

is something behind this business. These people are not showing the whole of their hand.

Mr. WILLCOCK: I object to the Bill on the score of its incompleteness. We do not know where we are in this business at all.

Hon. W. C. Angwin: We want a Grain Act.

Mr. WILLCOCK: I cannot grasp who is going to do the trafficking in wheat, or how the wheat is to be checked into and out of the silos. This latter work will have to be done under the supervision of a Government inspector, or of some other person in whom the wheat growers will have implicit confidence. Otherwise, no farmer will send his wheat to the silos, because, if he does so in the absence of a check of that kind, he will not know whether his wheat is to be paid for as first grade, or as second grade, or as third grade wheat, and therefore will not know how much he is to receive for it. On the other hand, if the company are allowed to do the supervising—

Mr. Pickering: The company will not deal in wheat at all.

Mr. WILLCOCK: Somebody will have to decide what is the grade of the wheat being put into the elevator.

Mr. Griffiths: Inspectors will have to be appointed here in the same way as they have been appointed in Canada.

Mr. WILLCOCK: We have had no information as to how long the scheme will take to carry out. The only place where any considerable measure of success has attended the bulk handling system is the United States. The system is practically new in Canada. In the United States the system is controlled by companies, and it has worked most detrimentally to the interests of the United States farmers.

Mr. Griffiths: This is very much better than that.

Hon. W. C. Angwin: Only because there is nothing here at all.

Mr. Griffiths: The company have nothing to do with the buying. This is merely for the erection of the elevators.

Mr. WILLCOCK: I want to know something more about it before I vote for it.

Mr. Pickering: You did not even know that the company were not to deal in grain.

Mr. WILLCOCK: Yes, I did: I specially referred to it. This is an ill-conceived measure, not deserving of consideration.

Hon. P. Collier: Who is to advance the money against the certificates?

Mr. WILLCOCK: Nothing is known, no information is given. There will be no responsibility about it. If we knew how it was going to operate, we might be induced to vote for it. I am prepared to accept the estimate of the member for North-East Fremantle that it will cost over two million pounds to instal bulk handling throughout the State, and that therefore the outports will not be supplied with silos. If we are to give any company a monopoly in bulk handling, they should be made to carry out all the conditions provided in the Act. But under this they could merely explain that they did not find it convenient to erect silos at Bunbury or at Geraldton, and the Government would say, "Oh, you need not bother, we will simply cancel your monopoly rights in those districts." I should prefer to see this under Government supervision.

Mr. Griffiths: Everything carried out under Government control is a failure.

Mr. WILLCOCK: Yes, institutions such as the Agricultural Bank, the Industries Assistance Board and a few other schemes for the benefit of the farmer. I require to know something more about the Bill before I can support the second reading.

On motion by Mr. O'Loughlen debate adjourned.

BILL—CITY OF PERTH ENDOWMENT LANDS.

Council's Message.

Message received from the Council notifying that it did not insist on its amendments to the Bill.

House adjourned at 11.24 p.m.

Legislative Council.

Friday, 17th December, 1920.

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The PRESIDENT took the Chair at 3 p.m., and read prayers.

QUESTION—STATE FINANCES.

Hon. A. SANDERSON asked the Minister for Education: 1, On the 30th September, 1920, what was—(a) the total public debt of the State; (b) the total amount of the sinking fund; (c) the amount of inscribed stock issued—(i) in London; (ii) in Australia? 2, How much was paid to the sinking fund during the last financial year? 3, How much is outstanding in—(a) Treasury bills; (b)

debenture bonds? 4, What was the amount of the overdraft at London and Westminster Bank on 30th September, 1920? 5, What was the amount of cash to credit of the Treasurer—(a) in London; (b) in Perth, on the same date? 6, What was the deficit on—(a) 1st July, 1916; (b) 1st May, 1919, respectively?

The MINISTER FOR EDUCATION replied: 1, (a) £7,691,810; (b) £7,213,378; (c) (i) £27,955,353; (ii) £7,924,948. 2, £529,064 (includes £192,037 for interest paid by the State on W.A. stocks held by the trustees). 3, (a) £5,346,370; (b) £4,132,618 (£2,332,521 represents Commonwealth advances on Soldiers' Settlement and other Loan Account). 4, £549,425 (on account of sinking fund). 5, (a) £145,948; (b) £289,272 (includes £153,223 on Government Savings Bank Account; £24,330 is also held in the Eastern States). 6, (a) £1,360,965; (b) £3,440,340.

SITTING DAY—ADDITIONAL.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [3.4]: I move—

That the House do sit on Monday next at 3 o'clock, p.m., in addition to the days already ordered.

Hon. A. SANDERSON (Metropolitan-Suburban) [3.5]: We are entitled to know what the Minister intends to do with the business on the Notice Paper and that which still has to come from another place. I am assuming that the Minister wishes to finish up next week.

The Minister for Education: If possible.

Hon. A. SANDERSON: I have less inclination than any other hon. member to stay on here, but if necessary I am prepared to remain as long as there is public business to engage our attention. I have not attempted to block any measure or to waste any time. But the Minister is wasting our time by not clearly indicating to us those measures which he wishes to put through. Take as an illustration the Mining Act Amending Bill, a Bill of prime importance, requiring full discussion: the parties interested in it are important parties, and I have a list of most carefully-thought-out amendments which should be debated at length. I cannot see how, with other measures coming on, we can hope to give that Bill proper discussion. Without making any threats, I think one can fairly say that on a measure of that kind one is justified in making use of all our privileges to see that it is fully discussed. If the Minister insists upon putting through that Bill, as well as all these others, it means that we are going to pass it practically without discussion,—in which case we might just as well go away now. On the other hand, if we are to discuss these important measures, the Minister ought to indicate that he desires to have certain Bills put through and is prepared to let the others go. If the Min-

ister cannot give a sympathetic answer it will remain for each member to act as he thinks fit.

Hon. Sir E. H. WITTENOOM (North) [3.7]: It seems to me the hon. member is rather anticipating matters. The leader of the House has told us he is not too anxious to get up before Christmas, if it cannot fairly be done. Therefore, I do not know that we should assume we shall not have time to do justice by these Bills. It will be a good move to sit on Mondays, because to an extent it is carrying out the suggestion that we should not sit so late at night, when really we are not fit to do the work. In the circumstances I will support the motion. But I think if we really wish to get on with the work, we should sit down to it thoroughly and in business like fashion. Let us have the fullest discussion, but let us restrain our eloquence. I will undertake to keep down my own. If that is done, I see no reason why we should not get through by next Friday night.

Hon. J. A. Greig: What about country members getting home for Christmas?

Hon. Sir E. H. WITTENOOM: I am only putting that time as the latest. If we cannot get through by then, we can continue after Christmas.

The PRESIDENT: If at this stage the leader of the House wishes to make any explanation, I will not take it as a formal reply which would close the debate.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [3.9]: I have no explanation to make. It appears to me that by sitting on Monday we shall have a better chance of finishing up before Christmas. That is the whole position. As for the Mining Bill, for the last three or four days I have had it under consideration and discussion with a view to seeing what we shall do with it. It is, as the hon. member says, a big important Bill and one difficult to deal with at this late stage. But probably other hon. members are more interested in other Bills. I do not see that I can say much about any of them until we come to them.

Question put and passed.

BILLS (3)—THIRD READING.

1, Meekatharra-Horseshoe Railway.

Returned to the Assembly with amendments.

2, Herdsman's Lake Drainage.

3, Coroners.

Passed.

BILL—PUBLIC SERVICE ACT AMENDMENT.

Third Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [3.13]: I move—

That the Bill be now read a third time.

Hon. A. SANDERSON (Metropolitan-Schurban) [3.14]: It is unusual to make any remarks on the third reading. I should not venture to take this unusual course had there not been special circumstances. The special circumstances are that we had the second reading yesterday and put the Bill clean through Committee. I certainly did not appreciate the importance of this measure until after it had reached the third reading stage. This is the only opportunity I have had of looking closely into it. I am not going to complain about the condition of affairs, but we have been here day and night and there has been no time for critical consideration. What does the Bill mean? It means that one civil servant is picked out for an increase of salary from £850 to £1,000. It is a most objectionable practice to discuss civil servants here but—

The Minister for Education: He is not a civil servant.

Hon. A. SANDERSON: Technically he is.

The Minister for Education: He is not under the Public Service Act.

Hon. A. SANDERSON: If it is going to be a question of adjusting salaries of the State employees, if the Minister prefers that they should be called by that name, seeing that the people of this country have to pay, surely the question should be dealt with as a whole. Why should the Public Service Commissioner be picked out to receive £1,000 a year instead of £850? I have probably spoken to that gentleman once or twice, and I place on one side the personal aspect, asking him to take my assurance that this is not a personal matter with me at all. Since we have appointed a board to deal with the salaries and adjustments of the public servants, the work of this gentleman should have decreased rather than increased. I understand the Public Service Commissioner was appointed in the first place to adjust grievances and difficulties in the service, and in order that Ministers might not be bothered over these questions, and that Parliament should not interfere. If those were the reasons for the appointment they were very good ones. Never, since Western Australia has had a public service, has there been so much difficulty and trouble, which terminated in a strike of the whole of the public servants, as there has been of late. I do not know whether the Commissioner is to blame, or whether Parliament or the Ministers are to blame. Surely, however, the fact reflects very little credit on those who were in charge of the public service, and yet we are asked to make this increase in salary to the Commissioner. If this Bill is rejected—and I hope we shall have a division—there will not be the slightest difficulty, if the Government are satisfied that this increase should be given, on the part of the Government in giving it, and they can then bring down a Bill next session to ratify the increase. I

suppose the Government would have a good case for so doing, and I should not have very much objection if only the matter were fully discussed. Sir Edward Wittenoom says, "Do not let us air our eloquence." For my part I have only made a few halting comments on matters of public importance. I suggest to the Government that if this official should receive £1,000 a year we should also consider the several other employees of the State, beginning with the judges of the Supreme Court and ending with the lowest grades in the service. We have to readjust these matters. I strongly object to one employee of the State having a special Bill brought down in his favour, and no consideration being given to the others. The record of the Public Service Commissioner does not at first glance, at any rate, appear a very creditable one, since all the people in his charge revolted and came out on strike.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [3.18]: If the hon. member had been in his place when the second reading of this Bill was moved I think he would have refrained from making many of the remarks which have just fallen from him. This Bill is the only method by which the salary of the Public Service Commissioner can be increased. The Public Service Act provides means for dealing with the salaries of members of the public service. The Public Service Act definitely fixes the salary of the Commissioner at the stated amount of £850. If we desire to increase the salaries of judges and others we shall have to do it by amending certain other Acts of Parliament.

Hon. A. Sanderson: Why do you not do it?

The MINISTER FOR EDUCATION: We could not bring down one Bill to amend half a dozen different Acts of Parliament in order that the salaries of certain persons should be increased. The suggestion of the hon. member that the Government should first pay the increase and bring down the Bill later could not be accepted as it would not be the correct procedure to adopt. This is the only method by which the salary of this official can be increased if the Government think he is entitled to it.

Hon. A. Lovekin: Why not increase the salary of the Auditor General?

Hon. A. Sanderson: Why not the salaries of the judges?

Hon. V. HAMERSLEY: I agree with the remarks which have just fallen—

The PRESIDENT: The reply of the Minister closed the debate.

The Minister for Education: I gave ample opportunity for any member to speak who wished to do so.

Question put and passed.

Bill read a third time and passed.

BILL—WHEAT MARKETING.

Second reading.

The HONORARY MINISTER (Hon. C. F. Baxter—East) [3.22] in moving the second reading said: For five years we have had a Wheat Marketing Bill before this Chamber. On every occasion a great deal of interest has been evidenced in it by hon. members, and I feel that this will be the case with regard to the Bill now before us. Before dealing with the different phases of the measure, I should like to say a few words explanatory of the delay in bringing it down. I assured hon. members last session that as far as I could possibly arrange it, the Bill would be introduced at an early stage. Many things have happened, however, to cause a delay. After the representatives of the States had met and agreed that the pool must be continued, it was found that the Prime Minister (Mr. Hughes) was not altogether in favour of the Federal Government joining in. Some little time elapsed before he recognised the advisability of continuing the pool, and the fact that owing to the Federal guarantee of 5s. they would have to join in. I do not altogether blame the Prime Minister for the attitude he adopted, because he was subjected to a good deal of hostile and undeserved criticism from those very people who posed as the friends of the wheat grower and who should, instead of criticising have assisted in the administration of the wheat pool of Australia. This pool was successful in its operations throughout the trying period of war, and has been successful ever since. To end the pool now would be very disastrous. During the time I have been administering the wheat scheme in this State, there has been no more critical period in the wheat growing industry than has existed for the past few months. That critical period will continue in all probability right up to the end of the coming season. It is necessary in the interests of growers, for many reasons, that the pool should be continued. One of the most important reasons why we decided to continue the pool was the lack of shipping. The next important reason was that of finance. Finance played a very important part this year. It has been more difficult to finance the coming season's crop than any other crop we have had to handle since the inception of the pool. There has been a good deal of criticism regarding the payments from the pool. I assure hon. members that the Australian wheat grower is very fortunate in the arrangement that we have been able to make. This arrangement could not have been made without some agreement regarding the price for local consumption and the sale of a portion of the future crop. Fortunately some good sales were made early in the season and these encouraged the banks to do their best to find the money requisite. The 5s. guarantee would mean that the banks to make the first payment of that amount would have to find approximately 34 million pounds. That is a

princely sum in the present state of finance generally. Another important point is the absence of buyers. We have not the number of buyers of wheat that we had before the war. Buying is done now by the different countries, and most of the wheat-buying countries are in such a financial position that they cannot purchase on the lines they desired. There were two commodities controlled by pools in Australia, one being wheat and the other wool. The wool pool was in existence for some years and proved as successful as the wheat pool. Unfortunately a large section of the Australian wool growers I am pleased to say they were in a small minority in this State—thought they could do better without the pool being continued this year. Those who have followed the wool question will realise what a terrible mistake they made. They are now trying to make arrangements to re-form the pool and continue it. Had they followed the example of the wheat administration and continued their pool they would not have encountered the trouble they have experienced during the last two or three months. Another important question is that of the holding of wheat for a long period, but I do not anticipate we shall have to store wheat for such a long period this year as heretofore. There should not be much wheat left in Australia to export towards the end of next year.

Hon. J. Duffell: You mean at the end of the next crop?

The HONORARY MINISTER: No, at the end of next year. I pointed out that there are difficulties in the way of making sales. Some countries have had good crops, but even so there is not that surplus of wheat in the world to materially affect the price. I cannot see how there can be much alteration in this direction until Russia begins to produce again. These, and many other reasons make it very necessary that we should continue the pool over this year. There are those who have said recently, "Why do you not revert to the old method of allowing agents to operate; in a word revert to normal conditions?" I am in a position to inform hon. members that the section of the Australian people who were most pleased when they knew that the wheat pool was to be continued are the wheat-buying agents. Two of their leading men told me that prior to the continuance of the pool being decided upon, the wheat-buying agents were in such a position that they could not finance the wheat. That was the opinion they held before it was agreed that the Commonwealth and the States should continue the wheat pool. What would have happened if the pool had not been continued? Simply the same thing as happened in the Argentine. Credits would have been established here by large European States, and our wheat would have been purchased on the spot at a very low price. I am sure no hon. member of this House would desire such a condition of affairs. It may be of interest to hon. members to learn the total quantities received into the pool here, and the value. The total quantity of wheat received

up to date into the wheat pool of Western Australia is 53,617,000 bushels. The deliveries up to a week or two ago totalled 51,705,000 bushels. This latter figure is subject to a slight increase, because since I had a return prepared there have been further deliveries, which I have not had the opportunity to credit here. The total value f.o.b. of the deliveries is £14,382,000. This amount, again, is subject to the relatively slight adjustment I have mentioned. The amount paid out to Western Australian wheat growers to date is £13,116,000, made up as follows: in 1915-16, the first year of the pool, 15,004,000 bushels were received was 13,823,000 bushels, the payment per was 4s. 4½d., and the total amount payable £3,019,000; in 1916-17 the total quantity received was 13,823,000 bushels, the payment per bushel less freight was 4s. 1½d., representing a total of £2,652,000; in 1917-18 the figures were 7,530,000 bushels—a big drop—payment less freight 4s. 9d., total payable £1,648,000; in 1918-19, 7,727,000 bushels, payment less freight 5s. 2d., total payable £1,831,000; and during the year just closing, 1919-20, the total quantity received was 9,722,000 bushels, payment per bushel less freight 8s. 6d., total amount payable £3,966,000, making a total of £13,116,000. These figures will convey to hon. members what wheat production means to this State. At the same time we must bear in mind that in the matter of wheat production we are only, so to speak, in our infancy. There is not the slightest doubt that Western Australia will become a huge wheat producer; in fact, before many years this State will be producing much more wheat than any other State of the Commonwealth. The big drop in the year 1917-18 was due to the fact that most of our workers, the men upon whom the State depended for its wheat production, were on active service. Cultivation is now getting back to the prewar acreage. The total cost of working the Western Australian Wheat Scheme, up to the end of last September, was £2,378,000—an amount which, even as it stands, will not appear to hon. members as excessive, seeing that it covers a period of five years. However, included in the amount is the cost of the depot sheds and of many other assets which will be disposed of. As regards the depot sheds, the material in them is being realised at prices which will practically clear the cost of the sheds; so that we shall have had the wheat storage free. Regarding the present and the immediate future, I may state for the information of the House that for the whole of Australia an approximate total of 36 million bushels has been sold at an average price of about 10s. per bushel. The quantity mentioned represents about one-third of the exportable surplus of Australia. It may be contended that the soundness of the wheat position is affected by the fact that the price of wheat has fallen. Against that, however, there is the fall in the cost of freight, which more than counterbalances the drop in the

price of wheat. Therefore the wheat position is still thoroughly sound.

Hon. J. A. Greig: What is wheat worth free on board at Fremantle to-day?

The HONORARY MINISTER: As near as I can say, on the basis of the Chicago and London market, about 9s. 6d. f.o.b. The price of wheat for local consumption for the closing year has been 7s. 8d. per bushel, on which basis flour was sold by the millers to the bakers at £16 17s. 6d. per ton on rails in the metropolitan area. Flour being sold at this price allowed bread to be sold at 5½d. per 2lb. loaf, delivered. A great deal has been said about the cost of bread. A reference to the contract figures for the supply of bread to public institutions shows that where losses occur in the matter of bread supply is in the fancy loaf and in the credit. If a system of cash over the counter could be adopted and carried out, the price of bread could probably be reduced by 2d. per loaf. Hon. members will no doubt have seen the announcement in huge headlines that in the coming year the price of bread will be 1s. per loaf. Statements have been made publicly that next year the consumer will have to pay 1s. for his loaf of bread.

Hon. J. Duffell: That is the 4lb. loaf.

The HONORARY MINISTER: True, but the statements I refer to have been published in order to mislead the people. A loaf of bread, as the phrase is generally understood in Western Australia, means the 2lb. loaf. Four-pound loaves are very rarely turned out here. If the people would take the 4lb. loaf, they would secure a reduction of about ¾d., or possibly more, in the price per loaf of bread.

Hon. J. Cunningham: Some people buy half a dozen loaves at a time.

The HONORARY MINISTER: Yes, but they frequently buy them in the most expensive form, that of fancy bread. I know of people living next door to a baker who nevertheless have their bread delivered. I suppose it takes a baker's carter five minutes to serve the average customer, and that all adds to the cost. It is most remarkable that people cannot walk around the corner to purchase their bread requirements. The price of wheat for local consumption during next year, as from the 1st January, has been fixed at 9s. per bushel—representing an increase of 1s. 4d. on the present price. On the flour ton that increase is equivalent to £3 4s. In a flour ton there are approximately 1,315 loaves.

