of the war coming to a close by the end of next year, and I move this amendment in order that there may be no necessity at the close of next year to again bring forward a similar resolution. Seeing that the operations of the Act have given satisfaction I think we may as well provide for its continuance for two years.

Mr. SPEAKER: There being no second the amendment lapses.

Question—put and passed.

On further motion by the ATTORNEY GENERAL a Message was forwarded to the Council acquiring them accordingly.

BILL—FLINDERS BAY-MARGARET RIVER RAILWAY.

Second Reading.

Debate resumed from the 7th November.

Mr. ANGWIN (North-East Fremantle) [4.50]: The Bill is a very small one, merely confirming the purchase of the railway, which may now be regarded as part of the railway system of the State, although it still remains to be connected with the Busselton line. I hope the time is not far distant when that connection will be made. My reason for moving the adjournment the other night was because of certain pieces of land included in the purchase, which were outside the two-chain track of the railway. I have learnt that the additional blocks will be transferred in the usual

manner. That being so, I think we should agree to the Bill as it stands.

Question put and passed.

Bill read a second time.

In Committee.

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

BILL—TOTALISATOR DUTY ACT AMENDMENT.

Second Reading.

Debate resumed from the 7th November.

Mr. SCADDAN (Brownhill-Ivanhoe) [4.55]: So far as I personally am concerned I have no intention of opposing the second reading. I recognise that perhaps, in existing conditions, the State is justified in calling upon those who can indulge in sport and amusement to contribute something additional to the public revenue. But, at the same time, I must express surprise at the Treasurer introducing proposals in this piecemeal manner. I think he should have first of all brought down his Budget and told the House fully what he proposes to do to raise revenue, and how he proposes distributing the revenue so raised. It has always been regarded as axiomatic that, when fresh taxation is introduced, the people should be consulted by means of a general election, or, alternatively, the Budget should be submitted to the House, outlining the policy of the Government in full. But, for some reason unexplained by the Treasurer, we have a Bill for an increase of the totalisator duty submitted to the House, together with other additional proposals which have been suggested by the Premier, and still the Budget is withheld. It is universally admitted that the people who are to be taxed are entitled to know the reason why the additional taxation is necessary. That can only be shown by an explanation of how the Treasurer proposes to spend the money so raised, but on this occasion the Treasurer has taken a different course.

The Premier: Is not the reason for it obvious? You have the monthly returns.

Mr. SCADDAN: Although the Treasurer has boasted about the application of bus-

business methods to Government departments as being necessary for the purposes of adjusting the financial position, it is found that his business methods have led to depletion of revenue, a loss to the State. And month by month the position is getting worse, notwithstanding the fact that the trading concerns, so much abused by the Treasurer, have actually increased the net amount of revenue available now, after providing for any increased expenditure which might be necessary under these heads. So, from the point of view of carrying on the Government, the business acumen alleged to be possessed by our friends opposite has been shown in a loss month after month until the Treasurer has to scramble in all directions in an endeavour to recover his position. The member for Williams-Narrogin (Mr. E. B. Johnston) referred to the lights burning in public offices all night long. From what I can learn quite a number of the departments are working day and night to find ways and means of either reducing expenditure or raking in a few more pounds in order to enable the Treasurer to adjust his Estimates, which, it seems, he is not game to present to the House. The better course would have been to decide what taxation he found necessary after considering the Estimates. In past years the Treasurer has always submitted his Budget, outlining his financial proposals. By this means all knew exactly what they were. But here we are told that this is only a part of the additional taxation which is in the mind of the Treasurer, although not yet outlined. In respect to the totalisator tax, I have no objection to the proposal up to a certain point, but I would warn the Treasurer that, if he insists on the provisions of the Bill in their entirety, he is not going to increase revenue from the totalisator, but is going to decrease his revenue, because the sport cannot possibly stand an additional £60,000 levied against it under existing conditions.

The Premier: Why not?

Mr. SCADDAN: I know the Treasurer imagines that, by the abolition of bookmakers, the money flowing through the bookmakers to-day will be diverted through the totalisator, and by that means the increased turnover through the totalisator will enable the racing clubs to continue the

sport, and he will obtain the additional revenue. He will get a shock if he persists in this. He is permitting the clubs, and even directing them, to increase the amount they deduct from the money which goes into the tote from 10 per cent. to 12½ per cent. But the owner has to be considered, because it is the owner who makes the sport. I can enjoy a race by just looking on and without having a bet, but I could not enjoy the racing if the owner were not in the position of being able to provide for the upkeep of his horses and stables and the cost of putting his horses into the field. If the owner was to be compelled by the abolition of the bookmaker to go on the course for the purpose of making his bets, he would have to make his bets in the face of the general public and would be in exactly the same position as the general public. As soon as that happens, dividends which are already small enough will become smaller. To-day the totalisator frequently pays 7s. on the favourite for a 5s. ticket. The horse is made the favourite by the public, but under the new proposals instead of getting 7s. in return for 5s. the public will probably get 6s. or possibly only 4s. The result will be that whilst the intentions of the Treasurer are quite good, they will, I fear, actually have the reverse effect. But if he desires to abolish horseracing altogether the proper course to adopt is to bring down a measure providing for its abolition.

The Premier: I do not want to abolish it.

Mr. SCADDAN: The Premier is abolishing it in an indirect manner.

The Premier: I certainly should object to its increasing.

Mr. SCADDAN: The Premier has the clubs in his own hands.

The Premier: No.

Mr. SCADDAN: Yes. With the exception of the West Australian Turf Club which has a special Bill to enable it to conduct the totalisators on the courses controlled by it, he has absolute discretion in the way of granting the holding of a totalisator license on any racecourse. He has power under the law of the land to prevent the bookmaker from plying his hire either on the racecourses or elsewhere. If he desires

to abolish or reduce horse-racing he possesses all the powers necessary with the exception of any control over the West Australian Turf Club. With regard to the statement made by the Premier in introducing the Bill, that the previous Government had done nothing to reduce racing since the outbreak of war, from the figures it might appear that racing has increased, but as a matter of fact it has decreased considerably. Hon. members know that a totalisator license was granted to the Trotting Association and one to the West Australian Racing Association conditional on those bodies agreeing to reduce the number of race meetings held by them, and only after they had made considerable reductions in this respect was it decided to give them power to run a totalisator. I also conferred with the West Australian Turf Club, and as a matter of fact the first move was made by that institution for the purpose of endeavouring to reduce the number of race meetings. They had a programme drawn up showing where they proposed to reduce their meetings by eight.

