place, if time permits, to make a quotation from the *Brisbane Worker* referring to this very tariff:—

> "This tariff, therefore, is equivalent to a heavy reduction in wages. How long will it take the unions to win back the three to five shillings a week thus knocked off the pay of every working man?"

That is a labour paper.

Mr. Bath: The Perth *Daily News* quotes it.

Mr. Holman: You ought to quote a lot more of what the *Worker* writes.

The PREMIER: I have no doubt it would educate me in a manner the hon. member would like. I can but say that as the remonstrance is respectful in tone and does not go outside the scope of the resolution passed, I cannot see why it should be objectionable.

Question put, and passed on the voices.

ADJOURNMENT.

The House adjourned at 11.29 o'clock, until the next Tuesday.

Legislative Assembly,

Tuesday, 3rd September, 1907.

The SPEAKER took the Chair at 4.30 o'clock p.m.

Prayers.

ELECTION RETURN—WEST PERTH.

The Clerk announced the return of writ for the election of a member for West Perth, in the place of Mr. F. Illingworth (resigned); showing that Mr. Thomas Percy Draper had been duly elected.

Mr. Draper took the oath and subscribed the roll.

PAPERS PRESENTED.

By the Minister for Mines: 1, Return of Exemptions granted under the Mining Act for the year ended 30th June, 1907. 2, Wiluna State Battery, Papers *re*. 3, Register of Accidents on Mines. A return was asked for dealing with accidents in mines. I thought I would bring the office register, and members can peruse it, so that I may have it back shortly.

By *the Premier*: 1, Return of Inspections under Factories and Early Closing Acts.

By *the Minister for Works*: 1, By-laws of Plantagenet Roads Board. 2, By-laws of Upper Irwin Roads Board. 3, Geraldton Harbour Works—Report and Plans of Sir John Coode.

QUESTION—RAILWAY ENGINE-CLEANERS RETRENCHED.

Mr. JOHNSON asked the Minister for Railways: 1, How many locomotive engine-cleaners have been put off through retrenchment during the last six months? 2, What proportion of the total number of cleaners employed six months ago does this represent? 3, What percentage of railway employees of all grades have been retrenched during the last six months, including cleaners? 4, Why is the percentage of cleaners so much in excess of the percentage of all grades? 5, What is the alleged economy being effected by the retrenchment of the cleaners? 6, Is the Minister aware that at some sheds engines are not being cleaned at all, and that they are suffering considerable damage to the motion and wearing parts in consequence, rendering a much larger consumption of oil necessary? 7, Is it the intention of the Government that

cleaners shall be retrenched from the grades they now occupy and re-employed as casual hands at the lowest rates of pay? 8, Is it the intention of the Government to take any steps to retain in the State experienced cleaners who are being retrenched, either by offering them employment on the land or elsewhere, so that they may be available when an increase of staff becomes necessary?

The MINISTER FOR RAILWAYS replied: 1, Sixty-nine in all; 32 were retrenched direct, and 37 others had to be put off to make way for firemen reduced to cleaners. 2, The number of cleaners employed on the 1st March, 1907, was 233; there are now 201, or a reduction of 13.73 per cent. 3, 11.31 per cent. 4, The reduction is not considered excessive; the work has also been reduced. 5, The economy effected by the retrenchment of cleaners, and reducing the status of others in consequence of such retrenchment, is expected to be about £8,000 per annum. 6, No. 7, No. Locomotive foremen have been instructed that directly work is available, the retrenched men are to have preference over outsiders, and at their old rates of pay. 8, Every effort will be made in the direction indicated.

QUESTION—RAILWAY RUNNING-SHED, FREMANTLE.

Mr. BOLTON asked the Minister for Railways: 1, Is it the intention of the Government to remove the Fremantle locomotive running-shed from its present site during this financial year? 2, Is it the intention of the Government to transfer some of the main line engines, and the staff necessary to work the same, to Perth or elsewhere from Fremantle? 3, If so, for what reason? 4, What is the total cost up to date of the Fremantle locomotive running-shed, and its efficient appliances?

The MINISTER FOR RAILWAYS replied: 1, No. 2, No intention at present. 3, Answered by No. 2. 4, £5,300.

QUESTION—RAILWAYS FENCING.

Mr. STONE asked the Minister for Railways: 1, Will he cause the Government and private railway lines to be fenced in closely settled districts on the Northern lines, such as the Mullewa and Irwin districts, in order to prevent the great mortality of stock caused by trains running into them, and to better safeguard the travelling public? 2. Are the railway authorities responsible for stock killed on unprotected railway lines?

The MINISTER FOR RAILWAYS replied: 1, To fence the whole of the Government Railways, exclusive of spur lines, would cost £145,000. Fencing to cost £27,000 is urgently required, but the work cannot be put in hand at present. The department, however, would be prepared to supply the wire subject to the settler putting up the fence wherever this was found to be possible. 2, The department is not responsible for stock killed on unfenced lands. The onus lies with the owner of the stock to keep them from trespassing on the railways. The question of compelling privately owned railways to fence their lines when passing through settled districts will be dealt with later.

BILLS (2)—FIRST READING.

1, Land Tax (to impose a tax); 2, Sale of Government Property; introduced by *the Treasurer*.

BILL—VACCINATION ACT AMENDMENT.

Read a third time, and transmitted to the Legislative Council.

BILL—MARRIAGE ACT AMENDMENT.

Second Reading moved.

The PREMIER (Hon. N. J. Moore) in moving the second reading said: This is a measure sent from the Legislative Council, to farther amend the Marriage Act of 1894, in which certain amendments have been found necessary, and most of them are introduced at the suggestion of the various religious bodies concerned. First, this Bill provides for extending the hours within which marriages may be celebrated. These hours are now from 8 a.m. till 6 p.m.; it is proposed to extend them from 8 a.m. till 8 p.m. It is

farther proposed that declarations having been duly made, marriages may be celebrated by any minister or district registrar. [*Mr. Bath*: Without their being gazetted?] Yes. Under the existing Act, banns must be published in the district in which one of the parties or both of them reside, within which district the marriage must be celebrated; that is to say, in the event of the parties residing in Subiaco and attending a church in Perth, the banns must be published in Subiaco. The Bill provides that after the banns have been published, if the minister issues a certificate that the banns have been published in the manner authorised, the marriage can be celebrated in any church within the State, or in a private house. [*Mr. Taylor*: That will not apply to registrars?] No; only when the marriage is celebrated by a minister of religion. The Bill reduces to fourteen days the time for which church-door notices must be posted; the existing Act provides that such notices shall be posted for three consecutive Sundays, which practically amounts to fourteen days. By this measure, after due publication of banns or posting of church-door notices, marriages can be celebrated anywhere within the State; and as a check on the registration of marriages it will enact that all ministers shall send in monthly returns of marriages celebrated, whereas the registrar at present relies on the returns made by the district registrars. At the request of the Jewish community provision is made for placing that denomination on an equal footing with others, and allowing its members to be married by district registrars. There are one or two other small alterations which I can fully explain in Committee; but I have given the gist of the alterations suggested in this amending Bill, the second reading of which I now have pleasure in moving.

