

## Legislative Council.

Thursday, 4th December, 1941.

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

### BILL—ADMINISTRATION ACT AMENDMENT (No. 2).

#### Second Reading.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [4.34] in moving the second reading said: This is a small Bill which I believe will meet with the approval of this House. It proposes to amend the Administration Act in order to provide that soldiers' estates up to a value of £1,000 shall be exempt from death duties. It also provides for a concession to be made when an estate is of a value exceeding £1,000. In the case of a beneficiary, where an estate is over £1,000 in value, provided the beneficiary resides in Western Australia, a further concession is given. I understand that during the last war the Administration Act was not amended, but the Supreme Court Rules were amended to provide that in any instance where the estate of a deceased soldier did not exceed £500, that estate should be exempt from duty. On this occasion we have increased the amount from £500 to £1,000.

Small amendments will be proposed in Committee arising out of an undertaking given by the Premier in another place. The first deals with the deletion of the word "direct" in the clause in which the words "whose death is the direct result of such person being engaged on active service" occur. Another amendment will be to provide a definition of the words "active service." I move—

That the Bill be now read a second time.

**HON. J. CORNELL** (South) [4.37]: A good deal more needs to be done to the Bill than has been indicated by the Chief

Secretary. The position is not clearly defined; in fact, it is rather crude. Reference is made to a man on active service, and the Bill contains no definition of those words which are, however, defined in the Australian Soldiers' Repatriation Act, which is a Commonwealth measure. The words "whose death is the direct result of active service" are in conflict with the wording of the Soldiers' Repatriation Act. There is nothing in the Bill to say that the benefits of the measure, however small they may be, shall be extended to a member of the forces who returns to Australia, is discharged and subsequently dies, and whose death is attributable to war causes. No provision is made for such a case, but there is a provision in the Soldiers' Repatriation Act.

Although over 23 years have elapsed since the last war ended, there are returned soldiers, and widows of returned soldiers, who are receiving benefits under the Soldiers' Repatriation Act, inasmuch as there is a tribunal which sits to determine whether the illness or death of a soldier was due to war causes. If the tribunal finds that death was so caused, his dependants secure all the benefits provided by the Australian Soldiers' Repatriation Act—even though the necessity for the application of that measure may not arise until now, 23 years after the signing of armistice in 1918.

I can cite instances of the application of the Act to returned men or their dependants many years after the conclusion of the last war. I shall mention the case of a man at Ravensthorpe. He was ill and died when being taken to the Lake Grace hospital. The claim lodged on behalf of his dependants hinged on the production of new evidence. There happened to be in business in Hay-street a man known to most old goldfielders. He happened to have been in Cornwall when the deceased returned man had been admitted to hospital there. As the result of his evidence before the tribunal the death of the soldier was admitted as due to war causes and the man's widow and children received £300 back pay and all the benefits of the Act thenceforth.

The Bill should not be rushed through the House, and its consideration should not be hurried. If we set out to provide benefits—we are all anxious to do that—to the men who serve in this war, we should do the job properly. There is one proper way only of doing that and it is to follow along the

lines of the Commonwealth Australian Soldiers' Repatriation Act. What that measure gives to the returned soldier or his dependants we should endeavour to provide in the legislation now under consideration. The argument has been advanced that all members of the Forces, whether enlisted for active service abroad or called up for service within Australia, should equally benefit from the application of the Act. That position, however, will right itself.

The Commonwealth Repatriation Act only covers men and women—I presume the benefits of this legislation are supposed to be extended to women, although there is no reference to that sex in the Bill—who leave the shores of Australia and proceed overseas on active service. I remind the House that a week or so ago, when dealing with a Bill introduced by a private member, we agreed to an amendment to include a reference to nurses and that proposal was accepted. I have already indicated that the Commonwealth Repatriation Act applies only to those who went abroad on active service and not to those who did not enlist to go outside Australia. On the other hand, if our little friend in the Pacific were to start operations on Australia tomorrow, the continent would be declared a theatre of war, in which event every man under arms would automatically be brought within the scope of the Commonwealth Repatriation Act.

After giving consideration to the Bill, I went to the trouble of discussing the matter with the man I consider best qualified in the State to speak on such a subject and I secured from him his opinion on the issues raised. I think Dr. Hislop will agree with me in my expression of opinion because he has contacted him on many occasions with regard to pensions. I refer to the assistant secretary and pensions officer of the Returned Sailors and Soldiers' Imperial League, Mr. C. G. Ferguson. I discussed the Bill with him and supplied him with a copy so that he could furnish me with his opinion, in order that I might place his views before the House. Mr. Ferguson's letter reads—

I am in receipt of your letter of the 3rd instant together with copies of Bills. I saw some reference to this matter in this morning's paper, and noted that the Premier referred to "active service." For your information and perhaps guidance, Section 45AT of the Australian Soldier's Repatriation Act defines "Active service outside Australia" as follows:—

(a) as to members of the Naval Forces, active service on a ship of war en-

gaged in seagoing operations beyond the territorial waters of Australia; and

(b) as to members of all Forces, any active service after the vessel on which the member proceeded outside Australia had departed from the port at which the member embarked.

"Australia" includes the Territories of the Commonwealth.

I think that the Bills should define "active service" in such a way. As you know, as far as the League is concerned, any person who embarks and leaves Australian waters is deemed to be on active service.

I note that theatres of war are not mentioned in the Bill. No doubt it could be safely presumed that if Australia be declared a theatre of war at any future date then those serving in Australia would be included in its provisions. You will recollect that the League's constitution referring to theatres of war has been amended as follows:—

"Theatres of war shall mean the theatres of war specified in Rule 48 and also such places as shall hereafter be declared by the War Office of Great Britain or by the Government of the Commonwealth of Australia to be theatres of war."

Concerning the cause of death, I agree with you that "direct result" is too arbitrary. Again I refer to the Australian Soldiers' Repatriation Act, Section 23, which applied to members of the 1914-18 War. Pensions are payable in cases where death or incapacity "results or has resulted from any occurrence happening during the period the person concerned was a member of the forces; does not arise from intentionally self-inflicted injuries; and does not arise from, or from any occurrence happening during the commission of, any breach of discipline by the member."