Hon. J. Duffell: That is the short ton of 2,000 lbs.

The HONORARY MINISTER: Yes. An increase of one-halfpenny in the price of the loaf of bread equals £2 14s. 9d. in the flour ton. Thus there is a difference of 9s. 3d. per ton. This difference has to be provided either by reducing the profits of the miller and the baker, or by increasing the price of

offal. The present price of offal is £11 per ton.

Hon. J. Duffell: Too high altogether.

The HONORARY MINISTER: The Wheat Scheme have been criticised during the past year for selling offal too cheap. The price of chaff last year was £10 per ton. Bran and pollard, of relatively higher feeding value, were sold at £7 15s. per ton. The result was that people used considerably more bran and pollard. During January and February last the millers of this State were compelled to sell their offal at a loss of 4s. 6d. to 5s. per ton. A few months later there was a shortage of offal, simply because the price of offal was too low in comparison with the cost of chaff, and people in consequence had rushed the offal. Its price was altogether too low in comparison with the price of chaff.

Hon. J. Cunningham: Did not we send offal to the East?

The HONORARY MINISTER: Only a few thousand tons, the contracts for which were entered into when supplies here were excessive. A great deal has been said about the flour mills being stopped from gristing. During the past three years, during practically the whole of the time that I have controlled the Wheat Scheme, our flour mills have gristed continuously 24 hours per day, three shifts per day for practically the whole three years—a thing absolutely unknown in this State before. But directly the mills closed down, quite unavoidably, for a few weeks, there was a howl about killing the industry. In normal times the mills were never able to carry on continuously for such a period as I have mentioned.

Hon. J. Duffell: What about the stack of wheat at Cottesloe?

The HONORARY MINISTER: In all probability that wheat was shipped, but the Wheat Scheme here still have on hand a large quantity of flour for which a market cannot be found. We have had many offers for that flour, but not offers at the market price. With all deference I say that possibly—though I do not know that it is so—there may have been a sale or two missed by the Australian Wheat Board. However, the scheme here was at one time saddled with 20,000 tons of flour, while there were no flour sales. Fortunately that figure has been very considerably reduced, and there is only a small quantity of flour on hand at the present time. That fact, however, does not do away with the other fact, that the mills were kept going right through. It was not to be expected that I would be prepared to keep the flour mills going at a loss of from 5d. to 7d. per bushel on the wheat. That would not have been right from the point of view of the owners of the wheat, and had I adopted such a course Parliament would have been right in punishing me for it. The present Bill seeks to apply the existing Act to the 1920-21 harvest. The Bill also proposes some slight amendments. It asks Parliamentary ratifica-

tion of the agreement with the Westralian Farmers, Ltd., for the handling of the coming season's wheat similar to that carried out during the last three or four years. There are three amendments to the Act of 1916, and one new clause relating to loss of dividend certificates. The agreement with the Westralian Farmers, Ltd., is substantially the same as the agreement of last year. There is one alteration regarding the remuneration, which has been increased by ½d. per bushel, and there is another alteration regarding the agents' liability. The remaining alterations are merely to make matters more plain so that there will be no trouble in the future.

Hon. G. J. G. W. Miles: Why a reduction in the agents' liability?

The HONORARY MINISTER: I shall explain that. The increase of ½d. was strongly recommended by the local advisory board. This payment will go to the country agents. Members will realise how fair this is. We know that the cost of handling has increased tremendously during the last three years, but no increase has been granted to the country agents, and there is no doubt that they could not profitably handle the wheat at the price. They are now getting 1½d., and it is not too much.

Hon. J. Duffell: What is paid in the Eastern States?

The HONORARY MINISTER: Much more than that; there is no State where the service is so cheap as it is in Western Australia. The total amount of this increase, based on a 12 million bushel estimate, will mean only £3,700 extra. I estimate that 12 million bushels will be received into the pool, notwithstanding the dry conditions which prevailed during October, and this quantity, I think, will be very creditable. The amount of £3,700 is therefore not a large one, but it is a matter of life and death to the agents in the country. Most of them were barely able to pay expenses last year. The liability of the Westralian Farmers, Ltd., has been reduced from ¼d. to ½d. The reason for the reduction is that, though wheat to-day is of a greater value than when the previous agreement was entered into, the agents do not receive anything more for their responsibility, and they would not and could not operate under the old order of things unless we granted increased payment. The business way for the Wheat Scheme to meet the position was to reduce the agents' liability instead of increasing the rates. This was agreed to by the advisory board and recommended to me, and effect is now being given to the recommendation. The details of the remuneration are:—wheat trucked direct from the farmer's wagon, ½d.; wheat stacked at sidings or stations and then trucked, 1½d.; roofing, screening, and caretaking, ¼d.; issuing certificates, ¼d.; inspection, contingencies, losses and liabilities, ¼d.; checking samples and tallying, ½d. per bushel. The total, in the case of

direct trucking, amounts to $1\frac{1}{4}$ d. per bushel, and the total where the wheat has to be stacked at country sidings and covered, amounts to 2d. per bushel. There is a difference between the stacking last year and the stacking this year which in itself will mean a saving. Instead of stacking 12 bags high, as we did last year, the agents have agreed to stack 20 bags high. I think it will be found well worth while to put the bags up another eight tiers, for it will mean that less covering will be required. I consider that the position regarding the agreement is very satisfactory. The first amendment is to Section 10 of the Act, prohibition of sales. In the past we have not been able to control what might be termed illicit sales. Say an agent went to a farmer and purchased at 5s. a bushel 1,000 bags of wheat for seed, he could later put it into the local agent for the scheme and get 9s. a bushel for it. So far as we can see, wheat for the season will be worth 9s. a bushel. The Act did not give us power to successfully deal with a case like that, and I think the House will agree that it is very necessary to have the power sought under this clause. The Government must have full control of all the wheat or the scheme cannot be a success. The next amendment is to Section 13 of the Act. This provision was not quite clear. The Commissioner of Railways did not think he had the necessary power to refuse to carry wheat. Unless the scheme has control of the wheat carried over the railways people would be able to trade as they liked in wheat, and we would not be able to check these transactions. The pool is formed so that the whole of the wheat can be handled, and if people are allowed to work outside and make sales or deliveries, they will be able to operate to the detriment of the pool. The amendment of Section 14 gives power to the Minister to follow the wheat. Under the present Act the millers act as agents. Unless this is amended Section 14 will become inoperative. Under the proposed amendment, when wheat goes into a mill it will remain the property of the Minister regardless of whether it is in the form of wheat or flour. This is a vital amendment. Clause 7 of the Bill is necessary to meet cases where the loss of certificates has been reported. Several certificates have been lost, and where the bank would not guarantee, new certificates could not be issued. I have refused to issue new certificates, because I was not indemnified. This provision will give power to issue a duplicate certificate. I realise that there is a danger in issuing a duplicate certificate, without the protection sought in this amendment, especially now that holders may dispose of their certificates. Some of the certificates have been transferred to people in the Eastern States, and if the Minister issued a duplicate there would undoubtedly be a danger. The provision is desirable. There is very

little more information which I can give at this juncture. The alterations made in the agreement I shall explain fully in Committee. I move—

That the Bill be now read a second time.

Hon. J. DUFFELL (Metropolitan-Suburban) [3.55]: I do not intend to say much for the simple reason that I do not know much about the scheme. The Minister said that he had been unable to dispose of the flour held by the local board, which amounted to about 20,000 tons. I would like a little more information on this point, especially as to why this flour cannot be sold outside the State. When orders were received for flour to supply overseas markets, the offers were not accepted. I know for a positive fact that an order was received by a mercantile firm for 5,000 tons of flour. On receiving information that 20,000 tons was available, the agent placed an order for 5,000 tons and reserved space for it in a steamer listed to sail from Fremantle. Unfortunately, that order had to be cancelled, and the flour had to be retained in our stores. So far I have been unable to learn why we were justified in withholding 5,000 tons of flour required for a foreign market. Regarding Clause 6, the Minister said that the wheat was delivered to the local millers and so long as it was ungristed he had control of it, but as soon as it was gristed, whether paid for or not, he was unable to control it. This is news to me. If people are not inclined to grist their wheat, it seems that they can dispose of it as was done in the case of the big stack of wheat at Cottesloe a few weeks ago. It came as a surprise to many people travelling between Fremantle and Perth to find how quickly that huge stack of wheat, evidently put there for gristing purposes, was removed. I believed it was shipped out of the State in the form of wheat, whereas it should have been gristed so that the offal would have been available to local dairymen and poultry farmers. An action of that kind does not tend to encourage other branches of local industry such as dairying and poultry farming. I asked the Honorary Minister a few days ago questions as to the future price of wheat to poultry farmers, and it is certainly reassuring to those people to find that in the near future they will be able to deal direct with the farmers for their wheat supplies. If this Bill has no other object in view than to prevent trafficking in wheat and to prevent men buying, say, 1,000 bags of wheat for seed purposes, and transferring the lot to the pool in order to gain the enhanced prices, it will do some good. It is advisable in such circumstances that the Wheat Pool should continue, because the better price we can secure for export, the more flourishing will be the conditions for Western Australia in particular, and the Commonwealth in general. For these reasons I support the second reading of the Bill.

Hon. R. G. ARDAGH (North-East) [4.2]: I have pleasure in supporting this measure for I recognise that it is necessary in the interests of Western Australia and that it will give those controlling the scheme, power to carry out its provisions within the State. The scheme has been operated very ably during recent years. Regarding the dairymen in the metropolitan area, some two years ago, bran, which is the chief commodity they use, was sold at about £4 12s. 6d. per ton. Twelve months ago it was £5 15s. per ton. In July last it ran up to £7 15s. and to-day overseas bran is purchased at £14 10s. per ton. We have been told that local bran can be purchased for £11 but there is very little of it. To-day dairymen throughout the metropolitan area need bran for their cattle and there is only a very limited quantity available. They can only buy bags where 18 months ago they could buy tons. The Prices Regulation Commission committed an error when they allowed bran to go out of the State and thus deplete the surplus we had. Apparently the Commission thought that we would continue gristing but when it was suddenly stopped leaving the Minister in control of 20,000 tons of flour on hand and no market for it, the Commission should have stopped supplies from going out of the State. The dairymen have a grievance against the Commission on that account. Before this summer is over, unless something is done promptly by the Government to secure offal for the dairymen, the people in the metropolitan area will be running short of milk. I can produce figures in support of what I say if necessary. These will show that it costs the dairymen to-day considerably more than it has for years past to produce milk, and where it cost £15 or £16 in years gone by, it runs up to £30 at the present time. The dairymen have to milk a great many more cows, work harder, employ more men, and pay higher wages in order to endeavour to secure an adequate milk supply for the metropolitan people. I appeal to the Minister on behalf of the dairymen to use his utmost endeavours to see that supplies are forthcoming.

Hon. Sir E. H. WITTENOOM (North) [4.6]: I do not rise in opposition to the Bill, but I would like the Honorary Minister to give us some information about a recent transaction which took place regarding Australian flour shipped to South Africa. It has caused considerable dissatisfaction among those taking an interest in this question. The flour concerned was classed as "B" grade and when sold, went to Durban. I do not know whether any of the flour came from Western Australia.

The Honorary Minister: Oh, no.

Hon. Sir E. H. WITTENOOM: I am given to understand that it came from the Eastern States but it has given Australia as a whole a bad name. I took the trouble to read the South African papers in order to get a grasp of the position. I find that an attempt was made to sell the flour and dispose of it in Johannesburg but the people

there would not take it. I understand that just at that time there was a glut in the market, flour having arrived from California. I desire to know how it was possible for flour of that sort to be exported. In consequence of this transaction, Australian flour has gained a very bad reputation.

Hon. A. SANDERSON (Metropolitan-Suburban) [4.8]: I rise to speak on the second reading of this Bill because if we pass it without comment, it might be taken that we endorsed the continuance of the wheat marketing scheme. I was shocked and a great deal more shocked than surprised to hear my colleague, Mr. Duffell, give his benediction to the measure. I do not think it would be difficult to establish that this Bill, and Bills of this nature, constitute one of the largely contributing influences upon the financial position in which we are to-day. I am satisfied that the continuance of this system will end in bankruptcy. That is apparently very common in these days, both in private and national affairs, and it does not seem to surprise or alarm. It will be a very serious matter when it comes home to ourselves, and that day is pretty near. There is another feature of the question which seems to me of more importance than the financial aspect. It is the political aspect. It would not be difficult for me to take any observer through this State trading concern, as it has become, knowing as I do the origin and explanations which it would be necessary to give, to convince that individual that there is cause for alarm. I warn the Minister and others supporting him that this system of conducting the industries of the State will lead us into conflict with the Imperial authorities. We have only to look around and see what is going on to-day between the Imperial Government and the Commonwealth Government in connection with the wool industry. The same thing will occur in connection with the wheat and shipping industries. I do not raise this as a bogey but I am convinced that it will end only in financial and political conflict between England and Australia. The best illustration is the wool pool. The wheat pool, which we are considering, has not reached the stage that the wool pool has and, in some respects, is not so important, but I point out to the Minister and his supporters, what they cannot deny, when I say that political pressure is being exerted, and will become more accentuated, between Australia, in her endeavour to get the biggest price she can, on the one hand, and others in England who are also bringing pressure to bear on the British Government. No one will deny that. The Federal Government—it affects this State in an indirect way—are using their pressure on the Imperial Government to get a high price for their wool.

Hon. H. Stewart: You should remember that the profits which the British Government realised on the sale of the wool paid for the whole of the wool.

Hon. A. SANDERSON: That has nothing to do with the argument. It is that the Com-

monwealth authorities on the one hand are bringing pressure to bear on the Imperial Government and there is another party in Yorkshire bringing pressure on the British Government as well. No matter what happens in the future, there is bound to be one party dissatisfied. The same thing will happen regarding wheat.

Hon. H. Stewart: The same thing may apply, except that the growers bear the cost of both pools.

Hon. A. SANDERSON: I wish to be brief and do not desire to be drawn away from what I consider essential by matters of details. I will not deal in details at all. I want the Minister and those who support him to state definitely whether this is to be a permanent institution in our local Government. If it is to be permanent, it is dangerous. It has proved it is dangerous financially and will prove it is dangerous politically. If the Minister says that this arises out of part of our war difficulties, that it is most objectionable, and that the Government will get rid of it as soon as possible, not in a panicky style, but with a due recognition of the different interests, I will not take exception to this Bill, but when my colleague adopts the attitude that he has, it is a most interesting danger signal to me.

Hon. G. J. G. W. Miles: He is advocating dear feed for poultry farmers.

Hon. A. SANDERSON: That is true.

Hon. J. Duffell: It is not true. I deny that.

Hon. A. SANDERSON: Let me continue my arguments. I do not want to be drawn away by these side issues.

Hon. J. Duffell: Well, stick to facts.

Hon. A. SANDERSON: I am sticking to facts. These interruptions are disconcerting, and I might merit your reproof, Mr. Ewing, if I were drawn aside from the limits I am setting myself. I was attempting to point out that if the Government would declare they are going to get rid of this as quickly as possible, having regard to all the interests concerned, and get back to our own system of trading, I would not object; but when I heard my colleague intimate his approval of this wheat marketing scheme in general terms—

Hon. J. Duffell: No. Only this Bill.

Hon. A. SANDERSON: Well, I am glad to think I misunderstood my colleague. The impression on my mind was that he was in favour of this wheat pool. I give my consent to the passage of the Bill with the greatest regret. To attempt to stop this thing at once would be folly, but I warn those supporting the Bill of the financial disaster we have, and of the political disaster which threatens us. Realising the critical times in which we are living, I do not think we can be too careful about what we are doing. Anyone who knows the history of the British Empire from 1750 to 1850, will see that this financial and political pressure, this Government interference, dismembered the Empire 150 years ago and threatens, un-

less it is dealt with, to dismember it again. The financial interests involved will become terrific as time goes on. If we can get an assurance from the Minister that he will get rid of this wheat pool, I will wish him all success and gladly assist him in any details; because the difficulties he is in must be considerable. But I do not gather from the Minister that the intention of the Government is as quickly as possible, having regard to the different interests, to get rid of this pool. I regard this as one of our State trading concerns—that is what it has become. Six years ago the present leader of the House, who, unfortunately, seems to say nothing but which suits his purpose for the moment, made these remarks:—

So long as State trading is confined to public monopolists I am not opposed to it. But directly you enter into competitive business you will get into trouble. All the State concerns are in trouble already, and the position will not be altered until another Government come along with courage to stop it.

I was opposed to State trading and State interference from the start. I gave every assistance and every latitude to the Government during the war. But with the war successfully finished, the sooner we and the other sections of the British Empire get back to a sound business footing, the better for us all and the less chance of financial disaster and political friction.

On motion by Hon. J. Cunningham, debate adjourned.

BILL—LAND TAX AND INCOME TAX.

Second Reading.

Debate resumed from the previous day.

Hon. J. W. KIRWAN (South) [4.20]: I moved the adjournment last evening, because I was afraid that if I did not do so we should go to a vote and, as I intend to vote against the second reading, I wanted an opportunity for briefly expressing the reasons that influence me in desiring that the Bill shall be rejected. I should like to pay a tribute to the sense of financial responsibility that has been shown by the Labour Opposition in their attitude towards increased taxation. I might incidentally express satisfaction that in another place they were unanimously in favour of the rejection of this measure, and were supported in the division by two or three members who usually support the Government. I should like to make plain what it would mean if this Bill were rejected in this Chamber. It would mean that the Government, later on, would bring in a Bill, which probably would pass all its stages at one sitting, to re-enact the taxation we have at present. To reject the second reading of a Bill of this kind is not unusual. I remember many years ago, when the Labour Government, on the outbreak of war, brought in increased taxation,

the present leader of this Chamber moved that the Bill be rejected. He was successful in his effort, and the consequence was that the Government passed through a Bill re-enacting the existing legislation.

Hon. Sir E. H. WITTENOOM: Was that the time when we had the large audience?

Hon. J. W. KIRWAN: Yes, that was the time. Parts of the speech then delivered by the present leader of the House if quoted at the present time would be very interesting. But I do not intend to speak for more than a few minutes, and I will not go into past history, other than to make a few incidental references. I know there is a feeling on the part of some hon. members that this Chamber should not interfere with the financial policy of the Government. I claim that so long as this Chamber is in existence it ought to take an interest in the finances of the country. These Bills are brought before us and we are asked to accept or reject them, and I cannot understand the process of reasoning that induces a member of this Chamber to hesitate to reject a Bill of this nature if he be opposed to it. As I have said, it has been done on many occasions, and on no occasion has that course been better warranted than the present. I intend to call for a division if I can get a seconder. My reason for that is this: A number of members have over and over again protested against the financial drift which has been allowed to go on. I have grown rather tired of the protests that have been uttered, and I think there ought to be something more definite done and that we ought to declare ourselves emphatically by means of a division. I wish to make it perfectly clear that I am not opposed to increased taxation. If the Government brought in a proposal for increased taxation which was part of a general scheme for the straightening of the finances, they would find no more earnest supporter of their proposals than I. I have been looking anxiously for a Treasurer who would have the courage to be unpopular, to do what is undoubtedly right, what every business man must regard as right, namely, to recognise that the most important matter in this State is to endeavour to put the finances on a sound basis. I claim that no attempt whatever has been made by this Government or by the previous Government to carry out the purposes of those who displaced the old Labour Government. The leader of the House last night pointed out that there was heavy increased expenditure by reason of the recent Arbitration Court awards and that that expenditure would entail something like £900,000 per annum.

The Minister for Education: Including increased interest.