On motion by *Mr. Taylor*, debate adjourned.

LAND TAX ASSESSMENT BILL.

Machinery Measure, in Committee.

Mr. Daglish in the Chair, *the Treasurer* in charge of the Bill.

Clause 1—agreed to.

Unimproved Value, how defined.

Clause 2—Interpretation:

Hon. F. H. PIESSE: The definition given in paragraph (*a*) to "unimproved value" was "in respect of land granted in fee simple the capital sum for which the fee simple of such land would sell under such reasonable conditions of sale as a *bona fide* seller would require, assuming the actual improvements (if any) had not been made." An explanation was needed with regard to the meaning of the word "require," for as it appeared in the paragraph a man might say he required a much larger sum than perhaps the land was actually worth. It would be better to insert "accept" instead of "require," as by that means the unimproved value would mean the capital sum for which the fee simple would sell under such reasonable conditions of sale as a *bona fide* seller would accept. Otherwise the interpretation was likely to prove confusing.

Mr. FOULKES: There was evidently some mistake in the drafting of the clause, for in the next paragraph appeared the words "the capital sum for which the fee simple of such land would sell." It would be wise to adopt the suggestion that the word "accept" be substituted for "require." If this were not done it might be found that the owner would ask four times what the land was worth, and there would be no chance of ascertaining what was the real value of the land.

The TREASURER: There was no objection to striking out the word "require" and inserting "accept," for the result would be to make the interpretation clearer. What was intended was that the value should be the price the seller would sell at, and it was quite possible, as was suggested by the member for Katanning, that, under the paragraph as it stood, the owner would require more than the real value of the land. What was wanted was that the value should be ascertained. He moved an amendment—

That the word "require," in paragraph (a), be struck out and "accept" inserted in lieu.

Mr. H. BROWN: Difficulty would be experienced with regard to these valuations, as the municipalities and roads boards had placed different interpretations on the meaning of "unimproved value." If another interpretation were now placed upon the term by the Land Tax Assessment Bill, still farther confusion would result.

Mr. BATH: An objection to the proposed change was that there was nothing in the Bill to provide for testing the seller's statement as to whether he would accept the price fixed as the unimproved value. If there were a provision as in New Zealand, where the value of the land was fixed by the owner of the land himself, and the Government had the right to buy the land at that amount with a certain percentage added, then there would be some guard against his statement. It might be that otherwise the owner would say he would accept a certain sum merely in order to avoid the payment of what he might consider an unjust tax on incorrect values. The alteration would be dangerous here so far as the equitable incidence of the tax was concerned.

Hon. F. H. PIESSE: The point raised by the member for Perth concerning the difficulties between the methods adopted in connection with land values under municipal government, roads boards, and now under the proposed land tax assessment, showed that confusion would inevitably follow. The clause was one of the most important in the whole Bill, for the people should be made clearly to understand upon what lines they should arrive at the valuation. The clause threw on an owner of land the onus of assessing its value, if he were asked what price he would take; that would be one way of getting at the value, but it was not always the fairest way. If, however, that were to be the method, let it be the recognised one for the whole of the assessments on land values throughout the State; there should be some recognised system. None knew better than the Minister for Works what difficulties had cropped up in connection with these land values in the work of the roads boards. The bodies had adopted all kinds of values; some upon the land under the Land Act: that was on land at 3s. 9d. per acre, 6s. 2d. per acre, and 10s. per acre. This basis had been adopted notwithstanding the fact that some of the land might have been taken up only for a few weeks, while other holdings had been taken up for some years, and were nearing maturity as regards redemption. That was an unfair system, and too many boards had assessed values on that plan. If a new applicant under the land laws took up second-class land with a rate fixed at 6s. 2d. per acre, and another man had taken up similar land five years previously and had paid one-sixth of the whole of the purchase money, it followed that the latter was the more valuable property in regard to the unimproved value. Land only gained value by occupation, and that which remained unoccupied was worthless from a national or productive standpoint; but immediately it was taken up by an applicant, say at 10s. per acre, the position was very different. If it came to a value under the Roads Act, which had no exemption clauses, then the land would come under the assessment the first year it was taken up. Roads board valuations varied; land taken up a few weeks ago might be valued by one board at 10s. an acre, and by another board at the price fixed by the Government ten years ago.

The Premier: That argument would apply in the case of ordinary land selections where the payments extended over a number of years.

Hon. F. H. PIESSE: Would the Premier value land taken up this year as being of the same value as land taken up ten years ago?

The Premier: Yes; because in the latter case one-half the purchase money would have been paid, and in the former case only one-twentieth; farther, the selector would in the latter case be entitled to his Crown grant in five years.

Hon. F. H. PIESSE: In the case of land taken up this year, 6d. an acre only would have been paid; therefore the unimproved value of that land to the holder was only 6d. an acre, as against 10s. an

acre in the case of land held for ten years on deferred payment. There should be some uniform method of valuation. As the Minister for Works was aware, present valuations by roads boards varied, some boards assessing the unimproved value at 2s. 6d. an acre, others at 10s. an acre, others again up to £1 an acre. We should try to simplify the method of arriving at the value.

Mr. H. BROWN : As an object lesson on the point, a large estate a few miles from Perth was recently sold at an average price of £3 an acre. Over 100 acres of the estate was under water when sold ; it had since been drained at a cost of £200, and the result was that the whole estate was now worth nearly £100 an acre.

Mr. Bath : That would be the unimproved value.

Mr. H. BROWN : For taxation under this Bill the estate would be assessed at its unimproved value, which was *nil*, though an expenditure of £200 had created a value of close on £10,000.

Mr. BOLTON : The definition of "unimproved value" required making clear, the procedure under the Bill being complicated. The owner of a block of land at North Fremantle, assessed by the municipality at an unimproved value, claimed that it was improved because he had put a fence round it. He appealed against the council's valuation, and the appeal was upheld by the magistrate, who ruled that a fence was an improvement within the meaning of the Municipal Corporations Act. The illustration might not apply to the clause, but it showed the desirability of a clear definition of the term "unimproved value."

Mr. BATH : There was something in the argument of the member for Katanning that the interest of a conditional purchase selector in the unimproved value was represented only by the amount already paid, because were he to sell his holding he would get only the amount already paid, *plus* probably any value which the purchaser might consider the land to have over and above the purchase price demanded by the Government.

The Premier : Conditional purchase selectors were not to be taxed at all for the first five years.

