

having pleaded the case, got 60 guineas. Smith the son, as junior counsel, was entitled to two-thirds of the amount paid to the senior counsel, that is to say 40 guineas. Then they have a clerk for whom a fee is also prescribed, although he may be on a very small salary, or perhaps in receipt of no salary whatever, having paid a fee to be articulated to the firm. If the legal profession were divided into barristers and solicitors here, as it is in some other countries, we would not see so much of junior counsel going into court; and that would be a relief to the public. The member for West Perth said he would agree that junior counsel should not be taken into court except with the permission of the judge. However, there are numerous cases in Western Australia of junior counsel being taken into court without the permission of the judge being obtained. Still, even that restriction might be a safeguard. Mr. Smith goes into court and says, "Your Honour, Mr. So-and-so appears with me as junior"; and dummy takes his seat. He sits there looking wise, and does nothing else until the case is concluded, when his fee is included in the bill of costs. The late Attorney General said that junior counsel often went into court knowing nothing about the case. In any other profession such conduct would be described as false pretences. In fact, I should say that a junior counsel who went into court simply for the purpose of drawing a fee was guilty of false pretences.

Mr. Marshall: He should be dealt with under Section 66 of the Police Act.

Mr. SJEEMAN: I do not think that section is severe enough to deal with a man who does that kind of thing. I think I remember the late Attorney General saying that such junior counsel should be ashamed of themselves. That remark came from the leader of the Western Australian Bar, and still nothing has been done to remedy the evil. I hope that the select committee will be appointed, and I feel sure that its labours will result in benefit to the public.

Mr. MARSHALL: Under Standing Order 159 I move—

That the member for Fremantle be further heard on Wednesday next, with pre-audience.

Motion put and passed.

On motion by Mr. Wilson, debate adjourned.

*House adjourned at 6.15 p.m.*

## Legislative Council,

*Thursday, 21st September, 1933.*

	PAGE
Leave of absence ... ..	1009
Bill: Financial Emergency Tax, 2r. ... ..	1009

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

### LEAVE OF ABSENCE.

On motion by Hon. C. H. Wittenoom, leave of absence for six consecutive sittings granted to the Hon. H. V. Piesse (South-East) on the ground of ill-health.

### BILL—FINANCIAL EMERGENCY TAX.

#### *Second Reading.*

Debate resumed from the 19th September.

**HON. C. H. WITTENOOM** (South-East) [4.36]: The position regarding the two emergency tax Bills appears to be exactly the same as it was on Tuesday last. In perusing the Notice Paper I find that this Bill figures as item No. 2, whereas the message containing the Council's amendments to the Financial Emergency Tax Assessment Act Amendment Bill appears practically at the bottom of the Notice Paper in another place, to be precise, item No. 11. We are quite prepared to go on with our job, but apparently the members of another place are not prepared to go on with theirs. Evidently they wish to defer consideration of the Council's amendments to the assessment Bill until they get full information as to what is being done by the Council with regard to the tax Bill. The position is not at all satisfactory. Personally I think it would be useful if the Leader of the House could obtain a definite statement from the Premier as to the real position. I have not forgotten that some little time ago Ministers informed us of their wish to get the two Bills passed expeditiously. They went so far as to express the hope that the Bills would be passed in two or three sittings. Certainly that was the experience in another place. The Bills were introduced by the Premier in speeches extending over a very few minutes; supporters of the Government

in that House spoke little, if at all; the Leader of the Opposition and the Leader of the Nationalist Party made speeches, and after one or two sittings the Bills were passed and sent to us. I do not think we can be accused of having done other than reviewed the assessment Bill very carefully and met the wishes of the Government to expedite consideration of it. Undoubtedly we reviewed it very carefully as behoved members of this non-party House. As the Bill was presented to us, it was a very unpopular measure. Even supporters of the Government in various parts of the State complained of it. We have heard complaints from Collie, Boulder and Kalgoorlie, and even members of the Council who generally support the Government have spoken strongly against the measure. The result has been that the assessment Bill as amended is far more popular than the Bill as we received it.

Hon. J. Cornell: You will learn about the popularity later on.