Mr. O'Loughlen: They were the non-profitable days.

Mr. SCADDAN: I am coming to that directly. They explained that this was only a temporary programme, and that they were not prepared to go on with the reduction of their racing dates unless I was prepared to prevent the unregistered clubs or the Trotting Association from occupying those dates when the Turf Club gave them up. They also said that if I would give them a guarantee that I would prevent this from occurring, they would reduce their own racing dates. I replied that I was not prepared to carry this out at once. I also said that I would see how far I could go in order to meet their wishes in the matter. I recognised that a reduction of racing under existing conditions was probably desirable. I conferred with the Trotting Association and with the W.A. Racing Association, and each body agreed that they would not occupy these dates, and further agreed to reduce the number of their race meetings. I had not proceeded far, however, before I had an interview with certain racing gentlemen who wanted me to take action against the

W.A.T.C. for having reduced the number of racing days—they were proprietary owners—with the exception of two days, the dates that were reduced being those upon which the W.A.T.C. had invariably lost money to the proprietary racecourses controlled by them. I said I would not interfere with the W.A.T.C., a body appointed by those who become members of it and who were controlling proprietary courses as well as others, and that they must seek their remedy elsewhere. I believe that later on they caused the W.A.T.C. to go back upon the arrangement which had been made, although I had at that time called upon the other clubs to make reductions at the express wish of the W.A.T.C. I relate all this in order to combat the statement made by the Premier that there had been no reduction of racing at the instance of the late Government since the war had broken out. There certainly is an increase in the number of totalisators because of the extension of their use to the W.A. Racing Association, which previously did not enjoy the right to use them. Whether we felt disposed to admit that unregistered racing is desirable or not, I was not going to take up the position of deciding what form of racing was desirable or not desirable in my capacity as a Minister of the Crown. If this House decided that the W.A.T.C. had to go, I could not complain. If they decided that trotting was to go, I could not complain. If they decided that the W.A. Racing Association was to go, again I could not complain, but to ask the Minister to do something which he was not entitled to do except under extreme circumstances, I think was unfair and I was not prepared to adopt such an attitude.

The Premier: Were bookmakers allowed on the unregistered racecourses?

Mr. SCADDAN: Yes, there never was a day when the unregistered bookmakers did not ply their calling upon the racecourses.

Hon. J. D. Connolly (Honorary Minister): They were not registered bookmakers.

Mr. SCADDAN: It does not matter whether they were registered or unregistered bookmakers. I would point out, if the hon. member is merely speaking from the point

of view of unregistered racing, that the unregistered clubs were running meetings on the goldfields and eventually the W.A.T.C. bought them out, whitewashed all the horses and allowed them to compete at the meetings which they are holding fortnightly at Kalgoorlie and Boulder. They also took over the unregistered bookmakers. In my opinion, it should not matter who the parties are that are holding race meetings in regard to their being allowed to use the totalisator. If we do not want any form of racing at all that question can be decided by Parliament. In regard to the position which will arise under the proposal of the Premier, I would point out that he is not only increasing the amount to be taken from the totalisator dividends from 2½ per cent. to 5 per cent., and directing clubs to increase the amount they will deduct from the amount which goes into the tote from 10 per cent. to 12½ per cent., but he also proposes to take the fractions and unclaimed dividends. Some people say that the fractions belong to the public; so does the 12½ per cent. belong to the public. It is only deducted in order to enable clubs to pay the cost of operating the totalisator, provide for the expense of holding race meetings, and also provide the prize money. If it were not so used the clubs would not deduct anything at all from the public. They must, however, have funds to carry on with. If we are going to take away the fractions as well as the unclaimed dividends, and direct them to add another 2½ per cent., this is going to drop so suddenly upon them and so seriously that not only is the Premier going to lose additional revenue, but he is going to kill the sport as effectually as if he brought down a Bill to abolish racing altogether.

Mr. Lambert: Should proprietary racing be allowed during war time?

Mr. SCADDAN: The question of proprietary racecourses is in the hands of the W.A.T.C., and I may say of Parliament. The question we have to discuss is the tax to be placed upon the totalisator, and whether it is desirable to make that tax of such a nature as will kill the sport, not only on proprietary courses, but upon all the courses controlled by the Turf Club and other bodies.

Mr. Lambert: The best authorities do not say so.

Mr. SCADDAN: The best authorities, the clubs, do say so.

Mr. Lambert: The W.A.T.C. say that their profits will be increased.

Mr. SCADDAN: I am of the opinion that there is something underlying the action of the W.A.T.C.

Mr. Lambert: I do not know anything about that.

Mr. SCADDAN: The W.A.T.C., when approaching me, suggested the abolition of the bookmaker, but when I proposed to submit to Cabinet the question of abolishing the bookmaker subject to their agreeing to the use of the totalisator by other clubs they said "No." Underlying the action of the W.A.T.C. is a desire to abolish trotting and unregistered racing. The public is the best judge as to the class of sport that it desires.

Mr. Lambert: Not always.

Mr. SCADDAN: If I were to take my sport from some hon. members and some members of the public, I would not get very much. I do not see very much in the way of sport in playing allies, or hitting about a ball at golf, and I do not see much sport in what some hon. members think is sport. If we are going to abolish sport it is going to be a bad day indeed for Australia, although there are certain evils following the sport in the Commonwealth.

Mr. Heitmann: There is a difference in sport pure and simple, and gambling.

Mr. SCADDAN: One cannot have horse-racing without gambling. There is no use in shutting one's eyes to that fact.

Mr. Walker: It cannot live without gambling.

Mr. SCADDAN: Life is a gamble.

The Premier: One does not mind a gamble if one gets a fair run for one's money.

Mr. SCADDAN: That is all very well, but the Premier is not giving us a fair run. For my part I think there is no better sport than trotting, but I do not know about it from the point of view of a gamble. From the spectacular point of view it is, however, as good a sport as any I know of.