Mr. BATH : Until the selector had completed the payments, he was merely in the position of a lessee, and if at any time he were to make default in the payments he would lose all right and title to the land. Hence any equitable adjustment of value must be on the basis of the amount actually paid. He disagreed to the first argument raised by the member for Katanning that the word "required" needed alteration. As he had pointed out there would be no check on the value placed on the land by the owner for taxation purposes. In the northern part of New South Wales, the Peel River estate was for years assessed at £2 an acre by the Government for land taxation ; yet when the Government later sought to buy the land for closer settlement, the owners asked £6, intimating that the deal might be completed at £5. The New South Wales system was based on that of New Zealand, under which assessors were appointed ; but to a large extent the Government relied on the assessments made by owners.

The Treasurer : That system would be followed here.

Mr. BATH : But in New Zealand the Government had a right to purchase private land at a price 10 per cent. above the valuation made by the owner for taxation purposes. Without such safeguard as to values, there would be nothing to protect the Government here, were this clause amended to read "accept" in lieu of "require."

The Treasurer : It was proposed to insert "obtain" in lieu of "require."

Mr. BATH : But it would be difficult to fix what a man could "obtain" unless he actually made a sale of his land.

The Premier : Any valuer could fix that.

Mr. BATH : The experience of New South Wales showed the necessity for some safeguard. In that State the Government, in pursuance of its policy of closer settlement, had in every case to pay a higher price than had been placed on the land by the owner, for taxation purposes.

Mr. BUTCHER: The conditions obtaining in New Zealand on the introduction of the Act there differed vastly from those obtaining here. In New Zealand, when there was a great demand for land, the object was to assist poor men to go on the land; a policy of closer settlement. Here we had large areas of Crown lands as well as large areas privately held, all of which were available for the selector. It was a matter of opinion whether it was desirable at present to endeavour to break up existing large estates, for estates which were not now considered large would in the course of time be regarded as large estates; and the question would then arise as to providing opportunity for selecting land. We had not yet reached the stage requiring the New Zealand principle giving the Government a right to purchase private land at a 10 per cent. advance on the owner's valuation, because it would be unfair to owners who by their exertions and with foreign money—not with money made out of the land—had enormously increased the value of their holdings. The clause as printed was unsatisfactory; a definite price should be fixed in the Bill as the unimproved value of the land on which this tax was to be imposed. It might be done on the zone system, by which land at a certain distance from a municipality would bear a certain value. [*The Premier*: Irrespective of any difference in the quality of the land?] That would also have to be taken into consideration. With regard to land at a certain distance from a railway, the same system might be applied. Under the Bill, the quality of the land was not a consideration at all, as all lands were to be valued alike. The use to which it was intended to put the land would be important in assessing the value. An estate which had been in the occupation of a family for years would have a larger value placed upon it than land which had recently been taken up from the Government. Take an instance in the city. A few weeks ago a vacant block of land in Perth at the corner of Howard Street could have been purchased for a certain sum. Improvements had now been placed on the block and the land had materially increased the unimproved value of the land opposite. A man's energy, intellect, and the expenditure of capital played a most important part in increasing the taxation under the Bill, which was manifestly unjust. If we were to tax land we must adopt a principle of taxing it at its present value, but if we were to adopt the principle which the Government wished to adopt, fixing an assessment on the unimproved value, we must fix definitely what the unimproved value of lands was. If one took up a piece of land in the country as a conditional purchase at a certain price with extended payments over 21 years, the same value did not attach to that land as to land nearer settlement on areas where the value of land might be £1 or £2 per acre. There should be a zone system and the question of quality and value must be taken into consideration.

Mr. A. C. GULL: The clause did not decide what the unimproved value meant. The more important question was that of taking the roads boards valuations. When dealing with the tax last year, the Government admitted that for expediency roads boards valuations must be taken. Now the Bill was re-introduced and the Government should have brought forward some scheme of valuation. The idea of taking roads boards valuations as the first year's basis of taxation was a rotten one. Take two roads boards districts. In the Greenough district where there was very valuable land, a low rate was struck by the roads board, and in the Greenmount roads board district they taxed up to £10 per acre with a twopenny rate. Those people who had been doing their duty would suffer, and those who had not done their duty were let off. Why did not the Treasurer since last year devise some scheme by which the matter of valuation might have been adjusted?

The TREASURER: Any excuse was a good excuse on this occasion to oppose the measure. The question which the member for Swan referred to as to having a scheme of valuation was never mooted last year. [*Mr. Gull*: It was raised by him.] The member for Gascoyne had suggested that the Bill should

contain a valuation of all lands of the State; that there should be a zone system and that the zone valuation should be fixed in the Bill, notwithstanding whether it was sand plain or good country.

Mr. Butcher: What he had said was that the quality of the land should be taken into consideration.

The TREASURER: The hon. member, in answer to an interjection by the Premier, said that the Government should fix in the Bill a zone system of valuation, and that the quality of the land should be taken into consideration—the rainfall and every other attribute, the distance by railway, and all other matters should be taken into consideration. The position was absurd; it was absolutely impossible. It would take years to get the whole country inspected. What were the assessors to be appointed for? Not to take the roads board or municipal valuations but to assess the land themselves. He had said last year that there would not be time to make a proper assessment of the whole of the State, and naturally we should have to rely on the valuations by local bodies. That statement he repeated to-day, and members must see that that must be the position. The Government need not accept the valuations. If members turned to Clause 16 they would see it gave the actual system of assessment and returns. The owners were to give all particulars and a description of the property including the value, and that return had to be furnished to the Treasurer. The clause went on to provide that if an owner failed to provide that return when called upon to do so, the Treasurer could appoint someone to make the return, and the return would have the same force as if it had been put in by the owner. Farther, precaution was taken so that the Treasurer could as often as he liked send the return back and have a fresh return made out. If he was dissatisfied he could get a fresh valuation and description. Clause 17 provided that the Treasurer, from the returns furnished or from the current valuation, the valuation by the local board or any available source, could as soon as convenient assess the land, and notices had to be sent out. The Government could not establish an assessment office and value the land of the State before the Land Tax Assessment Bill was passed. There must be the authority of Parliament to establish the department, and the Bill must pass before the Treasurer could take steps and appoint assessors to establish the assessment department. As the word "require," it did not matter whether we inserted "require," "accept," or "obtain." The clause referred to what the owner of the land might assess his land at.

Hon. F. H. Piesse: The object was to have no doubt as to the meaning of the word.

The TREASURER: It did not matter which word was inserted. The return had to be sent in saying "I require so much" or "I can obtain so much," or "I will accept so much." After all the ultimate value of the land was to be settled by the assessors, and it did not matter which word was inserted. It was the interpretation that the Treasurer through his assessors put on the word. When that was done the owner of the land had the right to appeal against the assessment and to have it reduced. In another clause it was provided, he thought, that the Treasurer could increase the assessment. A fairly accurate valuation would ultimately result, and by the corresponding Acts of other States the values were arrived at similarly. The New Zealand phraseology contemplated compulsory purchase by the Government. As the holder of a conditional-purchase lease could obtain his Crown grant after five years' tenure, he was practically the owner. [*Mr. Bath*: Not if he failed to pay up.] Of course not; but he had an undoubted title; he could mortgage the land; and therefore should pay the tax. Public bodies undoubtedly differed seriously in their valuations, but these the Treasurer was not obliged to accept. If he thought them unfair, he appointed his own assessors.