Hon. C. H. WITTENOOM: I venture to say that no one was more pleased when we altered the Bill than were members of the Government. The Bill was returned to another place with amendments, but apparently nothing is being done. A great responsibility rests upon members of this House for, if we allowed this Bill to pass in its present form, it would in no way fit in with the amendments made to the assessment Bill. It is unthinkable that we should pass the tax Bill in its present form. We have no desire to harass or embarrass the Government. We recognise that they must have money to carry on the affairs of the country, and we desire to help them in every way possible, but at the same time we wish to see this emergency taxation moulded in such a form that it will be acceptable to the House and meet with the approval of the people generally. I consider that this House is well within its rights in holding up the tax Bill until the amendments suggested to the machinery or assessment Bill have been considered by another place. It is only logical that we should await the consideration of those amendments in order to be able intelligently to discuss the effect of the tax Bill. I would rather the Government adopted legislation similar to that of last year, providing for a flat rate of 4½d. in the pound, but we know it was largely due to that legislation that the Mitchell Government were

defeated and replaced by the Labour Government. I am prepared to support a fair tax that will meet with general approval, but I am not prepared to support the rates or range in the Bill now before us. Any suggestions we make for amending the tax Bill should fit in with the assessment Bill as amended by the Council, and until we know the fate of the amendments, it would be unwise to pass the tax Bill. I have no intention of supporting the Bill in its present form. The position that has arisen is quite extraordinary, and the best course to adopt is not to allow this Bill to leave this House until we know the fate of the amendments to the assessment Bill. I hope the Chief Secretary will agree to the debate being adjourned for a week or a fortnight pending the consideration of the amendments to the assessment Bill in another place. The Honorary Minister, in his remarks on Tuesday, said the Government desired to know the intentions of the Council regarding this Bill before they would be prepared to deal with the amendments to the assessment Bill. If the Honorary Minister has perused the amendments which appeared on the Notice Paper yesterday, he will be in no difficulty as regards following the trend of opinion among hon. members of this Chamber, at all events quite sufficiently to inform the Premier on the subject. I reserve my decision as to whether to vote for the second reading of the Bill or not.

HON. G. W. MILES (North) [4.46]: My personal desire is to see this Bill dealt with as speedily as possible. The Leader of the House should know that the feeling of members generally is that as soon as the assessment Bill has been disposed of this Chamber will be prepared to pass the tax Bill at one sitting. We realise that it is necessary for the Government to obtain the revenue for which they have budgeted. This House is anxious to assist the Government to get the tax into operation by the end of the month. There has been a misunderstanding between the two Chambers in regard to the measure. I am convinced that there is no desire on the part of the Council to hold up this business. As regards giving the Government an indication of the intentions of this House, under our Standing Orders, it is impossible for us to give that indication until the assessment Bill has been finalised. I repeat however, that we realise it is essential for the Government to obtain the funds

for which they have budgeted. I support the second reading of the Bill.

**THE CHIEF SECRETARY** (Hon. J. M. Drew—Central—in reply) [4.47]: I do not wish to delay the consideration of this Bill, and so I will be as brief as possible. I merely desire to make a few concise references to some of the criticism. Mr. Baxter requires more information. He wants the amounts of taxation, under the various groups. Mr. Harris asked me a question on the point, and I replied as follows:—

The information on which the Commissioner of Taxation bases his estimates is prepared from the returns submitted by taxpayers. These are not tabulated in a form to distinguish salaries and wages on the one hand, and income from other sources on the other. It is therefore regretted that it is not possible to give the desired information under sub-clauses (a) and (b) as requested by Mr. Harris.

The position is this: Those taxpayers who furnish returns annually under the Land and Income Tax Act may be exempted from payment at the source. Many of them are so exempted, and their salary or wages is shown in their returns under the Land and Income Tax Act. To supply accurate information as to what would be the amount collectable under each of the different groups would not be possible without an examination of the whole of the returns sent in for last year. The Commissioner could form an estimate of the aggregate amount. There is no difficulty there, although it would take time, but he could not give the items singly, as under Section 2, paragraph (b), of the Assessment Act, dealing with the annual returns, all the items are lumped.