Hon. J. D. Connolly (Honorary Minister): All gamblers are not sports.

Mr. SCADDAN: And all sports are not gamblers. There cannot be race meetings without gambling, and the public cannot enjoy it without gambling.

Mr. Heitmann: Cannot people enjoy the sport without putting in their fair share of money?

Mr. SCADDAN: I occasionally have a 5s. ticket on the totalisator at the trots. I may put 5s. on a race merely, as it is said, to increase the interest in it and I frequently get only 7s. dividends. Nevertheless, I have had the sport. Now the Premier says he is going to take 1s. of the 2s. and reduce the dividend to 6s. and the result will be that I am not going to bet at all. Instead of getting an increased revenue from the totalisator he will get a decreased revenue. It does not depend upon the present Bill as to whether racing in its present form is desirable or undesirable. But that is apart from the measure. If the Treasurer takes the fractions and the unclaimed dividends and permits clubs to make an additional deduction of 2½ per cent. he will first of all kill the sport, and secondly kill the public who invest in the totalisator, and instead of getting increased revenue he will not get as much. The whole proposition is quite impossible. I know of my own knowledge that since this Bill has been introduced both registered and trotting owners who had arranged to purchase additional horses of known value in the Eastern States and bring them to Western Australia, have cancelled their orders. They recognise that they cannot live under the proposed new law. The question of the form of sport the public desire will be decided by the public. If there are features that are not desirable we have a way of dealing with them, but while the sport of horse-racing is conducted on reasonably decent lines we should allow it to continue. We have in the British Empire always recognised horse-racing as the sport of kings. That is what it is frequently termed, and in Australia we have encouraged it, and although I am a very infrequent visitor to racecourses, at the same time I believe it is necessary to encourage that form of sport so long as we can keep out the worst features of it in order to enable us to produce in Australia

a suitable class of animal for remount purposes.

Mr. Heitmann: What about Clydesdale horses; we do not race with them?

Mr. SCADDAN: I do not know so much about that. If the hon. member goes to a country meeting he will often find Clydesdale horses racing there, and, to judge by the pace of some of the others, I should say they too were Clydesdales. I would suggest to the Treasurer that he should strike a compromise in this matter. If he is prepared to go to the extent of carrying through his Bill as it has been introduced, I warn him that he will do a tremendous injury to the sport, and he will not get the increased revenue that he anticipates. Let me remind him that the Trotting Association at the present time pays to the Treasury about one-third of the amount it derives from the totalisator; of £12,000 which they receive the Treasury gets £4,000. But they have been able to carry on because of the fact that they have been allowed to keep fractions and undistributed dividends.

The Premier: The fractions cannot come to such an amount surely.

Mr. SCADDAN: I have been authoritatively told that last year the Trotting Association paid no less a sum than £4,000 to the Treasury, and that its totalisator receipts were £12,000.

The Premier: How could they do that?

Mr. SCADDAN: They paid it.

Mr. Holman: That is the amount which the State derives from the Trotting Association.

Mr. SCADDAN: I am referring to the totalisator tax alone, and the figures have been supplied to me by the Trotting Association. In regard to the bookmaker there is not much trade for him at the trotting meetings. Certainly there is not that volume of business which the Treasurer believes is taking place between the public and the bookmaker, so that there will not be very much to divert from the bookmaker to the totalisator if the bookmaker is abolished. We can fairly conclude that if the bookmaker is abolished from the trotting grounds the additional revenue which will be derived by that abolition will not amount to more than £1,000.

Mr. Foley: The State would not get as much because people would not go there if there were no bookmakers.

Mr. SCADDAN: I am not prepared to go as far as that. The result, however, will be that the Treasurer will not get anything like the revenue he expects. The Trotting Association, on the other hand, will lose something like £7,000 in the way of fees, and they will suffer the loss of fractions and unclaimed dividends.

Mr. Taylor: And that will be the end of them.

Mr. SCADDAN: How then are they going to provide their prize money? How will owners continue to keep their horses in condition so as to carry on the sport, unless we go back to the tradesmen's trot? But we have introduced into Western Australia a magnificent animal since the Trotting Association commenced its operations. There is also this point: that the Trotting Association have already published their Christmas programme, and they, of course, have to give a guarantee that the money will be there, and they have based it on the assumption that the existing conditions will prevail during the Christmas period. They made their prize money high in the belief that they would be able to recoup themselves by following the methods of the past. I would ask the Treasurer not to follow a policy which is likely to kill the sport, but to be satisfied to increase the tax from $2\frac{1}{2}$ to 5 per cent. and not to interfere with the fractions and unclaimed dividends.

Mr. S. Stubbs: We might take five per cent. of the fractions and unclaimed dividends.

Mr. SCADDAN: Yes, we might do that. But if we follow the course proposed in the Bill there will be a big reduction in the volume of business, and the result will be that the Treasurer will not get the revenue which he expects to receive. Moreover, the public will not patronise the totalisator unless they are sure that they will get a fair run for their money.

Mr. O'Loughlen: Let them follow the course adopted by Victoria and tax the tickets.

Mr. SCADDAN: I want it to be known that I am not hostile to the proposal to increase the totalisator duty, but I do not consider it desirable to tax the fractions and

the unclaimed dividends, or at any rate not to go beyond taking the five per cent, as suggested by the member for Wagin. If the Premier will agree to that suggestion I shall not object to the Bill.

[The Deputy Speaker took the Chair.]

Mr. S. STUBBS (Wagin) [5.28]: In supporting the Premier in his desire to collect additional revenue, I am very much afraid that if the Bill passes in its present form it will kill the goose that is laying the golden eggs. The object the Premier has in view is the raising of additional revenue and I am positive that if he passes the Bill in its present form he will not get as much revenue in the future as he has been receiving in the past. I am a member of the W.A.T.C. and also of the Trotting Association, though I do not patronise these places more than about once a year, when I have a small investment on the big events. But so far as the trotting is concerned, I can safely say that I have never seen better racing in my life than that which has taken place between certain horses when only a sheet of paper separates the first and second.