If it is the Government's intention to apply the provisions of the amendments contained in the Bills you sent me, to service men whose deaths occur in later years as the result of their service, then the above section might help you.

As far as members of the forces of this war are concerned Section 45AU, referring to those who enlist for overseas service, provides that upon the incapacity or death of any person who was employed on active service outside Australia whose death results from any occurrence happening during the period from the date of his enlistment or appointment for active service outside Australia to the date of the termination of his service in respect of that enlistment or appointment.

You will see that the term "occurrence happening" has a wider interpretation than "direct result of" and I think might be used advantageously in the Bills concerned.

Then there are the persons, and you and I know there are many of them, who have some disability existing before they enlist and their service with the forces aggravates that condi-

tion, in many instances death follows. The Australian Soldiers' Repatriation Act contains the following provision for them:

Section 45AU (2)—

Notwithstanding that, in the case of a member of the forces, who, after enlistment or appointment for active service outside Australia with those forces, served in camp in Australia for at least six months or embarked for such active service, the origin of the cause of his incapacity or death existed prior to his enlistment or appointment, then, if in the opinion of the Commission or a Board—

- (a) the conditions of his war service contributed to any material degree to his incapacity or death; and
- (b) neither the incapacity or death, nor the origin of the cause of the incapacity or death, was due to the default or wilful act of the member,

the Commonwealth shall, subject to this Act, be liable to pay to the member or his dependants, or both, as the case may be, pensions in accordance with Division 1 of this Part.

Of course, death arising from default or wilful act of a member or intentional self-inflicted injuries, or arising from any occurrence happening during the commission of any breach of discipline is excepted.

Also for your information and probable incorporation in the Bills of a like proviso, I refer to a regulation brought in by the Commonwealth Government which provides for allowance in respect of a member incapacitated or killed in Australia whilst travelling on leave. The regulation is quoted hereunder—

Where any member of the Forces who during the war which commenced on the third day of September, one thousand nine hundred and thirty-nine, is enlisted in, or appointed to, the Naval, Military or Air Forces of the Commonwealth or the Australian Army Nursing Service for active service outside Australia is, before proceeding outside Australia, incapacitated or killed as a result of an accident occurring to him while travelling on leave to or from his place of employment, the Commission may grant to or in respect of that member, by way of an allowance, the same benefits as it might have granted had the incapacity or death, as the case may be, been directly attributable to his employment as a member.

I mention in this connection the death of a son of a very old friend, Mr. Miles, who held the rank of aircraftsman. When the widow appealed to the tribunal for a pension, it was found that on the weight of evidence he was doing what I have just read out. Owing to the wording of the Repatriation Act, however, his widow was ex-

cluded from benefiting. In order that in such cases the widow or dependants may receive the benefits intended, the Federal Government promulgated under the National Emergency Act the regulation I have quoted. So it will be seen that in endeavouring to extend benefits to the persons we desire to serve, we must be careful to let in only eligibles and to exclude ineligibles. The letter concludes—

I also note that the Bills provide only for male members of the forces. Should not nurses and other females who are appointed to the various arms of the services for service outside Australia be included?

I apologise to the House for taking up so much time. I commend the Government for endeavouring to extend some measure of consideration to the man who goes on active service. As I have already stated, that consideration, however small, must be so safeguarded that no one who should benefit shall be deprived of benefits and that no one who should not receive benefits shall get them. What is given by this Bill in case of death should be given by the other Bill as well. I hope the Chief Secretary will defer the Committee stage to next week. If I can help the Government in any way, I shall be only too pleased to do so. The same remarks apply to the writer of the letter, who is one of the few men in the State fully qualified to speak on the subject. I support the second reading.

**HON. L. CRAIG** (South-West) [4.53]: I shall, of course, support the second reading, but there is a doubt in my mind as to the real meaning of the measure. What I am not sure about is whether in the case of an estate exceeding £1,000 in value, the first £1,000 is exempt. I do not think it is. Under the Bill a soldier's estate of £1,000 is not taxed, but according to my reading a soldier's estate of £1,001 would pay full rates of taxation on the £1,001. In my opinion that should not be so. I consider that every estate should be exempted as regards the first £1,000, and that a soldier's estate of, say, £1,050 should pay duty on £50 only. I do not think the Bill provides for that. It should be amended to make perfectly plain that the first £1,000 of any estate is exempt.

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West—in reply) [4.55]: I had not anticipated any discussion on the Bill in the

form which it has taken, and in view of the fact that there has been criticism I shall certainly defer the Committee stage to next Tuesday. In the meantime I must reply to the remarks of Mr. Cornell. The hon. member began by saying that this was a very crude attempt to do something.

Hon. J. Cornell: To define something.

The CHIEF SECRETARY: I do not know that there is anything crude about the Bill. It is a very definite attempt to do something which will prove of great value in many cases.

Hon. J. Cornell: I did not mean my remark to apply to the principle of the Bill at all.

The CHIEF SECRETARY: The hon. member proceeded to quote long sections of the Repatriation Act and regulations under it which he desires to be incorporated, in some form or other, in this Bill. Naturally I have no idea of what that would involve, but have another reason why I would prefer to take the Committee stage next week. Mr. Craig asks that the £1,000 exemption should apply to all soldiers. The Bill as drafted would apply only to estates under £1,000. No matter what figure was fixed, however, there would always be a line of demarcation which would create anomalies such as Mr. Craig desires to guard against.

Hon. L. Craig: I desire a general exemption of £1,000.

The CHIEF SECRETARY: There again I have no idea of what that would involve, and consequently I have yet another reason for deferring the Committee stage. I am just wondering whether there is any necessity to defer consideration of the Bill that is to follow this one, and which is the natural corollary of this one.

Hon. J. Cornell: The same wording is used.