Mr. Baxter is still unable to perceive that the carry-over of last year must be repeated to a greater or lesser extent this year. Not all taxpayers had met their assessments by the end of last June, and not all are likely to meet them by the end of next June. That should be clear to every hon. member, and it is beyond my comprehension why Mr. Baxter should keep on parading an illusion which should deceive no one who gives the matter even a moment's consideration. The hon. member stated I misquoted him when I said that the figures he had used in his taxation scheme were based on the incomes of 1929-30. There was no misrepresentation on my part. I said the figures upon which Mr. Baxter operated were the assessments for the year 1930-31 based on the incomes of taxpayers for the year 1929-30. And I

was quite right. It is true that in the Commissioner's annual report Mr. Baxter's figures appear under the heading, "1930-31. Twenty Fourth Assessment." But the assessment is always made in the financial year subsequent to the year for which the returns are lodged. For instance, no assessments have gone out this financial year, and they will not go out until the Land and Income Tax Act is passed. The assessments will then be called "The assessments for 1933-4," but they will be based on the income for the financial year ended 30th June last.

My remarks—to which Mr. Baxter objects—were made after consultation with the Commissioner, and after the Commissioner had written me as follows:—

The figures taken by the hon. member are based on the incomes of taxpayers for the year ended 30th June, 1930, which was not affected to any great extent by the present depression. It is, therefore, unfair and misleading to make any calculation on a total taxable income of £21,620,273. £16,000,000 is the figure on which the State Commissioner of Taxation has based his estimate of tax under the Bill now before the House. He has had to take into consideration the heavy losses which have been incurred by all classes of business people, and which they are entitled to deduct from their profits of subsequent years, as well as the decreased income arising from the application of the financial emergency tax and other causes. There was no misquotation at all. The figures Mr. Baxter used were in respect to the incomes for the year 1920-30, and were in respect to the year of assessment 1930-31. The basis on which he made his calculations was far too high, and taxable incomes have decreased considerably since the year mentioned, especially in view of the fact that the figures disclosed a total tax of £237,713, whereas the estimated income for the current financial year is only £160,000.

Now the position is this: Either Mr. Baxter is right, or the Commissioner is wrong and does not know his business. I should prefer to pin my faith to the Commissioner rather than to someone else without his experience. "More information should be given the House," the hon. member stated. In reply, I have given the House full information in reference to the financial position, and I have shown that a tax collection of £486,000 is required to meet our obligations with the Loan Council or services must be curtailed. If we had the same revenue and expenditure as in the 1932-33 period we could do with £216,000. But we have increased interest and sinking fund

amounting to £110,000, salaries and staffing of new schools £15,000, repairs to public buildings, previously financed from Government Property Trust Account, £45,000. It is unavoidable expenditure. Then there is £100,000 necessary to make the railways safe. They are in a bad way, and unless precautions are taken will soon be dangerous. Let the House realise that altogether we need £486,000 under this Bill, and that there is not the remotest possibility of getting it. We shall be losing at the rate of £30,000 a month until the measure gets on the statute-book. The £486,000 necessary does not take into account the possibility of a continuance of the volume of revenue from other sources. Neither does it allow for any improvement in essential services which have been seriously curtailed during the past three years.

Mr. Baxter, while discussing the carry-over, said that the proceeds from incomes must have fallen off if only about £20,000 was out at the end of last year. Then, in reply to an interjection, he made a vague reference to no incomes being assessed for next year, and he stated that he had not received his assessment yet. The impression likely to be created was that the Taxation Department had been lax in the performance of their duties last year.

Hon. C. F. Baxter: That was never intended.

The CHIEF SECRETARY: No; I am sure the hon. member would not suggest anything of that nature. He was dealing with incomes under the Financial Emergency Tax Assessment Act; and, as some proof that these assessments went out in good time, I may say that I received my assessment under that measure on the 6th March last, little more than three months after the Bill became law. Mr. Baxter tells us that the Government have loan funds and can spend them in such a way that revenue is benefited. "Every Government," he declares, "has juggled with the expenditure to meet the deficiency." Coming from an ex-Minister, it is an astounding statement. Our conversion loans would have little hope of success if it were believed overseas that such a method of finance was practised by every Government in Australia, or even the West-

I would point out that while Mr. Baxter

accuses the present Government of passing its responsibilities on to boards he, in the next breath, asks the House to shoulder its

responsibilities on to a select committee. The hon. member submits a taxing scheme which he says will bring in from £380,000 to £400,000. We do not know who is the author of the scheme. If we did, we might be able to judge his qualifications and assess the value of his proposals accordingly. It would be interesting also to hear on what data he bases his calculations. The figures submitted by me have been prepared by the Commissioner of Taxation. The trouble is, however, that some hon. members are not satisfied or willing to accept the figures submitted by that officer, and figures are put up which are most misleading and which have been prepared on statements that are not applicable to the present times.