Mr. Willmott: That sheet of paper is sometimes a £10 note put in the right way.

Mr. Walker: *Honi soit qui mal y pense!*

Mr. S. STUBBS: The hon. member who has interjected perhaps knows more on this subject than I. I shall not vote for the measure as it stands, and unless the Premier will agree to an amendment in Committee, I shall oppose the Bill.

Mr. BOLTON (South Fremantle) [5.31]: Judging from the remarks of the last speaker the Government have only one object in view in introducing this Bill, that is to gain additional revenue. If it can be shown on the second reading how the Bill can be amended so as to obtain this additional revenue, I think the members of this House will support such amendment. I have no objection whatever to the Government obtaining a greater percentage than at present from the totalisator tax, but I venture to assert that the assumption of the Premier—of course he is quoting from figures that have been supplied to him—is absolutely wrong. The supposed increased volume of business will never be realised if

the bookmaker be abolished; and I take it that the introduction of this Bill for an increased totalisator tax is evidence that the Premier intends the abolition of the bookmaker, thus forcing the race-horse owner the trainer and the general public who attend race meetings to make their speculations through the totalisator. The Premier's assumption of increased business is, I think, based on wrong premises. The whole Bill, with the exception of the fractions, means that the burden will be passed on to the public who attend racecourses mainly for the purpose of speculating what they desire either straight-out or for a place. Take the W.A. Turf Club. For its Christmas meeting the club licenses bookmakers at a fee of 75 guineas for four days. The number of bookmakers who attend that course for the Christmas meeting, at 75 guineas each, ranges from 11 to 25. In the outer or leger paddock, the fee is about, I think, 16 guineas—it may be a little more. If the object of the Bill be the obtaining of additional revenue, and if the Premier will restrict betting operations to the racecourse, he can tax the bookmaker as well as gain revenue through the totalisator. That will give him more revenue than if, as is proposed in this Bill, he merely increases the totalisator tax. Let me say definitely I am entirely opposed to street and shop betting. I said so on the select committee, and I have always advocated that view. The outcry has arisen from the fact that crowds congregate on the Terrace and in Fremantle, and they do this because shop and street betting goes on. If the Government desire a reform worthy of consideration, let them abolish shop and street betting and confine the bookmaker to the racecourses, charging him a fee.

Member: In addition to this increased tax?

Mr. BOLTON: Yes, additional to this taxation. If the Government is really desirous of obtaining revenue and will stop shop and street betting, and confine betting operations to the racecourse, why not, instead of merely increasing the totalisator tax by 100 per cent., collect say 10 of the 75 guineas which the club charges bookmakers for the right to bet at the Christmas meeting for four days? With the excep-

tion of the fractions and the unclaimed dividends, which latter do not amount to much, this 2½ additional percentage which it is proposed to collect through the totalisator is passed on to the investor through the totalisator. If instead of, as the Bill proposes, deducting 12½ per cent. from the investor who puts his money in the totalisator, why not charge a percentage from the bookmaker, even up to 10 per cent?

Hon. J. D. Connolly (Honorary Minister): But the bookmaker has to go.

Mr. BOLTON: It is foolish, childish and silly to talk about the bookmaker having to go. If the hon. member had had as much experience in this matter as some other members of the House, he would know that even if the Bill passes for the abolition of the bookmaker that will not abolish betting. It has not abolished betting in South Australia and never will either there or anywhere else.

Mr. Willmott: What about New Zealand?

Mr. BOLTON: The hon. member should not speak of New Zealand, because betting is carried on in New Zealand to-day. It is rampant in New Zealand and South Australia, notwithstanding that the totalisator is the only lawful means of betting in those two places. I venture to say that the same will happen here if the Bill for the abolition of bookmakers be passed. I know that we are not now dealing with that Bill, but this totalisator tax has been introduced because of the intention of the Government to have passed the Bill for the abolition of the bookmaker. I repeat that the Treasurer is likely to get more revenue by confining betting to racecourses and introducing a tax on bookmakers than he is under this proposal, because the owners of blood stock cannot continue their operations in Western Australia. If the Premier will look through the evidence given before the select committee on horse-racing, he will see that men who own big strings of good horses say they cannot continue in the business unless the bookmaker is continued. I do not know one witness who gave evidence before that committee who approved of street or shop betting. It is well known that anti-post betting takes place. By this means an owner has an opportunity to support his horse for a good stake weeks or perhaps months before the day the race is to be run. The bookmaker

attends at the racecourse and he makes his book in accordance with his anti-post betting. He must do that. He is doing it to-day in South Australia, and for the information of the member for Nelson (Mr. Willmott) I may say he is doing it to-day in New Zealand also.

Mr. Gardiner: One can go into Tattersall's Club in South Australia and make any bet one likes.

Mr. BOLTON: I go further than that and say, that one can go on to any racecourse in South Australia and do as much betting as one wishes. No one will deny that one can bet in Tattersall's Clubs in South Australia, in Perth or anywhere else; and it is not to be denied that one can do the same thing on the racecourses of South Australia, where betting is prohibited. It has to be remembered that the bookmaker must be a reputable man in order to secure registration by the W.A. Turf Club; and he must put up a sufficient deposit as guarantee for his clients. Those men would have no say in any suggestion that they should pay portion of their fee to the Treasury. The various clubs, whether it be the Turf Club, the proprietary or the unregistered clubs, could not raise any objection, if the Premier increased the totalisator tax to 10 per cent. or even more. Had the W.A. Turf Club not stated they were not opposed to this measure, it would never have been introduced.

The Premier: I never conferred with them at all.

Mr. BOLTON: I accept the Premier's statement. I do not suggest that they conferred with the Premier, but they are not silent members on the Bill already introduced. My object is to give the Premier more revenue, and I am endeavouring to show him how it can be got. I am showing that the revenue to be obtained is likely to be greater from a sufficiently large tax on bookmakers' fees, which amount to thousands of pounds per annum.

The Premier: Five thousand pounds.

Mr. BOLTON: Does that include the proprietary unregistered clubs too? If so, I think the Premier is wrong. Probably he is not taking into account bookmakers on the unregistered courses. The Premier has suggested, although he was not very firm on the point, that the volume of business

through the totalisator would be practically doubled.