The CHIEF SECRETARY: Yes; but I told the hon. member I had amendments defining the words "active service" and deleting the word "direct" to which he took exception. I feel sure that the Bill in some form will be agreed to by this Chamber. If the second reading is passed, I shall defer the Committee stage till next week.

Question put and passed.

Bill read a second time.

## BILL—DEATH DUTIES (TAKING) ACT AMENDMENT.

*Second Reading.*

THE CHIEF SECRETARY (Hon. W. H. Kitson—West) [5.3] in moving the second reading said: This is the Bill which I said a few moments ago is a corollary to the Administration Act Amendment Bill, the Committee stage of which we have decided to defer until Tuesday next. Members are aware that the latter Bill lays down the principles; the Bill we are now considering is the taxing measure which is necessary under our Constitution. It deals with the same subject as the other Bill; and whatever we agree to in regard to the first Bill, we shall also agree to in regard to this Bill.

Hon. J. Cornell: Are you taking this Bill into Committee today?

The CHIEF SECRETARY: No. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

## BILL—WORKERS' HOMES ACT AMENDMENT.

Received from the Assembly and read a first time.

## BILL—RESERVES (No. 2).

*First Reading.*

Received from the Assembly and read a first time.

*Second Reading.*

THE HONORARY MINISTER (Hon. E. H. Gray—West) [5.6] in moving the second reading said: Clause 2 of the Bill concerns an area of land situated between Wittenoom and Moore-streets, East Perth. The Kindergarten Union has been endeavouring for some time to obtain a block of land in that district for the purpose of erecting thereon a kindergarten school. The Perth City Council holds Perth Lot 018, in the position I have mentioned, in trust for municipal purposes. The council has agreed to transfer this land to the Kindergarten Union subject to the proviso that in the event of the discontinuance of kindergarten activities the land shall revert to the council.

As the land is held in trust, that body has no power to transfer unless Parliamentary approval is given. The necessary approval is therefore being sought by this Bill. It is provided in the measure that, should the Kindergarten Union be dissolved or no longer require the land, it shall revert in His Majesty, be reserved for municipal purposes and again vested in the City of Perth. Provision is also made for the protection of any mortgagee to whom money may be due by the Kindergarten Union under any mortgage on the land, in the event of the area being again vested in the City of Perth.

The proposal in Clause 3 affects a racecourse reserve about one mile south of Arrino Siding. That reserve, namely, Victoria Location 7505, is held by trustees under a 99 years' lease for the purpose of a racecourse. Only one of these trustees is surviving and he is desirous of having the racecourse vested in the Three Springs Road Board. That board is agreeable to the proposition, so that it may be able to develop the area as a greater sports ground, including racing. The local race club is in accord with the proposal; in fact, it is most desirous of handing over the reserve to the road board.

The practice of handing over reserves of this nature to the control of road boards is one which is encouraged by the department; and, although a few local objections have been received in this case, it is pointed out by the secretary of the race club that most of the objectors were casual workers who have now left the district. However, there is no substance in the objections because the reserve will still be there for the use of the people of the district and is more likely to be developed for general recreation purposes if placed under the board's control.

Clause 4 deals with Boulder Lots 661 and 394, which are held by the mayor and councillors of Boulder in trust for the purposes of an electric light station and a fire brigade station respectively. The lots are not now required for those purposes. Both the electric light and the fire brigade stations have been erected elsewhere. The two lots, together with Lot 663 lying between them, contain a building which is the old electric light station. A proposal has been advanced by the council that it be enabled to sell the land and the building to the Police Boys' Club.

The department has no objection to the sale of the building, but does object to the sale of the two lots by the council, for the reason that that body has been granted other land by the Crown for a new electric light station. As a result of the department's objection, the council is prepared to agree to the two lots being reverted in the Crown in order that one or both of them, as may be considered desirable, may be disposed of for the purpose of the Police Boys' Club, as the Government may think fit, under the provisions of the Land Act. The Bill, therefore, reverts these two lots in His Majesty in order that they may be dealt with under the Land Act, the council, of course, to be allowed to dispose of the building.

With regard to Clause 5, this deals with Reserve 12361 at Yornup, which is set apart for a racecourse and recreation ground. A 999 years' lease of this reserve was granted to the trustees of the Bridgetown Racing Club in 1915. The surviving trustee has declared the club to be defunct and has no objection to the land being surrendered to the Crown. As it is not required for the purpose of a racecourse and as there is a demand for land for farming purposes in this locality, it is proposed to cancel the reserve and make it available for selection. It has been lying vacant for nearly 20 years and does not serve any useful purpose.

The next proposal in the Bill is that dealt with in Clause 6 and relates to a reserve fronting the river near Bieton. The intention is to subdivide certain areas held by the Crown in the vicinity of Preston Point for the purpose of the Workers' Homes Act. In order to carry out an effective subdivision, it will be necessary to exclude a small portion of the Class "A" reserve to which I refer. Being a Class "A" reserve, Parliamentary sanction is necessary to secure the exclusion of this small area.

Clause 7 concerns an area of land south of the rifle range at Swanbourne and overlooking the ocean. In the development of Allen Park, Swanbourne, the Nedlands Road Board has spent a considerable amount of money on the acquisition of land and its improvement. Many years ago the board had a broad scheme in hand for extending this reserve to include a considerably larger area. This scheme, however, was rendered impracticable by the acquisition of certain land by the Commonwealth. In order to compensate the board for part of the amount expended

on the acquisition of land, three lots were granted to it, namely, Lots 193, 194 and 195, with power to subdivide and sell. Unfortunately the present value of these areas has been somewhat reduced by the Defence regulations, and the board's plan of development has been delayed by war conditions.

The board, while not proposing to sell the land during the war, desires to proceed with plans for subdivision, levelling and road construction. For this purpose it desires to have a special topographical grid survey made and to have the adjoining Lot 192, which is Crown land, included in the subdivision. There is no doubt the addition of this area to that at present held by the board would greatly improve the subdivisional scheme and enhance the value of the land. At present this particular lot is rather inaccessible and is composed of rough sandhills with a stony hollow. Any increased value would be due to the board's improvements. The board has expended loan money to the extent of £2,800 on the adjoining reserve. It is, therefore, proposed to grant Lot 192 to the board, with power to subdivide and sell free of any trust. The board proposes to apply the proceeds towards making roads in the vicinity, and improvements to the beach and the adjoining reserve.

