

the Minister will report progress, I will be able to frame the amendment to meet his requirements, and we can complete the matter to-morrow.

The MINISTER FOR MINES: I do not desire to do anything that will act detrimentally and it is impossible for me to understand exactly what the member for Yilgarn-Coolgardie requires. In the circumstances, I shall agree to reporting progress.

Progress reported.

House adjourned at 10.33 p.m.

Legislative Council,

Thursday, 29th November, 1934.

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

QUESTION—SOLDIERS' INSTITUTE.

Hon. J. NICHOLSON asked the Chief Secretary: 1, Is the Soldiers' Institute, in Stirling Reserve, or any part of it, occupied or used by any person or persons for any purpose? 2, If so, by whom? For what purpose, and upon what terms or conditions, and rentals, if any?

The CHIEF SECRETARY replied: 1, Yes, in part. 2, A small portion of the old Soldiers' Institute was let by the R.S.L. to

Mrs. E. B. O'Connell, a widow with three brothers and four nephews who went to the war, two only of whom returned. Upon the purchase of the building by the State Gardens Board a continuance of the arrangement was honoured. The lady still occupies her quarters and still attends to her caretaking and catering. Rooms in the building, which is now being cleaned throughout and made hygienic, may be let to other people for legitimate and occasional purposes, but the building is not leased. Terms, conditions and rentals vary according to size, times and other factors: details are the concern of the State Gardens Board, who purchased the property from their own resources, and without Government aid.

QUESTION—IRRIGATION ADVISER

Hon. W. J. MANN asked the Chief Secretary: 1, Is he aware of the existence of serious shortage of officers available to advise farmers on irrigation areas in the South West? 2, In the circumstances, will the Government take steps, without delay, to appoint skilled irrigation officials to assist settlers in the highly important work of carefully planning necessary operations in order that profitable use may be made of the water now available for irrigation?

The CHIEF SECRETARY replied: Sufficient money has recently been made available to enable the officer-in-charge to engage all the assistance he has asked for. 2, Answered by No. 1.

QUESTION—TIMBER PURCHASES.

Hon. H. V. PIESSE asked the Chief Secretary: 1, What were the total purchases of timber made by the West Australian Government from the State saw mills during the past financial year; quantity in loads and aggregate value? 2, What were the total purchases of timber made by the West Australian Government from all other sources during the past financial year; quantity in loads and aggregate value?

The CHIEF SECRETARY replied: Quantity in loads, 7,445; aggregate value delivered as per contract, £59,474. More than half the total value represents lar sections; specially selected and fluaris karri, ex Pemberton. 2, It would not

possible to give the quantity and loads without tracing every invoice for a whole year, and extracting the information required, which would take some considerable time.

BILL—AGRICULTURAL BANK.

Received from the Assembly and read a first time.

BILLS (5)—THIRD READING.

- 1, Constitution Acts Amendment Act, 1931, Amendment.
- 2, Tenants, Purchasers and Mortgagees' Relief Act Amendment.
- 3, Mortgagees' Rights Restriction Act Continuance.
- 4, Reduction of Rents Act Continuance.
Passed.
- 5, Financial Emergency Tax Assessment Act Amendment.

Returned to the Assembly with amendments.

BILL—FINANCIAL EMERGENCY ACT AMENDMENT.

Report of Committee adopted.

BILL—FINANCIAL EMERGENCY TAX.

In Committee.

Resumed from the 27th November. Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clause 4—Imposition of financial emergency tax:

The CHAIRMAN: Progress was reported on this clause.

Hon. C. F. BAXTER: I have on the Notice Paper an amendment that the Assembly be requested in paragraph (a) to strike out the words "fourpence, fivepence, sixpence, eightpence," and substitute the words "threepence, fourpence, fivepence, sixpence, sevenpence, eightpence." It will be noticed that this does not touch the higher incomes. The time has arrived when the attention of the Council last session should be put into effect. The Government have command of much more loan money, they

have been relieved of a certain amount of interest, and public utilities and all forms of taxation are returning more revenue. We have been dealing with Bills giving relief to certain sections of the community. All persons below the ninepenny tax have been asked to pay special taxation on top of other impositions, at a time when things have been very hard for them. Surely the Government will agree to some reduction being effected in their case.