It is refreshing to hear from opponents of our party a speech conceived in the reasonable spirit with which Mr. Seddon approached the consideration of the Bill. Mr. Seddon pointed out that there was certain expenditure that must go on in the carrying out of Government services, and that there was no alternative but taxation. He admits that I have given a good deal of information to the House, and he says the Bill is in accordance with the policy enunciated by the Government. In certain respects Mr. Seddon does not agree with the Bill in its entirety. But what he says is in accordance with views he has often expressed and he can claim to be both consistent and fair.

Coming back to Mr. Baxter: His taxation scheme seems to have caught on with some members. That scheme, associated with the present mutilated condition of the machinery Bill, is opposed to the policy of our party, a policy which was proclaimed from a hundred platforms at the general elections, and Mr. Baxter's policy is the policy which was hurled down a steep place by the electors a few months ago, bringing political disaster to many members of the party responsible for its promulgation.

Mr. Thomson said the Bill should have been held up until the Budget appeared. As a matter of fact the Budget has been delayed pending the passing of the Bill. In preparing his estimates the Treasurer needs to know what amount of revenue he is likely to receive during the financial year with which he is dealing. When the passing of an important item, such as this measure covers, becomes a matter of uncertainty, the Treasurer is faced with considerable difficulty in calculating how his finances will

stand at the end of the year. It would be something quite different if the Bill had been approved by Parliament. He would then know exactly where he stood. The Treasurer has been waiting to see how his taxation measures would fare. But he is unable now to delay any longer. It is unsatisfactory that the Budget should be presented in such circumstances. There is no alternative, however, unless expenditure were to continue to go on for several months after the end of the financial year without specific Parliamentary authorisation.

My intention with regard to this Bill, unless I receive instructions to the contrary, is to hold it at a stage at which it will be possible to recommit it, if such a step should be necessary, owing to amendments which might be made to the Assessment Bill before it is finally dealt with. I may point out, in connection with this Bill, that, under Standing Order 236, requests to the Assembly may be made—

In Committee after the second reading has  
been agreed to

or

On the third reading of the Bill.

It will be seen that, before finalising the Bill in this Chamber, there is provision for making requests to the Assembly. Mr. Cornell asks what course should be adopted if another place agrees to the exemptions as suggested by this House. I much prefer to await developments rather than to deal with hypothetical cases. The hon. member also raises constitutional points of an involved character, and adds that it is futile for the House to go any further with the Bill until these points are cleared up. When we reach the stage at which it becomes necessary to deal with these matters, no doubt they will receive due attention, and whatever I can do to assist will be done. Mr. Cornell says he assumes that it is the intention of the Government to proceed with this Bill and not bother with the other. If he has grounds for his assumption, he knows a lot more about the intentions of the Government than I do. My advice is that the Government will firmly adhere to the Assessment Bill and Taxing Bill as presented to Parliament.

Mr. Mann believes that the Government can do with less money than they propose to raise under the Bill; but he does not submit even a shadow of proof in support of his belief. However, this can be said—Mr. Mann errs to no greater extent in this respect than do some other hon. members

who have spoken. Mr. Mann wonders why the Assessment Bill has not been proceeded with in another place. Presumably, the reason is that the members of that Chamber wish to have the two measures before them so that they may deal with them as a comprehensive whole. It should not concern us as to the manner in which the other place decides to conduct its business. We have responsibilities to discharge and we should prove equal to those responsibilities. We should go ahead with the work that lies before us. The hon. member questions the earnestness of the Government in regard to the legislation. The fact that the Budget shows that a large amount of revenue from this Bill is relied upon to enable the Treasurer to fulfil his promises to the Loan Council should be sufficient evidence of the sincerity of the Government. If they wish to commit political suicide the Government could introduce this taxation as suggested by Mr. Mann.

Hon. W. J. Mann: The Budget had not been brought down when I said that.

