

Legislative Assembly.

Thursday, 8th August, 1946.

	PAGE
Questions: Interstate shipping, as to hold-up of cargo for Western Australia	193
Agricultural tractors, as to local manufacture	193
Fisheries, as to operations in Swan and Canning Rivers	194
Native Administration—(a) as to reprinting Royal Commission's report	194
(b) as to request for Commonwealth grant	194
Rural Relief Fund Act, as to consultation with Prime Minister for writing amounts	195
Bills: Marketing of Barley, 1R.	227
Vermin Act Amendment, 1R.	227
Feeding Stuffs Act Amendment, 1R.	227
Bulk Handling Act Amendment, 1R.	227
Milk, 1R.	227
Cattle Industry Compensation, 1R.	227
Marketing of Potatoes, 1R.	227
Wheat Industry Stabilisation, 1R.	227
Medical Act Amendment, 1R.	227
Legislative Council Referendum, 1R.	227
Transfer of Land Act Amendment, 1R.	227
Totalisator Duty Act Amendment, 1R.	227
Factories and Shops Act Amendment, 1R.	227
State Government Insurance Office Act Amendment, 1R.	227
Traffic Act Amendment, 1R.	227
Electoral Act Amendment, 1R.	227
Address-in-reply, seventh day—amendment—Conclusion	195

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

QUESTIONS.

INTERSTATE SHIPPING.

As to Hold-up of Cargo for Western Australia.

Mr. WATTS asked the Minister for Works:

1, As according to an answer given to questions last Tuesday the Minister is not aware how much cargo booked for Western Australia was awaiting shipment at Eastern States ports, is he aware that in the report of the Western Australian Council for the Development of Industries, dated the 30th June, 1946, it is stated on page 5 that "although one vessel recently lifted 2,000 tons from Sydney, over 8,000 tons of general cargo were left on the wharves"?

2, If so, is he aware how much of this 8,000 tons of cargo at Sydney has been shipped to Western Australia since that time, and is he aware how much further cargo destined for Western Australia has since arrived for shipment and is unshipped?

3, As at the 30th June, 1946, were figures available in respect to cargo destined for Western Australia and standing at Eastern States ports other than Sydney, and if not, why not?

4, Referring to the 8,000 tons of cargo mentioned in the report as being left on the wharves at Sydney, is he aware of the types of goods that were included in this cargo, and will he state them or such of them as are within his knowledge?

The PREMIER replied:

1, Yes.

2, 3 and 4, During July two "River" class steamers lifted at Sydney general cargoes for Western Australia, but aggregate tonnages are not yet known.

As at the 1st July, approximately 60,000 tons were awaiting shipment to various ports.

Materials awaiting shipment at Sydney include glue for plywood manufacture, blow-fly oil, foodstuffs, sisalkraft, electrical wire, methylated spirit, steel, shearing machinery, chemical goods and house building material and fittings sponsored by the Workers' Homes Board.

I have today received the following telegraphic advice from the Deputy Premier in Melbourne:—

"Allara left Adelaide yesterday 2000 tons stop Admiral Chase left Melbourne yesterday approximately 4800 tons stop Momba leaving Melbourne tomorrow 5000 tons stop Arkaba leaving August 29th for Esperance and Fremantle 5000 tons stop River Derwent from Adelaide end of August 2000 tons stop Mundalla early September for Esperance and Fremantle quantity cargo not yet known stop Koomilya and River Burdekin loading galvanised iron and steel Newcastle for Fremantle."

AGRICULTURAL TRACTORS.

As to Local Manufacture.

Mr. WATTS asked the Minister for Works: Is the large Victorian firm which, according to the report dated the 30th June, 1946, of the Council for the Development of Industries, has decided that Western Australia offers the most favourable conditions for the production on a large scale of agri-

cultural tractors, the firm of A. H. McDonald and Co., of Melbourne?

The PREMIER replied:

No.

FISHERIES.

As to Operations in Swan and Canning Rivers.

Mr. KELLY asked the Minister for the North-West:

1, What is the total, individual fish weights, marketed from the Swan and Canning Rivers from the 1st January to the 30th June, 1946, of (a), Yellowtail; (b), prawns; (c), kingfish; (d), flounder; (e), flathead; (f), mullet; (g), yellow-eye mullet; (h), black bream; (i), Perth herring; (j), sea herring; (k), cobblers; (l), tailer; (m), all other varieties; (n), crabs.

2, How many licensed fishermen have operated in the Swan and Canning Rivers during the same period?

3, How many sunk nets are being operated in the Swan and Canning Rivers?

4, What was the total weight of crabs marketed from the Swan River—

(1) 1st January to 30th June, 1945?

(2) 1st July to 31st December, 1945?

5, How many prosecutions under the Fisheries Act have taken place from the 1st January to the 31st July, 1946, in both Swan and Canning Rivers for—

(a) Undersized fish?

(b) Net fishing in closed waters?

The MINISTER replied: The answer to the question is contained in the papers I now lay upon the Table of the House. Papers presented.

1, (a) Yellowtail, 199 lbs.; (b) prawns, 4243 lbs.; (c) kingfish, 1,264 lbs.; (d) flounder, 208 lbs.; (e) flathead, 1,709 lbs.; (f) mullet, 5,998 lbs.; (g) yellow-eye mullet, 5,223 lbs.; (h) black bream, 440 lbs.; (i) Perth herring, 30,558 lbs.; (j) sea herring, 91 lbs.; (k) cobblers, 6,420 lbs.; (l) tailer, 5,835 lbs.; (m) all other varieties, 3,004 lbs.; (n) crabs, 15,671 lbs. Total, 80,863 lbs. Note.—All fish shown here taken from Swan River. Canning River closed absolutely against use of fishing nets.

2, No licensed fishermen operated in the Canning River, which is closed to the use of fishing nets. In the Swan River the number

of fishermen operating varied from month to month. The greatest number operating in any month was 27, the average for the six months being 23.

3, Twelve sunk seine nets are used by fishermen operating in the Swan River. None whatever are used in the Canning River.

4, (a) 50,875 lbs.; (b) 2,635 lbs.

5, (a) 10 prosecutions were initiated in the metropolitan area. (b) Four prosecutions for fishing in Swan River in closed waters, and one prosecution for fishing in Canning River were undertaken.

NATIVE ADMINISTRATION.

(a) *As to Reprinting Royal Commission's Report.*

Mr. DONEY asked the Minister for the North-West: Having regard to the fast-increasing interest in the welfare of the native and half-caste population of this State, and the need for information on that question from reliable sources, will he authorise a reprint of the report and recommendations of the Royal Commission appointed in 1935 to investigate and advise upon the condition and treatment of aborigines in this State, such report and recommendations being now out of print and no copies available for sale?

The MINISTER replied: The Government will give consideration to reprinting the report. Most of the recommendations are already in operation—see *Hansard*, 9th December, 1942, pp. 1974, *et. seq.*

(b) *As to Request for Commonwealth Grant.*

Mr. McDONALD (without notice) asked the Minister for the North-West:

1, Whether a request has been forwarded to the Commonwealth Government, pursuant to the resolution of this House in November, 1945, that the Commonwealth Government be asked to make a grant of £50,000 per annum for three years to enable the Western Australian Government to do more for the needs of the native people of this State?

2, If so, the date when such a request was forwarded.

3, What reply has been received and what negotiations on the matter between the Commonwealth Government and the Western Australian Government have taken place in consequence?

The MINISTER replied: I would prefer the hon. member to give notice of the question, because I am not sure of the date when the resolution was forwarded to the Commonwealth Government. I can assure him that the request was forwarded to that Government. I therefore ask him to give notice of the question.

Mr. McDonald: We have not yet got the money?

The MINISTER FOR THE NORTH-WEST: No.

RURAL RELIEF FUND ACT.

As to Consultation with Prime Minister for Writing Off Amounts.

Mr. WATTS (without notice) asked the Premier: In view of the legal difficulties raised regarding writing-off of the whole balance due by farmers under the Rural Relief Fund Act and of the impending visit of the Prime Minister, will he discuss with him during his visit the questions involved?

The PREMIER replied: Yes

ADDRESS-IN-REPLY.

Seventh Day—Amendment—Conclusion.

Debate resumed from the previous day.

MR. McLARTY (Murray-Wellington) [4.38]: We are all pleased to hear that the Treasurer has obtained £912,000 from the Federal Treasurer on the recommendation of the Commonwealth Grants Commission to enable him to balance the budget. I hope the Premier will not take this as an indication that he should cease to press the rights of the States to have their taxing powers returned to them. It appears to me that the Premier did not have any difficulty at all in getting his request granted.

The Premier: Where did you get that from?

Mr. McLARTY: I do not think any of us really thought there would be a refusal.

The Premier: The member for North Perth said so.

Mr. McLARTY: Then he and I differ. I notice that in future it will not be so easy to obtain money to make up our deficits.

Mr. J. Hegney: How do you know? Because "The West Australian" said so?

Mr. McLARTY: Not only that, but also from official information. We also know that in future deficiencies will only be made up by the Grants Commission as they have been in the past. I hope that we will get our taxing power back. We must be about the only Parliaments in history without taxing powers. I was always under the impression that Parliaments were originally created so as to be given power to tax, and to spend the money so raised in the interests of the people.

The Premier: We still have our taxing powers, but we have not the resources to tax.

Mr. McLARTY: That is so, and until those resources are made available to us by the authority at Canberra, we shall go on and lose a great deal of prestige. I am glad to know that the Premier is going to bring down the Estimates earlier this year. I have always felt that not sufficient time has been given to the Estimates, which are a very important part of Parliamentary procedure. A member has a chance of expressing himself and putting ideas forward and offering criticism generally when speaking on the Estimates. But in the past we have not had much opportunity to do so. Sometimes Estimates dealing with important departments have been brought down very late at night, or in the early hours of the morning, with the result that little interest has been displayed in them. If they were brought down earlier in the session more time could be given to them and greater justice would be done to them.

I am pleased to notice that the Chief Secretary has been appointed to succeed Mr. Troy as Agent General. The Chief Secretary has had a long experience of Western Australia. He has had experience of farming, of the industrial world and, of course, of Parliament. We need a man of such wide knowledge to help us in London. I do not quite know what duties the Agent General will be carrying out. In days gone by, he used to help us with our loans, and that was a very important part of his job. But now that we are not borrowing oversea, that responsibility does not devolve upon him. He will, however, have an important task in dealing with immigration.