The final clause in the Bill deals with Coolgardie Lot 64. In 1897 this lot was granted to the municipality in trust solely for a miners' institute site, and a building was erected for that purpose. On the abolition of the municipality, the land became the property of the Coolgardie Road Board. Subsequently the building was removed to the Town Hall site in Bayley-street, and Lot 64 thus became vacant. In 1934, not being fully aware that it had no power to dispose of the land, the board sold it for £10, and since then it has changed hands several times, and a cottage has now been erected on it. The present occupier purchased the land and building from the previous owner, and is now asking for the transfer of the title which is still in the name of the board, but in view of the trust the local authority cannot execute a transfer without Parliamentary sanction. As the land was used for some years for the purpose for which it was granted, and was vacated in favour of a more convenient site on the town hall reserve in Bayley-street, and, further, as the present occupier purchased the land and building in good faith, it is desired that the board's ac-

tion be validated, and the board be empowered to transfer the land freed from the trust.

I have plans indicating the position of all the reserves affected by the proposals in the Bill, and these I will lay on the Table of the House for the perusal of hon. members. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

## BILL—STAMP ACT AMENDMENT.

### *Second Reading.*

**THE CHIEF SECRETARY** (Hon. W. H. Kitson—West) [5.17] in moving the second reading said: This is another small but very important measure containing two amendments. The first deals with documents known as deeds of gift, or settlements. As members are aware, certain duties have been payable on such documents for many years. They can be described as instruments whereby any property or asset is settled, or agreed to be settled or given in any manner whatsoever without pecuniary consideration, and they are liable to stamp duty in the same way as a transfer on a sale. Payment of stamp duty on certain documents, by reason of very shrewd drafting, has been avoided, excepting the amount of 10s., which is the minimum duty provided under the Act.

Recently a document which was submitted to the department provided that the donor promised to pay to his children, on demand, the amount of money set out in the deed. The wording of the document indicated that it was merely a record of a verbal promise made by the donor to pay a certain sum on demand, and until such demand was made he was to pay interest at the rate of five per cent. per annum. Such a document operates in the same way as an ordinary deed of gift, or settlement, inasmuch as it settles a sum of money on those who benefit under it.

The only difference between this form of document and what may be described as an ordinary deed of settlement, is that the money did not change hands at the date of making the deed. It was, however, worded in such a way that the money could change hands, if it were demanded, the following day. The payment of stamp duty was

avoided on that document except for the minimum amount of 10s. Something like £60 would have been payable in that case under ordinary circumstances. It is considered that if a person desires to execute a document for the ultimate purpose of creating a deed of gift, or settlement, the same stamp duty should be payable on it as would be payable by any person who openly executed a document on which duty could be lawfully charged. This amendment is, therefore, desired to rectify the state of affairs to which I have referred, which might be described as anomalous. The amendment does not create, in any shape or form, a new duty.

The other amendment seeks to reduce the rate of duty chargeable on the transfer of shares. At the present time the rate is 1s. for every £5 or part thereof, which is equal to £1 per cent. In all the other States, except South Australia, where no duty is levied, the amount charged on the transfer of shares is 3d. on every £1 of purchase price. This Bill proposes to bring about uniformity in respect of the duty chargeable on such transfers and it is considered that by doing so the volume of this type of business will increase considerably in this State. This particular amendment has the support of the Perth Stock Exchange, the Perth Chamber of Commerce, and also the Royal Commission which recently dealt with the Companies Bill.

As members are aware, a large volume of business is transacted in shares outside of Western Australia, relating to companies within this State. That obtains particularly regarding mining companies and is due to the fact that our charges are higher than are similar charges in the Eastern States. I move—

That the Bill be now read a second time.

**HON. L. CRAIG** (South-West) [5.23]: I support the second reading of the Bill. The first amendment is designed to stop evasions of duty. The Minister has explained the evasions which have taken place. Donors, instead of making a straightout gift, draw up a deed promising to pay, on demand, a certain sum of money. Instead of paying one per cent., which is our duty rate, only the flat rate of 10s. per document is paid. Immediately the document is completed the donee may make the demand and receive

the full sum, so that the State could be mulct of a considerable amount of revenue. The other provision deals with the alteration of charges on the transfer of shares and other property. The sharebrokers have for many years been requesting that the transfer rates in this State should be brought into line with those operating in the Eastern States, because people were transferring their shares in order—

The Chief Secretary: To save money.

**Hon. L. CRAIG**: Yes. A good illustration of that procedure can be found in the case of the Swan Brewery, which has a register kept in Western Australia and one in Victoria. Shares may be held on the Western Australian register, and it is advisable to have them on that register for probate purposes, but if the shareholder wants to transfer them, he first of all transfers them to the Melbourne register, for which there is no charge. The shares are then transferred to the purchaser at a cost of 5s. per cent. as against our rate of £1 per cent. The shares having been transferred, the transferee applies for them to be put back on to the Perth register. That is all perfectly legal. This amendment will bring our rates into line with those of the Eastern States. This proposal was also recommended by the Royal Commission on the Companies Bill. I congratulate the Government on acting so promptly on that recommendation.

**Hon. A. Thomson**: Some good is resulting from our labours!

**Hon. L. CRAIG**: When I first entered the House, I suggested that this amendment should be made to the Stamp Act, because we were losing revenue to which we were justly entitled. It is unfortunate that this Bill is brought down now, because, I understand, Victoria has recently made amendments to its Act altering the rates, in some cases, to coincide with ours. Where a genuine transfer of shares takes place, for a cash consideration, the rate is 5s. per cent., but where it is considered that there has been no exchange of cash, the rate has been raised to £1 per cent. Where the sum involved is very large, and the transfer is not a genuine one for cash, the rate increases by 2 or 3 per cent., I believe. I have had some experience of that myself.