Mr. Willmott: It was trebled in New Zealand.

Mr. BOLTON: Yes, and the racing business as a whole was trebled; but I doubt very much indeed the hon. member's interjection. I repeat that one can do as much betting as is desired on the racecourses in New Zealand and South Australia. If additional revenue is desired, the totalisator tax might be increased by taking the fractions with a proviso, if you will, and the unclaimed dividends, and in addition the Government might tax the bookmaker and limit his operations to the racecourses. If that course be taken, I will support the measure. If, however, the desire be to reduce the number of race meetings, as the Premier intimated during his introduction of the measure, why the need for the Bill? Why does not the Government take in hand the matter of reducing the number of race meetings? If that is their desire, I challenge the Government to do that, but they are not game to take the responsibility.

Member: Why?

Mr. BOLTON: Because a member of the Government has promised that the number of racing days shall not be reduced.

Mr. Scaddan: He promised that if the Premier interfered with the racing question he would have the question submitted to a referendum.

Mr. BOLTON: I take it this is a revenue Bill, and I am prepared to give the Colonial Treasurer even more revenue than he hopes to raise under this Bill. I am prepared also to support him in the absolute suppression of street and shop betting. I believe the House would willingly support the Premier in an effort to abolish street and shop betting and to increase the totalisator tax and tax bookmakers' fees—if the bookmakers' operations are limited to racecourses. If that were done, we would do away with the cry which was heard from a member in another place quite recently, "What about the man who bets with his employer's money?" There have been cases of this; but what has led to it? Because the law is not powerful enough to put down street and shop betting. If the Government desire to reduce the

number of race meetings, this is not a fair way of doing it. I realise that this Bill is introduced because the Government has introduced another Bill for the abolition of the bookmaker. This Bill should never have been introduced until the fate of that other Bill was known. I repeat that I am prepared to give the Treasurer more taxation from the industry—because it is an industry—than he is getting from it to-day. But I think he should also get taxation from the bookmaker. I would even go further than that and do as is done in the Eastern States, have a stamp on the tickets issued by the bookmaker. That, in addition to what the bookmaker would pay, would not hurt. In that instance, and only in that instance, would racing clubs suffer, because the fee that they collect from the bookmaker would be taxed by the Treasurer. The volume of the bookmakers' business on the racecourse could be additionally taxed, by a stamp duty. If that were not done, then the taxing of the bookmakers' fees or bookmakers themselves would not affect the clubs. In that way the Treasury would get far more revenue than can result from this proposal. Not only will the Government by this measure fail to reduce the number of meetings, but they will put an end to blood stock racing here. The man who says blood stock is useless, and that one must have a Clydesdale, does not know what he is talking about. Both classes of horse are useful. Let anyone who doubts this go to Yatheroo, or to Mr. Grant's stud, or any station where good blood stock is bred. Even what is called a brumby will, if it has blood, fetch £20 or £25; and a colt or filly bred from a winner on one side will fetch more money. On that account it pays to race a mare before she becomes a brood mare, and the horse before he becomes a stallion. Even for racing only, if breeders have blood stock and thus secure better prices for their progeny, is it not benefiting an industry? This Bill will absolutely kill the racing of blood stock. Under this measure the number of race meetings may be the same, but the stock competing at them will be utterly inferior. There will be the same number of races, but they will be for £20 stakes, and we shall see only brumbies racing.

Mr. Willmott: It has been proved that where the number of race meetings has been cut down, the proprietary clubs have increased their profits.

Mr. BOLTON: That makes no difference. I want to tax the profits. I want to tax the totalisator and the bookmaker. Again, imagine the Government introducing this Bill in the middle of November and saying that its operation shall begin from the end of the month—right in the heart of the one racing carnival of Western Australia. The Government want to stop an operation which has already started; weights have been issued to-day for the two principal events of the Christmas meeting, and entries were made months ago. The proposal is absurd. In connection with the 9 to 9 closing the Government said, "We will give the people a chance to get over the Christmas and New Year holidays," but they do not suggest such a relaxation of this measure. Of the people who go to the Christmas racing carnival, 50 per cent. go as to a picnic, go only once a year, and the other 50 per cent. go for betting purposes. This measure will stop the picnic parties. This measure and the Bill now in another place will be the end of the racing carnival of Western Australia. Similar measures in the Eastern States would have a similar effect. The Bill will drive away from Western Australia men with good blood stock; and let it be remembered that a good deal of money is spent directly and indirectly in the upkeep of that blood stock. If this Bill is intended to secure additional revenue, I say it can have no such effect. The Premier can get additional revenue without the Bill which has been introduced into another place. This particular Bill will block revenue. It is absurd to say that the effect of this measure will be to increase the volume of business through the totalisator. Here is another point. Under the original Totalisator Act the paying of fractional shillings is optional; but under the amending Bill it is mandatory that no fraction shall be paid. Moreover, there are now 5s. tates on courses where there were none when the original Totalisator Act was passed. At the trots, if a horse gains a place and there is not enough to pay 6s., the bettors get 5s. 6d.

They will not be able to get that dividend under this new legislation. Let me put it another way. With the 10 per cent. reduction the bettors get back 4s. 6d. out of a 5s. investment which is returned. Under this new legislation, the bettor investing 5s. on a horse at the trots will get back only 4s., because he loses the fractional part of the shilling.

Hon. J. D. Connolly (Honorary Minister): Where are the 5s. totes you speak of?

Mr. BOLTON: On the unregistered courses.

Hon. J. D. Connolly (Honorary Minister): Yes; on the unregistered courses.

Mr. BOLTON: And at the trots and on the W.A.T.C. course. If sufficient is not invested, the club will have to deduct, under this Bill, 20 per cent. instead of, as now, 10 per cent. In passing, I may say that if the Honorary Minister does not know of the existence of the 5s. tote on the W.A.T.C. course, it explains a good deal of the action of the Government in regard to racing. The Bill itself is unfair, and the commencement date is unfair. Were it not for the measure introduced into another place, perhaps there would not be so much opposition to this Bill. But it arouses opposition when the Government, having introduced a certain Bill in another place, ask this House to grant an additional totalisator tax, with the knowledge that the bookmaker is to be abolished for the purpose of increasing totalisator receipts. Were this measure only for additional revenue, I would support the Government. But I want that additional revenue taken from the totalisator and from the bookmaker, strictly limiting the operations of both to the racecourses.