We are told by the Federal Minister for Immigration that it is proposed to bring 70,000 migrants to Australia each year. The Minister stated that it was hoped that a start would be made next year, but that would depend upon shipping. In His Excellency's Speech, we are informed that a committee has been appointed to estimate the absorptive capacity of the State in this regard. That committee will have an important duty to fulfil. I do not know who are the personnel of the committee, but I hope they are competent people. In my opinion, district committees should be set up, or, each road board should be asked to appoint a committee to advise on immigration. These committees could report on the work that is available, the financial prospects in store for intending migrants, and the prospects generally of the districts.

Mr. J. Hegney: Local authorities have too much put on them now.

Mr. McLARTY: It is necessary that we should decentralise in regard to immigration. We must get information from all parts of the State. I do not think that any committee, based, as it must be, at Perth, will be able to obtain all the information that is necessary. The formation of district committees is a good suggestion. They need not necessarily be composed of the local authorities. There are other men and women in the country, outside of members of the local authorities, who could collect this information. Immigration will be an important part of the Agent General's work. We should profit by our past mistakes, and I think members will admit that we have made mistakes when dealing with immigration. It is necessary that the right class of immigrant should be selected. I presume there is an age limit; there certainly should be. Health conditions should be most strictly applied and, of course, we want men and women who are physically fit and likely to increase our population through marriage. It is also essential that we should not mislead migrants, but rather give them a true picture of what they must expect in this country.

The Premier: Hear, hear!

Mr. McLARTY: It is of no use then being told that they will have an easy life here. We should impress upon them that hard work lies before them and that determination and courage are necessary for their success. They read about our great primary

industries, our pastoral industries and our goldmining industry, and get the idea that there is easy money in Australia. Of course, we know that that is not so. Many years ago, we sent an officer to England and he was so enthusiastic about the prospects of Western Australia—particularly on the agricultural side—that he told a meeting of intending migrants that the soil was so rich they could eat it. We know that they would not take the statement literally, but it was an exaggeration and extravagant language. I notice in the latest "Adelaide Advertiser" to reach the House, that Dame Edith Lyons recently asked a question of the Minister for Immigration and drew his attention to a pamphlet that has been published by the Department of Information, headed, "Australia and Your Future." This pamphlet is to be sent Home to England for the benefit of intending migrants, and this is what it states—

The sum of 22s. a week rental will provide a comfortable unfurnished home for a man, wife and three children.

Mr. Mann: What utter rot!

Mr. McLARTY: Another statement was—

Women's best shoes cost £1 5s. 8d. a pair and ordinary shoes 18s. 11d.

Mr. Styants: When you can get them.

Mr. Mann: But not at that price.

Mr. McLARTY: Quite so! Here is another statement—

Women's ready-made frocks cost 27s. 4d. for cotton material and 27s. 8d. if of artificial silk.

Mrs. Cardell-Oliver: Where?

Mr. McLARTY: Then there is this gem—

A wife can be adequately clothed for £12 8s. 2d. a year; a boy of 10½ for £9 18s. 4d., and a girl of seven for £8 19s. a year.

Mr. Mann: This is Caldwell's stuff. He is the "Minister for Mis-Information"!

The Premier: I have the pamphlet here.

Mr. McLARTY: The Premier is displaying one of these pamphlets to the House.

Hon. J. C. Willecock: But that is in accordance with the Arbitration Court evidence.

Mr. McLARTY: Surely this information is absolutely misleading, and it is not fair to migrants to bring them out here in the belief that these statements are true. This is positively ridiculous, and to make such statements to people in black and white, is something of which we should be ashamed.

Hon. W. D. Johnson: But they swore to it in court.

Mr. McLARTY: I cannot help that; it is not true.

Mr. Thorn: They swear all sorts of things in court.

Hon. W. D. Johnson: Yes, in the Arbitration Court—to get a low basic wage.

Mr. Thorn: You are responsible for that. It is your fault.

Hon. W. D. Johnson: I do not go there to swear false evidence.

Mr. Thorn: Why do you not do something to get the workers a higher basic wage?

Mr. McLARTY: The Minister for Information in the House of Representatives, Mr. Caldwell, in the course of his reply, said that the booklet had been published by the Department of Information under his authority and direction, and that the information had come from the Statistician's Office and dealt with normal conditions in this country. He went on to say—

We are not issuing pamphlets dealing with abnormal conditions existing in the difficult transition period between war and peace, but I am sure that if the people of Australia support this Government, with its policy of full employment, the conditions indicated in the booklet will exist by the time the migrants get here.

All I can say is that I regard that statement as most misleading, and I suggest that the Premier, seeing that the Minister who deals with migration matters is away at present, should take steps to refute them on behalf of Western Australia. While we want migrants here perhaps more urgently than in any other part of Australia, we do not want them on the basis of information of that description. I think our Agent General should certainly correct the statements and place the situation clearly before migrants when they interview him.

In the course of His Excellency's Speech reference is made to secondary industries. We are all keen to see secondary industries established in Western Australia and I understand that a number of applications in that respect have been received from Victoria. I certainly hope that the manufacture of tractors, to which reference is made in the Speech, will be undertaken here, for there is no question about it—they are needed in this State. If we can equip the farmers with tractors at prices cheaper than those

demand for machinery that is available today, it will be a great thing not only for them but for the State as well.

Mr. Mann: But that will never be.

Mr. McLARTY: I think it is quite likely it will be done. I certainly hope the Government will encourage to its utmost any firm that endeavours to undertake the work.

The Premier: You can rely upon the Government to do that.

Mr. McLARTY: I am quite sure we can. There is an ever greater demand for tractors, and that demand will continue. That applies also to spare parts. If they can be manufactured in Western Australia, so much the better. When I first entered Parliament—

Mr. J. Hegney: Which is a long time ago.

Mr. McLARTY: Yes, it is.

The Premier: Too long!

Mr. McLARTY: I do not know about that. When I first entered Parliament the then Premier was keen on the establishment of secondary industries, and he supported local industries generally. The Minister for Industrial Development seems to be quite optimistic that we will be able to establish these industries at the present time. The fact is that we do not get too much encouragement in that respect, and there is no great inducement offered to new companies to start. Immediately a company is formed and it makes profits in its initial stages, it has to face the burden of very heavy taxation.

Hon. J. C. Willcock: We do not control that.

Mr. McLARTY: I know; it is unfortunate that we do not. On the other hand, the member for East Perth, when speaking last night, seemed to make little of the taxation that is imposed. I gained the impression from his remarks that he is quite satisfied with the conditions existing today in the field of taxation. It is interesting to note that 30 per cent. of the revenue obtained under the heading of income tax is today taken from companies. There is a flat rate of 6s. in the pound levied on all companies. That is a terrific burden. Apart from that there is the matter of dividends, which are also taxed. Should a company endeavour to put some of its funds into a reserve, there is the undistributed profits tax that has to be paid.

Hon. J. C. Willcock: Yes, unless the money is deposited with the Deputy Commissioner of Taxation at the Treasury.

Mr. McLARTY: That is so. However, there are some of the difficulties that confront us today. I am sure the Government realises that if we are to establish secondary industries here it must be done in the main through the formation of companies, and they should be shown some consideration by being granted exemption from taxation for at least some years. There is a feeling amongst a section of the community that it does not matter how much we tax companies, which they regard as great and rich financial concerns that represent the right avenue from which to secure taxation. That point of view is entirely wrong. There are hundreds of thousands of people here today who have invested their money in companies and they are deriving small incomes as the result of their investments.

Hon. J. C. Willcock: What rate per cent. would be the average on dividends?

Mr. McLARTY: I could not answer that question offhand.

Hon. J. C. Willcock: A little better than on Commonwealth loans.

Mr. McLARTY: Yes. If one bought shares in a company today one would secure very little greater return than from Commonwealth loans. That is proved in the Press daily. No relief was indicated with regard to company taxation in the speech delivered by the Commonwealth Treasurer recently when introducing the Budget. In my opinion that tax is most unfair and is certainly not in the best interests of the country, nor is it likely to encourage the establishment of secondary industries in a State like Western Australia.

The speech also refers to the fact that machinery has been purchased for earth removal, land clearing and drainage. I am glad this has been done. We want the most up-to-date machinery obtainable. The Americans brought to this country some of the best machinery in the world and I was hoping that we would be able to retain quite a deal of it. Certain difficulties arose in regard to the lease-lend arrangement, so I am informed, which prevented us from getting quite a lot of useful machinery. Where we can do work with a machine and save money, we

should do it. I do not mean for a minute that we should displace labour and not provide for it, but I feel sure that provision could be made for labour so displaced. There is so much work offering in this country that can and should be done by machinery, and so much work for manual labour that we should not have any compunction about using machinery.

It is particularly necessary that machinery be used for drainage work. In the past we have carried out a great deal of this work. In the bad days of the depression it was a great avenue of employment, but the work proved to be most expensive. If machinery had been used, the cost of the work would not have been nearly so high and the money saved would have been available for other purposes. I suggest to the Premier that one way in which manual labour can be utilised is on road construction and not merely on main road construction.

Hon. J. C. Willcock: The machine does good work there also.

Mr. McLARTY: That is so, but a great deal of manual labour is also required. I do not know of any more urgent work in this State today than that of road construction. In the agricultural areas I represent, we have some shockingly bad roads. More traffic is passing over them every year, including heavy milk vans, school buses—

The Premier: All subsidised.

Mr. McLARTY:—all sorts of heavy traffic, and it is not possible for the local authority to maintain the roads as they should be. I should like to take the Minister for Education over some of the roads traversed by the school buses. If he saw their condition, I feel sure he would agree that money should be provided for those feeder roads.

The Minister for Education: Out of the Education Vote?

Mr. McLARTY: No. I am trying to put up a case for using machinery for certain work in order that money may be saved and made available for road construction.

I should like to say a few words about the stabilisation of primary industries. The policy of my Party is clear and specific; in fact, it was officially proclaimed before the Commonwealth Government brought out its

wheat stabilisation scheme. I quote from the policy of the Liberal Party as follows:—

Stabilisation schemes based upon guaranteed prices. Establishment of a Rural Industries Stabilisation Board on the model of the Tariff Board. Stabilisation to provide an Australian standard of living for those on the land.