Hon. F. H. PIESSE: The method of valuation in the Bill should be similar to that in the consolidating Roads Bill which, he understood, the Government intended to introduce. The existing

Roads Act had no provision for exemption. Assume there was none in the new Bill. Hitherto roads boards had taken as the value of the land the amount for which it could be sold on terms of deferred payment. The conditional purchaser bought land at values varying with its class, the rent per annum being as low as 1½d. or 2d. up to 6d. per acre per annum. For land of the second and third classes payments extended over 30 years, and of the first class over 20 years. The invariable practice was to assess roads board values at the price at which the land was to be paid for ultimately; and that was unfair to the holder. What was the fee simple value of such land when it had been held for only a year? Until land was proved and the holder was thoroughly settled, it was practically valueless. In the Kojonup district the assessment value of lands taken up only a year ago was as high as 10s. Assuming that the rate was 1½d., a conditional purchaser would pay ¾d. for land he had held a year only, while the man who had held land for 10 years would pay only ¾d. That was not fair. The Bill provided that the owner should state the value. If he (Hon. F. H. Piesse) were the owner of land taken up this year, he would asses it at 3d., because that was all he would have to pay for it. It was not worth any more for the first year, other lands being available outside his section. Say he had a thousand acres, purchasable on 20 years' deferred payments at 10s. per acre, his instalments being 6d. per acre per annum payable half yearly. Outside such holdings other lands were in many instances available, and anyone else could take them up by paying 3d. for the first half-year. How could one say that 10s. was the value of the land at that stage?

The Treasurer: Though the holder had not paid for it, he was the owner.

Hon. F. H. PIESSE: But it was not worth anything to him. Surely the object of the Bill was to prevent speculation and to enforce people to effect improvements. Why should we force a man to pay 1½d. in the pound on a 10s. valuation for land which he had held only a year, and for which he had paid only 6d. as part of the purchase money?

The Treasurer: He had five years' exemption.

Hon. F. H. PIESSE: Yes; but the principle was unfair, and should be discussed by members with experience of valuations, so as to simplify the machinery of the Bill, thus securing more complete returns, diminishing cost of supervision and clerical labour, and making the tax less irksome to the settler. He had known land of which the purchase would in three or four years be completed paying roads-board rates on a rental value of 10s., the same as land held for a year only. The burden on the man who had recently taken up land must be lightened. The whole clause needed a complete recasting.

The MINISTER FOR WORKS: There was a misconception as to the method of valuation. Members kept dragging in municipal and roads-board valuations. The member for North Fremantle (Mr. Bolton) raised the question whether certain land would be considered improved or unimproved, the answer involving a difference in the percentage. The clause did not deal with improved land. The question was the unimproved land value. Assuming the holder had a title, what would he take for the land in its unimproved state, disregarding the improvements? In the event of the holder's valuation being rejected the assessor would fix the unimproved value, and the holder if dissatisfied could appeal. The member for Gascoyne had left out the most important items that gave unimproved value. He said that the value was fixed by the improvements of neighbouring holdings. Take the case of the South-West districts where there were many farms which had been in existence for thirty or forty years, and for the major portion of that time were out of touch with the railways; the land surrounding them had no value at all. It did not matter that the holders of those farms improved their lands, for that fact did not improve the value of the surrounding lands; that value was fixed by the fact that the Great Southern Railway

was taken over by the Government and that population came to the State. Public improvements and an increase in population improved the values. If a man took up a block in splendid country, but which was fifty miles away from anyone else, and had no railway or public improvements near by, then any work he might do on that block would have no effect whatever in improving the value to any appreciable extent of the surrounding land. There could not be a simpler method of ascertaining the value than that set out in the Bill. The member for Katanning had cited the case of the roads boards, but that did not enter into the question at all. The Treasurer was not at all likely to accept as a valuation for the purpose of a tax a ridiculous valuation which might be set on land by some of the roads boards. [*Mr. Gull*: He would only take the highest valuation.] Even if the Treasurer only accepted the highest valuations the persons thus valued always had the right of appeal.

Mr. H. BROWN: The clause under discussion was practically the crux of the Bill, and as the Committee had not yet heard from the Government a good definition of unimproved value, progress should be reported. In order to ascertain what was the unimproved value according to the Bill it would be necessary to go back 50 or 60 years. The definition given under the Roads Act was a far better one than was provided in the Bill. Section 126 of that Act gave the following definition to unimproved value:—

> "'Unimproved value' means the sum which the owner's estate or interest in any land, if unencumbered by any mortage or other charge thereon, and if no improvements existed on the land, might be expected to realise at the time of valuation if offered for sale on such reasonable terms and conditions as a *bona fide* seller might be expected to require."

The definition in the Bill was farther qualified by the inclusion of the words "assuming the actual improvements (if any) had not been made." If these words were struck out the clause would be better understood than at the present time. It appeared to him that the Ministers did not understand the proper definition of the clause themselves.

Mr. FOULKES moved an amendment—

That the word "require" be struck out, and "obtain" inserted in lieu.

When paragraph (*b*) was reached he intended to make fresh amendments therein. There was a considerable distinction between paragraph (*a*) and paragraph (*b*), as the former referred to land granted in fee simple, and the latter dealt with land held under contract for long periods extending over 20 years. With regard to paragraph (*b*)——

The CHAIRMAN: The hon. member could not discuss paragraph (*b*) at the present time, as paragraph (*a*) was under consideration. He could notify amendments he intended to move to that paragraph, but could not argue them.

Mr. FOULKES: As to the amendment to paragraph (*a*), many of the arguments which had been adduced failed to carry weight, as provision was made in the Bill whereby anyone dissatisfied with the assessment of his property had the power to appeal. Under Clause 28 if the Treasurer were not satisfied with the return made by any person he might make an assessment of the value or amount on which, in his judgment, the tax ought to be charged. Every such assessment was subject to appeal. Under Clause 18 if the Treasurer thought that the assessment was unfair or incorrect he could direct another assessment to be made; while under Subclause 4, Clause 32, the Treasurer or any person authorised by him, and that undoubtedly meant the Crown Solicitor, might appear in support of the assessment on the hearing of any appeal, and the appellant or any person who was interested in such appeal might appear in person or by his solicitor or agent.