Hon. J. W. KIRWAN: Yes, I understand that. I think the hon. member said the increased interest amounted to £194,000. So, roughly, the increased charges in connection with the Arbitration Court's award would be £760,000. If the Government came for-

ward and said, "We shall have to provide for £900,000" and brought in an extensive scheme for tackling the financial problem, one would be inclined to view the matter differently. But, what is the new taxation to bring in? The Treasurer has said that the extra 15 per cent. would bring in something like £55,000. I have seen it stated, I do not know whether it is an authoritative estimate, that the new taxation embodied in the Bill and in another yet to come before us, amounts to something like £75,000. That seems only a drop in the bucket of the increased expenditure of £900,000.

Hon. G. J. G. W. MILES: A lot of that £900,000 is made up by increased charges, railway freights.

Hon. J. W. KIRWAN: However, it is a very small amount to set against the estimated increase in the expenditure during the current year. This is not the place to go into elaborate details regarding the financial position. As the Government have utterly failed, in my opinion and in the opinion of a number of others who have been following the Government's doings very closely, to make any reasonable attempt to improve the financial position, I wish to be able to say that I at any rate did not vote to give the Government further money to be expended in directions that mean a waste. I was one of those who when the Labour Government were in power recognised that the method of finance was far from what I thought it ought to be, but I always claimed that whatever the difficulties of the Labour Government might be in the matter of attending to the financial affairs of the State, they had a higher sense of financial responsibility than those who would succeed them. What little I did in my power was done in order to keep that Government in office, not that I admired their methods but it was a choice between two evils and certainly of the two evils the Labour Government were the lesser. That is what I said in this House, and that is what I say now. I only trust that when one of these days the Labour Government do come back into power, they will not have been demoralised by the woefully bad example set to them by the last two or three Governments. I am rather afraid that this will be so. The deficit four years ago when the Labour Government went out of office was £1,360,000. To-day it is £4,674,000. That is a record of something more than four years' achievement on the part of a Government whose special mission was to straighten the finances, stop the financial drift and live within their income. The deficit since then has been at the rate of roughly £680,000 a year. A little while ago, having been absent from the State for many months, I arrived back in Western Australia knowing nothing about what had happened. I obtained the issue of the "West Australian" of the 4th of this month on board the boat. When I opened it the first thing I saw was the heading "The deficit for the month." This deficit amounted to almost £200,000,

the figure being £193,000. Instead of things getting better month after month and year after year they have gradually been growing worse. The deficit has been increasing instead of diminishing. Taxation is also increasing. Our revenue is growing, but as the revenue grows the expenditure increases. Let us see exactly how the expenditure has mounted up. The expenditure for 1916-17 was £5,276,000. The expenditure for 1919-20, that is for the year ended 30th June last, was 6½ million pounds. The increase in expenditure during the four years was, therefore, something like £1,300,000. The revenue has certainly gone up but it has not gone up in anything like the same proportion as the expenditure. Taxation has also considerably increased. I have here the report of the Commissioner of Taxation. In 1916-17 the amount collected in direct taxation was roughly £320,000; the amount collected in the financial year ended 30th June last was £681,000, which is considerably more than twice as much as was collected from the people during each of the four years previously, and yet the Government come along with this proposal for still further increasing the taxation. This is one of the reasons why I am particularly strong in voting against this increased taxation. Anyone who looks at these figures, any of the business men of this House, must see that this sort of thing cannot be allowed to continue. Sooner or later the affairs of this State must be taken in hand by wise and sane men, who are determined even at the risk of becoming unpopular to place the finances on a thoroughly sound basis. Whether that party be the present Opposition, or whether some Treasurer will arise like Sir George Turner did in Victoria, to grapple this nettle fearlessly, I do not know. But sooner or later such a party or man must arise. We should be in a position when that time comes to see that all the avenues for increased taxation shall not have been exhausted, so that the individual or party in question may be assisted as much as possible. I regard the present Government and the two previous Governments as absolutely reckless financiers, men who seem to have no more idea of the value of money than a number of children. Imagine such men being directors of any financial company! Imagine such men running any business institution or anything else on the lines on which they have been running this country! If a private individual or company got into the mess the Government have got into they would be in the bankruptcy court; indeed they would be very lucky if they were not landed in gaol. Now the Government want us to give them further money to make the position worse than ever. Why give money to people who go on in this way with a total disregard for the financial interests of the State generally? I hope this House, which has a sense of responsibility, will make sure that every avenue of increased taxation is not exhausted by reckless financiers and that we shall have left further avenues for taxation, of which I for

one will be a strong supporter provided I have confidence in the men who are running the affairs of the country. I am not going to vote in favour of giving any further money to these people. If it were to bring about a financial crisis our affairs are in such a state that the sooner the thing is brought to a head, and the right type of man comes into office, who will go in for those drastic measures which are essential in order to put the finances of the country on a sound basis a man who will not care whether or not there is a popular clamour for further expenditure, the better it will be. The Opposition in another place have done their utmost to prevent this further increased taxation. I hope this Chamber will try to accomplish what the Opposition in another place failed to do.

Hon. Sir E. H. WITTENOOM (North) [4-40]: I have listened with a great deal of pleasure to the remarks of Mr. Kirwan. His reasoning powers, in the use of which he is recognised as a great expert, were demonstrated in a manner that was almost convincing. At the same time, while I agree with a good deal of what he said, I cannot see my way to follow him in voting against the second reading of this Bill, nor do I consider that this is quite the proper place in which to discuss ways and means and the methods of the Government. The proper place to do this would be on the Estimates. This is a question purely of taxation. We have to decide now whether we shall give the Government the necessary powers to tax the people, or not. Personally I think it would be a little illogical on my part were I to vote against this Bill, because I have consistently upbraided the Government for their frequently recurring deficits, which to my mind constitute a reflection upon the State, and bring discredit upon us throughout the rest of Australia. There is, of course, only one other State in the Commonwealth which has not a deficit, but we ought to be able to see that we do not have these deficits. My argument all along has been that the Government should be able to estimate their requirements in such a way that they should know what is necessary to cover them without having these continual and conspicuous deficits. No doubt the expenditure is large but the Government ought to know exactly the amount they need. In these circumstances the deficit should not appear. I see the leader of the House making a note. I know what he is thinking of. How can we possibly provide against these deficits when we have the Arbitration Court continually making awards that are impossible to provide against? I admit that is a difficult state of affairs. The difficulty used to be the sinking fund but that is not the excuse now. We knew we had to provide for the sinking fund always; therefore, we ought to have made provision for it. What we now have to consider is whether the expenditure by the Government has been sound from the economical point of view. Having arrived at what is a fair expenditure, after introducing sufficient economy, as much as can be introduced without affecting the conduct of the State in a proper manner, the Government ought to use every means possible to obtain the necessary money to cover that expenditure.

Details were given to us last night, showing that we had an unexpected amount of £724,000 to face for wages and salaries. It is naturally impossible to provide against that. The answer to that is that although this large increase is of very recent date it is not an excuse for the consistent number of deficits which have occurred monthly during the last two or three years. I am with Mr. Kirvan in saying that these deficits should not occur. I regret they should have occurred, especially with a Government which came into office with the avowed intention of making ends meet. It looks as if the Government had made ends meet by burning the candle at both ends. There has undoubtedly been a very heavy expenditure. The Bill before us is a very severe one. It is going to take a lot of money out of the pockets of the people. The only hope is that it will be expended in a satisfactory manner for the good of the State and that, in due course, affairs will so shape themselves that this super tax will be removed. As to the Bill itself, the chief point about it to which I desire to draw attention is the big rise there is in taxation on incomes from £7,766 upwards. People who have that income or beyond it, pay 4s. in the pound. That is very stiff, particularly when we remember that the Federal income tax has to be paid as well. Taxation, in these circumstances, is very severe. One man I know who had an income of over that figure, paid last year 11s. 3d. in the pound taxation, and of that, only 2s. 6d. came to the State. Hon. members can see at a glance what people in such a position have to pay in Federal taxation. The general idea is that those who have the money and are well able to pay, should be made to pay well. I am in accord with that and when the State is suffering under stressful conditions and requires money, then those who have it should be made to pay. The same position arises in connection with the financial concerns of the State as arose during the war, and those who could go to fight should have done so. The same thing applies regarding the financial position. Those who have the money, should pay. In this particular instance, however, I would like to go to the other extreme. I think that everyone should contribute a little towards the taxation in the State. In Clause 4 the minimum amount payable is fixed at 2s. 6d. I have said here before, and I say again, that I consider every person who has a right to vote should pay at least 10s. towards the State in direct taxation. There are thousands of voters to-day who do not pay a penny towards direct taxation and yet they have the power to send individuals to Parliament to tax us. As an illustration, I would mention that I have two daughters, and neither of them earns a penny and neither of them pays a penny in taxation, but the two of them can out vote me.

Hon. V. Hamersley : It is not right.

Hon. Sir E. H. WITTENOOM : There are those who do not earn £100 a year and they have the right to vote. A payment of 10s. is not large and I think that should be the minimum amount of taxation levied. It would give people who have to pay that sum, more interest in the votes which they exercise.

Hon. F. A. Baglin : What about the man who has six votes?

Hon. Sir E. H. WITTENOOM : Voters for the Legislative Assembly have not got six votes. They have only one vote. There are lots of people who do not pay a penny towards direct taxation. When the exemption was at £200 a year, there were many more thousands who never paid a penny towards taxation. It may be urged that they pay customs duty, but the State does not get anything from that. The whole of that money goes to the Commonwealth. All we get back is 25s. per head. On 300,000 people that means something like £450,000. The interest bill alone amounts to about two millions, so that the amount we receive back from the Commonwealth under that heading is a very small item compared with the huge interest bill we have to meet. While I agree that those who have money should be taxed heavily, I contend that in times of stress, everyone should pay a little. I do not propose to move any amendment which will increase the minimum amount payable in taxation from 2s. 6d. to 10s., and I simply put my views forward to show what I consider would be a fair policy. I would make everyone contribute a little towards direct taxation, so that we would not have representation, without direct taxation. There is not much more that I can say at the present juncture except that I am opposed to Clause 3, because I do not understand it. If that clause were placed before any farmer or pastoralist or any other man, he would look upon it as so much debris. No one would know how to calculate the tax, which is set out there as so much in the pound. It would be far better to divide these salaries into groups, say, from £700 to £725, on which the tax would be so much ; from £725 to £750, so much ; from £750 to £775, so much ; and from £775 to £800, so much. If it were set out in that manner, everyone would know exactly what he would have to pay. The calculation per pound is confusing, and if the items were set out as I suggest, it would be much more simple.

Hon. A. Lovekin : It is simple to calculate but it is more difficult to pay.

Hon. Sir E. H. WITTENOOM : When a man has an income of £10,000 a year, the usual thing to say is, "Make him shell out." It is also suggested that if he has £5,000 left, he has plenty to live on. Members should realise that they cannot work on that principle for long. A man may make £10,000 a year for a while but if you continue to take £5,000 or more, there is a danger that he will not worry to earn that amount, but will be content with a lesser sum. He may be able to get along on £500 or £600 and then the State will not reap any benefit. It must be remembered too that the State taxation is not the only impost that these people have to shoulder. I have always taken exception to the continual monthly deficits. They are a reflection upon the State. At the present time the Government say that they must have the money or the deficits must continue, in which case I must logically support them. I hope it will do away with the deficits and leave a credit balance. The expenditure requires most careful consideration, so that a certain amount of economy may be effected. I will not pursue the matter further at this juncture and as to anything more I have to say, I will take advan-

tage of the opportunity which will be afforded me during the progress of the Bill through Committee.

Hon. A. SANDERSON (Metropolitan-Suburban) [4-54]: I was wondering when we would commence to have a debate. The hon. member warned us not to indulge in eloquence.

Hon. Sir E. H. Wittenoom: I said a discussion, not eloquence.

Hon. A. SANDERSON: I will take the hon. member's eloquent appeal. It was, in fact, that we should vote for the Bill which will provide £70,000 per annum. The hon. member says it will do away with the deficits. Is that eloquence? It is uncommonly like it. The question is: is it a fact? Is the utterance of the hon. member, as one who holds an exceptional position in the House, a business contribution to a most serious discussion. What are we to make of it? I take it that he delivered an eloquent appeal to us to support the Government. I do not care whether we indulge in eloquence or business talk. Let us further indulge in a little of the latter. Let us have the figures before us. We are discussing an income tax at present and that is to be followed, if an incidental reference to it may be permitted, by a Loan Bill. What is the position? I have asked for figures, which should have been placed before us before now.

The Minister for Education: They are here. The hon. member may have them.

Hon. A. SANDERSON: I am obliged to the Minister. We want to discuss these figures and I desire to have a look at them in order to fortify myself during the discussion. These figures should show us what has been the record of the Government during the past four years. As one who is not quick at these things and one who realises how essential it is to be correct in the course of a business talk, I would say, judging by the appearance of the figures which the Minister has produced, that if these were supplied to me in a business capacity, I would send them back. The figures should be set out against the items.

The Minister for Education: There is no room for them on the one page.

Hon. A. SANDERSON: If not on the one page why not gum them together. I am not complaining against the leader of the House. I am dealing with the Treasury of the country.

The MINISTER FOR EDUCATION: May I make an explanation Mr. President? The hon. member asked a question and questions are invariably answered in the manner set out on the sheet I have given him. I might quite reasonably have requested the hon. member to move for a return. If he had asked for a return it would have been in a different form. Those figures are put up in the form they appear, as an answer to a question.

Hon. A. SANDERSON: I apologise. I was not finding fault with the leader of the House. The question I am concerned about is the financial position of the country and how far the present Government are responsible for it. They have asked us for more cash from the people. I will not quote these figures off hand. I will deal with the figures as everyone knows them here. Month after month we have these deficits. I do not blame the Government for that. They did

not start these deficits, but they are getting worse. I do blame them for what has happened since the last Budget Speech, at which stage we really start the financial year. What is the record of the Government since then? They came down with the Budget and tell us then what they should have. Now they come down and show that the figures are entirely wrong, and the excuse put up by their champion is the Arbitration Act. It does not require any knowledge or experience for people like ourselves to say that it was abundantly certain that, at some time during the year, there would have been an appeal to the Arbitration Court and even if there had not been an appeal, in common with private employers the Government would have had to increase the salaries of their officers. Every private business man has done that whether they have been employers of one or thousands. As a matter of common sense and from a purely business standpoint, it was obvious that they would have to face increased expenditure under that heading. When sitting together and having a business talk as to their financial requirements for the ensuing year, those in charge of the affairs of State should have realised that they were certain to be faced with the necessity for increased salaries and wages for the State employees. So that the answer to this eloquent contribution we had is nothing at all, and as a business contribution it is worse, because any business man would have known that that money was necessary. To say that they did not know that the Arbitration Court would grant increases is preposterous nonsense. I realise that this Chamber is not primarily responsible for the financial affairs of the country. We have our responsibilities, and as to how far they extend, and what they are at this particular moment, there is room for difference of opinion. I would like to hear the question thoroughly debated by all sections, and then I would make up my mind as to how I would vote. The present Government are dying; they have only about three months to live. Therefore, have they any constitutional right to ask us, who represent a permanent branch of the Legislature, to load up not only ourselves but handicap their successors with this tax. Are we going to financially embarrass the country or injure its credit if we reject this measure? There are people who say we are going to face a crisis. I do not know what that means. I am not one of those people who take up the attitude that things must be done, that the inevitable must happen, that great catastrophes must occur. I think that by tact, strength, and intelligence, we can avoid many of these dangers. The position with regard to this moribund Government is that they will have little opportunity to challenge our action if we reject the measure. Then we come to the attitude of the public. What is it? We have had an election within the last few days and we shall have another to-morrow. I do not say that one can judge by an isolated election, but as an old and practised politician, I can say that we certainly can read the signs of the times. Whatever the result was at Leonora the other day it certainly was not a victory for the Government. I now come to the metropolitan area. What will the electors there say if we reject the measure? It will give them an opportunity to express their

opinions. The highest authority in the land is the voter. Will he thank us for throwing out this Bill, will he criticise us, or will he be indifferent? I regret to think that there will be a great many people who will be absolutely and contemptuously indifferent. If we are satisfied, as Sir Ed. Wittenoom is satisfied, that there is extravagance and wastefulness, why not vote against the Bill? If we pass the Bill we give the Government £70,000.

Hon. J. W. Kirwan: The super tax will give £55,000.

The Minister for Education: This Bill and the Dividend Duties Bill will give the £70,000.

Hon. A. SANDERSON: I must confess that £70,000 will not assist materially.

Hon. Sir E. H. Wittenoom: Then if it is only £70,000 the Bill cannot do much harm.

Hon. A. SANDERSON: Let the hon. member tell that to the people who are going to pay it. Let me ask the hon. gentleman this question, since we are having a little business chat. Who is to pay it? The plutocratic squatters who cannot raise a penny on their wool? Everyone knows that a man may have a great amount of wealth but that it may not be realisable. Where is he to get the money from? Is he to pay in wool, wheat, or potatoes? The taxation officer wants cash from the banker, presumably. What will the banker say? The banker will have money in reserve but he will want to keep it there, and he will say "We are not going to give any more to the Government." The banks have gone on strike as well as the wharf labourers. Having listened to the proposal to reject the measure, I reserve to myself the right to vote in whichever way I think best after I have heard the discussion, which I hope will be general. That is as far as I shall go at present. If the debate is to collapse and we are to have no more speaking, either statistical or eloquent, I would say "Very well, then I am not going to take part in a division where one is compelled to come to the most important conclusion without having heard the discussion." We have the Federal Government sending a Commission round to deal with this important question of equitable taxation, and there is therefore every reason for withholding our hand until we have had that Commission's report. It will not make much difference whether we reject or pass the Bill, but what is going to make a difference to the financial condition of the country is the Federal Convention, which apparently is not engaging the attention of Ministers in Western Australia.

Hon. V. HAMERSLEY (East) [5-10]: I am going to support those who are opposed to the measure. I understood we were not going to have increased taxation, at any rate not in the form in which it has been submitted. It might well be said by the leader of the House that we cannot go in an extravagant manner without finding more money from the taxpayer. Sir Edward Wittenoom said that owing to the award made by the Arbitration Court we must try and keep pace with them. It seems to me the financial affairs of the country are in the control of the Arbitration Court rather than the Parliament of the country. If we have to impose further taxes on the people because of the awards of the Arbitration Court I do not know where we are likely to drift.

Hon. Sir E. H. Wittenoom: That is the position.

Hon. V. HAMERSLEY: Then it is as well for us to go on strike also. The taxpayer cannot go on satisfying the judges of the Arbitration Court who give these awards. For that reason alone we should go on strike and say that we cannot find any more money with which to finance these awards. That is, if it is on account of these awards that the extra taxation is required. If that is the reason, I take exception to the measure, and particularly to the super tax. We have not had a land Tax and Income Tax Bill brought before us in this form before. There are clauses in this Bill which might reasonably have formed part of the Assessment Bill. I feel that these clauses are liable to get us somewhat involved. Clause 6 means that the exemptions under the Land Tax Assessment Act with regard to a person who pays income tax or land tax, which ever is the greater, are swept aside.

The Minister for Education: No.