Mr. FOLEY (Leonora) [5.55]: I oppose the Bill, for reasons similar to those which have been advanced by almost every speaker in opposition to the measure. The Government have put the cart before the horse in this matter. They have introduced the Bill at a time when everyone knows that it is the intention to abolish the bookmaker. Indeed, it has been stated pretty definitely that the bookmaker is to be abolished at the end of this month—if not under a certain Bill, then under existing legislation. It comes to this, therefore, that the Government are practically trying to sell this House a pup, in ask-

ing us to pass this measure at the present juncture. We do not desire to oppose a good principle just because the Premier brings it forward; but the course which the Government have adopted does not afford members of this Chamber or members of another Chamber the opportunity of casting a conscientious vote. From the racing which takes place in this State the Government should certainly get more revenue.

Hon. J. D. Connolly (Honorary Minister): Then, why do you object to this Bill?

Mr. FOLEY: I would be willing to support the Government in a measure from which more revenue would accrue. The totalisator tax at present brings in a revenue of £12,000 per annum. By adopting the proposal to practically double the totalisator tax we can assist the Government to a revenue of £24,000 annually from this source. I believe such a proposal would be supported by every member of this Chamber who knows anything about racing. But we want to assist the Government further, and I am satisfied that the men who are in the industry from a bookmaking point of view would be willing to pay even more. Or I may put it that those who follow the occupation of bookmaking in this State ought to contribute more to the State revenue than they contribute at present.

Mr. Underwood: But they take it out of the punter.

Mr. FOLEY: We can get more revenue from the bookmaker without causing any material difference in the odds which the bookmaker will lay to backers. Without touching fractions or unclaimed dividends, the revenue from the totalisator tax can be raised from £12,000 to £24,000 per annum. On top of that we can get another £3,000 by direct taxation from the bookmakers—taxation to be paid into the Treasury. This will raise the State's revenue from racing to about £27,000 per annum, and that without hurting anybody.

Hon. J. D. Connolly (Honorary Minister): You want to legalise the bookmaker.

Mr. FOLEY: It is about time this State and other States took a sensible view of the bookmaker. We know he is here and there and right with us. Governments have been lacking in their duty as regards the bookmaker. We find the Premier of the State

visiting the racecourse, and we also find there distinguished visitors such as the Governor General. They visit a place where they know that something of an illegal nature is taking place. Were it a little boy in the street doing something of a twopenny-halfpenny nature, he would be put in gaol. What is the good of all this mock modesty? There is another aspect of the question. If we take from the bookmaker additional revenue—

Mr. Underwood: Why take it from him?

Mr. FOLEY: I say we should. It will bring the revenue up to £27,000. If we did that, and if we wanted anything more, the Government could get it under an equitable system, not, as in the other States, by taxing every ticket, but by taxing the amount that every bookmaker handles. That would give a fairer result, and the bookmaker doing the biggest business would pay the biggest amount. The member for Nelson (Mr. Willmott) spoke of the New Zealand system. I desire him to take into consideration the fact that our State is very sparsely populated. We cannot expect to have the same number of people attending the races as are to be seen in the other States. By taking away the bookmaker, through whom the horse-owner can get fair odds, we shall be taking the horse-owner right out of the State altogether, and with him will go the best class of horses, leaving the squibs and the riff-raff. By this we shall be lessening the amount passing through the totalisator, because the fewer the horses there are running and the poorer the quality the smaller will be the amount changing hands. The people who run horses should be given every facility for getting fair odds on their animals. Let us come right out into the open and regulate the bookmaker, permit him to ply his calling in certain prescribed places, and let him and the totalisator work in unison. By this means we will get a far larger number attending the races and investing on the totalisator. We will have better horses and more people betting. Not only will the Government reap the benefit, but it will be a greater incentive to the patrons of the totalisator.

Mr. Angwin: What about the man who loses?

Mr. FOLEY: He has to take his chance. In regard to the clubs and the respective number of bookmakers doing business at meetings, the average number to be found at the meetings of the W.A.T.C. is 15 men inside and 12 in the lever. On the goldfields the average is 13 inside and a few outside, and at the Trots 12 bookmakers bet, while 16 do business at the suburban meetings. The bookmaker is just as essential to racing as are members of Parliament to the carrying on of the government of the State. The Government would be well advised to withdraw the Bill, re-arrange their proposals for the abolition of the bookmaker, formulate a new scheme and re-submit it. This would result in a distinct encouragement to the patrons of the totalisator. As the member for Irwin has said, betting is carried on at Tattersall's Club, South Australia. I say it is better to have betting out in the open. One seldom hears in this State of a bookmaker taking the knock. They are an absolutely honourable class of men.

Hon. J. D. Connolly (Honorary Minister): They are accused of other things besides taking the knock.

Mr. FOLEY: We, as members of Parliament, know that the very things a man is not guilty of are the things it hurts most to be accused of. My knowledge of the bookmaker is that he is a very honourable man in money transactions. If the Bill be passed none of the horses entered from the Eastern States to compete at our meeting will be sent over here. What would be the use of sending them? New Zealand has been quoted. We all know that the New Zealand system is not worth anything in its application to Western Australia. In New Zealand betting is done under the lap more than in any State of Australia. They abolished betting and brought in the totalisator. Some of the racing men went from here to see it working. They came back and tried it at our trotting meeting one night. The dividends paid through the totalisator that evening were so small that the authorities never worked the machine again in its original form. After it had lain idle for many months they reconstructed it to pay on the first, second, and third horses, and used the old totalisator for straight-out purposes. The population is not here in sufficient numbers to allow the Pre-

mier the revenue he thinks he should have from racing. Even if he gets that revenue for one year, he will have no racing at all the next year. The Government would be well advised to withdraw the Bill and reconsider their proposal for the abolition of the bookmaker, taking into consideration some scheme based on information from men who know something about the game. Then they could form some scheme of taxation for the bookmaker and let the bookmaker and the totalisator work side by side. In its present form the Bill is on absolutely unsound lines.