Mr. A. J. WILSON: There was a very serious objection to the amendment just moved, for as the language of the clause stood the onus of determining what would be the value apart from the improvements devolved upon the owner

himself. How was it possible for the owner, or the Treasurer, or the assessors to say what price would be obtained for the land, assuming the actual improvements (if any) had not been made. How could an owner say whether, if the land were put up to auction, it would fetch £500 or £600, or any other sum, for the unimproved value. It was impossible to tell that until the land was actually submitted to public competition. On the other hand it would be easy to say what the owner would require for the land, and that was following the conditions set out in the clause. It was owing to the fact that paragraph (*a*) and paragraph (*b*) had been discussed together that the general issue had become involved. Paragraph (*a*) only dealt with land held under fee simple; therefore the contention of the member for Katanning, that persons who held land at sixpence per acre per annum and had a long period during which to pay the price, did not apply at all. That aspect of the case might well be dealt with in the consideration of subsequent clauses. It must not be forgotton that other than persons engaged in rural occupations had to be taken into consideration, for there were the owners of urban and suburban areas. In their case the difficulties were accentuated, and there were serious disabilities which did not apply to the same extent in the case of holders of rural lands. Everyone knew there was unimproved value attached to land in a much higher degree in regard to urban and suburban property, which was accentuated by population, development of the State, etcetera, than attached to rural lands. No one had yet suggested a clear definition of "unimproved land" in its application to land held in fee simple; and until such definition was forthcoming, there was no alternative but to support the clause. If provision were made for self-assessment by the owner, on the lines suggested by the Leader of the Opposition, the procedure might be simplified and the cost of assessment economised.

Mr. STONE: The clause should be made as clear as possible, as it affected everyone holding land in the State. A fair valuation at a minimum of expense could be obtained only by permitting owners to fix their valuations, giving the Government a right to purchase at an advance of 10 per cent. That would safeguard the Government, and obviate low valuations on properties. A somewhat similar course was adopted in the assessment of values for probate purposes; the trustee made a valuation, and if the officials for probate were not satisfied, an officer was deputed to revalue the property.

Amendment by leave withdrawn.

Mr. FOULKES moved an amendment—

That the word "require" be struck out and "obtain" inserted in lieu.

The object sought was the real value of the land, and that was represented by the amount which could be obtained for it. The amount the man might require for a property did not represent its true value, for a person might, if leaving the State, accept 5s. per acre for land worth considerably more, and the Treasurer under this clause would be justified in assessing the value at the 5s. [*Mr. Underwood*: Would any man take the 5s. if he thought it worth 7s. 6d.?] Many people did in such cases. The value should be fixed by the true test of what could be obtained for the land. Provision for arbitration was made in another part of the Bill.

Mr. GULL: The clause was sufficient as printed. The only way to arrive at the true value was by permitting the owner to assess the value; but under the dual taxation by Government and by local authorities, were a man to assess his land at a high value for Government taxation, that value would be used also by the local authority for levying rates, and the holder would be doubly taxed at a high valuation.

Mr. BATH: The amendment would not simplify the valuation of land, because to ascertain what a man could obtain for his land he would have to sell. As to rating by local authorities, if a liberal municipal franchise were adopted he would favour the handing over the proceeds of all taxation on unimproved

land values to the local authorities; but he would not agree to such transfer under the present franchise.

Mr. GORDON: It was preferable to accept the clause as printed, as the amount a man would require for his land was definite, whereas what he could obtain was indefinite. It was not always necesary to put land up to auction to ascertain its true value, as it was frequently fixed by arbitration.

Mr. BUTCHER: Seventeen years ago he bought a block of land at Guildford from the present member for Swan for £100 and paid rates on it up till now, therefore he would require £250 now to clear himself in respect of all the charges incurred on that land. Yet, as a test of value, he was now prepared to sell it for £75, but could not find a purchaser. That depreciation was the result of the recent talk about the introduction of a land tax.

At 6.15, *the Chairman* left the Chair.
At 7.30, *Mr. Hudson* took the Chair.

Mr. W. J. BUTCHER (continuing): About 17 yeas ago he acquired a piece of land at auction, and during the past 17 years he had paid interest on the expenditure and local rates, and now he "required" £250 to return him his money, yet he was prepared at the present moment to take £75 for the land. Did he "require" that amount. The word "require" as it appeared in the clause was the amount of money which a business man naturally said he required to reimburse him his money with the interest thereon. As the result of the scare of the land tax and a consequent depreciation of values, the land which he purchased 17 years ago he could not get £75 for to-day; he had offered it at £100 but could not get that amount. The Government had said that what had given rise to the value of the land was the expenditure of public money, hence the justice of imposing a land tax. When he purchased the land which he had spoken of there were not more than 100,000 people in Western Australia, while at present there were 260,000. What had caused the increased population? The expenditure of public money and a railway had been built from the metropolitan centre to the goldfields running within a stone's throw of the land in question; therefore the increase of population and the expenditure of public money had decreased the value of his piece of land to the extent of 100 per cent. One member had spoken of a case where a man went out into the wilds and took up a piece of land. It was the individual's energy and efforts and the expenditure of capital that increased the value of that land, following upon which there was increased population and the necessity arose for the expenditure of public money brought about by the individual's efforts. Before the freehold of the land was actually acquired the unimproved value had increased three or four-fold. The produce of the land had to be taken to the centres of population, which caused the expenditure of public money for this to be done; but it was the individual's efforts that increased the value of the land and caused the expenditure of public money.

The Minister for Works: How was it that land adjacent to the agricultural railways had gone up in value?

Mr. BUTCHER: That might be so, but in the case he had instanced it was the individual's efforts that had created the increased value. The populations in the centres required the foodstuffs that were being produced on the land, hence the expenditure of money to bring that produce to the centres. It was not just that the person who took up the land and improved it should bear the burden of the taxation. The word "require" should be struck out in order that some other word might be inserted.

Amendment put and negatived.

Mr. FOULKES suggested that the words "fee simple," also the words "on the assumption that the taxpayer is the owner in fee simple," be struck out. To tax a conditional purchaser as if he were the owner in fee simple was manifestly unfair. He paid 6d. per acre per annum, but his land would be valued at 10s. per acre. The land was not sold for 10s.: for its cash value, allowing discount because the payments would be extended

over 20 years, would be only 5s. Moreover the onerous conditions of improvement, however reasonable, diminished the value of the land to the purchaser, who would rather have it free from conditions.

Mr. BATH : There was much to be said for the last speaker's proposal. So long as the instalments were unpaid the purchaser was only a tenant, for if he made default he lost his right to the land. If after paying instalments for three years he wished to sell he could obtain only the instalments already paid, *plus* any accidental increment. To tax him on the assumed fee simple value was unjust. But if that were agreed to, then conditional purchases should not be exempted for five years. The holders might sell at a profit, as they sometimes did, and were thus on a par with holders in fee simple. We should therefore strike out the five years' exemption; then the conditional purchase value would be the capital value at which the land would sell apart from improvements, and the valuation would be estimated in the same manner as for land in fee simple. Do not penalise the holder by taxing him on the fee simple value before he was entitled to the fee simple. Till then he was not entitled to the fee simple value, nor could he sell for that value.

The TREASURER : Members supporting this proposal said the purchaser who had the advantage of extended payments should not be taxed in respect of his land. Quite the contrary. The man who paid at once the full value of his land was to be taxed. Why should a man who paid by instalments go free, though under the amendment he would derive all the unearned increment ? If fair, the principle might be applied to the man who purchased private lands by instalments.