**Hon. A. Thomson**: We had better stick to this proposal.

Hon. L. CRAIG: This measure will put our transfer rates on the same basis as the other States, excepting South Australia, which does not charge transfer duty. We may lose some revenue in cases where shares held in local companies are to be transferred to the register in Victoria, or some other State. Today it is compulsory to transfer those shares and pay 1 per cent. We will lose money in that direction.

Hon. A. Thomson: We would lose uniformity by retaining that provision.

Hon. L. CRAIG: Yes. It is rather unfortunate that the Bill is brought before us at a time when the Commonwealth Government is proposing to put a charge of 60 per cent. on the transfer of shares or property. That rate is to overcome the evasion of income tax. A man with a lot of property and in receipt of a large income, in order to pay a smaller amount of tax, distributes his property amongst his children and relatives.

HON. H. SEDDON (North-East) [5.30]: I support the second reading of the Bill and particularly that portion dealing with the transfer of shares. From time to time we have suggested that this matter be dealt with because it is recognised that Western Australian investors have been penalised by the heavier stamp duty paid on shares acquired in Eastern States companies, and also on shares acquired in local companies, on which they have had to pay the local stamp duty. Therefore I regard the proposal as a step in the right direction.

As has been pointed out, the Royal Commission on the Companies Bill recommended that the Stamp Act should be amended along these lines. There was one recommendation embodied in the report which unfortunately cannot become effective owing to the dropping of the Companies Bill, but which would have been of advantage to Western Australian investors. That is the proposal that any company doing business in Western Australia should establish a local share register, which would be of benefit when application had to be made for probate, because probate duty would be payable in only one State. However, that matter is beside the Bill. The measure will certainly help investors in this State who have been handicapped in the past.

THE CHIEF SECRETARY (Hon. W. H. Kitson—West—in reply) [5.31]: I wish to express my appreciation of the remarks of Mr. Craig and Mr. Seddon. Naturally all Governments at the present time are finding it necessary to give attention to practices involving evasion, and people are finding that they must face what has always been considered to be a legitimate charge when certain transactions take place. I can assure Mr. Craig that if we reach a stage where it is desirable for the Government to give consideration to the points he has raised, it certainly will do so. However, members might well be content with the provisions of this Bill for the present.

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 read a third time and *passed*.

## BILL—ROAD CLOSURE.

*First Reading.*

Received from the Assembly and read a first time.

*Second Reading.*

THE HONORARY MINISTER (Hon. E. H. Gray—West) [5.35] in moving the second reading said: The first proposal deals with the closure of roads in the townsite of Carnarvon. The Commissioner of Native Affairs has requested that an area of land be set aside on the outskirts of the town for the purpose of a reserve for natives. The proposed reserve embraces two streets which it is necessary to close. As the area is situated in a municipal district, approval for this procedure must be granted by Parliament. There is no objection by the department or the local authority to the closure.

The next matter dealt with concerns a recreation ground at Albany where the municipality has acquired an area of land now known as Centenary Oval, and desires that certain streets and rights-of-way be closed and included in the oval. The land comprised in the streets and rights-of-way is already being utilised by the council, but



Parliamentary approval for the closure is required. The local authorities at Albany are definitely in favour of the proposal, and there is no objection by the department.

The third provision in the Bill deals with an area of land at the Thomas-street entrance to King's Park. Under the Reserves Act, 1929, an area of land at the Thomas-street entrance was excluded from the park for the purpose of adding it to that street, the idea being to form a semi-circle at the park entrance. This involved the removal of the lodge and certain other improvements which had been made there. The project, however, has been abandoned, and the King's Park Board now desires to retain the lodge and to reinclude the area around it in the park. Parliamentary approval is required, and the proposal has the support of the department, the Town Planning Board, and the Subiaco council.

There is a second proposal which concerns King's Park. That portion of King's Park-road in the vicinity of the lodge at the park entrance was also dealt with under the Reserves Act in a similar manner to the area at the Thomas-street entrance. The proposal was to remove the lodge and other improvements to form a larger circle at the entrance to the park. The lodge has been re-erected close by. The new fence, however, was not erected on the surveyed boundary as fixed by the Reserves Act, 1929, the result being that a small area, although part of the King's Park-road, is actually within the park fence. The board desires to close that area of the road so that it may be re-included in the park. The Perth City Council is in agreement with the proposal and there is no objection by the department or the Town Planning Board.

The next proposal concerns an area of land held by the City of Perth as a park and recreation ground between the Swan River and Joel-terrace, East Perth. A short, unused roadway branches off from Joel-terrace to the recreation ground, and it is desired to include this within the park area. The City of Perth has requested approval and the department has no objection.

Another proposal concerns the closure of Gray-street, Geraldton. The Roman Catholic Church has acquired the whole of the area on both sides of this roadway for the purpose of establishing a charitable institution to be known as Nazareth House. The approval of this closure will enable the whole

of the land acquired by the church, and the roadway, to be incorporated in one large area. The road, on its closure, will revert to the West Australian Trustee Company, which has agreed to proceed with the necessary transfer action as soon as the closure procedure has been finalised. The matter has been submitted to the Geraldton council, the department and the Town Planning Board, and no objection has been raised.

The next provision deals with a small area of land near the Bassendean Oval. A portion of Dodd-street in the Bassendean Road District was closed under the provisions of the Road Districts Act, 1919, the land being reserved for an ornamental park and vested in the board with power to lease. Under Section 151 of the Road Districts Act, an application for closure must be made by the owner of land abutting on the portion of the road to be closed. In this instance, however, all the abutting land was held by the Crown and the closure was effected on the application of the Minister for Lands. On the advice of the Crown Law Department, it has been ruled that certain lots privately owned in Surrey-street were affected by the action taken, but as these lots have now been acquired by the Crown for dedication under the Workers' Homes Act, the only party now concerned in the matter is the Crown. It is therefore desired to validate the closure of this road.