The CHIEF SECRETARY: The measure is admittedly unpopular, but that circumstance will not deter the Government from performing their obvious duty to the State and averting a financial catastrophe which would paralyse the industrial life of the community, and create such a crisis as had never before been experienced in the history of Western Australia. If the Government are balked in their efforts to do what is right, then those who balk them will have to carry the responsibility. Despite all I have said, I feel that there have been misunderstandings on both sides which have not helped to expedite the progress of this Bill. The question of procedure seems to be the only difficulty in the way of the speedy consideration of this Bill by both Houses of Parliament. One Chamber thinks the assessment Bill should be dealt with before the taxing Bill is taken; the other Chamber desires to have both Bills before it. Neither House seems to have any ulterior motive for the course it suggests. I do not think there is any ulterior motive. The Government certainly have none, and my experience of the traditions of this Chamber qualifies me to form a correct judgment. I should say that this House is anxious to do the right thing, but with my assurance, which I give now, that the Government sincerely desire to co-operate with the Council in the direction of passing a satisfactory measure—

of taxation, I feel certain that the difference of opinion as to the method of procedure will not be allowed to stand in the way, and that we shall be able to brush it aside and give thought to the important aspect of the merits of the legislation submitted for consideration. I think that assurance should clear the atmosphere by removing the misunderstandings both in another place and here.

Question put and passed.

Bill read a second time.

*House adjourned at 5.13 p.m.*

## Legislative Assembly.

*Thursday, 21st September, 1933.*

	PAGE
Question: Workers' homes, purchase conditions ...	1014
Secession: Joint Committee, consideration of report	1016
Bills: Police Act Amendment, Recom. ...	1014
Employment Brokers' Act Amendment, 2r. ...	1020
Plant Diseases Act Amendment, 2r. ...	1028
Wiluna Water Board Loan Guarantee, 2r. ...	1029
Metropolitan Whole Milk Act Amendment, 2r., Com. ...	1080
Fire Brigades Act Amendment, 2r. ...	1038

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

### QUESTION—WORKERS' HOMES, PURCHASE CONDITIONS.

Mr. NEEDHAM asked the Premier: What are the conditions governing the applications for and the purchase of workmen's homes (a) leasehold, (b) freehold?

The PREMIER replied: The answer to the question is embodied in the attached statement which I shall lay on the Table of the House.

### BILL—POLICE ACT AMENDMENT.

#### *Recommittal.*

On motion by the Minister for Employment, Bill recommitted for the purpose of further considering Clause 2.

#### *In Committee.*

Mr. Sleeman in the Chair: the Minister for Employment in charge of the Bill.

Clause 2—Amendment of Section 66 of principal Act:

The MINISTER FOR EMPLOYMENT: When the Committee last dealt with this clause I promised to take steps to delete the reference to rogue and vagabond as it applied to this particular question. To give effect to that promise, I move an amendment—

That after the word "by," in line 1, the following words be inserted:—"inserting after the words 'rogue and vagabond,' in line 2 of the section, the words 'with the exception of those mentioned in paragraphs 2 (a) and 2 (b), and by.'"

The effect of this will be that the term "rogue and vagabond" will not apply to the people under consideration.

Mr. LATHAM: This amendment should have appeared on the Notice Paper. It is very difficult to determine at such short notice the effect it will have. I am afraid the Minister is likely to do away with the penalty section altogether. I hope he will give us time in which to look into the matter.

Mr. Marshall: It will have the same effect as the amendment I moved.

Mr. LATHAM: The Minister should be prepared to report progress so that we may examine the matter more closely.

The MINISTER FOR EMPLOYMENT: The amendment is quite clear. It comes in after the word "by" in line 1 of the clause, and excludes from the operations of the section the term rogue and vagabond, in its application to the people concerned, in this measure.

Hon. N. KEENAN: I feel sure the Minister has taken the advice of the Crown Law Department, and I therefore hesitate to comment upon the amendment. I would point out, however, that under Section 66 of the principal Act, persons who commit certain offences are deemed rogues and vagabonds. The commission of the offences is what creates the rogues and vagabonds, and the penalty is that they are liable to imprisonment. The suggestion of the member for West Perth was to add a proviso to the effect that the penalties contained in the Act should apply, other than the penalty of being deemed a rogue and a vagabond. That would make the position quite clear.