Sitting suspended from 6.15 to 7.30 p.m.

On motion by Mr. Underwood debate adjourned.

BILL—STAMP ACT AMENDMENT.

Second Reading.

The PREMIER (Hon. Frank Wilson—Sussex) [7.33]: In moving the second reading of this Bill to further amend the Stamp Act, 1882, I wish to point out briefly that the first consideration is to raise additional revenue. Speaking generally, in this Bill we have adopted legislation in conformity with legislation which has been passed in the Eastern States. If the measure be accepted and passed, it is estimated that it will result in an increase of revenue to the extent of something like £30,000 per annum. But we cannot hope to get that amount of increased revenue during the current year; we may possibly raise something like £15,000 before the end of this financial year. The present stamp duties produce roughly £64,000 a year. The law affecting stamp duty is spread over many Acts of Parliament, and has been subject to amendment on many occasions. One consolidating Bill is necessary to cover all the amendments, and when we have time to go more fully into that matter, I propose to have the necessary measure prepared for the purpose; but that will be left for another occasion. The amendments proposed in this amending Bill make certain alterations in the existing stamp duties, and I propose now calling the attention of the House to the main alterations,

which will be effected if the Bill be passed. The first item affects stamp duty on receipts, which it is proposed shall be extended to include all payments of £1 and over, instead of £2 as at present. In this we are following the Queensland law as it exists to-day. We have in Western Australia a scale providing for stamp duty to the amount of 1d. on all payments in respect of sums from £1 up to £50. The other items of the scale remain unchanged—that is to say, between £50 and £100, 2d.; £100, 3d.; over £100, 3d. for every additional £100 or part thereof. The only alteration made by the Bill is to delete the figure "2" and insert "1," insofar as receipts are concerned. Then there is an alteration in regard to the conveyance of property. The minimum duty at present is 6d., and this is proposed to be increased to 2s. 6d. It is further proposed that the Government shall have power to charge double rates for a period of 4½ years from 1st January next. In this respect we are following what has already been enacted in Victoria. Victoria has imposed double rates for a limited period, and we propose to follow her example. The Imperial Government in 1910 increased the stamp duty on conveyances from 10s. to 20s. per cent. This duty is collected only on conveyances in which the consideration amounts to £500 and upwards. We propose in this amending legislation to collect 2s. 6d. for every £25, that is equal to 10s. per cent., which at the double rate for 4½ years as I have stated, as is done in Victoria, makes it equal to 1 per cent. South Australia has already followed the Imperial legislation by increasing the rate from 10s. per cent. to 20s. per cent., and they limit the taxation to £1,000. In Queensland and Tasmania they have increased the amount of duty payable from 10s. to 15s. per cent. Members will realise it is unreasonable to charge less for a conveyance of property than for an ordinary agreement under hand, which bears a stamp duty of 2s. 6d. In Victoria and in some of the other Eastern States the minimum duty on conveyances is 5s. as against the 2s. 6d. which we now propose in this amending Bill. Under the present law any conveyance of property by way of gift, that is other than by way of sale, bears a fixed duty of 10s. In

the Old Country the Imperial Act of 1910 made deeds of gift bear the same stamp as conveyances on sale *ad valorem*. We propose to introduce this also in the Bill now before the House. With regard to settlements it is proposed that these shall be treated as deeds of gift and bear the same duty, namely, 10 per cent. with a double duty for four and a half years, as I have already explained. I wish to remark that in Victoria, following the Imperial practice, they charge 1 per cent. where property does not exceed £1,000 and a graduated scale up to 5 per cent. on properties of £100,000 and over. Therefore, the item, settlement, appearing in the schedule of the Stamp Duty Act of 1905 is amended to extend to deeds of gift and the duty will be the same as on an ordinary conveyance on sale of property. The next alteration is in regard to duty on leases. In this Bill we are not increasing the rate *ad valorem*, but we have provided for fixing the minimum at 2s. 6d. as in the case of duty on agreements. This also is the practice followed in the Eastern States. The percentage of duty is 5 per cent. if the term is one year or under: 10s. per cent. if the term exceeds a year and is under three years, and 15s. per cent. if the term exceeds three years. The excessively low rate in our present enactment, which ranges from 3d. to 2s. 3d., are being discontinued. The Bill also proposes to make additional provisions so far as contract notes are concerned. These are contracts for sale made by brokers in connection with stocks and shares. We propose in this instance to adopt the Victorian scale. I may mention that in New South Wales they charge 6d. per cent. on any amount, whereas we have provided a minimum of 3d. on a value of under £50, 6d. from £50 to £100, 1s. from £100 to £500, and over £500 a maximum of 2s. We do not follow the New South Wales law which fixes the charge at 6d. per cent. on any amount, but we take a maximum of 2s. as is done under the Victorian scale. These are the main alterations, and, in fact, practically the whole of the alterations laid down in the proposed Bill. I want to point out that to avoid succession duties the tendency for owners of property is to distribute that property during their lifetime amongst

members of their families. We propose that such transfers during the lifetime of the owner shall now be treated as if they were an ordinary conveyance of sale. Anyone transferring a property during his lifetime should not reasonably be able to avoid a fair payment of duty upon the conveyance of such property. There are other provisions in the Bill, one of which is that the Registrar of Titles may refuse to receive a caveat under the Transfer of Land Act unless the instrument creating the interest is produced and duly stamped. It has been a common occurrence in the past to avoid stamp duty by simply lodging a caveat against the property and holding the transfer without registering it. Obviously this ought not to be permissible. We therefore propose that the caveat shall be accompanied by the instrument of sale, which will be duly stamped under the provisions of the Bill. There is another very necessary provision which has been inserted in the measure, and is designed to remedy what has been a very serious defect in our existing laws. This will be remedied by the last clause of the Bill which provides for the appointment of inspectors of stamps in order to protect the revenue and insure a rigid compliance with the law, and these will have full power to inspect and call for any instrument in order to ascertain whether the law has been observed or not. This has been found to be very necessary not only in connection with this class of instrument but in connection with ordinary receipts. It is undoubted that many firms had evaded the law with regard to receipts, more especially for salaries, and payments of this description, by accepting receipts that have not been stamped. Under the clause the inspectors will have power to call for the production of the documents, and see that they are duly stamped. It is further provided that the information thus gained by the inspectors, who of course will be officers of the Taxation Department, may be used for the purpose of other Acts administered by the Commissioner of Taxation. This is only a fair provision and one calculated to facilitate administration of the law, such as we have not got at the present time. The last alteration to which I wish to draw attention in this measure is one by

which it is proposed to place the power in the hands of the Commissioner of Taxation to remit fines where the instruments, through one cause or another, have inadvertently not been stamped, instead of as they do now submitting each individual case to the Governor-in-Council. Hon. members may think that this is a dangerous practice. It is the practice followed by the Imperial Government and in the Eastern States. A matter affecting the approval of the Governor-in-Council is only a formal matter, and the advice or recommendation of the Commissioner of Taxation is always acted upon.