Mr. Foulkes : A different case. The conditional purchaser from the State was not bound to pay the balance.

The TREASURER : He was bound to pay so long as he held the land.

Mr. Angwin : He would lose the land if he did not pay.

The TREASURER : So would the purchaser from a private seller like the Midland Company.

Mr. Foulkes : Such a purchaser was bound to pay up.

The TREASURER : So was the conditional purchaser, unless he abandoned his former payments and improvements. The private seller might agree to forfeit the deposit, take back the land, and not insist on having the balance ; but in both cases the purchaser by instalments was virtually the owner while he continued to pay. Although the purchaser of a house might still have a balance to pay, he should be subject to a reasonable taxation under the Bill. Men who held land under conditional purchase often sold at an increased price on the amount the property had cost them, and thus profited by the unearned increment which had accrued during occupancy. It was surely fair to ask them to pay on that. The argument that a man should not be taxed unless he had the fee simple could not be sustained, for he might never obtain the fee simple. The clause only provided that the value as ascertained by assessment should be taxable. It did not say that the value should be 10s. an acre every time, or £1 an acre, or more or less. Very few men who had taken up land under the conditional purchase conditions would part with it for the price they had paid, as they all looked for the unearned increment. It was fair to assume that a conditional purchase holder who had been established for five years was the owner of the land.

Mr. GULL : If the tax were to be charged on the amount a man had paid for the land, a readjustment would have to take place every year in the case of those who had obtained the land on what might be termed the instalment principle. If anyone were eligible to be taxed under a land tax, assuredly it must be the conditional purchase holders, in just the same degree as the holders of land in fee simple. As a matter of fact the conditional purchase holder never bought the land at all ; it was given to him and he paid 5 per cent. interest for 20 years. Although he (Mr. Gull) would be only

too glad to see the Bill in the waste-paper basket, if they had to submit to it for revenue purposes it must include the clause under discussion.

Mr. ANGWIN : The argument used by the Treasurer was very clear, and it was only right that men who had bought land on the instalment principle should be taxed. He hoped the clause as printed would be passed.

Amendment put and negatived.

Mr. BATH : With regard to paragraph (*c*), it appeared that the wording was exactly the same as in the Bill when it finally left the Assembly last session. The concluding words of the subclause were to the effect that in order to arrive at a value for taxation purposes the taxable value of pastoral leases should be fixed at a sum equal to twenty times the amount of the annual rent reserved by the lease. He would like the Treasurer to inform the Committee when the assessment was likely to take place, as it would be an injustice if the valuation at the rate of twenty times the annual rent were to remain indefinitely in force, for it would press harshly on a number of pastoral lessees who had taken up land recently on the very outskirts of settlement.

The TREASURER : It was absolutely necessary that there should be immediate dealings with the pastoral leases. It was a very difficult question to answer as to when the assessment would be made, for it would take a considerable time to get an office into running order, to have assessors appointed and to get them to such far-distant portions of the State as the Kimberleys for the purpose of assessing the values of the leases. He did not anticipate that anything would be done this year, and all the pastoral leases for the current year would be assessed in accordance with the proviso set out in paragraph (*c*). He could not say definitely the exact date, but every effort would be made to assess all properties during next year.

Mr. BUTCHER : The paragraph did not definitely explain what pastoral leases were affected, and he would like the Treasurer to inform the Committee whether it referred only to the leases in the North-West and Kimberleys. [*The Treasurer* : To all leases under the Land Act 1898.] There were pastoral leases within agricultural areas which were subject at any time to be applied for and to be put to closer settlement. Did paragraph (*c*) apply to those leases ? [*The Treasurer* : It applied to all leases.] How was it proposed to get at the assessment of those leases ? The Treasurer had stated that he proposed to assess the value for the present year at twenty times the annual rental value. How did he propose to get at the value for the purposes of taxation after the present year ?

The TREASURER : The valuation would under the subclause be a sum equal to twenty times the excess of the amount of the fair annual rent at which the land would let under reasonable conditions.

Mr. Butcher : But how was that to be assessed ?

The TREASURER : A valuation would be made, and the difference between the assessed rental value and the rent actually paid would be taxed.

Mr. BUTCHER failed to see how such valuation could be arived at. The actual rental value should be the amount taxable, and the taxation should be fixed by the clause. When land was leased from the Government it had no greater value than the amount charged as rent, and it was only by the expenditure of money that any added value was given it. There must be a basis from which to work, more so in respect of leasehold than fee simple land. Without such starting point it was impossible to get at a fair estimate of the value of pastoral leases for the purpose of taxation.

The Treasurer : Did the hon. member claim that pastoral lessees paid a fair rental for their leases ?

Mr. BUTCHER : Much of the unoccupied land in pastoral areas was not worth the amount of the Government rental. The fundamental duty of a Government was to settle people on the waste lands of the State ; hence the Government should make the conditions both in the agricultural and the pastoral areas such as would encourage settlement He desired to see a fair annual valuation

arrived at, but that end would not be achieved by the method provided in the clause. He moved an amendment—

In line 46 to strike out the words "of the fair" and insert "Government," and in lines 45, 46, and 47 to strike out the words "at which the land would let under such reasonable conditions as a bona fide lessee would require."

The PREMIER : A number of leases held under the old Land Regulations would fall in on the 31st December of this year, after which it would be possible to alter the rents in accordance with the Amending Act of last year. That Act was not retrospective ; consequently people in the agricultural districts had held leases at a rental of £1 per acre and some in the North as low as 5s.. Under the amendment such leases would be assessed at twenty times the actual rent, which would give £5 per thousand acres as their value. Would any member claim that the lands of the North were of only that value ?

Mr. GORDON : The term for which a lease had to run had much to do with fixing its value. To amend the clause as suggested would be ridiculous.

Mr. BATH : The amendment would press heavily on pastoral leases throughout the State. A lessee paying a fair annual rent would be exempt under the clause, but if his holding was of a higher rental value than the rent actually paid he would be liable to taxation on the difference. Under a system of assessment on the capital value as proposed in the amendment, lessees who had been forced to go a long way out for land would have to pay an extra impost while those who secured advantageous positions near towns or other markets would go scot free.

Mr. BUTCHER : The hon. member over-estimated the value of pastoral leases being adjacent to markets, as the cost of cartage was not so important a matter in the case of pastoral as in agricultural propositions. While agreeing that pastoral lands taken up in the early days had advantageous positions, he disagreed with the contention that in all cases better land had been secured. If settlers went to the outside borders of pastoral areas they got infinitely better pastoral land than if they leased the advantageous positions which the Leader of the Opposition referred to.

The Premier : Take the case of a man having a river frontage, did the member say that it was not more valuable than land farther back ?