Hon. V. HAMERSLEY: That is my view of it. The super tax is quite distinct from the Assessment Act. It taxes both income and land. A person who has been unfortunate enough to invest in land is likely to pay both taxes. Certainly it does so under the Federal Act. There is another item in connection with it that I feel we are not justified in supporting, and that is the exemptions that are allowed in the proviso of the same clause. It seems to me there is a direct incentive to discourage marriage, because, whereas under our Land Tax Assessment Act, we give exemptions in various sections to the man who makes provision for his family so that those people will not come on the rate, he is also given certain exemptions for his children, and it seems to me he has been unjustly treated in the Assessment Act. The proviso of this clause takes all this away. The only deduction he can make from his income is in respect of rates and taxes paid on his property. If after that deduction his income amounts to £264, he is liable to super tax. If the super tax has to be put upon the community, I object in the first place to such a high exemption as £264. If it were allowed to married people only, there might be some little justification for it. But it is granted to everybody, and therefore it is altogether too high. No exemption whatever is granted to persons who have invested their money in land. Many investors in land may have no income whatever. While landholders with incomes of less than £264 are exempt from the super tax, they are certainly not exempt from payment of super tax upon land tax. At all events, that is my reading of the Bill. For that reason in particular, I consider the super tax unfair. It singles out one section of the community for increased burdens. As pointed out by Mr. Sanderson, persons who have hitherto received the larger incomes will find those incomes materially curtailed owing to the fall in the price of wool. This tax will come particularly hard on them because of the manner in which their incomes are arrived at for taxation purposes. When such a measure as this is handed over to the Taxation Department, it is very difficult indeed to combat the departments' method of arriving at the taxable income. For example, landholders who have an estimate made for

income taxation purposes, of the number of their stock, often find it extremely difficult to pay cash to the Taxation Department when they cannot borrow from the banks for that purpose. Their position is going to be harder than that of any other section of the community under this Bill. In their behalf I feel inclined to join the direct opponents of the measure.

Hon. H. STEWART (South-East) [5-19]: It is with considerable diffidence that I rise to participate in the discussion. However, as Mr Kirwan has indicated that he intends to call for a division on the second reading, it is necessary for me to say something in explanation of my vote, if I vote at all in the division. I cannot dissociate my attitude towards this Bill from my views regarding the present financial position of Western Australia and the cause of that position. My remarks may inadvertently convey an impression that I am a pessimist, at any rate as to the immediate future. But that is not my view at all. Let me therefore preface my remarks on this Bill by saying that I am one of those who firmly believe that Western Australia has ample resources to meet all her indebtedness and much more. I wish, however, to review the position of the finances since the last Labour Government left office. I was not a member of this Chamber when the Lefroy Government came into power, but at that time it seemed to me as an outsider that they had a most exceptional opportunity for economising, by reason of their succeeding to office after a period of heavy expenditure by the previous Government. Had the Lefroy Government, and particularly the leader, been statesmen of the calibre of the gentleman cited by Mr. Kirwan, namely Sir George Turner—I apply the word “statesman” advisedly to the late Sir George Turner—undoubtedly the state of affairs now would have been very different. Coming into office as they did, and having been given the power that was accorded to them, the Lefroy Government could very well have said to their mixed following, “We will do so and so in the interests of the State, and if it does not suit any section of you we are prepared to go out of office.” That attitude, however, was not adopted by the Lefroy Government. The business of the country went on with difficulty, and the financial drift became accentuated. Upon the Lefroy Government followed the Colebatch Government, who in turn were succeeded by the Mitchell Government, now in power. We all realise that the Mitchell Government are not wholly responsible for the present financial position. Summed up, the objection of hon. members of this Chamber seems to be that no definite and adequate steps have been taken to bring about a sounder position as regards administration and finance. I consider that the present Ministry have failed owing largely to their inability or neglect to realise the importance of a point advanced by Mr. Nicholson, who stressed the necessity for improving the financial position through a realisation on the part of the whole community of the value and necessity of thrift and economy. One thing which in my opinion the present Government lack—and if they lack it, that shortcoming of theirs must be responsible in part for the present unfortunate position—is the ability to strike a key-note indicating to

the community what must be done in order that a sounder position may be attained. Again, the present Government have to a large extent failed to display promptness in dealing with questions. They are subject to the weakness of procrastination. An illustration of that is afforded by the manner in which they dealt with the public service trouble, and also by their failure to bring forward promptly various important measures foreshadowed in the Governor's Speech—some of those measures have not yet been even touched here. Again, the present Bill, which is one that we generally receive late in the session, should on this occasion have come forward much sooner, seeing that it proposes important amendments. About 12 months ago the Government had a splendid opportunity to impress the people with the necessity for thrift, and even self sacrifice, by bringing home to them that the financial position was not such as any citizen of Western Australia would wish it to be. At that time I appealed to hon. members of this Chamber to make a personal sacrifice by refusing the small amount of additional remuneration proposed by the Parliamentary Allowances Amendment Bill. Had the Parliament of this country rejected the measure, that action would have brought home to the people the urgent necessity for economy and self denial and self sacrifice.

Hon. J. Cornoll: And we would have gone down to posterity as martyrs.

Hon. H. STEWART: I have always listened with close attention to Mr. Kirwan's expositions of the financial situation, and it is a matter of great regret to me that he was not of the same opinion as myself on the occasion to which I have referred. As regards Mr. Sanderson, I hope that on this Bill he will not adopt the same attitude as he took with regard to the measure raising parliamentary salaries. That measure was supported by Mr. Sanderson on the ground that he desired to bring about a more serious position financially so that we might the sooner arrive at a better position.

The PRESIDENT: I do not think the hon. member is quite in order in discussing those matters under this Bill.

Hon. H. STEWART: I was dealing with the financial position.

The PRESIDENT: So long as the hon. member makes a connection between the subject matter of the Bill and his remarks, he is in order. I am unable at present to see the connection.

Hon. H. STEWART: My remarks were, perhaps, somewhat in the nature of a digression. Two things are necessary to meet the present financial position—one is increased taxation, and the other is economy. Indeed, the present Government and each of the other Governments that I have referred to—with possibly the exception of the Colebatch Government—did publicly proclaim their belief that, without impairing efficiency, a considerable reduction in the cost of the public service could be brought about by improved methods. We have not had it clearly put before us that reduction of cost of, and improvement in, administrative methods have been effected. My opinion—I think it is an opinion shared by a good many of the public—is that the procrastination and inaction of the present Government, and their failure to set an example of economy, are partly

responsible for the fact of the State expenditure having been larger than it should have been. If the higher authority does not set an example of economy, one need not be surprised if the people go on in a free and easy manner instead of exercising that thrift which is so eminently desirable. Mr. Kirwan pointed out that no attempt had been made by present or any other Government since the Labour Government to meet the deficiency, or bring about a better state of affairs and I could not help thinking that he was hardly in the position to lay the charge. In the circumstances increased expenditure is necessary. I am a believer in the graduated tax on incomes. As the impost is so high and the exemption so extensive, in that it takes in single people, I am led to conclude that we are getting perilously close to the stage when this taxation will penalise that thrift and economy so necessary to start small industries and develop them into big and successful concerns. If this measure, has the effect of preventing the due reward being reaped by the people who are taking the responsibility for building up our industries, we shall not be able to readily and successfully retrieve our position. I have heard that one of the proposals of the Government to raise revenue was to put a tax on unimproved land, land which was alienated or in process of alienation and of which no use was being made. It was said that a tax of this description would tend to bring unutilised land into use. At present such land is taxed at 1d. in the pound and land which is improved within the meaning of the Act is taxed at only half that rate. Such a tax would have received my support. During the first few months I was in this Chamber I, by questions and later by addressing the House, indicated that such a measure would receive my support, and before I would favour further taxation on land, in general I would prefer to see this taxation on unimproved land given a trial. I have been informed that the taxation of unimproved land was not brought in because of the land held by the Midland Railway Company. If this is so, it should have been possible to overcome the difficulty by exempting those lands still held by the Midland Railway Company and not in process of alienation. Mr. Hamersley has referred to the exemption including single men. If he moves an amendment in Committee that single men without dependants shall not be exempt, I shall support him. In my own portion of the State I have a knowledge of people with families of seven, eight and up to 13, and the increased financial burden imposed upon these people would lead me to support any measure to grant the highest possible exemption per child. The question arises as to whether I should support this Bill. One argument put up by Mr. Kirwan is well worthy of consideration. Before I came into the Chamber I used the same simile as was used by the hon. member this afternoon. Until we have a man of the calibre and strength of character as Sir George Turner in Victoria had, the policy of drift will continue. There seems to be a good deal of reason for voting against the Bill, because of the financial position for which the present Government must bear their full share of responsibility. Mr. Kirwan contended that we should not give the Government all the powers of taxation, but should retain some of them for a better and stronger Government, and

this argument must carry weight with members. I realise that the Government must have more money. I hardly feel justified in voting either way on this Bill, and at the present moment I do not know that I shall record my vote if the question goes to a division.

Hon. A. Sanderson: Hear, hear!

Hon. J. CORNELL (South) [5-39]: I feel not like the hon. member who has just spoken but like the bashful maiden who, on hearing her first proposal, did not know whether to say yea or nay, but eventually she said one or the other. So shall I when the time comes. Practically speaking, the Bill perpetuates existing legislation. I am rather disappointed, in view of the current trend of thought, that a greater increased exemption was not granted for children under the age of 16. I would grant an exemption to a man who took unto himself a wife on the same basis that we grant exemption for a child. It is only logical to do so. This would show that we had some consideration for the man who married as against the man who remained single.

Hon. J. Nicholson: By deducting the cost of maintaining the wife?

Hon. J. CORNELL: It would be a little deduction, where as to-day he receives no consideration. A single man is subject to a certain impost. If he marries he increases his obligations and decreases his spending power. The same thing applies when a child is born; his obligations are increased and he becomes a payer of a greater amount of taxation. I cannot agree with the reasons advanced by the leader of the House for an increased rate of taxation. He based it on the ground that the expenditure on railways, etc., had increased. I have always held that the increased cost of our railways as a whole should be borne by those who use the railways.

The Minister for Education: We have done that.

Hon. J. CORNELL: Then why bring in the argument of an increase of £520,000 in connection with this Bill? It has no bearing.

The Minister for Education: That is covered by increased rates.

Hon. J. CORNELL: Therefore that amount cannot be concerned with this proposed additional impost. The railways should be made to pay their way. The trunk line which runs to my constituency has always paid its way but it has never been possible to get a sectional return for the purpose of comparison with other portions of the railway system. If the Minister says that the users of the railways should pay the increased working costs and wages, I am with him. But there are many branches of the public service to which this process of reasoning cannot be applied. If it were said that this extra impost was to meet the increases granted to the police, I would support it, because I do not know of any other way in which we could make up those increases. I put the Public Works Department, the Water Supply Department and the tramways in the same category. Generally speaking the increases to the public service and the police will absorb the increased taxation. Coming to the question of whether or not we should further burden those in receipt of £264 per annum by the imposition of a super tax, it may be argued that the Government have made no effort to stem the financial drift. I cannot see any way

out of our financial difficulties without some curtailment of services or alternatively a big influx of population, which would take some years to become of maximum value to the State. I do not think it will inconvenience the Government if the Bill is rejected. They will then bring down another Bill for the re-enactment of the existing legislation.

Hon. G. J. G. W. Miles: It will only make the deficit £75,000 greater at the end of the year.

Hon. J. CORNELL: What has been happening in the past? The accumulation and funding of deficits. If we reject the Bill and if the £75,000 is really required, it will be provided and spent in the manner with which we have become familiar since the inception of the deficit. No Government of recent years have made an effort to square the ledger, and I think therefore we could reasonably reject the Bill as a protest. But I do not feel inclined to do that. The incidence of the super tax has not been questioned, and we are not the only country in the world where a super tax has been imposed to help the Government out of financial difficulties. Although the increased amount to be paid by individual taxpayers is infinitesimal, it is the principle of the thing which concerns me. I favour the imposition of a super tax, not only for the purpose of raising £75,000, but for the purpose of providing the machinery for that man who must inevitably arise to square the finances. The time is approaching when those in a position to pay will be made to pay, not for the specific purpose of meeting current expenditure, but for the purpose of wiping out old debts. Having regard to the super tax which Great Britain has imposed and the super tax which France has imposed, we can put all party aside and we can put aside the attitude taken by the leader of the House on a previous occasion when an endeavour was made to impose a super tax, and we can ask ourselves the simple question, is the super tax a proper method of getting us out of the financial mire? I began by being in doubt. I will now conclude by saying I will record my vote in favour of the Bill for the reason that it will bring into operation for the first time in necessitous circumstances the principle of the imposition of a super tax.

Hon. E. ROSE (South-West) [5-54]: I have listened attentively to the debate. If it were not for the imposition of the super tax on the land I would certainly support the second reading. But when one takes into consideration the hardships and privations of the farmer, I think this would be a most inopportune time to impose further taxation on him. I agree with the super tax on incomes, because I think those who can afford to pay should certainly do so. But the farmer has so much to contend with that he is not in a position to pay this extra 15 per cent. When we consider the kicks the farmer has had during the last few months through being unable to sell his produce, we sympathise with him and do what we can to prevent his being taxed out of existence. The leader of the House may say that 15 per cent. is very little on the present assessment. But every extra pound imposed upon the farmer is a step in the wrong direction. If the bill could be divided, one half providing for the land tax and the other for the income tax, I would certainly

support the income tax proposals. I think a man with a family should receive more consideration than is offered him in the Bill. The 15 per cent. super tax does not give a man with a wife and family any encouragement as against a single man with no responsibility. Therefore I think it would be wise on the part of the Government to show a little greater consideration for the married man. Certainly a further deduction of £26 should be allowed for each child. I shall hear further discussion before I decide how I shall cast my vote.

Hon. A. LOVEKIN (Metropolitan) [5-58]: I will support Mr. Kirwan in voting against the second reading. However I cannot endorse the criticism of the hon. member. He started by charging the present Government and their predecessors with creating this financial debacle.

Hon. J. W. Kirwan: I did nothing of the sort. I charged their predecessors with not having kept their promise to straighten the finances.

Hon. A. LOVEKIN: We must go a little further back than the hon. member went. He began by telling us that the Labour Government had left a deficit of £1,300,000. But that was only the cash deficit which they left. They left also a tremendous legacy in the shape of un-reproductive works and a legacy of expenditure upon which their successors for the first time had to provide sinking fund. The result has been that the later Governments have been faced with greater difficulties than they should have encountered in consequence of the actions of their predecessors.

Hon. J. W. Kirwan: They have done nothing to straighten the finances.

Hon. A. LOVEKIN: It was that policy they hoped to carry out. When they assumed office they found the position they were called upon to face was more difficult than they had anticipated, for the reasons I have set forth. They were also faced, in addition, with the war and all its consequences. They, therefore, had difficulties to contend with in regard to which we must sympathise with them. I am, however, going to vote against this Bill for one special reason. This is a mere "footy" Bill. We are faced with an annual deficit of something like £500,000 or £600,000. Turn the figures round as we will we must come back to that. The expenditure is increasing in all directions, and there seems to be no means of meeting it. Wages in the railway service are increasing largely. If we put up the rates on the railways any higher than they are now we shall kill the goose that lays the golden egg, and neither obtain traffic nor revenue from the system. Some comprehensive scheme should be evolved which will constitute a real attempt to square the finances of the country. We must by some means keep the expenditure within the revenue. If we throw out this Bill it will have the effect of showing the Government that it is the desire of the Council that some real and solid attempt should be made to restore our financial equilibrium, and show that we are not satisfied with a Bill which will produce only £70,000 when we are going to the bad to the extent of £500,000 or £600,000 a year. If we do this, and the Government find they cannot carry out our

wishes, we must wait until another Government come into power and are prepared to make the attempt. If we do not hamper the successors of the present Government with a Bill like this we shall be giving them more chance to propound a scheme to the country and carry it out, by which the financial status of Western Australia will be restored. This is the ground on which I will vote against the Bill. This £70,000, seeing that we have this huge accumulated deficit, is a mere drop in the bucket. It will not affect the finances one way or the other, but our decision to throw out the Bill will be accepted as an intimation to the Government that we desire this comprehensive scheme of economy and retrenchment, and that further taxation on proper lines should be given effect to. This Bill will hit the country people very hard. For my own part, no one values money less than I do. So long as I have enough with which to buy food, drink, and tobacco, the Government can take the rest of it. What I do want to see, however, is that this country has an opportunity of progressing. If we impose taxation on these lines we shall be hitting the country very hard. I know a good deal about what is going on. I happen to be a director of the Taxpayers' Association. We are interested in a case we are taking up under one of these Taxation Acts in the Geraldton district. It is the case of a farmer who on the 30th June last was the possessor of 1,200 sheep. After he had sent in his return and before an assessment was made, a drought overtook him and he lost all but 60 sheep. The assessment was then made and he found that he was being taxed on the whole of the 1,200 sheep. He is not in a position to pay. He has nothing to sell, and he is trying to borrow money with which to pay the taxation on the sheep that are dead and gone. If this Bill were put into operation it would increase the burdens upon such people. We should be very careful so see how we impose taxation and how the incidence of it falls.

Hon. A. Sanderson: Is that under the Federal taxation?

Hon. A. LOVEKIN: Yes, and it applies also to the State taxation. As we are amalgamating we shall have the same procedure set up. Concurrently with this Bill we should have an Assessment Act Amendment Bill to see whether or not we can embody in it provisions such as those suggested by Mr. Hamersley, provisions which would protect cases like that I have mentioned. We, however, merely have this Taxation Bill before us, putting on a super tax and increasing the minimum income upon which people shall pay tax to £264. It is very difficult to finance anything just now. One bank to-day will not sell another bank a draft on London. If a farmer has got wool or anything else to sell we know that he cannot sell it. The taxation people will not take his wool in payment of his tax, and he is compelled if possible to find the money, although at present he is unable to do so. I know of cases where people were not branding their cattle because they cannot afford to pay their taxes. They are willing to give the cattle to the Government in payment, but as they cannot sell them they are letting their cattle go without being branded. These may be small reasons why we should

have another Bill before us concurrently with this Bill, but on all the grounds I have indicated I intend to oppose this measure. If we throw it out we shall be intimating to the Government that we require some comprehensive scheme to be laid before us which will restore the financial stability of the State. I will vote against the second reading.

Hon. T. MOORE (Central) [6-10]: This debate has opened up a wide range on the question of taxation, and has covered a great amount of ground. I am pleased that hon. members realise the position the State is in. We are undoubtedly drifting badly. Years ago the newspapers, which claimed to mould public opinion, were telling the people that things were going wrong, but the same newspapers to-day are not telling the people anything, although things are worse than they ever were. The public do not know how things are, and no one is telling them. Perhaps a discussion of this sort, if it happens to get into the Press—although the Press do not take much notice of what is said in this Chamber—may be informative to the public, and be the means of letting them know that things are very much worse now than they were years ago. In addition to the payment of an increased amount of wages to those employed by this State, I notice there is a further increase on account of interest of £190,000. This is an item into which we should carefully look. We were told that the Government were not borrowing much, but they must be borrowing a great deal when we find the interest bill has gone up as high as £190,000. Of course they will not be able to get as much money as they once did, and if they do get it they will have to pay more for it. The idea of introducing a measure which will merely give us an increased revenue of £70,000 is hardly worth considering. It would perhaps be a good thing if we threw it out altogether. One gentleman has mentioned that he had a couple of daughters who had never produced anything. These are the people we wish to tax. I have been at the same entertainment as one of the daughters of the hon. gentleman, and I have noticed that she has been wonderfully well dressed. She is evidently living in luxury. The last time I saw her she wore a costume which must have cost anything from 20 to 50 guineas. We are allowing the leisured class to grow upon the accumulated wealth of their fathers and grandfathers. Someone has to foot the bill in order to keep them going. If we could introduce a tax which would force these people to do something we should be bringing about greater economy and thrift. If we could bring the wealth of the people here into active operation with those who do have to work, I think we should all get along very much better. Perhaps that question would be worth while looking into. It would be advisable to introduce some taxation which would make those who now do nothing pay something.

The Minister for Education: It would make their fathers pay something.

Hon. T. MOORE: My object would be to make them produce something. Every one who is fit and able should be producing something in this country, particularly as we are in such a bad way at present. There are thousands of

people who have to work to make the articles for those who live in luxury. There are the trained people who are kept in the dressmakers' shops to clothe the others.

Hon. R. J. LYNN: You would not have them look up their money, would you?