The HONORARY MINISTER: I cannot accept the amendment. The revenue it is estimated will accrue from this measure was taken into consideration when the Budget was framed. Consequently, anything that reduces the amount that will be received from this source will embarrass the Government. I have previously stated the Government's policy, and will content myself by opposing the amendment.

Hon. G. W. MILES: I too oppose the amendment. By a Bill we passed last night we authorised the Government to find £90,000 to serve as a rebate in taxation. It is proposed by this amendment to reduce the revenue of the Government. It is the duty of members to support the Government. I feel sure the Government will use any surplus revenue that may be collected from taxation towards reducing the deficit. Having committed the Government to this expenditure of £90,000 we cannot now turn round and embarrass them by curtailing their revenue in some other direction. The amendment is one that might be put up for electioneering purposes, but it does not commend itself to me.

Hon. J. J. HOLMES: This matter was well gone into last session. The Government estimated that the revenue to be derived from this tax last year would be £385,000, but they received considerably more than that. The estimated income for this year from that source is £550,000. I presume that also will be exceeded. Although the Government received more money than they anticipated last year it was not reflected in a reduction in the deficit. No matter how much money they are provided with there is no improvement in that direction. For the reason that the more we give the Government the more they spend, I will support the amendment.

The CHAIRMAN: By his amendment Mr. Baxter proposes to leave in the word "ninepence." I am inclined to the belief that the amendment cannot be moved because it will impose another tax. The hon. member will be increasing instead of decreasing the burden. Unless it is intended to strike out the ninepence I shall be unable to accept the amendment. It imports into the clause two new taxes, without giving any easement at the other end. Under the Constitution we cannot request another place to amend a Bill in the direction of increasing taxation, but we are within our rights in requesting it to give an easement in taxation. For the sake of convenience I will agree to start with an amendment to the effect that the Assembly be requested to insert the word "threepence." If that is carried the hon. member can then move to insert the word "sevenpence" in its right place. If both amendments are passed, and he then moves to strike out the word "ninepence," and that is not agreed to, the whole thing will be out of order.

Hon. C. F. BAXTER: I intended to leave in the word "ninepence." As I am placed in this position, however, I will later on move to strike it out.

The CHAIRMAN: The convenient way would be first of all to strike out the word "ninepence," and follow that up by putting in the words "threepence" and "sevenpence." Owing, however, to the fact that the Committee cannot go back on what it has done in the same sitting, it will be necessary to take the subsequent stages on recommittal. For the sake of convenience the hon. member can proceed with his amendment as regards the "threepence."

Hon. C. F. BAXTER: I move an amendment—

That in paragraph (a) the word "threepence" be inserted before "fourpence."

Replying to the suggestion that any surplus could be used to reduce the State's deficit, I should like to remind members that we got a great deal more revenue than was expected out of the tax last year, and the deficit was not reduced by one penny. It does not seem to matter how much money the Government get hold of, it is not used to reduce the deficit. This is a special emergency tax to which everybody should contribute, but all are not contributing. There are a number of people in receipt of

under £3 10s. a week, without any dependants, who are not contributing anything. Those people are escaping every payment.

Hon. A. THOMSON: Will your amendment compel them to pay?

Hon. C. F. BAXTER: I want the Committee to support me in my effort to bring about the reduction which will mean so much to many people.

The HONORARY MINISTER: Mr. Baxter is not correct in his statement that there are people receiving up to £3 10s. and without dependants who will not pay under this Bill. He should know that they do pay. With regard to the money received last year, the estimate given to this House was prepared by the Commissioner of Taxation and, as it happened, a good deal more than the estimate was realised. On this occasion the probability is that we shall have a better basis on which to work as a result of experience; therefore we believe that our estimate will be more accurate.

Hon. C. F. BAXTER: What is your estimate for this year?

The HONORARY MINISTER: We expect to receive £550,000.

Hon. J. J. HOLMES: During the currency of the Bill?

The HONORARY MINISTER: Yes. Any alteration that may be made to the Bill will materially affect the Government's programme. The hon. member's proposal to give relief in the way he suggests will mean that we would be giving relief to all taxpayers. Those people to whom we have given relief under another measure have always had to pay this tax in addition to the disability they were suffering under the Financial Emergency Act. I hope the Committee will not agree to the amendment.