That is clear enough. All our candidates at the forthcoming Federal election have to subscribe to that. We know that secondary industries have been protected through the tariff and that a minimum wage has been prescribed by the Arbitration Courts. We agree that it is right to do those things. No member would disagree with that idea. But if it is right to protect secondary industries—and without doubt they have been protected—and if it is right to provide for a minimum wage through the Arbitration Courts, there can be no question that it is right to give protection to primary producers, and that is being done in some directions by way of subsidies or Government assistance. I believe members approve of the farming community receiving this protection. If protection had not been provided, a district like mine would have just about gone out of existence. Costs rose to such an extent that producers were unable to meet their commitments. The subsidising of dairying has enabled the people engaged in that industry to carry on. The same thing applies to other great primary industries of the State on which this country depends, such as the wheat and wool industries. While we stand for stabilisation, I do not wish to imply that we support the proposals put forward by the Commonwealth Government, but there will be an opportunity to speak about them later in the session.

As to housing, I asked the Minister for Railways a few days ago a question about provision for railway employees, and he said that a sum of £10,000 was being made available to assist in housing those workers.

Mr. Doney: That was with special reference to fettlers, was it not?

Mr. McLARTY: No, it applied to railway employees generally. I consider that the Commissioner of Railways is doing wrong when he sends employees and their wives to country areas and there are no houses for them to live in. It is almost impossible to obtain a house in the country areas, and I think Government departments generally, when sending permanent officials to country dis-

tricts, should have houses for them to live in. Not only should the Commissioner of Railways be asked to provide houses for his employees, but other departments also should provide houses for their permanent employees.

I direct the attention of members to the fact that there are men going through the country renovating houses and that their charges are extortionate—absolute robbery—and their work anything but good. Yet there does not appear to be any way of dealing with those men.

Mr. Doney: Except not to give them a job.

Mr. McLARTY: But the hon. member knows that people are so anxious to get work done that they are prepared to pay the price. This sort of thing tends to increase the cost of building, and some action should be taken to prevent it. These men call themselves tradesmen. They are not tradesmen and they charge people through the nose for very poor workmanship. I regret that the Minister for Health has taken a rather pessimistic view about the building of hospitals.

The Minister for Justice: I have not taken a pessimistic view.

Mr. McLARTY: Pessimistic in respect to the time in which he hopes to start. He said that a start will not be made for five years.

The Minister for Justice: The hospitals will be started before that, but it will be impossible to start all of them before five years. We do not want to mislead people.

Mr. McLARTY: Five years is a long time. Our hospitals today are overcrowded. Certain buildings other than houses are being erected. I do not think there is anything more important than the proper housing of the sick. When the Minister goes East, I hope he will try to do something to boost along the building of hospitals in order that provision may be made quickly to meet the worst cases.

The Minister for Justice: I can assure you the Government is very serious in its efforts in that direction.

Mr. McLARTY: I do not doubt that, but the only way to get anything done is to make a noise about it, and the Minister is entitled to make a noise about the hospital position in this State.

Hon. J. C. Willcock: Which would you build first—hospitals, schools, factories or homes for people?

Mr. McLARTY: That is a bit of a poser. All of those needs should be provided but one of our first duties is the care of the sick.

The member for Mt. Marshall last evening referred to land-pricing and said that land values were being deflated. There is an anomaly in the matter of land sales. If it is right to control the price that a private landowner may receive for his land, surely it is right to control the price that the Government may obtain. Yet we have had glaring examples of the Government having obtained terrific prices for land, probably 300 or 400 per cent. in excess of its value.

Hon. J. C. Willcock: Hundreds per cent.!

Mr. McLARTY: There was a case at Nannup, anyhow, where land was sold at more than 100 per cent. above its value. A block there was bought for £800. No private landowner would have been permitted to receive such a sum, but the Government accepted it. Evidently the Government may accept a price far above the value of the land. That is not right. I agree with the member for Mt. Marshall that we should not deflate land values; neither should we permit them to be inflated. During the last few years, however, there has been a change in regard to land values, in some respects a natural change, and I consider that the landowner is entitled to the benefit. I am sure the Premier will agree with me when I say that in regard to any land settlement schemes of the future the landowner should not be expected to carry a burden or to make sacrifices in order that the Government may obtain cheap land. There is no reason why the landowner should make sacrifices any more than any other section of the community. If a sacrifice is to be made it should be spread over the whole community.

We are going to deal with some important legislation this session—legislation which will interest the electors at large. I agree with the suggestion of the Leader of the Opposition that it would be desirable for the discussion on some of these Bills to be broadcast. I feel that the Commonwealth Parliament by broadcasting its proceedings is getting a decided advantage over State Parliaments.

Mr. Doney: Not everybody draws that conclusion.

Mr. Needham: That is very questionable.

Mr. McLARTY: I do not know that broadcasting is a benefit. From what I have heard I do not think it is conducive to good legislation. There is far too much propaganda about it.

Mr. Doney: Why do you suggest it for this House?

Mr. McLARTY: For this reason: that the electors are not hearing anything else except Federal politics. Those who do not read the newspapers or do not read them carefully get the idea that Federal politics are the only ones that count and that State Parliaments have nothing of importance to deal with.

Hon. W. D. Johnson: We have no finance. The other fellow has it all.

Mr. McLARTY: Yes, but we still have some important matters to deal with.

Hon. W. D. Johnson: Tell us about them.

Mr. McLARTY: The hon. member will see a number of them mentioned in the Lieut.-Governor's Speech.

Mr. Thorn: The member for Guildford-Midland will belittle this Parliament as much as he can.

Hon. W. D. Johnson: I have a realistic mind. I appreciate where we are.

Mr. McLARTY: If we could adopt the suggestions thrown out by the Leader of the Opposition that some of the more important debates be broadcast, I believe that people generally would be pleased about it and it would enhance the prestige of this Parliament.

Mr. Thorn: You want to inflict further punishment on the people do you?

Mr. McLARTY: No, I do not want to inflict punishment on anyone.

The Premier: They would not be punished very much. The member for Toodyay would not be speaking all the time.

Mr. McLARTY: I will reserve further remarks until we are discussing some of the legislation which has been mentioned in the Lieut.-Governor's Speech.

MR. MANN (Beverley) [5.20]: I have listened to quite a number of speeches this session, including some very interesting ones. While my mind is fresh, I want to join with the member for Murray-Wellington regarding the broadcasting of speeches. I think that the people of Australia have definitely been enlightened as to what politics in Australia are like, much to the discredit of all parties of the Federal House. The general opinion of the conduct of affairs in that Parliament is that it is a case of Rafferty rules. I guarantee that anybody who had seen the fish markets, the costermongers' markets, in London, would liken them to a church service in comparison with what is to be heard in the Commonwealth Parliament.

Hon. J. C. Willcock: That is extravagant! gant!

Mr. MANN: No, it is not. We have heard the perfect bedlam that has taken place in that House.

The Premier: Do not spoil the reputation of this House by making extravagant statements.

Mr. MANN: I am not. I agree that by broadcasting from the State House of Parliament we shall make people conversant with the legislation dealt with here. I think the farmers have learnt more about the wheat stabilisation scheme from the broadcasting of the Federal proceedings than they have learnt from the Press. The daily Press reports very little of Parliamentary proceedings. In this State the only people whose speeches or statements are mentioned to any extent in the Press are Ministers of the Crown and the Leader of the Opposition. Even though an ordinary member on either side of the House makes some sound and solid statement, it is not very fully reported in the Press.

Mr. Thorn: If it is silly they will publish it.

Mr. MANN: If it is stupid, naturally! The broadcasting of speeches from this House would enlighten the public. With respect to the Chair, I would say that this Parliament has been conducted during my 16 years here in a very orderly manner indeed.

Mr. Thorn: Hear, hear!

Mr. MANN: But let members listen to the bedlam in the Federal House where there is so much noise that even the Speaker cannot be heard!

Hon. W. D. Johnson: Broadcast the proceedings of this House and there would be the same result.

Mr. MANN: I am sorry the hon. member has such a mind.

Hon. W. D. Johnson: You are the main offender.

Mr. MANN: I am sorry the hon. member's mind is so distorted as to lead him to make such a remark. If the proceedings of this House were broadcast, the hon. member would be on his feet more frequently, and he would be in the House more often than he is at present.

Hon. W. D. Johnson: As soon as I get on to my feet you lose your head and run amuck.

Mr. MANN: The hon. member is judging others by himself.

Hon. W. D. Johnson: You are the most unruly man in the House.

Mr. MANN: If the hon. member likes to judge others by himself, I suppose he is entitled to; but he should not judge others.

Mr. Thorn: He is never here to know what you do.

Mr. MANN: Of course he is not! There seems to be a widespread idea on the Government bench that members on this side of the House are opposed to any assistance being given to the industrial workers of Australia.

Mr. W. Hegney: Pull the cotton wool out of your ears.

Mr. MANN: No. I know the feeling amongst members opposite. They have the feeling that because we are on the soil we are not workers and have no sympathy with workers.

The Premier: Just poor farmers!

Mr. MANN: I agree with the Premier—just poor farmers. There is as much of the milk of human kindness in members on this side of the House as there is amongst the Premier's followers and trade union leaders.

Mr. Thorn: There is more.

Mr. MANN: Yes, that is perfectly true.

Mr. Needham: We can see it flowing.

Mr. MANN: The idea is that we have no sympathy with the workers, but we have more sympathy for the industrialists than is seen on that side of the House.

Mr. Thorn: We have been through the mill.

Mr. MANN: Of course we have. Do members on the other side of the House think we have gone through life with silver spoons in our mouths?

Mr. W. Hegney: The workers want justice.

Mr. MANN: If ever this Party is in power, which I hope it will be next year, it will give them justice. We are said to be the ones that cause disturbances.

Hon. W. D. Johnson: Hear, hear! You are always at it.

Mr. MANN: I like the interjections of the hon. member!

The DEPUTY SPEAKER: Order! I think the hon. member had better keep order.

Mr. MANN: He is an extremely wealthy man.

Mr. Leslie: He is not a worker.

Mr. MANN: He is a director of a very large institution and receives an enormous amount of money every year. I hope that members of the trade unions will realise that those on this side of the House are not opposed to industrialists.

Mr. W. Hegney: Methinks you protest too much.

Mr. MANN: We are sympathetic. It is about time there was an alteration in the basic wage. I cannot understand how the average married couple with three children can live on the basic wage. It is beyond me and beyond the understanding of every member on this side of the House.