Hon. T. MOORE: No. I believe we have too great a leisured class for the population of the State. I do not mind people taking a three months' holiday once a year, but I object to people living in luxury because some years ago they accumulated a certain amount of money. If we could introduce taxation by which they could be made to pay the sum now proposed to be paid under this Bill it would be of great advantage. My object, however, is to make them do something for themselves instead of the rest of the community waiting on them.

Sitting suspended from 6-15 to 7-30 p.m.

Hon. G. J. G. W. MILES (North) [7.30]: I intend to support the Bill. I regret that the Government have not seen fit to make this tax apply, in a greater measure, to the people generally and I would have preferred to see no exemptions provided at all. Had the Bill been brought forward without any exemptions, there would have been some opposition in certain quarters, but less in others. I think this question of exemption is somewhat of a bogey. I consider that everybody should pay something towards the tax and the graduation could be made higher if necessary. To argue that it is not necessary for the Government to have this extra £70,000 which they will receive from the super tax, will be hard for some members to substantiate and reconcile with their constant complaints regarding the deficit. The leader of the House pointed out that the increases which have been granted by the Arbitration Court have accounted for something over £700,000. A considerable part of that increase has been covered by increased rates for services rendered. There have been many increases for civil servants and also, it must be remembered, for members of Parliament, and these extra amounts have to be made up. Every member who voted for the increase in Parliamentary salaries should be prepared to vote for increased taxation in order that the Government may find extra money to provide them with their additional £100 per year. The increases to the civil servants cannot be provided for, except through taxation. Mr. Rose complained regarding the super tax on land. I should advise him to vote for the second reading of the Bill and, if necessary, he can during the Committee stage, should he receive sufficient support, alter the title of the Bill.

The Minister for Education: It is not necessary to amend the title to do that.

Hon. G. J. G. W. MILES: I think it could be done in that way, but, in any case, Mr. Rose, if he desires to test the feeling of the House, could move in the direction I have suggested. I think there should be a super tax on the land as well as on incomes.

Hon. A. J. H. SAW (Metropolitan Suburban) [7.34]: I intend to support the second reading of the Bill. I will be extremely brief in my remarks. At the beginning of last session, I had the honour to move the Address-in-reply. During the course of that speech I advocated such a measure as is now before us. In these circumstances I can only think that this measure is some 15 months belated. In view of that expression of opinion, I have no other course but to support the second reading of the Bill.

Hon. J. CUNNINGHAM (North-East) [7.35]: I oppose the second reading of the Bill. Seeing that we have a man like Mr. Mitchell as the Premier of the State, I had expected that when a measure of this nature came before the House, there would be some provision for lightening the burden on those less able to shoulder extra taxation. I find that instead of doing something in the direction I have indicated, and encouraging people who have families and attracting people to this State as settlers, we are asked to do something which will tend to make people steer a course away from Western Australia. The workers right throughout Australia have been forced quite recently, owing to the increased cost of living, to seek relief through the Arbitration Court and through other tribunals. They received an increase in wages and the House is now asked to levy a super tax for the purpose of taking away some of the benefits which workers have recently secured.

The Minister for Education: No one who gets less than £5 5s. a week will pay 6d. towards super tax.

Hon. J. CUNNINGHAM: I know that, but within the last few days an award has been delivered on the eastern goldfields granting an increase in the minimum rate of pay. There has not been an increase there for years past. We have had an increase in fares and freights and there have been additional burdens in the increased cost of living. All this resulted in an increased rate being granted to the workers by the Arbitration Court. Now we are going to deprive those men of the benefit of the Arbitration Court award and we propose to take away the extra money they have secured by means of the super tax.

The Minister for Education: Those men will not pay one farthing super tax.

Hon. J. CUNNINGHAM: If he is not going to pay anything, what does this Bill mean?

The Minister for Education: It means that people getting the bigger incomes will pay.

Hon. J. CUNNINGHAM: One hon. member pointed out this afternoon that he could not understand Clause 3 and if the leader of the House will look into another clause of the Bill he will find there will be an additional burden on the man who receives £100 or more per annum.

The Minister for Education: No, there will be no increase in tax on men receiving under £264.

Hon. J. CUNNINGHAM: Perhaps the leader of the House will give members some idea of the provisions of the Bill. Up to the present everyone who heard the Minister was under a similar impression to that which I have indicated. I intended to oppose the Bill for that reason but, apart from that aspect altogether, I am opposed to a super tax such as is proposed by this Bill.

Hon. A. J. H. Saw: I thought so.

Hon. J. CUNNINGHAM: I will vote against the Bill, for I well remember when the Labour Government in Western Australia a few years ago sent forward a taxation measure to this House the present leader of the House strenuously fought the taxation proposals of that Government. He said in effect that he had no intention of assisting what he called a profligate Government to carry their taxation proposals. I say now that it is not my intention to assist the profligate Government of to-day by voting for the second reading of this Bill.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [7.46]: During the whole time I have been a member of this House I do not remember having heard such specious arguments put forward in opposition to any Bill before, as I have heard just now. Reference has been made to my opposition to the super tax Bill in 1914. I do not intend to rake up old history but I do say that if I had not advanced stronger and more valid arguments than those which have been raised against this Bill, I should not have received or deserved the support I got on the occasion referred to, both from the House and from the public of the State. I trust Mr. Cunningham will not maintain what could only be regarded as an obstinate attitude, by refusing to vote for a Bill when he finds it means something entirely opposite to what he thought. I give him my assurance that not one farthing of this super tax will be paid by any man who received last year less than £264.

Hon. H. Stewart: Is that the net income?

The MINISTER FOR EDUCATION: The net income of £264, that is, after deductions have been made, but not exemptions. Mr. Cunningham referred to another matter when he spoke of the recent increases in wages which have been granted on the goldfields. This super tax upon incomes is for the year ending the 30th June, 1920. It applies to that and nothing else. It cannot apply to incomes earned at the present time. Next session, Parliament will pass a Bill and will then say what the taxation will be during this financial year. This Bill applies to income tax returns that have been furnished now.

Hon. G. J. G. W. Miles: The assessments have been made and they are out now.

The MINISTER FOR EDUCATION: That is so. It cannot possibly apply to in-

creases given at the present time. As I have already indicated, the super tax will not be paid by any man who is not receiving an income of £264. I cannot understand members not being seized of the position. I pointed out clearly last night that only persons who received £264 or more would be required to pay the extra tax, and even a person receiving as much as £300, would only pay 9s. super tax. I do not intend to be led off the track and depart from the principle embodied in the Bill, nor will I discuss the financial position generally. We can do that when the Appropriation Bill comes forward. I will not follow Mr. Sanderson in his references to the fate of the Government during the next elections. When the elections are held, the Government will have a good record to put before the electors and will be content to abide by the result. The Government will be quite indifferent as to whether Mr. Sanderson is taking one of those world cruises upon which he embarks occasionally or whether he is present to fight against the Government on that occasion. Mr. Hamersley and Mr. Rose spoke in somewhat similar strains and suggested that the Bill would press heavily on those holding land. This Bill does not remove the provision from the Land and Income Tax Assessment Act of 1907 which provided that whichever was the higher the tax on the income or the land would be paid. I ask members to remember that aspect. Is there any person, or any considerable number of persons—there may be one or two—who during the year ended the 30th June, 1920, have not earned more from their income from the land than would exempt them from the payment of land tax? There has never been a year when the land owner has secured so good an income from his land. Consequently, the land owner working his land will not have to pay one sixpence of this super tax as land tax. The only land that will bear any proportion of the super tax will be the land held in idleness, because the income tax there will not be exempt in regard to land held in idleness, or city land. In these cases the owners will have to pay 13 per cent., which is not a heavy burden at all. The total land tax paid last year was £40,000. There is no reason to suppose that it will be more this year, and the total increase expected from land tax under this proposal is £6,000. That will be obtained from idle land and from city land which do not give a productive income. Where is the rest of the money coming from? Who is it that is going to pay this money? Those persons receiving an income up to £300 per annum will pay practically nothing. Those in receipt of £264 will not pay a farthing. Those receiving between £264 and £300 may have to pay as much as 9s., an infinitesimal amount. Between £300 and £1,000 it is expected that the super tax will yield between £6,000 and £7,000.

Hon. J. W. Kirwan: Is not that tax always passed on to the primary producer?

The MINISTER FOR EDUCATION: The great bulk of this tax, practically the whole of it,—with the exception of about £6,000 which will come from land held in idleness and city land—will be paid by people whose incomes are over £1,000 a year.

Hon. A. Lovekin: Indirectly.

The MINISTER FOR EDUCATION: That is an argument that is always used in connection with taxation proposals. I suppose the hon. member will tell us that the directors of the taxpayers' association have discovered some man who had 12,000 sheep and has lost the lot and because of that other people should not pay taxation. We have in this State 64 people, probably more, each in receipt of an income of over £5,000 per annum. On last year's assessments their total incomes amounted to £628,000. That is an average of nearly £10,000 per man. There is no country in the British Empire at the present time where people enjoying such large incomes have escaped so lightly from taxation as in Western Australia. These 64 people who receive incomes of over £5,000 per annum, and averaging £10,000 per annum, paid last year to the State in taxation 2s. 6d. in the pound. This is the crux of the Bill. I thought I made it clear, but no one seems to have mentioned it. We have had specious arguments about the single man getting £264 being exempted when he ought to pay 6s. or 8s. We have heard arguments about the married man being called to pay about 9s., but we have heard nothing about these 64 people whose incomes have averaged £10,000 per annum, and who last year escaped with a tax of 2s. 6d. Under the Bill before the House they will have to pay 4s. in the pound plus 15 per cent., and then they will not be paying what will be more than a fair contribution to the taxation of this State. Take it that they will pay on their whole income 4s. instead of 2s. 6d. We know, however, that this is not the case. Some having incomes of a little over £5,000 will escape with 2s. 9d. or 3s. These people paid £60,000 last year. They will pay an extra third, which will be £30,000, and a 15 per cent. super tax which will yield another £12,000. Altogether, therefore, these 64 rich men, with an income of over £5,000 a year each, are going to pay £32,000 of this super tax—far more than half of it. The Bill before the House and the Dividend Duties Bill together will produce a total of £70,000. In view of this information which I have given to the House, will Mr. Cunningham still be prepared to vote against the Bill? It has been said that the Government declared they were not going to introduce fresh taxation. That is hardly the case. When the Budget was submitted it was stated that, without fresh taxation, the deficit would be reduced to £400,000, and in view of all the circumstances, in

view of the desire that the people should not be unduly taxed, in view of a large amount being contributed to the sinking fund, the Government considered it would be satisfied if the deficit this year was cut down to £400,000. Had the position remained at that, this new taxation would not have been introduced. Directly after, awards were given by the Arbitration Court and it has been said by Mr. Sander-son that the Government should have anticipated these awards. How? We expected increases, but how could the Government say what the increases would be? No provision was made for them in the Budget. When the increases came along they were found to total £700,000 and the question arose how that expenditure was to be met. It is a simple matter to meet an increase in railway expenditure, or the expenditure in connection with other public services,—it is just simply a matter of passing it on. That is what the Government did. But how could we pay the increases to the police, to the teachers, and to the civil service generally? It is in order to meet those increases that the Bill has been introduced, and the Government are confident that if the Bill is passed, the original intention that the deficit will be reduced to about £400,000 will be accomplished.

Hon. J. W. Kirwan: Why, in one month only it was nearly £200,000.

The MINISTER FOR EDUCATION: I do not know why the hon. member will take the monthly figures as representing what the yearly figures will be. The hon. member has sat in this House for many years, and at about this period of the year he has heard Mr. Holmes and others declare that the deficit would be so much, only to find at the end of the financial year that the estimate of the Treasurer had been almost realised. It is ridiculous to think that on the figures of a single month—and particularly a month in which were made the payments of a large amount of retrospective wages—and a number of other things—it is ridiculous to suggest that on those figures it will be possible to estimate what the balance for the year will be. I am confident, as I have been confident in previous years, that when the present financial year comes to an end, it will be found that the estimate of the Treasurer is very close to the mark. Mr. Kirwan spoke about increased revenue being accompanied by increased expenditure. What other result can we expect? Is the State Government, by some magic process, going to dissociate public affairs from what obtains in other walks of life? Are we to continue to buy things at old prices? We have to face rising prices just as everyone else has to face them, and consequently increased revenue and increased expenditure are things for which the Government cannot be held responsible, things which cannot be

avoided. Mr. Kirwan also suggested that if this Bill, instead of raising £70,000 per annum, was to aim at raising £900,000 to cover all the wages and increased interest bill, he would be inclined to support it. Where would we be if we did anything like that? We have passed on what it was possible to pass on to our revenue earning concerns, on the principle that those who use them shall pay. But these other things we cannot pass on; we have to raise revenue for them in other directions.

Hon. J. Duffell: How do you explain Subclause 2 of Clause 6? There is no super tax on land.

The MINISTER FOR EDUCATION: I do not know whether the hon. member is familiar with the Land and Income Tax Assessment Act 1907. Surely the hon. member knows that under that Act, when a person has to pay land tax and income tax, he pays only the higher tax. As I have already said, this Bill will tax incomes earned during the year ended the 30th June, 1920. In that year every person who used his land obtained from it a good income.

Hon. J. Duffell: Not the fruitgrowers; they had a bad year.

The MINISTER FOR EDUCATION: The fruitgrowers may be called upon to pay a super tax on their land tax, which cannot amount to more than a few shillings. Because of that, are we going to say that the 64 people with incomes averaging £10,000 are not to pay £32,000 to the revenue of the State? In a case such as that quoted by the hon. member, of a man working his land, his income will be such that he will not be called upon to pay land tax at all. Therefore he will not be called upon to pay a super tax on his land tax. The only people who will pay the super tax in regard to land will be those not exempted from paying land tax under the provisions of the Assessment Act, 1907. Therefore, with the exception of certain people who may have lost on their operations, the only people who will pay super tax on land tax will be those whose land is held in idleness or city land holders. Sir Edward Wittenoom criticised the method of calculating the tax and suggested that instead of calculating it at per pound we should have jumps of £25. The answer to that is that it would be a most unscientific way of doing it and it would not work out equitably. There is no trouble about working out the method adopted, and moreover, the taxpayer does not have to do it; it is done for him. I know that Sir Edward Wittenoom is not very keen on higher education, but he would not deny the ability of a senior child in a State school to check the Commissioner's figures on the basis adopted. Any boy in the fifth or the sixth standard of a State school could do it; there is nothing complicated or difficult about it.

Hon. Sir E. H. Wittenoom: There are plenty of business men who cannot do it.

The MINISTER FOR EDUCATION: I do not know who could have been Minister for Education when they were boys. I would just refer again for one moment to the suggestion that the exemption is too high. I want to point out that we are exempting from the super tax all incomes up to £264; and the only possible argument which can be raised against that is the argument that instead we should have said, "We will exempt single men up to £200 and married men a little higher." That is the only argument which can be used, and the effect of it would be that certain single men who now escape would pay an extra amount varying from 1s. up to 9s. per year, and that certain married men who will now pay under this measure, would pay an amount of taxation less by a few shillings, up to 9s. That would be the only effect of the suggested alteration. Apart from that—and that is what I refer to as specious argument—are we going to deny the country revenue to the extent of £70,000, nearly the whole of which is to come from people with incomes of over £5,000 per annum? Mr. Stewart talked in a vague way about pro-ratification and about salaries of members of Parliament. I do not know what those things have to do with the Bill. Mr. Stewart also referred to reduction in the cost of administration. The present Government have made many reductions in the cost of administration. Are hon. members aware of the fact that the Government at present are not renting a single building in the city of Perth for administrative purposes? And we were renting a great many a few years ago. We have collected all the officers, and have got them all into our own buildings. Moreover, there have been reductions in the number of officers as well. But what effect can those reductions have when placed alongside the enormous increases in wages and salaries awarded by the Arbitration Court? I do not say those increases have not been justly awarded. We have to face the position which prevails in all parts of the world. It has been said that the imposts under this Bill are high. They are not high excepting on those people who are in receipt of large incomes and who have been escaping too lightly in the past. Only in the case of such people are the imposts high. A man getting an income of £1,000 a year—and he is not a man who should squeal at having to pay an extra pound or two—will have to pay only an extra £4 under this Bill. The only people who are going to be hit up—and they are going to be hit up, but I would not be a party to it unless I thought we had a right to make them pay and that they had been escaping too lightly in the past—are those receiving very large incomes, and who hitherto have paid only 2s. 6d. in the pound, whatever the income may be. A man with an income of £20,000 a year—and there are such men in Western Australia—up to the present has paid to the State Government 2s. 6d. on his £20,000 of income. That is a tax of £2,500. That is what he has been paying. Under

this Bill a man with an income of £20,000 a year—I leave it to the House to say whether such a man ought to pay more or not; I think he should; those who think otherwise will vote against this measure—will pay £4,000 plus 15 per cent., or a total of £4,600, being £2,100 more than he paid last year. That is the class of people upon whom the super tax will be a heavy impost; but I leave it to hon. members to say whether it is an unduly heavy impost, whether it is a just impost or an unjust one. I say it is a just impost.

Hon. J. Duffell: Such a man may not feel that amount as much as the man who has to pay £2 extra will feel that £2.

THE MINISTER FOR EDUCATION: I do not suppose he will feel it, but the State will feel the benefit of it. The man who pays £2 extra is the man whom the hon. member interjecting is concerned about. That will be the man receiving about £700 a year. A man receiving £500 a year as net income will under this Bill pay £1 ls. 3d. extra, while the man receiving a net income of £1,000 a year will pay £4 3s. 3d. extra. The man who, according to Mr. Duffell, is going to feel the payment of £2 a year extra is the man in receipt of a net annual income of £700. I say he will not feel the extra payment very much.

Hon. A. Lovekin: But people will not earn these big incomes if you tax them to that extent.

Hon. J. J. Holmes: But they have already earned those incomes.

THE MINISTER FOR EDUCATION: Exactly. I really do not think, however, that any man is going to refrain from earning an income of £20,000 a year because of the fear of this taxation.

Hon. A. Lovekin: You will presently be making him pay 10s. in the pound.

THE MINISTER FOR EDUCATION: Let him go to England and see what he will have to pay there, or let him go to the other States of the Commonwealth and see what he will have to pay there. The argument that people will not earn large incomes because of heavy taxation is on a par with the argument that the Government and this House should not embarrass the successors of the present Government by granting them this revenue of £70,000.

Hon. J. Hickey: That is very nice.

THE MINISTER FOR EDUCATION: I do not think it is worth while labouring this question any further. I have simply endeavoured to make the position clear to hon. members. I want to make it absolutely clear what will be the result if they vote out this Bill. In doing so, they will relieve persons getting £300, £400, and £500 a year of a payment of about 9s. per annum, and they will relieve the man getting £700 a year from the payment of £2 per annum, and they will relieve the man getting £1,000 a year of a payment of £4 per annum, and they will relieve the 54 people of this State getting incomes

of over £5,000 per annum of a total payment, amongst them, of £32,000. I leave it to hon. members to vote as conscience dictates in a case of this kind.

Question put and division taken with the following result:—

Ayes	10
Noes	9

Majority for .. 1

AYES.

Hon. H. P. Colebatch	Hon. T. Moore
Hon. J. Cornell	Hon. E. Rose
Hon. J. Ewing	Hon. A. J. H. Saw
Hon. R. J. Lynn	Hon. Sir E. H. Wittenoom
Hon. G. W. Miles	Hon. J. Nicholson
	(Teller.)

NOES.

Hon. R. G. Ardagh	Hon. J. W. Hickey
Hon. J. Cunningham	Hon. J. W. Kirwan
Hon. J. Duffell	Hon. A. Sanderson
Hon. J. A. Greig	Hon. A. Lovekin
Hon. V. Hamersley	(Teller.)