Hon. C. F. BAXTER: The proposed tax is one that the people who will have to pay it should not be asked to carry. Last year £385,000 was realised and this year the estimate is nearly £200,000 more than that. Financially, the Government will be much better off this year than they were last year. Therefore why ask for this big additional sum? If that amount of money were in the hands of private enterprise, it would be used in the direction of producing revenue which would benefit the State. We do not expect to be able to wipe out the tax straight away; it will have to be wiped out piecemeal, and until the position

of the State improves we can effect a reduction this session and a further reduction next session until we are able to wipe out the tax altogether.

Hon. A. THOMSON: I cannot agree with Mr. Baxter. Last night we decided that the Government should find an additional £90,000, as a result of which members of Parliament as well as others would benefit. If the hon. member had been consistent and had voted against that proposal, I should have had more sympathy for him with regard to the present amendment.

Hon. C. F. Baxter: What a poor argument!

Hon. A. THOMSON: It may be, from the hon. member's point of view. The Government may have more loan money to spend, but I am doubtful whether they will have as much money by way of taxation this year. The Government will be obliged to find a considerable sum for the primary producing section of the State. The prices of wheat and wool are low, and those who are on the land will have to be carried on. No Government would dare do otherwise. In view of the fight which took place last session when this House gave way, I am going to support the Government, and I hope that next year it will be possible to effect a reduction in the taxation.

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

Ayes	..	..	..	..	5
Noes	..	..	..	..	18
Majority against					.. 13

AYES.

Hon. C. F. Baxter	Hon. W. J. Mann
Hon. V. Hammersley	Hon. J. Nicholson
Hon. J. J. Holmes	(Teller.)

NOES.

Hon. E. H. Angelo	Hon. R. G. Moore
Hon. L. B. Bolton	Hon. T. Moore
Hon. L. Craig	Hon. H. S. W. Parker
Hon. J. M. Drew	Hon. H. V. Piesse
Hon. C. G. Elliott	Hon. A. Thomson
Hon. J. T. Franklin	Hon. H. Tuckey
Hon. E. H. Gray	Hon. C. B. Williams
Hon. W. H. Kitson	Hon. C. H. Wittensoom
Hon. G. W. Miles	Hon. G. Fraser
	(Teller.)

Amendment thus negatived.

The CHAIRMAN: Does the hon. member wish to propose the further amendments appearing on the Notice Paper?

Hon. C. F. BAXTER: No, the vote just taken has decided all of them.

The CHAIRMAN: I point out that the Committee have decided in the assessment Bill to reduce the exemption and have now resolved not to reduce the tax, but under this Bill the exemption provided is the same as was originally provided in the assessment Bill.

Clause put and passed.

Clause 5—agreed to.

Postponed Clause 3—Saving provision:

The CHAIRMAN: When the clause was previously considered it was pointed out that "thirty-five" in the last line should read "thirty-four."

The HONORARY MINISTER: I do not know how the error crept in; probably it was a clerical error. I move an amendment—

That in line 4, "thirty-five" be struck out and "thirty-four" inserted in lieu.

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

The CHAIRMAN: The Title will be put at a subsequent stage. Though only a minor amendment has been made to the Bill, the procedure is to return it to the Assembly with a request that the amendment be made.

[The President took the Chair.]

Bill reported with an amendment, and leave asked to sit again on receipt of a message from the Assembly.

As to Report Stage.

The HONORARY MINISTER: I move—
That the report be adopted.

Hon. C. F. BAXTER: The reduction of the exemption in the assessment Bill will be abortive unless this Bill be recommitted and brought into line.

Hon. J. CORNELL: In Committee I pointed out the different decisions arrived at on the two Bills. The Committee agreed to the exemption in the assessment Bill being reduced from £3 12s. to £3 10s. That Bill has passed all stages in this House and has been returned to another place with amendments. In the tax Bill, the companion measure now before us, the Committee made no amendment other than a minor one, and did not bring the exemption into conformity

with that of the assessment Bill. The only consistent course to adopt now would be not to insist on the amendment to the exemption in the assessment Bill.

Hon. J. J. Holmes: I take it we can recommit this Bill.

The PRESIDENT: If the motion is adopted, the Bill will be returned to the Assembly.

Hon. C. F. Baxter rose to speak.

The PRESIDENT: The hon. member has already spoken. I direct the attention of the Honorary Minister to the point that has been raised. It is for him to look after the interests of the Bill.

Hon. A. THOMSON: What will be our position if we do not adopt the report? Could the Bill be recommitted?