Hon. W. D. Johnson: Would you pay the bonus on the first child?

Mr. MANN: Consider the cost of living, apart from the rents that have to be paid! I venture to say that no man on the basic wage will ever own his home. Yet one of the first things every man should have is the right to own his home.

Hon. J. C. Willcock: He can do that through the Workers' Homes Board.

Mr. MANN: Does he not pay through the nose for it?

Hon. J. C. Willcock: No.

Mr. MANN: By the time he has paid for the house it will have cost him four times as much as it should. He has to pay a compound interest rate.

Hon. J. C. Willcock: He does not pay more than the ordinary house rent.

Mr. MANN: I know the position of a man who has to pay for a house. Everyone is entitled to own his home.

Hon. W. D. Johnson: Of course they own them!

Mr. MANN: How many of the so-called industrialists own their homes?

Hon. W. D. Johnson: In my electorate, two-thirds of them do.

Mr. MANN: I am not going to refer to the hon. member's interjection, because it is out of order, and I know what he says is absolute rot. A man should have his own home, but many are unable to possess homes because the excessive cost of living puts it beyond them. We are rearing children in the city areas who will suffer from malnutrition because they are not getting the proper variety of food required. Industrialists have the sympathy of this side of the House and we will do anything we can to help them with regard to the basic wage.

Mr. J. Hegney: What about the farm labourers?

Mr. MANN: Them too! As a matter of fact I want to refer to farm labour. We are unable to get it. The idea is prevalent that farm hands have been paid 30s. or £2 a week, but farmers have paid a higher rate of pay than that for some time to men on the land. But what is the position? Men will not go on to the farms to work. They can be offered the best housing conditions and free meat and milk and fowls of their own in addition to their pay, but still farm labour cannot be obtained. During the seeding season in the far eastern wheatbelt labour was not available and farmers had to do the work themselves. They had to spend long hours in the field. I know that from experience. I had to take a tractor and work from midnight till 7 a.m. to get my crop in, the same as other farmers had to do. It is utterly impossible to obtain labour.

Mr. Withers: An attempt was made last year to get men out of the Army to go on the farms. We told you they would not go back on the land, and they have not gone.

Mr. MANN: Unless there is a revival of interest in the land on the part of farm labourers production will decrease. It should be remembered that the main wealth of this State comes from the soil and not from the factories. I look upon the question of farm labour as an important matter.

Mr. Graham: Why do you think they are not going on to the farms?

Mr. MANN: Because they have had a touch of city life and will not tolerate bush life again. There are many who married during the war period who were previously working on farms in country areas and are now living in the city; and the city provides inducement to them to remain by way of various sports such as cricket and S.P. betting, racing and the trots. These things have been a great lure.

Mr. W. Hegney: They have those things in the country, too.

Mr. MANN: The average country man has a picture show once a week. He goes to the township once a week. Has he time to get around the country?

Mr. Thorn: The hon. member knows!

[The Speaker took the Chair.]

Mr. MANN: He should know. What does he think the farmer does—sit down all day or what? The farmer has no 40-hour week. The member for South-Fremantle interjected the other night that the only man who worked was the lumper. If ever the day comes when the farmers of our State adopt the policy of the lumper, God help us! Of course we would starve. The farmer and his wife have to work very hard to make ends meet.

Mr. Fox: He should not let his wife work too hard.

Mr. MANN: Fortunately for Western Australia the average married man on the land is wedded to a good type of woman who helps him with the work. I think members should realise it is possible that at the end of the year there will be a change of Government, and I think they will agree that such a change would do no harm. After 17 years of Labour control people are beginning to think there is nothing like a change. If there is a change of Government, there will be some energy put into advancing the affairs of the State by the new Government. For

many years we, on this side of the House, have seen the faults of the Government and have judged it rightly, as we hope the people of the State will judge it at the end of this term.

The Premier: I suppose you can see many of those whom you would like to get rid of.

Mr. MANN: I believe that many faces here will be absent after the end of the year. The most important question today is that of production, yet we are now faced with the suggestion of a 40-hour week. If that comes to pass, the unfortunate industrial worker will pay a higher cost for his living and a greater cost for the house he lives in, if he is able to build.

Mr. Needham: It is the same old story.

Mr. MANN: At a meeting on the Esplanade one Sunday recently the member for Perth, in company with the member for East Perth and other members, was agitating for a 40-hour week. What a lovely state of affairs it is when members go there and preach the doctrine of a 40-hour week, knowing that today the whole economic structure of Australia depends on production and nothing else! Unless Australia produces enough she will fall, yet members talk of a 40-hour week. The day will come when a 40-hour week is justified, but today the urgent need is to produce as much as possible. We cannot, with 40-hours' work, turn out the equivalent of 44 hours' production. I hope that the 40-hour week is not granted by either the Commonwealth or the State Arbitration Court. When we are able to have a balanced economy the hours of work can be shortened.

Mr. J. Hegney: Do you oppose the Western Australian Government being associated with the 40-hour week?

Mr. MANN: The 40-hour week will spell ruin to the country.

Hon. J. C. Willcock: No. We faced a position where about one-third of our people were out of work, yet we carried on.

Mr. MANN: The result came in misery and suffering as the aftermath of that depression. Our only hope today of staving off another depression is work; there is no other means. Britain today is the main producing country of the world, while America, by her stupid tactics, and strikes, has gone backwards as a producing country. Britain

today is exporting and is producing wealth. I would tell the member for East Perth, who suggested that the Australian flag should be flying over Parliament House, that that is the most disloyal utterance I have heard in my 16 years of Parliamentary experience. Every member assembled here has taken an oath of allegiance to His Majesty.

Hon. J. C. Willecock: He is King of Australia.

Mr. MANN: Is this the outlook of the young man of Australia today against the Imperialistic British Empire? The member for East Perth then followed with his extraordinary assertion about my Party being associated with Communism. I say that today the Labour Party is white-anted by Communists.

Mr. Thorn: Is it the Communist flag that the member for East Perth would like to see flying?

Mr. MANN: If that sort of thing goes on it will be the hammer and sickle that will fly over Parliament House.

The Premier: It has flown there.

Mr. MANN: I hope it is never seen there again, and I do not think the Premier desires to see it again in this State. The member for East Perth would have the Australian flag flown here. I may be old and Imperialistic in my outlook but, if the youth of Australia take that view, the time will come when they will change their minds. The time is coming fast when Australia will find herself in the position of having to fight her own battles. Just before the House adjourned at Xmas time I journeyed to Fremantle, in company with other members, and saw a boat loading frozen cargo for Britain. That boat had been in Fremantle harbour for eight days, loading 500 tons. The lumpers were placing in the slings 32 lambs, or 16 sides of bacon. I asked them why they did not put 100 lambs in the slings, and the answer was that they would bruise. I said, "What damned nonsense!" That boat was paying £450 per day in harbour dues, and the captain told us that while in Australian ports the lumpers load 5½ tons per hour per sling, in New Zealand it is 15 tons, and in South America 33 tons per hour.

Mr. Thorn: What has the member for South Fremantle to say about that?

Mr. MANN: I say to him, and to those he represents that if this sort of thing

goes on it will mean that Australia will not be able to export. The lumpers may smile, but we are faced with the fact that the day may come when Australia will not export. The captain of this ship said, "If I have cargo elsewhere I will not approach Australian ports." It is all very well if we wish to live in a fool's paradise, but some members on the Government side of the House cannot take the truth when it is told them. In the case of which I speak the cargo was there to be loaded. I saw ten men working on a sling, and members on both sides of the House saw it.

Mr. Fox: You would not understand the conditions they work under and how they vary in different ports, but the men do.

Mr. MANN: So much so that Comrade Healy, one of the leading Communists of Australia, secured the ballot on the Fremantle wharf. I did believe that we were law-abiding citizens in this State, but when one realises that the lumpers of the State were unanimous in supporting a man like Healy, one can see the trend of events. One can see the Communist influence at work among the unions, as in the case of the Carpenters' Union, when a ban was put on Dutch ships. There were only 30 carpenters involved. The position became intolerable, and in the end the moderates among the carpenters went along and, by a vote of 60 moderates to 30 Communists, the ban was lifted. What has the ban on Dutch ships cost Australia? In the Lieut.-Governor's Speech was expressed hope for trade with the Near East. Holland would be justified in not buying another thing from Australia. We have debarred the Dutch people from coming here and have prevented even their mercy ships from lifting food at Australian ports!

Hon. J. C. Willecock: We have thousands of Dutch people here.

Mr. MANN: The Communist movement has got into the Labour Party of Australia—mostly the Federal Labour Party. The day will come when there will be two parties in Australia—one of Communism and one opposed to Communism. I see no sign of Communism amongst the Labour members of this House.

Mr. Fox: I do not know what you would do without a bogey.

Mr. MANN: There is no bogey about this; I am stating facts. This position cannot be tolerated. Mr. Scully, at the moment, is crying about Britain buying bacon and butter from Denmark. I do not blame Britain for giving a higher price to Denmark.

Mr. J. Hegney: It is quality they are concerned about.

Mr. MANN: We are part and parcel of the British Empire but, with our high and mighty ideas in Australia—and I am the fourth generation of an Australian family—we will have short shrift given to us by the British Isles. Of the British Empire, three countries, Canada, Australia and New Zealand, have to rely on exports. If we had the population that America has, we could snap our fingers at anyone. I visualise the cost of production increasing so that the farmer will not be able to carry on. While the lumpers, the friends of the member for South Fremantle—and I cast no reflection on the lumpers—think they can work hours to suit themselves, ships will go elsewhere.

Mr. Fox: They do work when they are at it. The Legislative Council has adjourned now. Do members there work a 40-hour week?

Mr. MANN: A seat will become vacant there shortly, and the hon. member can get himself elected to that Chamber if he wishes. I was sorry to hear the energetic member for East Perth raise the question of the Union Jack. His remarks reminded me of a quotation from Gilbert and Sullivan's "Mikado."

Hon. J. C. Willcock: You have no right to say he is disloyal because he advocates flying the Australian flag.

Mr. MANN: I think I am justified in using the word "disloyal." I take the view that when a man swears allegiance to His Majesty—

Hon. J. C. Willcock: The King of Australia.

Mr. MANN: And of the Empire. Is not the Union Jack the all-embracing flag of the British Empire? The two could be used. Is this the forerunner of the sickle and hammer? The lines of Gilbert and Sullivan that come to mind are these—

The idiot who praises in enthusiastic tone,
Every century but this, and every country
but his own.