PAIR.

For.	Against.
Hon. C. F. Baxter	Hon. J. J. Holmes

Question thus passed.

Bill read a second time.

In Committee.

Hon. J. Ewing in the Chair; the Minister for Education in charge of the Bill.

Clauses 1 to 3—agreed to.

Clause 4—Minimum amount payable:

Hon. Sir E. H. WITTENOOM: A great deal of stress has been laid this evening on the question of large amounts which will be paid under this measure by those who have the highest incomes. I have always expressed myself entirely in accord with that policy. Those who have the largest incomes are those who should be taxed when money is needed by the State. But I have always maintained that everybody should contribute a little in direct taxation. There must be in this State 50,000 people who pay no direct taxation whatever. I consider that everyone who has a vote should pay something, even if it is only 10s. a year, by way of direct taxation. I instance just now my two daughters, and Mr. Moore referred to them, and I leave the question of his taste in referring to the dress of one of my daughters, and its cost, to the good opinion of the Committee. Had I directed any remarks against a member of Mr. Moores' family in such a tone as he used, the hon. member would have been the first to resent them. My references had nothing to do with the idle rich or the leisured class. I was trying to point out that any person—no matter whether a member of the leisured class or of any other class—who was not paying anything in direct taxation should not have the right to vote for members who can place taxation on other people. I have heard Mr. Panton mention the large number of girls

who are paid from 25s. to 30s. per week. Every one of those girls would come under the category I have indicated. They would not have an income of £100 a year, but they would have the vote, and thus they would be able to vote for a member to impose taxation on other people while they themselves paid none. Now, as regards Mr. Moore's remarks. The lady to whom I refer is one of the hardest workers in the State. She is a demonstrator of eurythmics. She has 80 pupils in the city of Perth, and I believe she is one of the hardest worked women that there are. Besides she is the only qualified woman of that type in Australia—or was so until about six months ago—so much so that she received the most advantageous offers from other places in the State to carry on there this scientific business of hers. And then my hon. friend says she is one of the idle rich—a member of the leisured class which does nothing.

Hon. T. Moore (in explanation): I desire to explain that the hon. gentleman introduced his daughters in argument, and that I just referred to them as people who do not produce. The hon. gentleman said they had done nothing.

Hon. Sir E. H. WITTENOOM: I did not say that.

Hon. T. Moore: The hon. member said that they had not earned anything. I did not direct my argument towards the hon. member's daughters in any personal sense whatever.

Hon. Sir E. H. WITTENOOM: I was referring to the people who have votes and who pay no taxation, irrespective of whether they are idle. Until the £200 a year limit was altered, I do not suppose a hundred women in the State paid taxation. Very few women earned £200 a year or more. Everyone, for the privilege of a vote, should pay a small sum beginning at 10s. It would be advantageous because it would give them greater interest in their vote, and the revenue would benefit by at least £25,000 a year. Next year I intend to take some steps in the direction of making everyone pay a little towards the direct taxation. Two or three years ago I called for a return, and I found that only about 14,000 people in the whole State paid direct taxation. Since the exemption has been lowered, of course, the number has increased. My argument is that those who have a vote should pay a small sum of 10s. towards the direct revenue of the State.

Hon. J. W. HICKEY: The discussion seems to have turned from public matters to personal matters.

Hon. J. Cornell: Let it go.

Hon. J. W. HICKEY: This is not the first time the matter has been referred to in this Chamber. The hon. gentleman used the same argument last year, and I had to

deal with it on that occasion. However, I will not carry the discussion further.

Clause put and passed.

Clauses 5 and 6—agreed to.

Hon. A. LOVEKIN: I move—

That the following be inserted to stand as a new clause:—"Every taxpayer shall be entitled to a deduction under Section 30 of the Land and Income Tax Assessment Act, 1907, from the taxable amount of his income, of any payment made by him to the board or trustees of any charitable institution, incorporated or otherwise, or of a public park or reserve, or of a university or public school, or of a library, art gallery, museum or other institution for public education, recreation or enjoyment subsidised by the Government; provided that such payment is applied solely to such charitable or other public purpose."

I believe the Minister has no objection to it. If a taxpayer gave £1,000 to one of these institutions he would be able to charge it up to his business and would not be taxed on that amount. I am trying to collect some money to keep King's Park going. Past experience has shown that people who give to these public institutions are heavily taxed for so doing. Some people subscribed for the purchase of Keane's Point for the benefit of totally disabled soldiers. The people who found the money to make that place available for the State were taxed to the extent of £192. I am trying to raise £5,000 for King's Park, which should save the Government finding that money, but I shall be met by refusal from the few people who would be likely to give on the ground that they will be taxed. When I was chairman of the Children's Hospital one gentleman was going to donate £5,000, but it was found that he could not give it out of his business unless he paid taxation on it; so he did not give it. The clause is restricted to charitable institutions subsidised by the State, so that the State will benefit to the extent of the gift, instead of the amount of the tax.

Hon. J. NICHOLSON: I support the proposed new clause. The hon. member is president of the King's Park Board, and has displayed a public and generous spirit in connection with it. The proposal is only a fair one.

Hon. J. CORNELL: I would support the proposed new clause if it could be shown that the money donated outside the State shall be taxable.

The Minister for Education: This applies only to institutions subsidised by the Government.

New clause put and passed.

Bill reported with an amendment, and a message accordingly forwarded to the Assembly requesting them to make the amendment, leave being given to sit again on receipt of a message from the Assembly.

BILL—WORKERS' COMPENSATION ACT AMENDMENT.

As to Recommittal.

Hon. J. CORNELL: Before the motion is put for the adoption of the Committee's report, shall I be in order in moving to recommit the Bill for the purpose of considering a new clause?

The PRESIDENT: Yes. I may say that since my ruling last night I have given this subject, which is one of considerable difficulty, a great deal of consideration, and have come to the conclusion that an amendment in the direction indicated is just possible. I pointed out last night that an amendment to increase an amount payable as compensation might be regarded as an impost. On further consideration I think that scarcely is the case, that it should be regarded rather as a legal ratification of an agreement between an employer and an employee. In those circumstances I think the hon. member would be in order in moving his amendment. That, of course, is the way I look at it; how other persons in other places will look at it, remains to be seen.

Recommittal.

On motion by Hon. J. Cornell. Bill recommitted for the consideration of a new clause.

Hon. J. Ewing in the Chair; the Minister for Education in charge of the Bill.

Hon. J. CORNELL: Allow me to thank the Minister, the President, yourself Sir, and members generally for this opportunity to endeavour to set right a glaring anomaly. I move—

That the following be added to stand as Clause 4: "The first schedule of the principal Act is hereby amended by omitting 'three' in the fourth line of paragraph (a) of Subclause 1 and inserting in lieu thereof the word 'four'; by striking out 'four' in line 6 and inserting 'five' in lieu thereof; by inserting after 'pounds' in line 6 of paragraph (b) the words 'ten shillings' and by striking out 'four' in the last line of the same paragraph and inserting 'five' in lieu thereof."

The Committee have agreed by their votes that the altered condition of things since 1912 justifies the definition of workers being liberalised from a person in receipt of £300 per annum to a person in receipt of £400 per annum. That has set up an anomaly in that it leaves the compensation payable for fatal accidents or total incapacity where it was in 1912. Surely if £400 was a fair thing in 1912 £500 is fair to-day. That explains the first amendment. The second amendment increases the maximum amount per week which any worker who is incapacitated through an accident may draw from £2 per week to £2 10s. per week. That, also, I think is fair in view of the altered circumstances. In 1912 when the principal Act was passed the minimum rate of

wage in my electorate was 10s. 8d. per day, giving a total weekly earning of £3 5s. The incapacitated worker could draw half his wages, or 32s. 6d. per week, but a worker receiving over £4 could not draw more than £2 per week. The minimum now is 16s. per day or £4 10s. weekly. Thus, although in 1912 the incapacitated worker on the minimum was entitled to half his wages, to-day the incapacitated worker on the minimum cannot draw more than £2. Nobody desires to see that position continued. The last amendment is analogous to the first. The schedule provides that the amount payable to the dependants of a worker who has been killed shall be £400. The amendment brings it into conformity with the first amendment.

Hon. J. CUNNINGHAM: I support the amendment. I should prefer £3 to the £2 10s. However, I am prepared to support the new clause, which will relieve a very difficult position.

Hon. J. NICHOLSON: I should like an opportunity for comparing the new clause with the schedule. It is a very long amendment.

Hon. J. Cornell: I can assure the hon. member it is not loaded.

Hon. J. NICHOLSON: I cannot compare it without a fitting opportunity. I suggest that progress be reported.

The MINISTER FOR EDUCATION: This matter was discussed at some length last night. Mr. Dodd was the first to raise it, and Dr. Saw and others supported it. When the President, on the spur of the moment, said the amendment could not be inserted here I said I would consult the Premier and Attorney General in regard to it. I have done that. If the amendment is inserted they propose to give it consideration in another place. But there can be no mistake as to what the amendment means. It means that whereas since the Act was passed in 1912 the maximum weekly payment to be made to a worker during the time he was totally incapacitated was £2 per week, if the amendment is passed the maximum in such a case will be £2 10s. Then the total amount which a worker who is totally and permanently incapacitated shall receive was £400 under the 1912 Bill. Under the amendment this is increased to £500. In the same way the total amount to be paid to the dependants of a person killed is increased from £400 to £500. This is entirely in conformity with what we have done in increasing the definition of worker from £300 to £400.

Hon. Sir E. H. WITTENOOM: What is it in the other States?

Hon. J. W. HICKEY: In some instances it is lower than the amount paid in the Eastern States. I am sorry Mr. Cornell did not ask for more. The request is a modest one, and I am pleased to hear the remarks of the Minister upon it.

Hon. Sir E. H. WITTENOOM: I gather that we are on a lower scale than that of the

other States. In my opinion the new clause is a reasonable one.

New clause put and passed.

Bill again reported with an amendment.

BILL—DIVIDEND DUTIES ACT AMENDMENT.

Second Reading.

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

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Ewing in the Chair; the Minister for Education in charge of the Bill.

Clauses 1, 2—agreed to.

New clause:

Hon. A. LOVEKIN: I move—

That a new clause be inserted as follows:—"In assessing the profits made by a company on the returns forwarded under Section 7 of the principal Act, the Minister shall allow as a deduction therefrom any payment made by the company to the board or trustees of any charitable institution, incorporated or otherwise, or of a public park or reserve, or of a university or public school, or of a library, art gallery, museum, or other institution for public education, recreation, or enjoyment subsidised by the Government; provided that such payment is applied solely to such charitable or other public purpose."

New clause put and passed.

Bill reported with an amendment and the report adopted, and a Message accordingly forwarded to the Assembly with a request that the Council's amendment be made, leave being given to sit again on receipt of a Message from the Assembly.

BILL—DIVORCE ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

Hon. A. SANDERSON (Metropolitan-Suburban) [8.50]: This is one of the most vital questions with which Parliament can deal. If anything would justify the comment I make on the Bill it is the humiliating position in which we find ourselves tonight. It is not surprising that the public should look with a certain amount of hostility and contempt on the presence of lawyers in Parliament. It is bad enough when lawyers take advantage of their superior education and knowledge of the laws of the country to secure their own ends.

Hon. J. Nicholson: I rise to a point of order. I do not know to what the hon. mem-

ber alludes, but he knows I was sponsor for last year's measure. When he talks about people securing their own ends, I do not know what he means, but I certainly object.

The PRESIDENT: The hon. gentleman must withdraw the expression which hurts the hon. member's feelings.

Hon. A. SANDERSON: I am sorry the hon. member's susceptibilities are so tender. I was referring to the history of England in the past ages. The special reference I was about to make—I do not know whether this will hurt the hon. member's susceptibilities—was with regard to what happened last session. It may be as well, perhaps, in order to be quite accurate, to read what he told us last session. It is in "Hansard." Do not let us forget that the Bill before us is an amendment to the Bill which was introduced on the 2nd September, 1919. I should like, if time permitted, to read through the whole of the hon. member's speech, but that would be rather painful, and would take up a great deal of time. It is to be found on page 405 of "Hansard" of last year. I certainly do not suggest that the hon. member deliberately misled the House. I say, however, that his speech justified everything said by his opponents on that occasion. In order that I may make another reference, which the hon. member, and the public who are interested in the matter, may look up for themselves. I am going to refer them also to page 497 of "Hansard" of last year. This contains part of the comment I made on the Bill which was introduced by the hon. member—

We started to-day by authorising the Government to borrow six millions of money at six per cent. We now propose to finish up the day, if the mover can get his way, by passing a Divorce Bill which, with the suggested amendment, will have the effect of legalising free love.

That is how I described the Bill which the hon. member brought in last session. I take up this evening's paper, the "Daily News" of the 17th December, 1920. This Act is in operation. Do not let the hon. member think he can escape from the responsibility of the Bill he brought in last session. It is on the Statute-book. This is the heading I see in this newspaper; this is the effect of the Bill which he introduced and for which he was responsible last session—

In divorce. A quartette of cases run through in an hour. Under the new free and easy method. Justice Rooth's happy despatch.

Hon. J. Nicholson: I rise to a point of order. Has the reference in the "Daily News" any reference to the Bill now before the House. I do not know that the hon. member is justified in making this allusion. A newspaper may be entitled to some license.

The PRESIDENT: I think the hon. member is in order so far. He is criticising the Bill to amend an Act which is alluded to by the newspaper. He is quite in order.

Hon. A. SANDERSON: I could go a great deal further if I had time in which to do it. The other evening, I thought, when Mr. Nicholson spoke, at least an ample apology to this House and the country for the Bill he introduced would have been very seemly. If the apology and explanation had been made—one is always desirous of treating a fallen foe with generosity—nothing more need have been said, however one might have regarded the matter. I leave hon. members and the public outside this Chamber to form their own opinion from the hon. member's attitude. Is he in favour of the Act which is on the Statute-book through his instrumentality, and is he in favour of this amendment? If he says he is in favour of it, he will be saying a great deal more than I have said here to-night against the Bill he brought in 12 months ago. It would, perhaps, save time if I read some remarks from "Hansard," but knowing the hour and knowing the temper of the House, and knowing your strict attitude, Sir, on these matters, to which I am most anxious to conform, I do not wish to go one hair's breadth over the line I have marked out for myself, which is that, in dealing with this amendment, I take it we have the fullest right to refer to the Act which this Bill is to amend. Then I will deal with the attitude which I took up when the Divorce Act Amendment Bill was before members last year, which measure this present Bill seeks to amend. I do not propose to deal with the religious side of the question, but I will say this, both in regard to the Bill before us and the Act which is on the Statute-book, that, whether we like it or not, this question has its religious aspect and as such is regarded by a great many people in this country. We should never forget that aspect and I emphasise it by a few lines from a letter which I received when the Bill was before the House last year. The letter was one from Archbishop Clune. Let members not wave aside this aspect, but listen to the words of that great leader, which he wrote with all the authority he wielded—

The church denies to any legislative body the power or the right to annul the marriage tie for any cause once it is validly contracted.

Hon. A. J. H. Saw: That is, to their own adherents.

Hon. A. SANDERSON: Let me continue my remarks in my own way.

Hon. A. J. H. Saw: You are rather good at interjecting yourself.

Hon. A. SANDERSON: I make no complaint regarding the interjection, but if the hon. member desires to speak at the length I would like to talk on this matter, I shall oblige him. This is what Dr. Saw said when last year's Bill was before the House and I commend his comments to members both inside and outside this Chamber—

On looking through the provisions enumerated in the memoranda, I consider the

grounds for which relief is being sought are valid ones. Many people are alarmed at the considerable number of divorces which have taken place. This affords me no alarm whatever. I look upon them as a happy release to those who have been so unfortunate and whose marriage has been attended by such distressful circumstances that they had to seek the relief of the Act at present in force.

I take it that he is opposed to this Bill.

Hon. A. J. H. Saw: You take it as usual, wrongly.

The PRESIDENT: Order! The hon. member must address the Chair, if he will persist in interjecting.

Hon. A. SANDERSON: I have no objection to a tilt between the hon. gentleman and myself.

The PRESIDENT: I have.

Hon. A. SANDERSON: Exactly. I will see that your wishes are carried out, Mr. President. With your permission, Sir, I will carry on my comments on this Bill in my own way. I will not be put aside through interjections. I wish to emphasise this fact for the benefit of the hon. member who was the sponsor for the Act which now disgraces our Statute-book, as well as for others inside and outside the Chamber, that, whatever their views may be, there is a large section in the community who attach the very greatest importance to this question of divorce and who deny to this legislative assembly the right to interfere with it at all. I leave it at that. It is only of recent years that I have fully appreciated the obiter dictum of Mr. Gladstone on the Divorce Bill of 1857, which, he said, was the most important Bill that had been before the Imperial Parliament in the Nineteenth century. I can see what he meant now and I agree with what he said. I leave that aspect of the question and will deal with another point which I attempted to put before members when the Bill, which is now the Act which this Bill seeks to amend. I refer to the Australian, or Federal, point of view. It is a matter which should surely appeal to everyone in the country, whether they are religious or not, and my honourable and learned friend had no right to venture last year to introduce a Bill of this nature, or, if he had that right and wished to exercise it, he should have taken every possible precaution to see that what he intended to carry out, was put on the Statute-book. We know what a grotesque failure his attempt was and we know that we are now asked, in the closing hours of the session, to deal with the matter.

Hon. J. Nicholson: On a point of explanation, Mr. President. Mr. Sanderson has attacked me in connection with the introduction of this Bill. I did not frame the Bill. I had nothing whatever to do with it personally. He knows that; no one better than he. It was no conception of mine and why he should talk about the Bill in the way he has done, is beyond my comprehension.

The PRESIDENT: The hon. member is going beyond a personal explanation now.

Hon. J. Nicholson: I had nothing to do with the preparation of the Bill and with that, I will leave it.

Hon. A. SANDERSON: I hope everyone will be acquainted with the hon. member's statement. I will not comment on his present explanation, knowing the exasperation we feel regarding this Divorce Bill being pushed through at so late an hour in the session. We had comparatively ample time last year to consider the Bill, and as for the hon. member's extraordinary repudiation of the Bill, which repudiation we have just listened to, it certainly deserves comment, which at this late hour I will not give it. We can treat this matter with the contempt it deserves.

The PRESIDENT: The hon. gentleman must not say that a statement of another hon. member is deserving of contempt.

Hon. A. SANDERSON: It is not his statement, but it is the Bill that is deserving of contempt. That is the point I wish to put before members. What does the hon. member's statement amount to? What mattered it if he spoke for five hours, if he had not been successful in putting what he wanted on the statute-book. We are asked to-night to pour our contempt on the Bill as not being fit to stand on the statute-book of a decent nation. That is the position now. I do not desire to proceed any further with this particular point, and, as members wish that statements shall be concise at this particular period of the session, I have committed to writing the views which I hold regarding this Bill. As it will save time I propose to read the correspondence which I received from the Mothers' Union of W.A. I received about 20 or 30 letters and members probably received copies of this particular communication when the Bill was before us—

The Mothers' Union of Western Australia regards with the gravest concern the social conditions created by Clause 5 of the Divorce Act Amendment Act, passed last year, and urges you, our representative in the Upper House, to take immediate steps to alter the amendment in order that the sanctity of marriage, and the welfare of the house, in accordance with Christian principles, may be upheld. The Mothers' Union is supremely desirous of the home being so safeguarded that it may not be broken up through some temporary cause, that a little forbearance might overcome.