Mr. Scaddan: Not so. It is very dangerous.

The PREMIER: This, I think, must commend itself to the acceptance of the House.

Mr. Scaddan: No.

The PREMIER: It appertains in the Old Country and I am advised that this is the case in every other State of the Commonwealth. If it were such a dangerous practice one could hardly imagine that it would be the law elsewhere, and is it to be expected that we should take the trouble of putting these bundles of remissions through the Executive Council?

Mr. Scaddan: You might make that subject to the approval of the Minister.

The PREMIER: It is very formal.

Mr. Scaddan: There was a practice in the department for some time to exempt every application made by a firm of solicitors in town. They ought to know the law better than anyone else.

The PREMIER: I do not object to the Minister having to give his approval, but would like the hon. gentleman to specify how often he has departed from the recommendation of the Commissioner of Taxation.

Mr. Scaddan: If it is only once it constitutes a safeguard.

The PREMIER: It is like the assessment papers, which come along in a bundle and which are all signed by the Commissioner of Taxation. It is very seldom indeed unless something striking arises that he refrains from doing so.

Mr. Scaddan: The Commissioner of Taxation always states his reasons for remissions.

The PREMIER: The Minister has not the necessary information. He is not in charge of the office and could not possibly go into details. He has to trust the Commissioner of Taxation to make his recommendations. In 99 cases out of 100 he will act upon those recommendations. This is in brief an outline of the proposed measure. It is one which I am safe in saying will appeal to the judgment of hon. members as being a reasonable proposition to gain some extra revenue.

Mr. Heitmann: Why do you not come down with a stiff income tax instead of scratching about for revenue everywhere?

The PREMIER: There is an income tax coming along. There is a very big deficiency to make up.

Mr. Heitmann: You call yourselves big men.

The PREMIER: I cannot understand the interjection of the hon. member. We are adjusting the anomalies which exist. If we pass this Bill the rates will still be very much more favourable than they are in some of the Eastern States.

Mr. Hudson: They are not anomalies because they differ from the other States.

The PREMIER: They are anomalies.

Mr. Scaddan: You are not going to make that a rule to guide you in connection with your taxation measures?

The PREMIER: No, but I could use that as an argument and a fair one, namely, that we should bring our taxation into line with that of the Eastern States.

Mr. Scaddan: The income tax as well?

The PREMIER: I am proposing to raise the income tax.

Mr. Scaddan: And the land tax?

The PREMIER: I am not going to touch the land tax and would abolish it if I could. I am trying to raise £100,000 per annum, and that is only one item which will represent the interest and sinking fund for the next 30 years on the hon. gentleman's deficit.

Mr. Scaddan: You are going to fund that. There is your own deficit.

The PREMIER: I will talk about my deficit afterwards. At present I am working on the hon. member's deficit.

Mr. Collier: Yours does not commence to operate until after the war.

The PREMIER: I have to raise £100,000 per annum in order to get rid of the deficit left by the late Government, and I must have additional revenue for that purpose alone.

Mr. Walker: What will your successors have to raise to get rid of your deficit?

The PREMIER: I do not know. I should imagine that if hon. members would only consent to leave me here for the same number of years that they took to get the finances into their present state I could guarantee to square them all up.

Mr. Collier: And without taxation, but by economic administration.

The PREMIER: I guarantee to restore confidence. I will undertake to square the finances, but cannot do it in five minutes or five months. It will require some years to do that.

Mr. Scaddan: You are squaring it each month that you are there.

The PREMIER: We have to proceed cautiously.

Mr. Scaddan: Are you anticipating unification and going to have a good time before you hand over?

The PREMIER: No.

Mr. Scaddan: One would think so.

The PREMIER: The hon. gentleman has been drifting towards unification ever since he has occupied the Treasury Benches.

Mr. W. D. Johnson: It is not a question of drifting now; it is a question of rushing.

The PREMIER: No matter whether unification comes or not it is our bounden duty to provide for the liabilities we have already incurred.

Mr. Collier: I thought you were going to do that by business acumen.

The PREMIER: Is this not business acumen?

Mr. Hudson: The Attorney General said there was to be no fresh taxation.

The PREMIER: No.

Mr. Collier: What did he say?

Mr. Heitmann: Only little ones.

The PREMIER: There are only two ways of stopping the drift in the finances. One is the way that by my hon. friends would like me to take, namely, create a black Wednesday in Western Australia, sack half the civil servants, and make a 25 per cent. reduction all round in salaries. I am not going to adopt that method. The other way is to rationally adjust things and retrench without undue hardship. I am losing a good many officers now. It will take a long time to reorganise the departments, 12 months at any rate, and in addition we shall have to ask the people to stand some extra taxation in order to go some of the way towards wiping out the deficit we have to face. That is the position in a nutshell. We want gentle, cautious treatment of the situation for the next two years, at any rate.

Mr. Taylor: Careful nursing.

The PREMIER: I hope that sound administration will bring the State of Western Australia out of the terrible financial chaos into which it has drifted during the last five years. I commend the measure to the consideration of the House.

Mr. Scaddan: Judging by your remarks, this is only first aid that you are rendering now.

The PREMIER: It is so in a sense. I move—

That the Bill be now read a second time.

On motion by Mr. Scaddan, debate adjourned.

House adjourned at 8 p.m.