Mr. Rodoreda: What are you—

Mr. MANN: I still praise Australia, but I am Imperialistic in my views, and proud of it!

The Premier: You never seem so dismal out of the Chamber as in it.

Hon. J. C. Willcock: According to you, the soldiers who carried the Australian flag in London in the Victory March are disloyal.

Mr. MANN: No, not a bit.

Hon. J. C. Willcock: You imply that.

Mr. MANN: The moment Labour members are hit on the raw, they bite. Members can hit as hard as they like; we can take it; we are not thin-skinned on this side of the House.

Hon. J. C. Willcock: You would not say in this Chamber that I was disloyal, and get away with it!

Mr. MANN: What action would the hon. member take?

Hon. J. C. Willcock: I would make you apologise.

Mr. MANN: The Speaker would decide that. If I were casting any severe reflection on the member for East Perth, I would apologise. In his speech last night, that hon. member said that there is a certain amount of discontent in the community today, because the people were promised all sorts of things. Who promised them those things?

Mr. Rodoreda: Mr. Churchill!

Mr. MANN: The present Commonwealth Government! The young soldier received much propaganda stating what conditions would be like after the war.

Mr. Thorn: Hundreds of tons of paper were used in that way.

Mr. MANN: He was told of the paradise he would live in, but what has been done? Those promises have all been dropped. The discontent is due wholly and solely to the propaganda dished out to these men. They were promised, from the Curtin Government onward, that when hostilities ceased they would have a new order. Let members deny that the Commonwealth Government preached what would happen as long as the war was won! It made promises but has not given effect to them. Propaganda in the Army is disgraceful. The Government has today put some young men into universities

to study law, architecture and other professional subjects, well knowing that there is no hope of those boys ever passing their matriculation. The whole matter of these promises to the youths in the Army is a disgrace. Members wonder where this discontent comes from. It is because of the action of the Commonwealth Government in spending hundreds of thousands of pounds on this propaganda. The member for East Perth was perfectly right when he said that people had been promised all sorts of things. It is of no use saying that Mr. Menzies or Mr. Fadden, or that we on this side of the House, made these promises. They came from the Commonwealth Government, and today members wonder why the men are so unsettled.

Mr. Watts: Most of the promises were made in 1944.

Mr. MANN: Yes, and this is 1946. The war is now over, but effect has not been given to the promises. The housing position today is deplorable. This Government has appointed a Commissioner to investigate the question of housing. If we want timber and it is available at the mills, we should bring it up by road, no matter what it costs, and not rely on rail transport. The housing position in this State is very bad compared with South Australia and other parts of the Commonwealth. Because houses have not been built, young men, who have been forced to live with their in-laws, have suffered domestic unhappiness. This is the cause of more broken marriages than anything.

Hon. W. D. Johnson: You are very pessimistic.

Mr. MANN: I am not. What I am saying is perfectly true. The Minister for Health admits that there will be no more hospitals built for practically five years. I wish now to deal with the question of hospitals. The Commonwealth Government thought it was being very brilliant by saying that there would be free hospital treatment. That is putting the cart before the horse, because we have not sufficient hospitals in this State. The Perth Hospital has not been completed. No building operations have proceeded during the past five or six years. Surely the building contains quarters that should be fit for patients to go into. Patients should be able to go there for treatment by this time. We know that legislation has been passed so that the people are to be provided

with free treatment and hospital accommodation. In fact, the hospitals have been encouraging people to go there, and some of those people really cannot afford the expense under existing conditions. There is an acute hospital shortage at the present time. The Commonwealth Government talks about providing free hospital treatment and so on, but who will have to pay for that? It will have to be paid for by the taxpayers.

Mr. Rodoreda: We pay for everything.

Mr. MANN: Of course we pay.

Mr. Rodoreda: So that is just a silly argument.

Mr. MANN: The point is this: What is the use of passing legislation for free hospital treatment unless hospital accommodation is provided? The whole of Australia is short of hospital accommodation, and I cannot see how this State can carry the burden. The Commonwealth Government should float a loan of £70,000,000 and the whole of that money should be devoted to the building of hospitals throughout Australia.

The Minister for Justice: That is an excellent idea.

Mr. MANN: Our first consideration should be the health of the people of Australia. The other night, in company with the Minister, I visited the exhibition in connection with the anti-tuberculosis campaign. We saw there some pitiful sights showing the effects of tuberculosis. We hear a lot about the ravages of cancer and other diseases, but the effects of tuberculosis are truly terrible. The time has come when the people of this country should have free x-ray examinations and treatment. The Premier should approach the Commonwealth Government and suggest the loan I have mentioned. If we can find the money for purposes of war, we can find it to aid the sick.

Mr. Rodoreda: Where did you get the figure of £70,000,000?

The Minister for Justice: That would apply to the whole of Australia.

Mr. MANN: Yes.

Mr. Rodoreda: But where did the figure come from?

Mr. MANN: It has been computed that Western Australia alone will require from £8,000,000 to £10,000,000 for the provision of a proper hospitalisation scheme, and the

figure I have quoted would apply to the whole of Australia. Certainly this State cannot float a loan.

Mr. Rodoreda: It is not a matter of finding the money but rather the materials.

Mr. MANN: We cannot get the materials without having the money as backing, and it would pay the Commonwealth Government to consider floating the loan I suggest. That is so particularly as in these days the people are definitely medical-minded.

Hon. W. D. Johnson: See Mr. Menzies when he comes over to the West; we cannot do anything here.

Mr. Watts: That will probably be an excellent idea.

Mr. Leslie: But it is a confession to make!

Mr. MANN: Should my forecast prove correct and there is a change in the next Commonwealth Parliament, it is certain that the change will be a progressive one and possibly a loan will be floated along the lines I have indicated. Should that be so, no-one will be more pleased than the Minister in charge of health matters in this State, even though it may involve the loss of some of his colleagues in the Federal sphere who may fall by the way. The present Minister for Health in this State would be very pleased if he could be assured of the necessary finance to enable a hospital scheme to be carried out. That gentleman is above politics; he realises the necessity for what I suggest. He will be glad if effect is given to the proposal even though, as I say, some of his colleagues may fall by the way.

The Premier: You are a funny man!

Mr. Watts: That is one in the eye for you!

Mr. MANN: I quite agree with the statement of the Lieut.-Governor's Speech which says—

Western Australia has the capacity to produce vast quantities of the food which the world so urgently needs.

Mr. Watts: It will not be produced if we go on as we are at present.

Mr. MANN: That is so. Nor are we at the present time exporting our full quota in order to feed the starving world. There is no better place to live in today than Western Australia.

Hon. J. C. Willcock: Even under the Australian flag!

Mr. MANN: I agree.

Mr. Doney: But there is nothing to export.

Mr. MANN: Our exports are falling and falling all the time.

Hon. J. C. Willcock: No, they are not.

Mr. MANN: Our exports are down considerably. Moreover, from a seasonal point of view, those who anticipate a 25,000,000 bushel crop will have to think again. Throughout the greater part of the State we have experienced one of the wettest seasons and much of the country right through to Corrigin and the eastern wheat belt is completely waterlogged. The crops are simply not there. On the other hand, we have splendid crops in the so-called marginal areas. That is where the harvest will come from, not from other parts. As a matter of fact, the whole of our export trade is in difficulties and the export lamb business is in the balance. Owing to the peculiar season the lambs are not thriving. It has been far too wet for that and, in addition, the quality of the lambs today is going back.

Hon. W. D. Johnson: Have you anything cheerful to say at all?

Mr. MANN: Let members consider the pig market! The quantity of pigs available is declining rapidly and in 12 months' time Australia will be down quite 50 per cent. in her pig population. The position is even worse in the Eastern States than it is here. In fact, too many breeding sows are going on the market now as choppers. Owing to the high price of wheat, the producers simply will not buy. On top of that there is the difficulty regarding the wages that have to be paid for labour. I understand the Commonwealth Government intends relaxing the restrictions upon the local sale of pork and if that happens I can assure members that the pig population will be down quite 50 per cent. within a period of 12 months. Western Australia should be making big progress in this particular line, for there is every chance that a big export trade will be maintained for a long time to come.

The Premier: What do you think is the relationship between the pig-raising industry and the high price of wheat?

Mr. MANN: No-one will feed pigs under existing conditions. I normally run 200 head myself, but I will not touch it with current

prices. Apart from that, there are other conditions that adversely affect the industry. There is the unsuitability of the labour that is available. There is also the shortage of materials for the reconstruction of shelters and so on. It is impossible to get galvanised wire or fencing posts; we cannot get ringlock fencing and other requirements. In the circumstances the industry must decline, whereas it should be of great value to the State from the standpoint of the export trade. I am positive that within the next 12 months the decline in the pig population will be quite 50 per cent. We should be producing more but we are not.

Hon. W. D. Johnson: Well, we are shot! We will not have any revenue at all.

Mr. MANN: The member for Guildford-Midland should not be happy about it at all. If he is satisfied, why should he worry? The question may arise, however, about his director's fees in connection with the company to which he belongs. If they go down, then he may have some cause to worry. There is the matter of Commonwealth taxation. Before he left for the Eastern States to discuss the unified taxation question, the Premier told us that he would fight against it to the very last. What did we find? He came back here and we learnt that the Commonwealth Government had taken control of the whole field of taxation. Are we going to leave it at that? Are we going to say to the Commonwealth Government, "You are perfectly right in collaring the whole of the finances of the State"?

The Premier: You know it is damned silly to say that.

Mr. MANN: No, I do not. Rather than accept that position, I would prefer to say to the Commonwealth Government, "You can go to hell so far as this State is concerned. We are going to continue as we can." On the other hand, if we are to tell the Commonwealth that we agree with them—

The Premier: You know that is not right, do you not?

Mr. MANN: I do not know that. Why does not the Premier make a statement to the people? I do not suggest that the Premier did not put up a fight. Mr. Chifley told us the position in no uncertain words. What were those words?

Mr. Rodoreda: You tell us.

Mr. MANN: I have forgotten the exact words.

The Premier: You never heard them.

Mr. Rodoreda: You have too much imagination.

Mr. MANN: It is not a matter of imagination. If that is to be the position and we are to rely solely on the Commonwealth Grants Commission, then we are in a very sorry plight.