Mr. BUTCHER: It had not hitherto been proved so in our pastoral areas except in a few instances where there was permanent water. People who had taken up country which was in the first place absolutely waterless, and by the expenditure of money had secured water, were in a better position than those who had secured river frontages. In all pastoral districts holders of areas away from the river were in a better position, in every sense of the word, than those who held river frontages. Take the pastoral propositions at various distances from the seaboard varying from 20 miles to 100 miles ; after one got away from the seaboard into the interior one came nearer to railway communication and the pastoralists were in better country, there was better land. To be fair and just and get a fair basis of calculation for taxation we must fix some foundation to work upon. If the words were struck out he would insert other words, so that the clause would be exactly the same as the provision in the New South Wales Act, making the valuation twenty times the amount of rent paid to the Crown. When the leases fell in and the land became the property of the Crown the Government could assess the land at what rental they liked, and the tax would be based on 20 times that amount.

Mr. Bath : If a fair rental was paid the holders had no right to pay the tax.

Mr. BUTCHER: In any case, unless some exemption were allowed, the holders would suffer an injustice. The question was what was the fair rental value. At present when there were tens of millions of acres of good pastoral land lying idle the rent which the Government were asking could not be so wonderfully cheap or the land would be taken up. What was militating against the success of the pastoral areas was the high rental value.

The Premier : The Land Act passed last session was not retrospective, consequently the extra rental imposed, which generally was double, could not be imposed until the leases fell in.

Mr. BUTCHER : When the leases fell in it would be for the Government of the day to fix a rental which they considered fair.

The Premier : It was fixed in the Land Act of last session.

Mr. BUTCHER : In some instances the rent was doubled. If that was a fair valuation now or when the leases fell in, how unfair was the value years ago when the rental was fixed at 10s. per thousand acres. Now for the purposes of taxation the amount of the present rent payable was a fair basis of calculation. What would be a fair valuation at present with the improved facilities for getting produce to market, when 25 or 30 years ago 10s. a thousand acres was a fair valuation?

The Premier: Then the leases had increased in value ?

Mr. BUTCHER: Only to that extent, and individual efforts had created the extra value.

Mr. UNDERWOOD: The clause as printed was a just and fair way of getting over the difficulty. There was much land near the coast more valuable than that farther inland.

Mr. Butcher : Not to such an extent as the Leader of the Opposition would lead us to understand.

Mr. UNDERWOOD : Greater. Many men had to pay £12 a ton to cart their wool to port and to cart their stores back to the station. On the other hand there were people with equally good land close to the port who had to pay nothing for cartage. As both holdings paid the same rent it was conclusive proof that one was not as valuable as the other. The member for Gascoyne had said that the land outback was much better than the land near the coast. In this he joined issue with the member, for that did not apply in the Pilbarra or Roebourne districts, the land nearer the coast in those districts being better. The people had not only the advantage of less cost of cartage but of really better pastoral land. To fix the tax as proposed by the member for Gascoyne would be unfair, because there was much land leased from the Government which was really not worth more than the rent paid for it, and we should only tax the value above the rent paid. During the last year or two there had been many leases sold in the Pilbarra district and these leases had absolutely nothing on them, yet the holders obtained thousands of pounds for a few blocks. If people could get this excess of value above the rent they were not paying a fair rental for the land. The river frontages were always taken up first and the man who went out in the first instance took up the best land, and invariably the river frontages were taken. On river frontages there was surface water, but away from the river frontages the lessees had to sink wells, make troughs, and erect windmills, and almost invariably there was a lot of alluvial soil adjacent to the rivers which was good grass land.

Amendment put and negatived ; clause passed.

[*Mr. Daglish took the Chair.*]

Clauses 3 to 9—agreed to.

Rebate.

Clause 10—Rebate of tax on improved land :

Mr. BATH objected to the retention of the clause, firstly, and this probably was a reason that must appeal to the Treasurer, that by the clause the Government would wilfully deprive themselves of revenue. The Treasurer expected by the 30th June, 1908, an accumulated deficit of £314,000, and the Bill sought to raise only £60,000, by which, according to the Minister for Works (Hon. J. Price), the Government hoped to balance accounts by the end of the year.

The Minister for Works : Not by that alone.

The Premier: Not to wipe out the accumulated deficit.

Mr. BATH : To get the Government candidate returned the Minister had unsuccessfully made big promises at a recent election. The Government needed £108,000 to balance accounts for this

year, and yet, by this and the next clause, would foolishly throw away £30,000 or £40,000. Members who supported exemptions must recognise that the money, if not raised by this means, must be raised somehow, and it must appear there were few other methods except a property tax or an income tax. In such case, the struggling farmer for whom the Bill was said to be designed would not, if he utilised all his land, find the incidence much lighter than if no exemptions were to be allowed. There was hypocrisy in the cry on behalf of the struggling farmer, who, since the tax was mooted, must take his place with the lone widow and the defenceless orphan. Were the Government sincere? Last year they made the struggling farmer pay half the survey fee, or £5 15s. on 500 acres—a tax which bore as heavily on the farmer as on the speculator. The farmer would be much better off with a straight-out tax fairly proportioned in its incidence, and nearly balancing the State ledger, than with the proposed exemptions and half the survey fee.

The Premier: The fee was paid only once.

Mr. BATH: A holder of 500 acres would have to pay land tax for a long time before it would equal half the survey fee. The main object of the tax should be, not to derive revenue, but to compel the utilisation of land, thus increasing railway traffic and enabling freights to be reduced. These advantages were much greater than the mere addition to the revenue, and the exemption would militate against them, as it would provide an opportunity for a speculator to hold 500 acres of land as easily as he could 5,000 acres. Small areas were often held by speculators, and against this the Bill should provide.

The TREASURER: How could the clause encourage the holding of land for speculative purposes? The Bill provided that a person who held land absolutely unimproved should pay a certain tax, while the person who improved his land, whether a poor farmer, a Perth property-owner, or a lone widow, should have a 50 per-cent. rebate. The clause would have an effect directly opposite to that feared by the hon. member, for it would induce the owner of unimproved land to use it or to sell it.

Mr. Bath: Then he must pay the tax in some other form.

The TREASURER: That did not affect the argument. Was it fair that a man who improved his land should pay as much as the owner of a vacant block held for speculative purposes? If we wished vacant lands improved and large estates opened up; if we wished to recognise the enterprise and thrift of the landowner; we must support this clause. As to the revenue aspect, he as Treasurer wanted, to square the ledger, all the revenue he could get both from the land tax and by exercising economy; but the clause would not deprive the Treasury of revenue. The House could make the tax more than 1d. or 1½d.

Mr. A. J. Wilson: Would the Treasurer take the responsibility of fathering a 3d. tax?

The TREASURER was taking the responsibility of introducing an exact copy of last year's Bill. Additional revenue could be secured by increasing the tax, without unfairly penalising those who improved their land.