Hon. J. Cornell: No.

The PRESIDENT: The hon. member may move that the debate be adjourned.

Hon. A. THOMSON: I feel inclined to move in that direction.

Hon. J. Cornell: You will not gain anything by it.

The HONORARY MINISTER: Even if the debate be adjourned, we shall still be in the same position.

Hon. J. Cornell: The Committee, by 18 votes to five, decided that the rate of tax should not be reduced.

The HONORARY MINISTER: Quite so. No doubt another place will agree to the minor amendment made to correct a clerical error.

Hon. J. Cornell: But for that error, the Bill would have passed the remaining stages.

The HONORARY MINISTER: That is so.

Hon. J. J. HOLMES: Is there anything to prevent our recommitting the Bill now in order to overcome the difficulty?

The PRESIDENT: Does the hon. member move in that direction?

Hon. V. HAMERSLEY: I move an amendment—

That the Bill be recommitted for the further consideration of Clause 4.

The object is to bring the exemption in Clause 4 into line with that of the assessment Bill.

Amendment put and passed.

Recommittal.

Hon. J. Cornell in the Chair; the Honorary Minister in charge of the Bill.

Clause 4—Imposition of financial emergency tax:

Hon. C. F. BAXTER: It is difficult to be sure of one's ground. The object is to bring the clause into conformity with the corresponding provision in the other measure. I move an amendment—

That in Subparagraph (i) of paragraph (a) the words "eighty-seven" be struck out, and "eighty-two" inserted in lieu.

Hon. A. THOMSON: I consider that it would be advisable to report progress.

Hon. J. J. HOLMES: I appeal to the Honorary Minister to report progress until Tuesday. Nothing is to be gained by rushing this or any other legislation.

The CHAIRMAN: I ask the Honorary Minister not to move to report progress at this juncture. The Committee have already emphatically declared that they will not impose a lower tax than 3d. and subsequently strike out the higher tax of 9d. Thus there is only one logical course to pursue, and that is to reduce the 5d., 6d., 8d. and 9d., to bring about reduction in all figures over 4d. Then the Committee will be reducing the rates. I cannot accept Mr. Baxter's amendment. Such an amendment was not made in a similar Bill of last session, but the Bill was sent back. A reduction in a tax Bill is a matter for another place. Let another place do its own job. Mr. Baxter's amendment means an increased burden. Therefore I must rule the amendment out of order.

Hon. J. J. HOLMES: I think there is another way out of the difficulty, but it cannot be arrived at immediately. We should report progress.

The HONORARY MINISTER: Although the Government are anxious to have the Bill finalised as early as possible, I move, in view of the difficulty that has arisen—

That progress be reported.

Motion (progress) put and passed.

BILL—LOAN, £3,938,000.

Second Reading.

Debate resumed from the previous day.

HON. L. B. BOLTON (Metropolitan) [5.40]: Many years ago, when I first took an interest in politics, I often wondered what would happen when this State was

unable to borrow further moneys but was forced to repay some of the loans already raised. I must confess I am still wondering. While we admit that our indebtedness has almost reached the breaking-point, we continue the policy of borrowing. Provision should, I consider, be made for both interest and sinking fund in connection with all loans raised. Had that policy been practised in the past, our finances would be in a much more satisfactory condition than they are in to-day. It is pleasing to note that at least some of the works proposed in the Bill are of a reproductive nature. I refer to the water supply and sewerage extensions. In the early days of the depression, when work was practically unobtainable and thousands were receiving the dole or sustenance, I advocated such an extension of sewerage as is now proposed. Had the work been undertaken sooner, many thousands of pounds would have been saved to the State, as there would have been some return at least from the moneys paid out, for which, however, no value has been received. The extension of sewerage is one of the works which provide a large proportion of labour, and in connection with which practically the whole of the materials are of local production, thus enabling our industries, as well as the unemployed, to benefit materially. The question whether the work should be done by day labour or by contract is, naturally, one that the Government of the day will decide. Unfortunately I cannot conceive the present Government departing from their policy of day labour, though we all appreciate that the work would be done at considerably less cost under the contract system.

Hon. T. Moore: Perhaps not so well, though.