The Premier: Before you sit down, will you try to say some kind word about someone?

Mr. MANN: Before I sit down I shall say that what this country needs is—

Mr. Doney: The hon. member had something nice to say about Jack Lang.

The Premier: I mean about somebody living.

Mr. MANN: Let me now refer to His Excellency's Speech.

Mr. Rodoreda: It is about time you did so.

Mr. MANN: There is a reference to immigration. If Western Australia is to advance it must have population, and the country can absorb a much greater population than it has at present. It requires population but particularly from the Motherland and from the British Isles generally. What is the position in that regard? What does the Speech say about immigration? This is what it says—

The Government is fully seized with the vital importance of increasing the State's population and the question of immigration is receiving careful consideration.

What is the consideration? What has happened?

Mr. Doney: Words; nothing more.

Mr. MANN:

The State was represented at a Conference of Commonwealth and State officers and a committee has been appointed to investigate the absorptive capacity of the State. In order to encourage a rapid revival of tourist traffic, the Tourist Bureau has been re-organised and use is being made of films as a medium of publicity.

Is that all we are going to do? Would it not be wise for the Government to select suitable men to go oversea and ascertain the exact position regarding people desirous of migrating here? The member for Murray-Wellington mentioned this subject and re-

ferred to propaganda issued by the Department of Information. What effect is that going to have? The Premier has a copy of that document and so has the member for Geraldton. Are they treasuring their copies? Are they prepared to hand them round?

The Premier: I have been too busy to read it yet.

Mr. MANN: This is a question for us to deal with and not one for the Department of Information and Mr. Calwell. I have very little faith in Mr. Calwell, very little indeed, and I doubt whether members opposite have much faith in him, either. The Tourist Bureau may play a part, but the Premier should consider sending to the Old Country men who could publicise this State in an honest way and arrange for people to come here to augment the population.

Mr. Watts: The sending of Mr. Kitson to London as Agent General may be a good start.

Mr. MANN: Perhaps so, but I want the Government to deal with the matter thoroughly. We have been told that if we think Americans will come to Australia, we had better think again. I heard a comment by a prominent American to the effect that his people would not come to Australia or invest their money in Australia owing to our high taxation. He also said, "We pay our managers up to the equivalent of £15,000 a year in Australian money." America is undoubtedly a progressive country and we could do with many Americans here, to say nothing of their money and their machinery, particularly their machinery for road construction and various kinds of heavy work. Are we at the present time offering them any inducement to come here?

The Premier: Think of all the lovely girls they have taken away!

Mr. MANN: I am not concerned about lovely girls at the moment. This matter is far too serious. I am concerned about the population of Australia and the future of the country, particularly in view of the declining birth rate. If we can get migrants to come here, by all means let us encourage them to come. I would give preference first of all to people from the British Isles and then to people from the United States of America. If I went to the Old Country, I would tell the people the real facts about

Australia and the possibilities existing here. If migrants settling here are prepared to work, they will succeed.

Hon. W. D. Johnson: But you have been crying stinking fish.

Mr. MANN: I have not.

Hon. W. D. Johnson: We have not heard a cheerful note from you.

Mr. MANN: Since the hon. member has been out of the Labour Cabinet—it is many years since he was a Minister—he has developed a curious frame of mind.

Hon. W. D. Johnson: I sympathise with you.

Mr. MANN: I wonder why he was not included in the present Cabinet or the Cabinet formed 13 years ago. Since then, he has adopted an extraordinary outlook on life. I am glad the Railway Department proposes to provide better passenger services. I do not often give commendation—

Mr. Seward: Have you read this morning's paper?

Mr. MANN: The Minister for Railways is trying to do his best in the face of great difficulties. He has promised that better facilities will be provided. I hope he will consider the need for inaugurating road as well as rail transport, because road transport is a very important matter. I should like to be informed when the Diesel electric rail cars may be expected to arrive from England. The order for these cars has apparently been on hand for the last seven or eight years. Is there any sign of their being delivered? I warn the department that when existing restrictions are lifted—no doubt they will be lifted before the Federal election in order to provide additional propaganda for the Labour Party—and motorcars return to the roads in great numbers, there will be very little rail transport. Who would travel by rail if he could go by car? I hope the Minister proves successful in administering the Railway Department. If any man has had cause for a headache during the last few months, he has.

Mr. Rodoreda: During the last hour.

Mr. MANN: Not at all. I appreciate the ability of the Minister for Railways. He is a man with a high degree of intelligence and welcomes a discussion along these lines. I feel sorry for members sitting on the

Government benches because apparently they are unable to absorb the information that I have been giving.

There has been quite a lot of discussion about the aborigines. We read that in the years to come America will be confronted by the serious problem created by the coloured people, and I am satisfied that we in this State, 50 years hence, will be confronted with a big problem created by the half-castes.

Mr. Withers: We will not be here then.

Mr. MANN: Let us try to take a broader view than that. If we do not consider the problem for our own benefit, let us have some consideration for posterity. The coloured problem caused by half-castes should be seriously faced. The half-caste population of the State is growing by leaps and bounds. With these people, there is no restriction of the birthrate; in fact, the payment of child endowment has been an inducement for them to have more babies. Consequently, the half-caste population is increasing very rapidly indeed. Let us accept our responsibility and face the position. The native race is almost extinct, but the half-castes are increasing. What a pitiable spectacle it is for tourists crossing Australia to see the miserable specimens of humanity begging at the train side! It is a disgrace to Australia! The half-castes in the southern portion of the State are a very intelligent type and something should be done for their welfare. Why do we procrastinate over this native question?

Mr. Rodoreda: What is the remedy?

Mr. MANN: The remedy must be found.

The Minister for the North-West: For what?

Mr. MANN: For the betterment of our natives. One phase of the problem is that the natives are nomadic, and their children consequently will attend a school for a fortnight or a month and then will be taken away by their parents. These children must be taught and trained.

Mr. Watts: The whites do not want them at entertainments.

Mr. MANN: They are ostracised. Even the native who becomes a citizen is ostracised, both by his own people and by the whites.

Mr. Watts: Give them some racial pride and make something of them.

Mr. MANN: A man named McLeod has been causing trouble with the natives in the North-West. He seems to be causing more trouble. I have a faint idea that he is a Communist.

Mr. Watts: Is your idea only faint?

Mr. MANN: This man, who is trying to communise the natives, is making a success of communising many white people in Australia, or his organisation is. The Communists are now infiltrating among the coloured race. I am glad the Government proposes to take action to stop the tactics of this class of man. I say in all sincerity that the coloured population has to receive consideration by Parliament. The Americans are experiencing the same trouble in connection with the negro population there.

Mr. Rodoreda: What is your remedy for our position?

Mr. MANN: I would adopt the South Australian method, whereby the natives are put into separate areas and become self-supporting. The first step is to educate them.

The Minister for the North-West: Do you mean to segregate them?

Mr. MANN: Yes. I believe that to be advisable. I met a native girl at Bruce Rock who had passed the eighth standard; and the Minister told me of a boy at Gnowangerup who had passed the Junior examination. He was a half-caste and is now taking his Leaving examination. By education and training the natives will be fitted for citizenship. The Act we have passed regarding native citizenship is an absolute farce, because notwithstanding that natives obtain citizenship rights, they are ostracised. We are simply tinkering with the whole position. In view of the remarks of the member for East Perth and his very serious statement regarding taxation, I feel compelled to move an amendment to the motion. I accordingly move—

That at the end of the motion the following words be added:—"But this House considers that your Government should make representations to the Commonwealth Government to the effect that the taxation relief proposed by that Government (especially as it indicates no relief of any kind from indirect taxation) is entirely inadequate and will leave a burden on the community which is not justified, and will continue to restrict production and strangle enterprise, and cause discontent among industrial workers and others."

The member for East Perth pointed out that under the taxation which is being levied as from the 1st July of this year, a person in receipt of £300 a year and having a wife and three children, would pay £12 in taxation, but that his benefits would total £69; he would pay in taxation £12 and therefore would benefit to the extent of £57 as compared with the situation before the war. The remarks of the member for East Perth created the impression that his whole idea was to try to shield the Commonwealth Government as to the new taxation proposals.

Mr. Watts: It is simply a piece of political propaganda.

Mr. MANN: That is so. It is not often that the Speech is used for that purpose. I want it to be definitely understood that my amendment is an attempt to show the public what the true facts are.

Mr. Rodoreda: That makes one laugh!

Mr. MANN: It is a point of interest that the credit in favour of the taxpayer to which I have referred applies to all taxpayers who are in receipt of approximately £10 a week. The member for East Perth tried to point out that on the new basis of taxation a man earning £10 a week will receive a much greater benefit than he did in the pre-war time.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. MANN: My remarks are prompted by the extraordinary statements made by the member for East Perth, who said—

Even the present steep rate of taxation cannot be adjudged by any fair-minded person as being too severe or as crippling to the nation generally, or a deterrent to the workers so far as applying themselves to their jobs is concerned.

What an extraordinary statement for a man to make! There is no-one in this State, or in Australia today—human, as we all are—who is prepared to pay this high taxation. It does not matter to what party we belong or who we are, nothing is more galling to the people of Australia than the high rate of taxation that exists. The member for East Perth asked how it came about that, if this high taxation had been such a crippling burden to the people, the deposits in the savings bank alone for the last four years had increased by £400,000,000. The reason is that

people cannot spend the money. If it were possible to build houses and to obtain all requirements in Australia today, hardly a penny would be left in the savings bank, because the money would be used for that purpose. I intend to give figures from the Federal Budget. The estimated revenue for 1945-46 was as follows:—

Indirect Taxation:		£
Customs Duty	25,000,000
Excise	47,000,000
Sales Tax	28,000,000
Sundry	1,900,000

Total indirect taxes .. £101,900,000

Direct Taxation:		
Personal Income Tax	132,000,000
Companies Income Tax	59,000,000
Social Services	20,000,000
Pay-roll	11,000,000
Land Tax	3,700,000
Estate Duty	3,000,000
Entertainments	5,000,000
Gift Duty	350,000
Gold Tax	350,000

Total direct taxation .. £234,000,000

Total taxation £336,300,000

Other Departmental Revenue	6,700,000
Post Office	28,580,000
Railways	1,850,000
Territories	470,000

Grand total £373,900,000

Mr. Cross: What did you expect, after a big war?