Mr. BOLTON: Those supporters of the Government who desired that the Treasurer should receive more revenue should vote against the clause, while the anti-taxers on the Government side of the House should also adopt the same course. If the clause were struck out the revenue would be increased by some £40,000 a year, while the anti-taxers should remember that many of them had said that, although they opposed the tax, they would sooner have it without the exemptions if it were to come into law at all. The Treasurer had stated that it would be possible to increase the tax to say 3d. and those Government supporters who were approving of the measure should remember that, if they supported the Government, there was a likelihood of the tax being increased to that extent.

Mr. ANGWIN: As the clause would have the effect of causing unimproved lands to be improved he would support the Government. It was necessary to offer inducement to people in this direc-

tion, for there were too many unimproved lands already. If the Treasurer had stated that he intended to double the tax on those who did not improve their lands none would have objected to the clause: but after all that was the effect of the clause.

Mr. TAYLOR: It had been argued that the clause provided for rebates which were different altogether from exemptions. Personally he could see no difference in the terms as applied to the clause in question. The question was fought out when the Bill was before the House last session and it was useless to go fully into it again this year. It was owing to this and to the other exemption clauses that the Government lost the Bill last session, and he would remind them that the general feeling of the people of the State was that the land tax, if instituted at all, should press upon all landowners without any exemptions whatever. The Government would be wise to accept the suggestion of the Opposition to send the Bill to another place in a form which would be acceptable to that Chamber. If Clause 10 were deleted the result would be that about £40,000 extra would be obtained by the tax.

Question (that the clause stand as printed) put, and a division taken with the following result:—

Ayes	26
Noes	8
Majority for	18

AYES.	NOES.
Mr. Angwin	Mr. Bath
Mr. Butcher	Mr. Bolton
Mr. Cowcher	Mr. T. L. Brown
Mr. Davies	Mr. Hudson
Mr. Eddy	Mr. Taylor
Mr. Ewing	Mr. Underwood
Mr. Foulkes	Mr. Walker
Mr. Gregory	Mr. Heitmann (*Teller*).
Mr. Gull	
Mr. Hardwick	
Mr. Hayward	
Mr. Johnson	
Mr. Layman	
Mr. McLarty	
Mr. Male	
Mr. Mitchell	
Mr. Monger	
Mr. N. J. Moore	
Mr. Piesse	
Mr. Price	
Mr. Smith	
Mr. Stone	
Mr. Veryard	
Mr. A. J. Wilson	
Mr. F. Wilson	
Mr. Gordon (*Teller*).	

Clause thus passed.

Exemptions.

Clause 11—Exemption:

Mr. BOLTON: In lines 5 and 6 of the clause provision was made for the exemption from taxation of University endowments. He would like to know whether there was any possibility of striking out the words "University endowments." In certain municipalities large areas had been set apart for University purposes and none of these areas were being utilised; the trustees of the University Endowment Fund had even gone so far as to refuse leases for quarrying purposes on some of the lands. All the Crown lands left in one municipality, amounting to 154 acres, had been taken away for the University endowment, and it was most unfortunate for the municipality, inasmuch as a great deal of it fronted main roads, and no taxes were able to be levied upon it. He understood that the Leader of the Opposition was a member of the board and he hoped that gentleman would take steps to see that wherever possible the endowments were utilised.

Mr. BATH: It would be very unwise for the Committee to tax land set apart as endowment for the laudable purpose of education. As far as he knew the trustees had never deliberately allowed land to remain idle when they could utilise it or secure revenue from it. As to the block at North Fremantle, to which the hon. member evidently referred, some of that land had been let for quarrying purposes. The trustees had been glad to do that and wherever they could get anything like a decent return for the concession granted they would lease the land. Almost the whole of the revenue which had been derived so far by the trustees had come from the leasing of that block. The trustees were only too glad to secure revenue from any of the land with which they had been endowed. They had certainly refused to entertain offers where it was seen that the amounts receivable would not reimburse them for damage, or where prospective lessees desired to so use the land as to make it unsaleable subsequently for the purpose

for which it was intended. It was always the desire of the trustees to let the lands wherever possible in order to obtain revenue for the purposes for which the endowment was made.

Mr. BOLTON moved an amendment—

That the words "University endowment" be struck out.

Amendment negatived.

Mr. BATH moved an amendment—

That Subclause 2 be struck out.

The remarks made by him in opposing Clauses 10 and 11 were intended to apply to this and the succeeding subclauses.

Amendment negatived.

Question (that the clause stand as printed) put, and a division taken with the following result :—

Ayes	..	..	21
Noes	..	..	16
Majority for	..	..	5

AYES.	NOES.
Mr. Cowcher	Mr. Angwin
Mr. Davies	Mr. Bath
Mr. Eddy	Mr. Bolton
Mr. Ewing	Mr. H. Brown
Mr. Foulkes	Mr. T. L. Brown
Mr. Gregory	Mr. Butcher
Mr. Gull	Mr. Draper
Mr. Hayward	Mr. Hardwick
Mr. Layman	Mr. Holman
Mr. McLarty	Mr. Hudson
Mr. Male	Mr. Johnson
Mr. Mitchell	Mr. Stone
Mr. Monger	Mr. Taylor
Mr. N. J. Moore	Mr. Underwood
Mr. Piesse	Mr. Walker
Mr. Price	Mr. Heitmann (*Teller*).
Mr. Smith	
Mr. Vervard	
Mr. A. J. Wilson	
Mr. F. Wilson	
Mr. Gordon (*Teller*).	

Clause thus passed.

Clauses 12 to 15—agreed to.

Clause 16—Treasurer to give notice of returns :

Mr. BOLTON : Would the Treasurer undertake that forms would be supplied in connection with these returns ? The clause as printed made it mandatory on the person supplying returns to obtain forms for himself.

The TREASURER : Not only would facilities be provided for obtaining forms, but forms would be sent to those who were required to supply returns. The clause should stand, as were it eliminated it might be claimed by a person making default in supplying returns that forms were not supplied. Naturally the Treasurer would take the precaution of supplying forms.

Clause passed.

Clauses 17 to 43—agreed to.

Clause 44—Tax to be a first charge on the land :

Mr. H. BROWN : How would this clause affect debenture holders of municipalities ? Some municipalities had given a prior right to debenture holders, and now the Government stepped in and usurped the right that the debenture holders had. It would affect the municipalities of the State, for the Government had the power to come in and sell the land for the land tax.

The TREASURER : Municipalities gave a first charge over their rates to debenture holders. This was a first charge on the land of private owners, and did not affect the powers of municipalities at all. The security of debenture holders was not affected.

Mr. Bath : How would this affect the Midland Company ? Until the land was paid for, would they have to pay the land tax ?

The Treasurer: Undoubtedly.

Mr. H. BROWN : Assuming rates were owing, the Government could come in and usurp the power which municipalities at present had and deprive municipalities of the means for paying the debenture holders their interest.

Clause passed.

Clauses 45 to 55—agreed to.

Title—agreed to.

Bill reported without amendment ; report adopted.

ADJOURNMENT.

The House adjourned at 9.34 o'clock, until the next day.