Another proposal has been submitted by the Perth City Council and concerns the closure of Carse-street, Victoria Park. Land has been acquired by the Perth City Council on both sides of the road proposed to be closed for the purpose of a park to be known as Peet Park. If Parliament approves, this road will be included in the park lands. No objection to the proposal has been raised by the department.

The final provision in the Bill deals with an area of land near the Royal Agricultural Society's showgrounds. The society has applied for the closure of the remaining portion of Royal-avenue. New roads have been set out in the vicinity, the result being that the portion dealt with by this Bill is no longer required for road purposes. After closure it is proposed to dispose of this land to the Royal Agricultural Society, together with an adjoining area of Crown land. No charge will be made to the society for the area closed, as this was resumed from that body some time ago without any pay-

ment by the Crown. The Claremont council concurs in this arrangement, and Parliamentary approval is desired.

Plans of all of the areas concerned in this Bill are available, and I propose to lay them on the Table for the information of members. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

### **- MOTION—HAY CROP.**

#### *As to Relief to Farmers.*

Debate resumed from the previous day on the following motion by Hon. G. B. Wood (East):—

That this House—having considered the position of farmers who, in 1940, cut hay when it was anticipated there would be a state of emergency in regard to the shortage of hay, and who subsequently found themselves, owing to changed and more favourable seasonal conditions, without a market for same—is of the opinion that the proposals of the Government for the relief and assistance of such farmers are not only inadequate but unfair and impracticable, and calls upon the Government to evolve some fair and practicable method of relief without delay.

**HON. G. B. WOOD** (East—in reply) [5.44]: In moving this motion I am afraid I trespassed on the time of members more than I intended to do. In my reply I shall make my remarks as brief as possible. I regret that the motion was moved in this House, because the Minister who has had so much to do with the hay question is in another place. Last session as well as this session, however, so little sympathy was shown towards our requests in another place that I thought such a motion might receive more sympathetic treatment in this House.

To some extent I sympathise with the Chief Secretary, because he is not in charge of the department that dealt with the hay question. I hope that anything I have said or am going to say will not be regarded by him as being personal. At the same time he, as a member of the Government, has to accept his share of the responsibility. He made a good speech on a bad case; in fact, he had no case at all. That is my considered opinion. I am very disappointed over the lack of sympathy the Government has shown towards our primary industries, not

only in this instance but in the case of drought relief, requests from poultry producers, and other sections of primary industry. The Minister has given me very little to which I need reply. He has tried to justify the advance of 25s. per ton, but in my opinion he has not justified it in any way to the satisfaction of those concerned.

Generally speaking, the Chief Secretary admitted that most of my statements were true. One of the main points made by the Chief Secretary in opposition to my motion was that those people who cut hay did not avail themselves of the supposed opportunity offered to them at the time. I am at variance with that statement. I have checked up on what has been said by Mr. Kelsall. I am sure that gentleman did not have an opportunity to sell his hay. He discovered, after he had done his cutting—he lives 13 miles from a siding—that there were no hay buyers or cutting plants in his district.

The Minister has evaded that particular question by saying that 4,000 tons of hay were purchased in the Midland district. I point out that is a large area. Because 4,000 tons of hay were purchased by the Government in the Midland area, that is not to say Mr. Kelsall had an opportunity to participate in those purchases. I have discovered that very little hay was purchased by the Government in the Moora district. I do not know why that was so, and why not much cutting was being done in that district, but I do know that no opportunity was afforded Mr. Kelsall to sell his hay.

The Chief Secretary: What opportunity do you suggest should have been afforded Mr. Kelsall?

Hon. G. B. WOOD: The officers of the Agricultural Department advised him to cut hay, and he naturally thought they would see he had some means of disposing of it. I am sure Mr. Kelsall's is a genuine case. A gentleman came to me today of whom I had never previously heard. In fact, most of the people who have been to me in regard to this matter do not live in my province, but in that of Mr. Drew—the Central Province. Some of those concerned live in my province, but most of the grievances emanate from settlers in the Central Province. The gentleman to whom I have just referred is Mr. Jaesche, of Bengil. He told me he had cut 200 tons extra for hay upon representations being made to him

that he should cut his crop for that purpose, and that he did not know what he was going to do with it. In that gentleman's case the answer to the question as to why he did not try to sell his hay, was this: He wrote to Mr. Metcalf in Dowerin in September offering his hay for £3 a ton, and also saw Mr. Fells, an inspector of the Agricultural Bank at Carnamah, on the 19th October in regard to the sale of his hay, but without success. He made efforts to sell his hay in September and continued with his efforts.

I have other letters in my possession addressed to the Agricultural Bank asking the officials to buy that gentleman's hay but still without success. I also have a letter from the Under Secretary of the Agricultural Department. There is no doubt Mr. Jaesche earnestly endeavoured to dispose of his hay. I also think the Chief Secretary suggested that the farmers concerned could absorb their hay in the course of time. I dare say that is so, but Mr. Jaesche said he had no opportunity to utilise his hay. In his case, there was a share farmer involved. He and that share farmer had discussed the situation and arrived at the conclusion that a proportion of the wheat crop could well be cut for hay. He, therefore, advised that man to cut a certain proportion of hay in the belief that it could be disposed of. Mr. Jaesche was not prepared to repudiate that arrangement and bought the hay himself. He has that quantity of hay on his hands today, and does not know what to do with it.

Another case is that of Mr. Smart, one of the biggest farmers in Western Australia, whose farm is at Wongan Hills. I think he crops annually anything between 10,000 and 17,000 acres. He has a place at Waddi Forest, which is far removed from where his stock are located. That farmer has no opportunity to absorb his hay, and his case is similar to that of Mr. Kelsall, whose hay is at the other end of his farm, and who cut more hay than he knows what to do with.

The Chief Secretary: Is it your suggestion that the Government should buy all the hay that has been cut?