Hon. L. B. BOLTON: Every bit as well. As any inflation of the cost will be an additional charge on the ratepayers, I sincerely hope the Government will see that good value is received for the money expended. Much has been said as to the disposal of the soil, and in connection with the expenditure of so large an amount I give the Government credit for thoroughly exploring every avenue and obtaining the best possible advice before finally deciding on any scheme. I certainly do not subscribe to the opinion that we have to worry about a repetition of the Burswood tragedy. Much has been said regarding the sum set

apart for reforestation and the planting of pines. While I agree that this is an industry which justifies the investment of private capital, I do not support the contention of Mr. Angelo that it is not a work for the Government. On the contrary, I consider it is definitely the duty of Governments to undertake work of this nature. We have thousands of acres of Crown lands suitable for the growing of pine and other softwoods, and I certainly commend the Government for their policy of extension in this direction. Those of us who use softwoods extensively in our industries appreciate the loss the State sustains through the lack of suitable timber of that description, and I would support a proposal to spend even double the amount provided in the Bill on similar work. Mention has been made of the demand for the use of white-wood in the construction of fruit cases. This alone, in my opinion, more than justifies the proposed expenditure, particularly if we look to the future in anticipation of such an alteration being decided upon. During recent travels I made it my business to inquire as to the suitability or otherwise of red timber for our fruit containers, and I am more than pleased to be able to say that, generally speaking, it was regarded as quite satisfactory.

Hon. L. Craig: Then why use softwoods?

Hon. L. B. BOLTON: I say that we should continue to use our local red woods. A prejudice existed for some years in the Near East against the use of red wood, but I found it to be practically non-existent nowadays. The change was due, I was told, to the better seasoning of the timber and a greater uniformity in colour. When I was in India recently I made special inquiries regarding our fruit cases and I found that the position was considered as perfectly satisfactory. I interviewed, in addition to several fruit merchants, the Controller of Markets in Bombay. The latter assured me that he had not heard any complaints regarding Western Australian export cases handled in India. The only suggestion made to me was that the use of slightly stronger lids and bottoms would improve the cases. Otherwise they were perfectly satisfactory. I suggest our exporters should oppose any decision to institute the white-case standard for the export of fruit from Australia. Unless we take that step we shall merely

play into the hands of the Eastern States, where they have the white woods that we do not grow in Western Australia.

Hon. L. Craig: The fruitgrowers do not desire to use white cases.

Hon. L. B. BOLTON: I believe that is so, but unless the fruitgrowers oppose the move from the very inception the decision in favour of white cases will be forced upon them. The Honorary Minister, in his excellent speech on the second reading, complained that members were prone to criticise the policy of the Government but few offered any suggestion for improvements. In my opinion the best solution of at least part of our present-day difficult situation is to use every possible means to secure the development of our export trade. My recent travels definitely convinced me that there are wonderful markets overseas for our primary products, but there are many difficulties to overcome. One is to get our people export-minded. So few producers and manufacturers agree that it is worth-while, and at the first obstacle they encounter, lose any enthusiasm they may have had. It is the duty and, I am sure, the desire of the Government to assist in every possible way in that direction. With the geographical advantages we have with regard to the Near East and India, if the activities were properly handled and controlled, we could capture and hold a very large percentage of the trade in fresh fruit supplies for those countries. That is the only suggestion I can offer at the present juncture. I regret the necessity for raising a further loan of such magnitude as that covered by the Bill, but in the circumstances I feel perfectly justified in supporting the second reading of the measure.

On motion by Hon. H. V. Piesse, debate adjourned.

House adjourned at 5.50 p.m.

Legislative Assembly,

Thursday, 29th November, 1934.

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

ASSENT TO BILLS.

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

- 1, Forrest Avenue Closure.
- 2, Industries Assistance Act Continuance.
- 3, Sandalwood Act Amendment.

BILL—STATE GOVERNMENT INSURANCE OFFICE.

Message.

Message from the Lieut.-Governor received and read recommending appropriation for the purposes of the Bill.

QUESTION—DAIRYING, BULL SUBSIDY.

Mr. McLARTY asked the Minister for Agriculture:—1, Is there any provision under the zone system for the distribution of dairy cattle whereby a farmer in a particular zone may obtain assistance under the subsidy scheme for the purchase of a bull of another breed? 2, If so, under what conditions is the subsidy granted?

The MINISTER FOR AGRICULTURE replied: 1, Yes, under exceptional circumstances. 2, When a farmer can show that he has consistently bred towards an ap-