Mr. MANN: I would refer my friend to the Imperial Parliament, which has reduced taxation by 40 per cent. already in the first year since the end of the war; and the Chancellor of the Exchequer has said that England will be back on a pre-war budget in three years' time. In this country, for 1945-46, £390,000,000 was extracted in revenue from a long-suffering public. That included £336,300,000 from direct or indirect taxation. The question arises: Can we reduce taxation? I say definitely, yes. The estimated £373,000,000 was exceeded by £17,000,000, and the main item of expenditure for 1945-46 was the cost of maintaining the Army, Navy and Air Force at full strength. When the Budget was prepared, there was no indication that the war would cease. It would have been ridiculous to continue the next year on full strength, when the war was over. Let us try to find what

would be regarded as a reasonable expenditure on the Army, Navy and Air Force, after making allowance for such things as deferred pay and demobilisation costs. A fair basis would be the figures for 1941-42. A considerable force was being maintained at that time; in fact, for part of the year we were at war with Japan. In that year, the total expenditure from revenue was £86,000,000.

For the year 1945-46, the estimated expenditure from revenue was £207,000,000. The difference between those two figures is £121,000,000. It is reasonable, therefore, to say that the expenditure of the Commonwealth on this account alone can be reduced by £121,000,000, less the extra amount involved in paying the increased interest and sinking fund on war debts. This amounts to approximately £36,000,000, leaving a reduction of £85,000,000 that is really not required. But let us be generous to the Government and give it £25,000,000 to play with. The proposal to reduce taxation by 40 per cent. would involve no more than £40,000,000 on personal income and £20,000,000 on company taxation. These figures ignore increased taxation from increased production, but even making those reductions, the Commonwealth Government would have the amount I have mentioned.

I would like to point out to the member for Canning that we are all selfish; we all live for ourselves. Let us get that fact well into our minds. The idea that one section is working for the other is entirely wrong. Even in this House, members are selfish in their own interests. We cannot entirely eliminate the human element. We live for ourselves alone.

Mr. Cross: You speak for yourself!

Mr. MANN: In that connection I can speak more for the member for Canning. If ever a selfish strain existed, it exists in him. The human element has been touched by the severity of taxation. Why are there strikes? What is the cause of the majority of them? Why is there a go-slow policy today? The reason is that men are not prepared to work long hours overtime and have their incomes reduced heavily by taxation. In Sydney last year, I visited one of the largest factories there and I was told that during the time of the Kokoda Trail operation, 800 people were employed in that factory. The owner said, however, that

since the war ended, he could not get labour, and his employees were down to 300. The great proportion were female workers who spent three days a week in his factory and two days a week in the backyard shop of some Jew. Because of the incidence of taxation, these employees were snide workers for two days a week, and spent the other three in his factory. If Australia is going to be burdened with taxation for the next five or ten years, the country must go down. There is no incentive for men to work. I do not blame the miner or the lumber or the farmer, or anyone else, who refuses to work extra hours and earn more than a certain amount because, by doing so, he would be placed on a higher income level for taxation purposes.

Mr. Holman: Do you not think that some of these people would evade taxation just the same in other circumstances?

Mr. MANN: I do not. I have more faith in human beings. At any rate, it is not very easy to evade taxation. No man on a wages basis can avoid taxation. It is nonsense to make a remark like that. He pays at the source and has no chance of evading it. A dealer may have some chance of doing so, but not the ordinary worker. The result is that the progress of this country is being retarded by heavy taxation. I appeal to the Government to carry the amendment. It is not a personal matter against the State Government, but one that concerns us all very vitally.

My concluding remarks are, if I may be a little parochial and deal with the farming areas, to instance the case of a man who, last year, had an income of £1,100. He was forced to sell his stock, on account of drought conditions, prior to the 30th June, with the result that his income increased to £2,200. He was left with £150 in hand to finance himself. He then had to apply to the bank for a loan to pay his taxation and for restocking. Another case I can instance is that of a squatter in New South Wales who had 6,000 bullocks worth £10 a head in June. If he had included them in his taxation return he would have shown a profit of £2 a head. As a result, he was forced to hold the stock over and they went down in value. They were finally sold for £8 a head and he made a profit of £3 on them in the financial year. This is not party politics but is for the welfare of the country.

The Premier: You smile when you say that.

MR. MANN: The Premier has an infectious manner that makes one smile. I do not care whether the industry involved is farming or anything else, the present taxes impose a burden so great that if they are not reduced they will mean the end of Australia entirely. With a reduction of 40 per cent. we can envisage increased production in Australia, and that will be the means of carrying the country on. I appeal to members to carry the amendment.

MR. DONEY (Williams-Narrogin—on amendment) [7.43]: In my judgment the member for Beverley is amply justified in submitting the amendment. I have not had the opportunity to peruse its actual wording but I know the sense of it, and I am at one with it for the reason, among others, that not since the collapse of the banks in 1890, or thereabouts, has the economic outlook of this country been so disturbing and public confidence in the future of Australia at such a low ebb. This has come about, too, at a time when there is what might be termed a flood of new markets, particularly in the Pacific area. Had we taken advantage of them some little time ago they would have paved the way to an era of unexampled prosperity in Australia. I am going to enumerate a few causes—all of them to my mind, avoidable—which have contributed to the present state of affairs. Firstly there is the inability of the present Government—I refer to the Commonwealth and not the State Government, although the latter must of course share to a degree in the strictures one passes on the Commonwealth Government—to govern in any period of crisis. That is evidenced by its so frequently withholding major decisions of policy, and delaying action, pending the concurrence of non-elective bodies outside of Parliament.

MR. SPEAKER: Order! I draw the attention of the member for Williams-Narrogin to the fact that we are discussing only the amendment at present.

MR. DONEY: This amendment covers a great deal of ground.

MR. SPEAKER: Yes, but not what the hon. member has just been talking about.

MR. DONEY: I will make my remarks join up a little later if you, Sir, will permit

me to travel that far. I will show that they have a distinct bearing on the loss of trade to Australia and consequently a highly detrimental effect upon the earnings of the country in which case, quite obviously, they have an effect upon taxation. In any event I suppose that normally we would not be debating Federal matters to the extent that we seem to be debating them this session.

MR. SPEAKER: The hon. member would be quite in order in debating that subject on the Address-in-reply, but not on this amendment.

MR. DONEY: If you, Mr. Speaker, are going to be as restrictive as that—and I have to bow to your ruling—you leave me a little disturbed. I do not know what is likely to be acceptable on the amendment.

MR. SPEAKER: Order! I point out to the hon. member that the only matters that can be discussed on the amendment are those of taxation, the restriction of production, and the strangling of enterprise.

MR. STYANTS: There is plenty of scope there.

MR. DONEY: I am bound by your ruling, Sir. I will still have an opportunity to pursue my remarks on the main question.

MR. SPEAKER: The hon. member can speak on that matter in the Address-in-reply.

MR. DONEY: The member for Beverley made many remarks bearing on the same question that I am now touching upon. I merely add to them that I very cordially support what he said.

MR. SPEAKER: When the member for Beverley was addressing the Chamber he was speaking on the Address-in-reply, and, on resuming his seat, moved the amendment.

MR. DONEY: I am referring to the remarks he made subsequent to announcing to the House the nature of the amendment.

MR. WATTS (Katanning—on amendment) [7.48]: It is with considerable pleasure that I support my colleague the member for Beverley in this matter because I think his amendment is a most timely one. It might not have been nearly so timely had it not been for the observations of the member for East Perth last evening. When that hon. gentleman proceeded to deliver a

speech, which was entirely aimed at providing propaganda for the forthcoming elections by making an issue of the taxation problem from his point of view—as he undoubtedly did—then I consider it to be very proper that the member for Beverley should take the opportunity that he did, and which I am fairly certain he would not otherwise have taken, of bringing this matter, in extenso, before the House, because it has a great many more angles than the member for East Perth indicated. The angles that he referred to are doubtless suitable for tickling the ears of the electors of East Perth, but they will have a great deal less effect on the electors in other portions of the State—as I would tell him if he were here—who are not so easily induced to believe political propaganda of the type enunciated by him on most occasions.

One remark the hon. member made was to the effect that a man with a wife and three children would pay a total of £12 in taxation and receive £69 in social benefits, so that he and persons such as he would have a resultant credit balance of £57 on the year's operations. That theory conveniently ignores—as arguments based on half-truths usually do—a number of facts, one of which is that such people are those most affected by indirect taxation. The member for Beverley has told us—he has obtained his information from last year's Commonwealth Budget—that the total of indirect taxation was £101,900,000 which, divided among 7,000,000 people, amounts to about £14 per head of population, ignoring all direct taxation or incidental payments that may be made to other sources of revenue. The man with a wife and three children pays, on that basis, £70 in indirect taxation alone and thereby has a debit balance of £13. It is no use arguing. Those are the people most heavily hit by that kind of taxation.

The person who smokes an occasional packet of cigarettes pays 6¾d. out of every 10d. in indirect taxation and he who drinks a pot of beer pays 4½d. in every 9d. in indirect taxation. He pays ¾d. in every 1½d. for a box of matches. Some of those people may even ride in light cars that they have owned for a number of years, bought out of their savings, and in such cases they pay 11d. in indirect taxation on every 2s. 5½d. for a gallon of petrol. On furniture they pay up to 25 per cent. sales

tax, yet the member for East Perth would have us believe that the only contribution such people make to taxation is the income tax they pay on £300. It is the most misleading statement that could be made in this House or anywhere else. A man holding a responsible position—such as he does—who makes such statements, should be exposed, and that is my purpose in rising to speak to this amendment. I will take some trouble to indicate to the House what sort of collections we have in indirect taxation. I find that indirect taxation on cigarettes and tobacco alone was £8,100,000 for 1945-46. That is the sum extracted from the people on that account at a rate approximately three times that obtaining in 1941-42 which, as the member for Beverley indicated, was a year of war.

In the figures given by the member for Beverley a few moments ago we find that in excise duty in 1945-46 £47,000,000 was paid, while in 1941-42 it was only £31,000,000. In 1941-42 sales tax amounted to £26,000,000, and in 1945-46 it was £28,000,000. Income tax from individual persons in 1941-42 realised a total of £46,000,000, and for 1945-46 the total was £132,000,000, yet we are asked to believe that a total reduction of £17,500,000, which is the amount disclosed by the Prime Minister in his statement on the recent reduction, is a fair amount after 12 months of peace. It is a well known fact that that reduction will not take effect, in the case of many taxpayers, until the end of the now current financial year. We now find that taxation on companies and other forms of income tax was £30,000,000 in 1941-42, while for 1945-46 it amounts to £59,000,000, an increase of £29,000,000. As to the pay roll tax, though the rate has not altered, in 1941-42 the total was £8,962,000 and in 1945-46 it was £11,000,000.