Hon. G. B. WOOD: The Chief Secretary threw out a challenge to me to make a suggestion to the Government, and I intend later on to say what the Government should do. The Government should certainly have

done more than I am in the position to ask now, because in the interval I dare say a great deal of the hay has been absorbed. The Chief Secretary is fond of insinuating certain things by innuendo. He referred to meetings held in my province and suggested that I had done this, that and the other. He referred particularly to meetings at Cunderin and Meckering, at neither of which was I present. On those occasions the farmers were alleged to have asked for prices ranging from £8 to £10 per ton for their hay, but I am not concerned with them. Before anything at all was done, a meeting was held at York, and a motion was carried that a price of £6 10s. per ton should be asked for.

When it came to the time to wait on the Minister for Agriculture by deputation, I arranged that that motion asking for £6 10s. a ton should not be brought forward. The Minister for Agriculture, in his anxiety to discredit me at a future conference, drew attention to what had occurred at York. All through the proceedings I had endeavoured to assist the Government, and I do not like these innuendoes. About October last year Mr. Kelsall approached me at the Moora Show and asked me what I thought he should do. I replied that I could not advise him what to do, as it was not in my province to tender such advice, but I told him I knew what I would do if I were in his position. The Chief Secretary referred to numbers of farmers far removed from the usual centres where hay is cut. Those farmers were told that hay was not available in the usual centres, and that was why they cut it. Binders were sent to the various districts and promises were made about contractors who would be despatched to cut the hay. This is a sufficient explanation of the position in which farmers such as Mr. Teakle, Mr. Jaesche, Mr. Smart and Mr. Kelsall found themselves. Dozens of other farmers were in a similar plight.

Another point that requires an answer is the statement that I am supposed to have induced the city merchants to bring pressure to bear upon the Government. Whatever I did in the case of the merchants has nothing to do with the Government's buying hay. I had a meeting with some of the merchants and the Price Fixing Commissioner, and tried to do both the merchants and the farmers a good turn by endeavouring to induce the Com-

missioner to increase the price at which hay could be bought. At that time I knew of two stacks of hay, one at Toodyay and another at Grass Valley. Mr. Rowsell, who said he represented hay buyers in Perth, stated that he would like to give the farmers £6 per ton for their hay in the stack, but that he could not do so because the Price Fixing Commissioner would not allow the necessary margin for resale. That is how I came to be associated with the merchants in this matter. No pressure whatever was brought to bear upon the Government.

The Chief Secretary: I did not say you brought any pressure to bear.

Hon. G. B. WOOD: I understood the Chief Secretary to say so.

The Chief Secretary: I referred to the fact that you said pressure had been brought to bear. Read my speech!

Hon. G. B. WOOD: I came into the chaff business because merchants asked me to meet them with regard to the price to be paid for hay then in the stack. The Chief Secretary spoke of the conditions under which that advance was made, namely, that if a stack was broken and cut the farmer who had received the money would have to repay it. Those conditions do not appertain to any other advance of the kind. Take the man who owns sheep that are under lien to some firm of brokers! He can sell some of his sheep, his lambs or his wool, and the proceeds go into his account. If he sells some of his sheep he is not called upon to make good the amount of the lien.

The Government was ill-advised to impose such conditions in the case of farmers. There was no need for such action. If a farmer had received an advance and had cut any of the hay which constituted the security, the proceeds would not be paid to him but to the Agricultural Department. It was ridiculous for the Minister to say that the Government had to safeguard its security when it lent money, and that the method adopted was the only way to safeguard that security.

The Chief Secretary: Do you not agree that the Government should have security?

Hon. G. B. WOOD: Of course I do; no one would think otherwise. The matter should have been treated in the same way as other advances of the kind are dealt with. A man may have his wheat under lien to some firm. He does not get a loan from

someone else to pay off the amount of the lien if he sells his wheat, but the proceeds are put into the pool and subsequently paid to those who hold the lien. I cannot understand how the officials of the department came to frame such conditions as those to which I refer. They certainly made a mistake in doing so.

Hon. J. J. Holmes: The hay might depreciate in value, and might subsequently not be worth 25s. per ton.

Hon. G. B. WOOD: Whose fault would that be? Another important aspect of the matter is in regard to the wheat quota. Mr. Jaesche told me he had converted 200 acres of crop into hay, and was afraid that his wheat quota would be jeopardised.

Hon. A. Thomson: That is the unfortunate part of the matter.

Hon. G. B. WOOD: Yes. I want the Chief Secretary to listen to what I have to say. I hope something will be done for those who cut hay, and that the result of their so doing will not be that their wheat quotas will be jeopardised. If that were so it would apply to dozens of farmers. Those people who only grow crops for hay are not concerned in that aspect.

Then there is the point that the hay market was disturbed by reason of the fact that so much extra hay was cut, but I am not going to deal with that aspect now. The Chief Secretary asked me what suggestion I had to offer. I am now going to quote from a speech made by the member for Irwin-Moore (Mr. Berry) in another place on the 28th November, 1940, when he was dealing with the question of drought relief. The hon. member said —

There is another matter to which I wish to draw the Premier's attention. It will be remembered that earlier in the year many of us, including myself, exhibited panic as to the future of Western Australian crops. All of us—including the Minister for Lands and the Premier—did our utmost to prevail upon people who had crops to cut them for hay. We urged them to cut the crops even if the yield was only a few cwt., stressing the point that it was a national necessity and a patriotic duty. The Government decided to buy a certain amount of hay at £3 10s. a ton, and the Price Fixing Commissioner fixed a maximum price. Generally speaking the future for hay was rosy then. Anybody who had hay crops appeared to be on the way to fortune. These people ordered binders from the city. In one week 53 binders were despatched to my district. Farmers bought binders, cut hay and sold some of it to the Government. That which was not sold is now in the form of haystacks. Then the

rains came. That was fortunate for the State but unfortunate for these particular people. Crops followed that had not been expected, but the people who had been induced to cut for hay and who but for that would have reaped about 15 bushels of wheat to the acre are now faced with the position of having stacks of hay that nobody wants. I have a letter on the subject, a portion of which I would like to read. It is from a man in my district.