That was the comment of the Mothers' Union upon the Bill which is now the Act upon our statute-book. My reply was as follows—

With the views expressed, I find myself for the most part in agreement. If you will read the "Hansard" reports of the debates on the Bill last session, you will see that I did what I could to prevent the Bill being passed. I consider

the question is not one for a private member but for the Government to deal with. I would respectfully suggest, therefore, that you approach the Premier on the subject. I would further urge your members to throw the whole of their influence into the Federal arena where the marriage and divorce laws of Australia should be settled. The Constitution gives the Commonwealth power to make these laws but hitherto the pressure of public opinion has not been sufficiently strong to compel the Federal Government to deal with the matter. If the marriage and divorce laws of Western Australia were perfect in the eyes of your union, it does not appear to me that you would have much cause for rejoicing. On the other hand, a sound marriage and divorce law for the whole of Australia is a matter of primary importance and should have immediate attention. I believe it would be of assistance in securing this object if your union would draft a Marriage and Divorce Bill which had the endorsement of your union. To talk of the "sanctity of marriage," "the welfare of the home," and "Christian principles" is one thing; to embody these principles in a Bill and get that Bill in the Federal statute-book is another. This is the task before you and I would gladly co-operate with you in the work if you invite me to do so.

Those are my views on this important question and regarding this particular Bill before the House. Like so many of the Bills we have to deal with in the closing hours of the session, I presume we shall be compelled to put it through. I am therefore going to vote for the Bill, but I would certainly draw the attention of members to a particular clause, the last one, which seems to me just about as discreditable, and I think I may say, as infamous as the Act now on the statute-book.

The Minister for Education: You are quite right; knock it out.

Hon. A. SANDERSON: I am thankful to the leader of the House for expressing in his own language my views. There are two important questions before the country, the social conditions and social welfare of the people, and the financial welfare of the people. We know how we are going to tackle the financial affairs of the country—we are going to let them slide. I am afraid that we shall be compelled to let the other matters slide as well. I hope, however, that in Committee we shall be able to strike out that objectionable clause. If the existing Act is right, why seek to amend it, especially if it has the support of the two hon. members who interjected at great length. If we are seeking to strike off the statute-book as quickly as possible a most shameful Act of Parliament, why do we seek even for a few weeks to perpetuate the conditions which exist?

Hon. J. W. KIRWAN (South) [9.18]: I was one of the members of this House to oppose the Bill when it was brought forward by Mr. Nicholson last year. That hon. member and I on that occasion had many wordy battles. I very much disliked the Bill and feared it would be productive of undesirable results. I regret to say that having been put to the test of administration it has been found to be much worse than I thought it would be at the time I opposed it. Only a few days ago an authority on this matter, a man who has had a good deal of experience in the administration of the Act, used to me the words that were used by the hon. member who has just sat down. He said that the Act was a disgrace to the statute-book. That man was not a clergyman, nor was he an extreme stickler for the sanctity of the marriage tie. Still, even he seemed to be horrified by the Bill or by what followed when it became law, and, as has been said by various critics, it almost amounted to the sanctioning of free love. It is a curious thing that the very people from whom I received letters asking me to support the Bill that Mr. Nicholson brought forward last year are now writing in the circulars, some of which have been referred to by Mr. Sanderson, asking me to support the amendment to the Bill, not on the lines of the Bill before us, but on the lines of the Bill as it was introduced by the Government in another place. That Bill, as introduced in another place, would have lessened the objection to the Act passed last year, but another place—I do not know how it occurred—altered the Bill so that it has now been made very objectionable indeed. If no other member will move an amendment in Committee I certainly will do so. I feel strongly on the question of marriage and divorce, and there is a great deal I would wish to say upon a Bill of this kind. I sincerely hope that the House will pass the Bill in the form in which it was presented to the Assembly. An amendment I would like to submit would be an amendment to the proviso, which says—

Provided that no such decree nisi for the dissolution of a marriage shall be made unless the desertion shall have continued for three years.

In the Bill originally presented the figure three was not there; it was five years. This House should restore five years. Then another place added Clause 3 to the Bill. It shortened the period in which a divorce may be obtained for desertion from five years to three years. That is a very important innovation indeed, and it is far too important for us to be asked at this late stage of the session to agree to it. I hope that members irrespective of the views they hold on the question of divorce, will insist that nothing further will be done than to remove the most objectionable features of the Act passed last session. When we are in Committee I hope that amendments will be

made so that the Bill will revert to the form in which it was introduced by the Government.

Hon. A. J. H. SAW (Metropolitan-Suburban) [9.22]: So far as regards my share in passing what I may call the obnoxious section of the Divorce Act, 1919, I say at once *perceavi*. Although I am prepared to shoulder my share of the responsibility with reference to that section, I maintain that the responsibility also rests on every member of this House, not excluding my learned friend and colleague, Mr. Sanderson.

Hon. H. Stewart: Not those who opposed it.

Hon. A. J. H. SAW: Yes, certainly, because those hon. members failed, with ourselves, to recognise what would be the effect of that section. It is true that Mr. Sanderson opposed the second reading, and he opposed it as he would almost any measure. I believe from his utterances he would oppose any measure whatever, designed to give relief in divorce, except perhaps on the ground of adultery. The Act which we passed last session met with considerable opposition as it went through the House. I listened carefully to the remarks of hon. members, and so far as I can remember not a single member in this House, nor I believe in the other House, realised what the effect was going to be.

Hon. J. W. Kirwan: We were told it was on the lines of the English Act.

Hon. A. J. H. SAW: I am informed, and I do not think it is any secret, that the Bill was drafted by the Crown Law authorities. Certainly I had no share in it, but so far as I am concerned in passing the measure, I at once admit, in common with other members, that I made a mistake. Now I am prepared to rectify it. For the words which have been quoted by Mr. Sanderson, and to which I gave utterance, I have no apology to make to this House nor to the hon. gentleman, nor to anybody outside, and, much as I respect the head of an important religious body in this State, I maintain that his views on divorce are of no greater significance than those of any legislator in this House. For his own adherents, I admit, he can speak with authority, but he certainly cannot do so for all the people of the State. So far as an injury having been done to the whole of the State, I admit my responsibility, and I am prepared now to rectify it. I am only sorry that this Bill was not brought down earlier.

Hon. J. EWING (South-West) [9.26]: I have listened attentively to Mr. Sanderson, and I feel that a great deal that he said with regard to the hon. member who introduced the Bill last session was not justified. I have somewhat liberal views on the subject of divorce. I am satisfied there are some people in this country who do not agree with me, and the arguments which have been advanced to-night in favour of increasing the period for desertion from three years to five years do not meet with my approval. To those who through unfortunate circumstances are not able to live happily together, some relief

should be afforded. Although I am in sympathy with the Bill now introduced to undo what was wrongly done last session, I am liberal-minded enough to say that there are cases in this State and of course throughout the world as well, where people would be much better separated.

Hon. H. STEWART (South-East) [9-28]: I am with Mr. Kirwan and with Mr. Sanderson in endeavouring to undo what was done in connection with our divorce laws last year. I expect to find Dr. Saw supporting us in our endeavour to amend the Bill by increasing the desertion period from three years to five years. Dr. Saw states that he is prepared to rectify the mistake of last year. The intention then was to provide that the period of desertion should be five years. The least the House can do at the present time, therefore, is to alter the period to five years. By the amending Bill we are seeking to bring about the alteration of a position which has been described as scandalous, and by the women's union of Bunbury as reducing the sanctity of marriage to a farce. Let us beware lest in remedying an evil we shall, by reducing to three years the period entitling to divorce, create a similar evil.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [9-31]: I shall not detain the House very long in the course of my reply, but I wish to dissociate myself from the responsibility which Dr. Saw would cast upon all members of the House. I wish to dissociate myself from it very specifically, because I spoke against the second reading of the Bill and was not present during the remainder of its discussion. The fact that the measure was drawn up by the Crown Law Department has no bearing whatever on the matter. The Crown Law Department will draft a Bill for any member of Parliament so long as he tells the department what he wants put into it.

Hon. A. J. H. Saw: Possibly the Government were shelving their responsibilities.

The MINISTER FOR EDUCATION: No. The Government opposed the Bill. The worst effect of the measure is due to certain rules of the court, because the rules of the court provide that when an order is made it shall be obeyed within 14 days. With the exception of Mr. Nicholson, I doubt if one member of the House could be expected to be familiar with the rules of the court; so that that feature of the Bill might easily escape the attention of other hon. members. But I desire chiefly to reply to the utterances of Mr. Kirwan regarding the amendments made in this Bill by another place. I believe that as a matter of fact the "three years" in Clause 2 was in the Bill as presented in another place; that is to say the Bill as introduced in another place provided that where an order for restitution of conjugal rights has been disobeyed and desertion has continued for three years it shall constitute a ground for divorce. I believe, though I am not sure, that that was the provision in the original Bill. However, two amendments were inserted in another place. One of those amendments says exactly the opposite of what it means, and I have placed on the Notice Paper an amendment which I hope expresses the meaning that another place intended to convey. The second amendment

makes a reference to the wrong section of another Act. Because of that fact, I was, at least for a moment, unable to understand what Clause 2 means, although I did in moving the second reading intimate my disapproval of the cutting down of the period of desertion. Clause 3 says—

Section 3 of the Divorce Amendment Act, 1911, is amended by striking out the word "five" in line 14 of substituted Section 23 of the principal Act, and inserting the word "three in lieu thereof.

The reference should be to Section 2 of the Act of 1911.

Hon. Sir E. H. Wittenoom: I could not make head or tail of that clause.

The MINISTER FOR EDUCATION: What I object to about Clause 3 is this. Last year we passed a Bill which did give great offence to a large number of people and caused most unfavourable comment by our Supreme Court judges. Now the Government introduce a Bill to set that matter right, and into that Bill there is slipped a clause setting up an easier ground for divorce.

Hon. A. J. H. Saw: Clause 3?

The MINISTER FOR EDUCATION: Yes. At the present time desertion for a period of five years is a ground for divorce, without reference to the matter of restitution of conjugal rights at all. The Bill, as I understand it, was intended by the Government merely to put right this one matter, in regard to what should happen in the case of failure to obey an order for restitution of conjugal rights. It was intended to meet the protests of a very large number of people. If the Bill passes in its present form, it may meet that protest, but it will give the people who protested another ground of offence just as serious, because of this little clause slipped in at the end of the Bill.

Hon. J. Ewing: Three years is enough.

The MINISTER FOR EDUCATION: The hon. member can take his own view of the matter, and he can make the period six months if he likes. Personally, I have always opposed desertion by itself as a ground of divorce, and have favoured the English law of making desertion a ground for judicial separation only. I may add that I was not in Parliament when the Act of 1911 was passed. Then the period of desertion was made five years. I shall certainly endeavour to get the House to strike out Clause 3, which reduces the period of desertion from five years to three.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. Ewing in the Chair: the Minister for Education in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 5 of Act No. 33 of 1919:

Hon. J. W. KIRWAN: I move an amendment—

That in the proviso the word "three," line 3, be struck out, and "five" inserted in lieu."

It is hardly necessary to go over ground which has already been covered. I merely point out

that the leader of the House made a slight error in saying that the Bill as introduced by the Government provided for a period of five years.

The Minister for Education: I said I was doubtful on the point.

Hon. J. W. KIRWAN: However, I showed the hon. gentleman in "Hansard" that in the Bill as originally introduced by the Government the word "three" appeared and not "five."

Hon. J. NICHOLSON: We know that there are cases of young and middle aged women deserted by their husbands, who clear away from the State, leaving the wives penniless. A woman so situated may have an opportunity of marrying another man within a reasonable time, if it is possible for her to be released from the matrimonial bond within three years. An extended period like five years strikes me as too long. We are not unfamiliar even in this State with instances of women deserted by their husbands and left to depend on their own resources, the result being that such a woman is deprived of the opportunity of becoming united to another man with whom she might live happily. In the case of women deprived of that opportunity, what, frequently, is the result? People are driven to live in a state of adultery. I consider the period of three years better in the interests of the community.

The Minister for Education: Why not two years?

Hon. J. NICHOLSON: I think three years better. If separated parties are likely ever to come together again, they can do it within three years. If they do not come together within that time, the position may be regarded as hopeless. I hope the clause will pass as printed.

Hon. A. J. H. SAW: I support the amendment. I have been told that Parliament unwittingly passed a clause which did not conform to the intentions of Parliament. That mistake ought to have been rectified at the earliest possible moment. I believe the reason why the mistake occurred was that up to the time of the last amendment of the parent Act, a year ago, there had been no law in this State dealing with restitution of conjugal rights. Whatever opinion I may hold as to the desirability of three years or five years in this connection I shall not now express. I consider that this Bill ought to have been introduced at the commencement of the session, so that the serious mistake which has been made could be rectified. I shall not take advantage of the necessity for the introduction of this measure to open any further extension of the law of divorce.

Hon. A. SANDERSON: My attitude to the amendment is this. It is a Government measure. The Government have had an opportunity to get the best legal opinion in the country and they take the responsibility. I would not give offhand an opinion on questions like these, and I am not prepared to attempt to instruct the Committee when I myself do not understand the subject. I do not claim to have any intimate acquaintance with the rules of the court or with the effect of this amendment. Knowing the attitude of the Minister as expressed on the second reading and on this amendment, and knowing that the Government have had every opportunity to consult their legal authorities, I am going to support the Minister right through

the piece. I can only hope that the result will be justified.

Amendment put and passed.

The MINISTER FOR EDUCATION: I move an amendment—

That the second proviso be struck out with a view to inserting the following to stand as Subclause 2:—“The amendment of Section 5 of the Divorce Amendment Act, 1919, made by this Act, shall not apply to proceedings pending in the Supreme Court on any petition filed before the 7th day of December, 1920, which proceedings shall be heard and determined as if this Act had not been passed.”

This is an amendment of Section 5 and if the proviso is allowed to stand it will mean that Section 5 shall not apply to proceedings.

Hon. A. LOVEKIN: Why has the Minister fixed the 7th December? Some people may have launched proceedings and incurred costs without knowing anything about this amendment. Would not it be better to provide “after the commencement of this Act”?

The MINISTER FOR EDUCATION: Persons who have commenced proceedings can still go on. The Act as it stood was an inducement for people to petition for the restitution of conjugal rights when that was the last thing they desired. They can go on with these petitions if they want restitution of conjugal rights, but if anyone who does not want anything of the kind comes along and starts proceedings for the restitution of conjugal rights, with the idea of getting divorce, he will not be able to achieve his object.

Hon. A. Lovekin: Why fix the 7th December?

The MINISTER FOR EDUCATION: That was the date on which the Bill was introduced and public notice was given of what was going to be done.

Amendment put and passed.

The MINISTER FOR EDUCATION: I move—

That the following be inserted to stand as Subclause 2:—“The amendment of section five of the Divorce Amendment Act, 1919, made by this Act, shall not apply to proceedings pending in the Supreme Court on any petition filed before the 7th day of December, 1920, which proceedings shall be heard and determined as if this Act had not been passed.”

Hon. J. NICHOLSON: A petitioner may possibly have incurred costs.

The Minister for Education: He can go on.

Hon. J. NICHOLSON: The petition for the restitution of conjugal rights is one step and if the order is not complied with, the next step is for the petitioner to proceed for divorce. The divorce proceedings are totally different. I think what is intended can be met by amending the amendment. I move—

That the amendment be amended by inserting after “1920” the words “nor to any proceedings following thereon, nor on any order obtained under any such petition.”

Hon. H. Stewart: I have a prior amendment.

The CHAIRMAN: Then it will be necessary for Mr. Nicholson to temporarily withdraw his amendment.

Hon. J. Nicholson: I am quite willing to do that.

Amendment on amendment by leave withdrawn.

Hon. H. STEWART: I move—

That the amendment be amended by striking out the words "on any petition filed."

We do not want to pass a proviso which will only partly meet the position, and Mr. Nicholson has shown that there are technicalities involved. It might be advisable to report progress.

The MINISTER FOR EDUCATION: It would be a mistake to strike out the words suggested as they define the position exactly. I do not object to the amendment indicated by Mr. Nicholson, because it carries out the intention of the clause. At the same time I do not think it is really necessary. I could sympathise with anyone who opposed the clause altogether with the idea of stopping this thing here and now. The intention of the clause is that all persons who have started proceedings under the 1919 Act shall be allowed to continue those proceedings as if the Act of 1919 still held, but to anyone who started proceedings after the day on which this Bill was introduced and the public were informed of what was going to happen, the period of five years shall apply.

Hon. A. LOVEKIN: It would not be equitable to block those people who have started proceedings and gone to a lot of expense, but we should stop them at the stage where notice of the proposed change was given. The amendment indicated by Mr. Nicholson should be accepted because proceedings for the restitution of conjugal rights and for divorce are distinct steps.

Hon. H. STEWART: I ask permission to withdraw my amendment.

Amendment on the amendment by leave withdrawn.

Hon. J. NICHOLSON: I move an amendment on the amendment—

That after "1920" the following be inserted:—"nor to any proceedings following thereon nor on any order obtained under any such petition."

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

Clause 3—Amendment of Section 3 of Act No. 7 of 1912.

The MINISTER FOR EDUCATION: I will move that this clause be struck out. This will be in accordance with what we have already done.

The CHAIRMAN: The hon. member will vote against the clause.

Clause put and negatived.

Title—agreed to.

Bill reported with amendments.

BILL—STAMP ACT AMENDMENT.

Second reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [10.4] in moving the second reading said: This is purely a Committee Bill of a very simple nature. I will content myself with explaining the clauses. The object of Clause 2 is to enable banks and other mortgagees who hold mortgages for current account or for unlimited advances from time to time to fix additional duty and thereby extend the amount for which the security is available. By this means the cost to the mortgagor of a fresh instrument of mortgage is avoided. The second paragraph of the clause is required for the purpose of securing to the Treasury the prompt payment of the additional duty. If the additional stamp duty is not paid at the time when the further advances are made or within 28 days afterwards the mortgage will be liable to the same penalty as if it was in fact a fresh mortgage. Clause 3 relates to Section 10 of the Act of 1905 which requires a foreign bill to be stamped before it is presented for payment. The banks have suggested that the words "or acceptance" be inserted so that the bill shall be stamped before it is presented either for payment or for acceptance. The Stamp Act of 1918 increased the duty on conveyances and transfers from 10s. per cent. to £1 per cent., but this only continued to the 30th June, 1921. Paragraph (a) of Clause 4 extends the operation of the additional duty until the 30th June, 1924. That is to say, that whereas the Act of 1918 gave a three year period to this, the Bill gives it a further three year period. Paragraph (b) of the same clause legalises what is the present practice of the banks. Under the Stamp Act, receipts for wages not exceeding £5 per week are exempt. Paragraph (c) of the clause proposes to extend the exemption to cover piece work not exceeding £5 weekly. Under the present Act receipts given for a donation paid to or from any fund raised as the result of an appeal for patriotic or charitable purposes are exempt. At that time most of the money raised in this way was raised as the result of an appeal. The object of paragraph (d) is to strike out the words "as the result of an appeal" so that a donation for patriotic or charitable purposes shall be exempt from duty whether there was an appeal or not.

Hon. Sir E. H. Wittenoom: Spontaneous generosity.

The MINISTER FOR EDUCATION: Yes. Under the strict wording of the Act any such donation would require a stamped receipt. The effect of paragraph (e) is to render a transfer of a mortgage by way of mortgage liable to ad valorem mortgage duty. A transfer of a mortgage carries duty at 1s. per cent. But where the transfer is by way of security only, it is obvious that no more than ordinary mortgage duty should be payable. The way this works out is somewhat as follows:—In the case of a mortgage for a comparatively small amount the transfer duty of 1s. per cent. would probably not exceed the mortgage duty of 2s. 6d. per cent. on the amount advanced; but if a mortgagee holding a mortgage for, say, £10,000 charges that mortgage debt by way of security for, say, £1,000, that charge should bear a mortgage duty on the £1,000 at the rate of 2s. 6d. per

BILL—TAX COLLECTION.