I do not think there is any need for me to read the whole of the letter, referred to by the member for Irwin-Moore, but I desire to quote this portion—

With the viewpoint of loyalty to the appeal of a Labour Government, I cut the best of my crop to the extent of 140 tons of hay which, on a conservative estimate, would have yielded 15 bushels of wheat per acre, only to find on contacting several Perth chaff merchants and also the Agricultural Bank that they do not require the hay and do not even wish to make an offer.

That was in November. Mr. Berry later in his speech said—

The position outlined in the letter I have quoted is not an isolated case. Today, before coming to the House, I contacted the manager of one of our large financial institutions and asked whether he could throw any light on the matter and whether it was a bother to him. He assured me that it was a great bother to him, and he thought that if the matter was brought forward in this House, it might be given consideration. He felt as I do, that this is a problem that ought to be faced, and that a great deal more will be heard of it.

I now propose to quote what the Premier said in reply. In the course of his remarks on the subject on the same day, the Premier said—

I have to refer to the remarks of the member for Irwin-Moore (Mr. Berry) regarding hay. We know that people did respond to the strong suggestion—I do not know that it was an appeal—made by the Government through the Minister for Lands that as it looked likely that there would be a serious shortage of fodder for the 5,000,000 sheep in the agricultural areas, people with crops would be performing a national service if they cut them for hay, thus enabling us to have stocks in case the season did not improve. Many of them did as suggested and if, as the hon. member says, some of them now find themselves in financial difficulties directly attributable to what they did . . . because they cut reasonably decent crops and now have hay for which there is no immediate sale—

The next sentence is the one to which I wish hon. members particularly to listen. The Premier said—

If that is the case, their financial difficulties will be attributable to drought conditions and they will receive assistance.

The State Government received £570,000 from the Federal Government for drought relief. Of that amount only £430,000 has been spent and £140,000 remains which will not be wanted by drought-stricken farmers in the ordinary course of events. I suggest to the Government that it use some of that money to assist these people by making reasonable loans to them instead of offering them a paltry, miserable 25s. a ton for their hay with all the tags to which I have referred attached to the transaction. Let the Government give them a decent loan. Those who do not want a loan should be reimbursed for their out-of-pocket expenses. Each case must be dealt with on its merits. I again admit that many folks do not deserve help, especially those who held out for higher prices.

The Chief Secretary: How would you draw a distinction?

Hon. G. B. WOOD: I admit there may be difficulty in doing that, but it can be done. There are agricultural inspectors who know all the farmers and their circumstances because they are in touch with them. As far as I am concerned the Government is not going to escape by saying that a distinction cannot be drawn, because I am quite sure it can. I think I have submitted a case to prove that something should be done for these people and I ask the House to support the motion.

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

Ayes	..	..	..	..	10
Noes	..	..	..	..	9
					—
Majority for	..	..	..	..	1
					—

AYES.

Hon. C. F. Baxter	Hon. J. G. Hislop
Hon. L. B. Bolton	Hon. W. J. Mann
Hon. J. A. Dimmitt	Hon. A. Thomson
Hon. E. H. H. Hall	Hon. G. B. Wood
Hon. V. Hamersley	Hon. H. L. Roche
	(Teller.)

NOES.

Hon. Sir Hal Colebatch	Hon. J. M. Macfarlane
Hon. L. Craig	Hon. C. W. Miles
Hon. J. M. Drew	Hon. H. Seddon
Hon. E. H. Gray	Hon. G. Fraser
Hon. W. H. Kitson	(Teller.)

PAIRS.

AYES.		NOES.	
Hon. H. V. Plesse	Hon. J. J. Holmes		
Hon. H. S. W. Parker	Hon. C. B. Williams		

Question thus passed.

## BILL—INDUSTRIAL ARBITRATION ACT AMENDMENT.

### *Assembly's Message.*

Message from the Assembly received and read notifying that it had agreed to amendments Nos. 2, 5 and 6 made by the Council and had disagreed to Nos. 1, 3 and 4.

## BILL—METROPOLITAN MARKET ACT AMENDMENT.

### *Assembly's Message.*

Message from the Assembly received and read notifying that it had agreed to the amendments made by the Council.

*House adjourned at 6.13 p.m.*

## Legislative Assembly.

*Thursday, 4th December, 1941.*

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

## QUESTION—EDUCATION.

### *Costs of Technical Instruction.*

Mr. J. H. SMITH asked the Minister representing the Minister for Education: 1, Has the Government given consideration to the statement of the W.A. Teachers' Union that the cost of technical education in Western Australia is 1s. 0¾d. per head of the population, whereas the cost per head

for the whole of Australia is 2s. 5d. 2, Is the Government taking any action to extend the facilities for technical education?

The MINISTER FOR THE NORTH-WEST replied: 1, Yes. 2, Plans for the expansion of technical education in this State are now being prepared; their implementation will necessarily be dependent upon finance.

## QUESTION—RAILWAYS.

### *Amherst Road Crossing.*

Mr. J. HEGNEY asked the Minister for Railways: 1, Is he aware that statements have been circulated in the Greenmount district that it is the intention of the Railway Department to close the Amherst road crossing between Helena Vale and Swan View? 2, Will he inform the House whether there is any truth in such statements?

The MINISTER FOR RAILWAYS replied: 1, No. 2, There is no such present intention.

## QUESTION—FISHERIES.

### *As to Research Vessel.*

Mr. BERRY asked the Premier: 1, Have tenders been called for the building of the fisheries research vessel? 2, Has any tender been accepted? 3, When may we reasonably expect this necessary work to commence? 4, Where is the vessel to be built? 5, Are the materials and labour to be used exclusively Western Australian where practicable?

The MINISTER FOR INDUSTRIAL DEVELOPMENT (for the Premier) replied: 1, No. 2, See answer to 1. 3, Negotiations in connection with the building of the vessel are now proceeding between the State and Commonwealth officers and the construction of the vessel will commence early in the New Year. 4, Western Australia. 5, Yes.

## QUESTION—STEEL PRODUCTION.

### *As to Use of Charcoal.*

Mr. NORTH asked the Minister for Industrial Development: 1, Is it a fact that the production of steel in this State by a modern charcoal process is being investi-