Received from the Assembly and read a first time.

cent. on the amount advanced; but if a mortgagee holding a mortgage for, say, £10,000, charges that mortgage duty by way of security for, say, £1,000, that charge should bear a mortgage duty on the £1,000 at the rate of 2s. 6d. per cent., equalling 25s., and not a transfer duty on the full amount of the original mortgage debt, which, at 1s. per cent., would amount to £5. The object of Clause 5 is to avoid an obligation by a person who receives money to pay double the amount of the ad valorem stamp duty where the amount has been received by his agent to whom the receipt has been given. Clause 6 relates to the stamp duty on acknowledgments of money paid by one person to another through the banker of the payee. At present the obligation of the bank is to give a stamped receipt for any money deposited, unless it is received from the customer. Under this amendment that obligation will be cast on the person who deposits the money for the customer. Subclause 4 of Clause 6 is consequent upon that amendment. Clause 7 gives a right of appeal from the assessments of duty by the Commissioner, a provision which is found in all other Stamp Acts. An error occurs in the first paragraph of Clause 2. The intention of the paragraph is that the stamp shall be on the security and on the duplicate. In Committee I will move that the word "or" in the last line of the paragraph be struck out for the purpose of inserting "and." I move—

That the Bill be now read a second time.

Hon. A. LOVEKIN (Metropolitan) [10-10]: I hope the Minister will postpone the Committee stage until Tuesday.

The Minister for Education: Certainly.

Hon. A. LOVEKIN: Will the clause relating to deposits by a person depositing in his own name apply to his clerk making deposits.

The Minister for Education: No.

Question put and passed.

Bill read a second time.

BILL—PERMANENT RESERVES.

Second reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [10-11], in moving the second reading said: This Bill relates to a number of different matters and is really intended for consideration in Committee. I will merely explain what the different clauses refer to. Clause 2 relates to reserve 7655 which has an area of 7,850 acres reserved for the purposes of timber. It is situated on the Lake Clifton railway. It is proposed to excise from this reserve 240 acres for a townsite around the railway siding. The Conservator of Forests, who is interested in the matter from the point of view of the timber reserve, has approved of the reservation. Portion of this townsite is required at once for a school which is now being built, and the remainder of the area will be required for town lots for persons engaged in the cement and lime works. As soon as this 240 acres is excised from the existing timber reserve it will be declared a townsite reserve. Clause 3 relates to reserve 9997 which has an area of 17 acres reserved as park lands at Bun-

bury on the ocean beach side. It is proposed to excise 3 acres 1 rood 27 perches out of this for the purpose of the Bunbury high school. Already 6 acres 1 rood 9 perches has been resumed and will be added to the area excised. The Bunbury Council approves of this being excised from the Park lands reserve and used for high school purposes. It will leave an ample park reserve still unexcised, and the portion excised does not approach the foreshore. Clause 4 relates to reserve 6862. This is an area of 150 acres known as the Boronia reserve, situated at Emu Point near Albany. The proposal is to excise from this an area of 58 acres on which there is no boronia, and which consequently it is not necessary to reserve for that purpose, and to vest this portion of 58 acres in the Albany council. It is very desirable that this should be done, because those in the habit of spending time at Albany know that Emu Point is a popular camping ground and that the road to it is in a very bad condition. The idea is that by having this as a camping ground the Albany Council will be able to exercise control over it, making nominal charges, and obtain some little revenue to assist them in constructing in the first place and maintaining the road to Emu Point. The reserve really embraces the point of the peninsula. Clause 5 relates to Reserve 7469. This is an area of 150 acres and has been reserved for water and Government requirements. It is immediately south of the Irwin siding. It is a Class A reserve and it is proposed to annul this and to declare it as a townsite reserve, which will be cut up into small holdings for fettlers and others who are asking for it. The recreation hall site will be set apart on 11 acres, which will be provided out of this area. There is no water supply on the reserve, so that it is not used for this purpose. It is required for a town site. These are the whole of the matters dealt with in the Bill. I move—

That the Bill be now read a second time.

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—NARROGIN RECREATION RESERVE.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [10-20], in moving he second reading said: The Narrogin turf club have a reserve for a racecourse which is situated some little distance out of the township. It was granted to them in 1900 and is an area of 265 acres. The Narrogin municipality have also a reserve for a show ground which is right in the town, and has an area of 23 acres. It is desired to alter that position and, instead of having this one large racecourse at some distance from the town and this small recreation reserve right in the town, to amalgamate the two and have one good recreation ground and racecourse convenient to the town. In order to do this it is necessary to give those in whom

the racecourse was vested the right to sell it, and they can sell it for a sum of about £400. On their selling this racecourse the proceeds will be handed to the council and the money will be used for the purchase of additional land adjoining the show ground and the recreation ground in the town itself, and also for their general improvement. It is not expected that this money will be sufficient to make the purchase of the desired additional ground and the improvements, but the local people undertake to find all the money necessary. If they do not do so they do not get it, for they are not being given anything under the Bill. When this is complete they will have a reserve of about 80 acres right in the town. That will be of greater advantage to the local community than the present conditions. It will be available for recreation purposes. Clause 2 authorises the municipality to acquire certain lands for sports purposes. Clause 1 vests other lands in them for the same purpose. Clause 3 authorises the trustees of Reserve 7417, which is the old racecourse, to sell it and hand the proceeds to the municipality. Clause 4 sets out that the money shall be used for the purchase of land and the improvement of the reserve, and Clause 1(b) makes it a Class A reserve so that it cannot be dealt with in any other way. Clause 5 provides that it shall be used for all classes of outdoor sport, including racing and trotting. Clause 6 provides that the council may erect, and maintain buildings, such as grandstands, public refreshment rooms, and buildings for public entertainments or exhibitions authorised by the Council. Clause 7 gives the council power to make by-laws and impose penalties and also gives them the right to charge for entry into or use of the reserve or any building erected upon it. Clause 8 provides for power being given to the municipality to use revenue towards the payment of expenses incurred in connection with the reserve. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair; the Minister for Education in charge of the Bill.

Clauses 1 to 7—agreed to.

Clause 8—Power to expend ordinary revenue for purposes of this Act:

Hon. R. J. LYNN: This is a dangerous precedent to establish. It is wrong, in my opinion, to give the municipality power to spend money in the direction indicated here.

The MINISTER FOR EDUCATION: I do not think that is the case. Any municipality is entitled to spend its revenue on its recreation ground.

Hon. R. J. LYNN: On racecourses?

The MINISTER FOR EDUCATION: If a racecourse is within the municipality and used for ordinary recreation purposes, there is nothing to prevent the municipality from doing that.

Clause put and passed.

Clause 9—agreed to.

Schedule, Title—agreed to.

Bill reported without amendment, and the report adopted.

RESOLUTION—RETURNED SOLDIERS AND RAILWAY PASSES.

Assembly's Message.

Message received from the Assembly notifying that it had agreed to the resolution passed by the Council, subject to an amendment in which the concurrence of the Legislative Council was desired.

BILL—NAVIGATION ACT AMENDMENT.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colbatch—East) [10:29] in moving the second reading said: This is a short Bill but a very necessary one. Its object is to amend Section 3 of the Navigation Act so as to make it comply with the Federal Navigation Act, which enables courts of inquiry to be held to deal with mercantile ships controlled by the Government. At present Section 3 of the Navigation Act exempts any ship owned by a Government.

Hon. A. Sanderson: From what?

The MINISTER FOR EDUCATION: From inquiries held in regard to accidents. They are in the same position as ships of the Royal Navy. At present these ships are exempt. Recently there have been two mishaps to vessels owned by the State Government. The "Penguin" was wrecked and the "Bambra" was stranded on a bank off Fremantle. Owing to the provisions of the Navigation Act, a court of marine inquiry could not be held to consider the circumstances surrounding those two accidents. All that could be done was to hold preliminary inquiries into the cause of the accident before the Chief Harbour Master. The result of such an inquiry might not be considered satisfactory by the officers of the ship who might consider that they had not received a fair deal. Under the existing legislation they could go no further with it. Members will agree that that is not a desirable state of affairs and that the State steamers should be subject to the same regulations as other mercantile ships. It is necessary to amend this Act in order that a court of marine inquiry may be held and the accident be inquired into, in the same way as would be done with other ships. The clause provides that only the ships of the King's navy, the Commonwealth navy and navies of foreign powers or of British Dominions shall be exempted. With that amendment, mercantile ships owned by the Government will be dealt with in the same way as ships owned by private firms. I move—

That the Bill be now read a second time.

Hon. A. SANDERSON (Metropolitan—Suburban) [10:32]: The Bill seems to be a very interesting one. It is the same old story, however. When questions of this importance are raised, we want to discuss them, and get information which we are entitled to. There seems to be a desire to get on with the next Bill. In the absence of any information, we must assume that the Bill is all right. It raises an interesting and important matter which should

be discussed at length. I would like it discussed by competent authorities. I am not a competent authority. I do not propose to discuss it. There is another interesting feature, however, for attention during the Committee stage or perhaps by the draftsman. Clause 2 refers to "ships belonging to the King's navy or to the navy of the Commonwealth of Australia or of any other British possession." That raises in a concrete form what we have been watching with the closest attention in connection with the political machine. I do not know whether it is permissible to mention His Majesty's name in the course of a debate.

The PRESIDENT: Not with disrespect.

Hon. A. SANDERSON: I do so with the highest respect and with the humblest duty of the subject. I think the Crown would be somewhat astonished to see the King's navy and the Commonwealth navy and the navy of the British Dominions referred to separately. I should have thought that the King's navy would have covered the same ground. This is not a legal quibble, but it raises in concrete form one of the most important matters in connection with politics. This matter should be discussed by the highest legal authorities. Where are we going to when in a Bill in a sovereign State like Western Australia we can have references to the King's navy and go on to deal with the navies of the Commonwealth and the Dominions? I do not wish to hold the House up on this point, however, at the present juncture.

Hon. R. J. LYNN (West) [10-35]: This is a very necessary piece of legislation. A preliminary inquiry before the Chief Harbour Master might result in a decision being forwarded to the Government respecting the master or officers of a State steamer which might lead to their dismissal. If the right to hold a court of marine inquiry is conceded, the officers would have the right to appear before the court as constituted under the Act with assessors, and the officers could have their solicitors or appear in person and the case would be dealt with in public. That could not be done under the present Act.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East—in reply) [10-36]: So far as Mr. Sanderson's comments are concerned I can only say that I should have taken somewhat the same view as he has but the clause has been copied from the Federal Navigation Act in order to be uniform. The Bill in its present form will do what it is intended to do.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair; the Minister for Education in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 3.

Hon. A. SANDERSON: The mere fact that this amendment of Section 3 appears in the Commonwealth Bill is not sufficient. I can see that the leader of the House is in agreement with me. I wonder if he is in agreement so far as to agree to an amendment. I move an amendment—

That in lines 2 and 3 of proposed Section 3 the words "the navy of the Commonwealth or of any British possession" be struck out and "His Majesty's Australian navy" inserted in lieu.

The MINISTER FOR EDUCATION: The amendment is only likely to cause a good deal of controversy without serving any useful purpose. The object of the Bill is clear as it stands.

Mr. A. SANDERSON: If that is the result the amendment will achieve, I shall press it. It is for that very object of finding out where we stand in these matters in a practical concrete form, that I wish to move the amendment.

Amendment put and negatived.

Clause passed as printed.

Hon. J. DUFFELL: I had a word to say on that clause. Am I too late?

The CHAIRMAN: I am afraid so.

Hon. A. Sanderson: That is how we do business.

Title—agreed to.

Bill reported without amendment, and the report adopted.

The President resumed the Chair.

Mr. PRESIDENT: I would draw the attention of the hon. Mr. Duffell to the fact that if he desires to make any remarks on the general principle of the Bill he can do so on the third reading.

Hon. J. DUFFELL: It is all right, Mr. President.

BILL—JUSTICES ACT AMENDMENT.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch—East) [10-41]: This is a small amendment to the Justices Act, introduced to overcome difficulties which have inflicted hardship. Under the present Act offences cannot be tried before one justice only, unless that justice is a police magistrate or a resident magistrate or unless there is no other justice within 10 miles. These are the only circumstances under which cases can be tried before one justice. It is found in many cases that this has resulted in great hardship to people charged with minor offences, particularly in cases of drunkenness. In those circumstances men are locked up in the cells until morning. Although there may be more than one justice within 10 miles, there may be only one who can be secured and the one justice cannot take the case in the circumstances. The result is delay and that may continue: it may be that the imprisonment of the offender will be continued for some time. It is a defect in the Act which should have been remedied before. A line has to be drawn somewhere so that one justice shall not deal with all sorts of cases. Provision is made that one justice can only hear cases with the consent of all parties concerned. A proviso is added to Section 29 of the Justices Act providing that with the consent of all parties concerned any complaint may be heard by and before one justice. It is a simple method of getting over a very real difficulty. I move—

That the Bill be now read a second time.

Hon. Sir E. H. WITTENOOM (North) [10-43]: My excuse for trespassing on the time of the House is that I hold the position of President of the Justices' Association. In these circumstances I heartily endorse this amendment, which alters the amendment which we passed last year. I have taken the trouble of going through "Hansard" and have discussed the matter with the Attorney General with a view to finding out what reasons were advanced when this amendment was made last year. Prior to that date one justice could hear cases. This was changed for no apparent reason. The Attorney General can give me no reason and I find that the amendment last year went through the lower House with hardly any comment except from Mr. Foley who objected to it and pointed out what might happen in the country districts. It has proved exactly as he said, and people have been locked up until two justices could be obtained to deal with their cases. I have looked through the "Hansard" to discover what happened in this House and I cannot find that any notice was taken of the Bill at all. I must have been away at the time or I would hardly have allowed it to go through without a protest. I have had a good deal of experience in the administration of justice. As a young man for six years I carried out the duties of a justice of the peace in a fairly large district, and I carried out those duties by myself excepting for the period when the quarter sessions sat and when a magistrate came to the district. In places like Yalgoo it was of great advantage to have one justice try cases. There was always a difficulty in getting two. There are many offences that must be tried by two justices or a magistrate and in those cases one justice cannot act. Those offences were all set out clearly until last year. What the reasons were for making the alteration I cannot say. The Government have now arrived at a reasonable solution of the trouble and that is that any person who has committed an offence, may be tried if he agrees, and if the prosecuting parties agree, by one justice if the services of two are not to be had. I thank the Government not only on behalf of myself, but on behalf of the numerous people in the country, who will be benefited by the amendment of the Act. I support the second reading of the Bill.

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.

BILL--BAYSWATER DRAINAGE WORKS.

Second Reading.

The MINISTER FOR EDUCATION (Hon. H. P. Colebatch -East) [10-50], in moving the second reading said: This is a Bill of two clauses intended to help the local authority at Bayswater out of a difficulty that it got into through no fault of its own. The Bayswater Road Board experienced a difficulty in connection with the drainage system, and as a result certain

properties in the district have suffered through an influx of water due to the failure of the drain to carry away the waste water. The owners of the properties affected made a claim against the board and the board were advised that they had a perfectly good case, and that therefore they should fight. They fought and lost. They now find themselves in serious financial difficulties. They have to face not only damages but legal expenses, which amount to over £1,000 and will probably run into £2,000 before the whole matter is cleared up. The chairman of the road board and the other members waited on the Minister for Works a few weeks ago and the matter was gone into with him, and it was decided that the only method by which the board could get out of the difficulty was for them to get power to borrow the money and pay. The Crown Solicitor also discussed the matter with the deputation and he came to the conclusion that it would be necessary for a special Act of Parliament to be passed to enable the board to borrow money for the purpose. Protection is afforded in the Bill that the Minister must approve before the board can proceed to raise the money. So far as I can see the only other course open to the board would be to go insolvent. The drain was constructed a good many years ago by the board but in its construction apparently a mistake was made. I understand that the board's legal adviser considered there was no possibility of the board being defeated in any action that might be taken and it was on that advice that they went on. They were defeated and this position has arisen. The matter has been carefully considered and has been discussed at some length in Cabinet. The conclusion arrived at was that there was no other way of saving the board from bankruptcy except to allow them to borrow this money to pay their debts. The board will have to impose a rate in order to liquidate the debt by way of a sinking fund in the ordinary way. I move--

That the Bill be now read a second time.

Hon. A. SANDERSON (Metropolitan-Suburban) [10-55]: My sympathy is with the board but it may help other boards in the future to know about this. It is pretty obvious that someone has blundered. The responsibility, I should think, should be thrown on that branch of the Public Works Department which has charge of road boards. I hope the Minister will notify other road boards of the circumstances so that they may have something for their guidance in the future.

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.

BILL--TRANSFER OF LAND ACT AMENDMENT.

Second Reading.

The MINISTER FOR EDUCATION: (Hon. H. P. Colebatch -East) [10-58] in moving the second reading said: This is a short Bill to amend

the Transfer of Land Act. It is introduced for the purpose of economy. The Commissioner of Titles has brought under the notice of the Government the fact that by this simple amendment a good deal of work can be saved and also a considerable amount of expense. Under Section 87 of the present Act when a transfer of land is made of the whole of the land comprised in the certificate, the transfer can be endorsed on the original certificate kept by the Lands Department, a like endorsement made on the duplicate, and the duplicate handed to the transferee. An exception, however, was made when the Act was passed which provided that in the case of a title dealing with tenancy in common, when it was created or cancelled, the original certificate was kept in the department and cancelled, and a fresh certificate was issued. It is the issue of this fresh certificate which causes extra work and additional expense. After experience of the working of the Act for many years, it has been found that there is no necessity for this exception. It is desired to do away with the exception and the effective clause which will achieve this object is Clause 2 of the Bill. I move—

That the Bill be now read a second time.

In Committee, etc.

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

AUDITOR GENERAL'S REPORT.

The PRESIDENT: I have received the following communication from the Auditor General:—

In pursuance of Section 53 of the Audit Act, 1904, I have the honour to transmit, for presentation to the Legislative Council, a copy of the Hon. the Colonial Treasurer's Statement of the Public Accounts of the State of Western Australia for the financial year ended the 30th June, 1920, together with my report thereon.

The paper will lie on the Table.

House adjourned at 11 p.m.

Legislative Assembly.

Friday, 17th December, 1920.

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

QUESTION—RAILWAY RATES AND MINING INDUSTRY.

Mr. O'LOGHLEN (for Mr. Troy) asked the Minister for Railways: 1, Has his attention been drawn to the injury being done to the primary industries, particularly the mining industry, by the excessive railway freights? 2, Is he aware that the heavy railway charges, if continued, will give a very serious set-back to the development of the mining industry on the Murchison? 3, Did he in September last, at the Murchison prospectors' conference, promise to revise the freights with a view to bringing about a reduction? 4, If so, when does he propose to take action?

The PREMIER (for the Minister for Railways) replied: 1, No. 2, No. The only increases this year on goods freights, apart from timber and coal, are surcharges of from 3d. to 3s. per ton. These increases apply irrespective of distance, and obviously press less heavily on the long distance traffic such as the Murchison trade, than would a percentage increase. 3, At the recent prospectors' conference held at Magnet, the question of freights was touched upon by the delegates, and the Minister in reply pointed out that owing to increased cost of working, the Railway Department was not in a position to justify any reduction in charges. 4, Answered by No. 3.

QUESTION—WHEAT PRICE AND FLOUR STOCKS.

Mr. ANGELO (for Mr. Duff) asked the Premier: Whether the Government, in view of the fixing of the price of wheat at 9s. per bushel as from the 1st January next, are prepared to purchase from the flour millers of the State the whole of their stocks of flour now on hand at the price fixed by the Prices Regulation Commission, and to retail the flour at cost to the baking trade and the public generally?

The PREMIER replied: The stocks of flour in the hands of millers other than the