In the course of his remarks the member for Beverley observed that even if this reduction in the rate of taxation was made today he had no doubt that the amount received would be considerably greater than would appear from a mere calculation of deducting so much per cent. from the total. That is obvious. In the same way as the pay-roll tax has increased, through more people earning taxable income so, when there is more produced by industry, a lower rate of tax will produce a greater sum in

the total than it now does. We must remember also that many men and women in the Forces were not liable for taxation, and rightly so, on the earnings they received as members of the Forces, but when those people, including 75,000 demobilised in Western Australia who according to the member for East Perth—except 1,300 of them—are all in employment, come to make their returns, in most instances they will doubtless pay some measure of taxation, to increase the common total. That will happen all over Australia and there will be much more prospect of collecting a large total of taxation, at a lower rate from greater numbers, than there was two years ago with the decreased number then engaged in industry.

I will now revert to indirect taxation. I realise, as must any sensible man, that there has to be a higher rate of taxation now than before the war, but I will not concede that the present position is satisfactory or reasonable, nor will I concede that the proposals made by Mr. Menzies and referred to by the member for East Perth last evening are unreasonable. On all the facts given by the member for Beverley and the figures with which he supplied the House it is clear that, while the expenditure on the Armed Forces out of revenue, as disclosed in the 1945-46 Commonwealth Budget at page 44, was £207,894,000, for 1941-42, out of the same revenue, it was £85,341,000, and it is ridiculous to suggest that any greater expenditure on the Armed Forces will be required in 1946-47 than was required in 1941-42, the year in which the Japanese war began.

It is fairly clear—it is capable of calculation at all events—that there can be a reduction of a very considerable sum in taxation, and that has been realised in the Old Country. There the authorities have abolished the excess profits tax; they have considerably reduced the sales tax, known there as the purchase tax; they have halved it and in many cases abolished it on numerous articles of household use, and such things as home utensils. They are working on the right lines. They are engaged in a tremendous campaign for increased production. In certain directions we require an immense campaign for increased production because many things are requisite and necessary but, every way we turn, we find there is virtually

nothing that can be done to fulfil the work we wish to do. Therefore, if the Labour Government of Great Britain, saddled as I suppose it is with as great a responsibility in proportion to its population as is any other country in the world,—

Mr. Abbott: More so!

Mr. WATTS: —faced with the necessity of maintaining a large army of occupation in certain European countries, with tremendous problems even in proportion to population in regard to demobilisation and a return and conversion to normal industry, which must have been turned completely upside-down during the war, as anyone who reads the records of what took place will realise, if that government can within nine months of the cessation of hostilities make the deductions and others more than those to which I have referred—

Mr. Withers: The people of England are not as well fed as we are.

Mr. WATTS: That is not a question of taxation. It is a question of inability to obtain supplies, and this has been contributed to, might I suggest; by the restriction in production in countries such as this. Had we been able to make a greater contribution than we have done, I venture to suggest that bread rationing at least might have been postponed or never have been introduced in Great Britain. I suggest that a country of that sort, with the rationing it has had over many years, would not have introduced bread rationing unless it had simply become essential. It was a question not of money but of inability to obtain the goods necessary to feed the people. It was a sorry position, but it was a physical impossibility to obtain the goods.

It is not alone the question of the rates of taxation themselves that interests me. It is the question of the deductions that should be allowed to people who have family and other responsibilities. These people have been given no consideration at all; at least they may have been given consideration, but the consideration has produced no result. In this country we have at present a system of rebates which is a very different thing from a system of deductions. The net result is that one's tax is assessed at the higher rate, and the amount is arrived at after the rate has been fixed, whereas, under the deduction system, one is assessed at the lower rate and one

gets a concession in the rate itself, which has a double effect on the amount of taxation to be paid. Nothing has been done in that regard.

Where has there been any suggestion that a reduction should be made in such items as that of sales tax on motor vehicles? It is a well-known fact that the greater number of motor vehicles in this State at any rate—we need not go to places outside because we do not know too much about them—are virtually worn out. A great number of them were Army disposal vehicles and they perhaps are in better order than some of those which are older, but very many people now or in the near future will have to replace their transport vehicles; I will ignore vehicles used for pleasure. The existing rate of sales tax on motor vehicles is $12\frac{1}{2}$ per cent., so this means that on a vehicle costing £500, there is not less than £60 for sales tax. The result is that everybody who acquires a motor vehicle, even for the most essential purposes, is loaded with that extra cost of £60 which, in the majority of cases, he is ill able to pay and must necessarily increase the capital cost of his enterprise and so the cost of the items of production. We must take these factors into consideration.

We are justified, within reason, in offering our protest. As I have said, I am of opinion that we cannot expect a return to the pre-war position, but we can expect a departure from the present position and a very considerable relief, much greater than is being offered to us at the present time. If we do not get that relief, then I believe we shall have considerable difficulty in encouraging production and enterprise in this State and in encouraging people to work.

I have amongst my friends a young man who is engaged in a certain industry. Recently, by agreement between employers and employees, the rate for the particular job he filled was increased by 5s. a week. He receives his wages fortnightly. He went along to collect the wages in due course, filled, I have no doubt, with bright ideas as to what he would do with the extra 10s., and his employer reluctantly informed him that he was obliged to give 7s. 6d. of it to Mr. Chifley. This principle has applied in very many instances and has particular application to overtime, and if it is not a deterrent to people being prepared to do a little extra

work or to aim at earning a little extra money by legitimate and reasonable means, I do not know what is.

I have before me in a copy of the Federal Budget a return of the various taxes that are payable with a comparison for several years. They certainly make very interesting reading, because they show what a tremendous difference exists between the taxes now assessed and those assessed in the earlier period of the war. Let us take the year 1940-41 as being a reasonable basis and the year 1943-44, which is the last year available in last year's Budget, and which shows the rate at which taxes were payable before the recent reduction.

Mr. Cross: The war did not get into its stride until 1942.

Mr. WATTS: I could not catch the hon. member's interjection, but doubtless it was of little importance. In 1940-41 those with incomes of £200 a year and under paid 4.2 per cent. of the total taxation and paid £5 12s. 4d. per taxpayer. In 1943-44 those same people paid only 2.4 per cent. of the total taxation, but they paid £9 15s. 2d. per head. In other words, their taxation increased by £4 3s. in respect of that particular income. The next grade as given in this table is from £201 to £500. We find that in 1940-41 those people paid 7.3 per cent. of the total income tax, or a total amount of £3,639,706, the rate per head being £23 8s. 2d. In 1943-44 they paid £54,205,450 in all, which represented 26.8 per cent. of the total tax, the rate per head being £45 0s. 2d. So we discover that the amount of tax which those people contributed went up from £3,000,000 to £54,000,000, from 7.3 per cent. to 26.8 per cent. and from £23 to £45 per head of the population concerned.

If we turn now to the next grade, in which I think most members of this House will find themselves included and which is from £501 to £1,000, we find that in 1940-41 these people paid 9.7 per cent. of the total taxation, or £77 18s. 10d. per head. In 1943-44 they paid 15.3 per cent., very nearly double the percentage of the total taxation, and a total of £144 0s. 6d. per head. Yet the member for East Perth would have us believe that the rates of taxation to which he referred, imposed and cheerfully borne—cheerfully borne, I say—by the people of this country so long as we were engaged in active hostilities, and for 12 months there-

after probably fairly cheerfully borne too, are to be continued, near enough, in perpetuity in order to achieve some nebulous result which the hon. member appeared to have in mind but which he by no means made clear to the House.

I say it simply cannot go on. There has got to be some very determined action if we are going to get things moving in this country, if we are going to have supplies to build houses, if we are going to have workmen to deal with our various problems of land and other settlement, if we are going to have furniture to put in those houses which we manage to build, if we are going to allow married couples without children to have homes who at present are prevented from having them because of the decision forced on them by circumstances, though, as I said last week, I think unwisely, not to grant permits to them. If we are going to have an increase in our population by that or by any other means, and that means I believe to be the most desirable, then we shall very certainly have to re-arrange the incidence of taxation upon the people of this country and make a start about it as soon as we can. In my opinion, there is no time like the present to make a start on these things, especially as it has been shown by the example of a country whose financial obligations, in proportion to population, are greater than our own and whose activity in tax reduction is very considerably greater than our own, that it can be done. I therefore support the amendment.

MR. THORN (Toodyay—on amendment) [8.14]: I have pleasure in supporting the amendment. I cannot understand why any Government should introduce a tax so unscientific in its application; because, although the taxation collected yielded a tremendous sum of money, I maintain that had it been applied under a different system the Federal Treasurer would have found that his revenue from it would have been just as great, whilst industry would not have been handicapped nor the work of the industrialist retarded. I know that during the war period, owing to this heavy taxation, workers frequently took a day off because they would have been out of pocket had they worked on that day. As I say, this taxation is unscientific. I know of workers in the Midland Junction Workshops who went back to work a nightshift from which they would

derive only an extra 3s. or 4s. That is not any encouragement to men to work. The same applies to production. Taxation has not encouraged production. It has not paid people to produce. I can mention a specific case in my electorate. On one property there, 2,000 cases of oranges were allowed to go to the ground for the simple reason that the owner's income had reached a certain figure which, if exceeded, would have placed him in a higher grade of taxation. He made up his books, worked out the proposition, and found that he would have marketed the last 2,000 cases of oranges for the benefit of the Federal Treasurer.

Mr. Cross: Why did he not put them in at cost?

Mr. THORN: It was not a matter of putting them in at cost. The point was that that extra income would have placed the grower in a higher grade of taxation. Members are aware that we were granted an allowance to compensate for the increase in the basic wage. Who is getting the benefit of that increase? The Federal Treasurer! I asked the Clerk of the House the other day what I received out of that increase, and he replied, "You get about £4 out of it." So we find our State Government providing money in an attempt to improve our position as members and that money going to the Federal Treasurer. We would have been better off without it and the State would have benefited by it. The Federal Treasurer was recently accused in the Commonwealth Parliament of not disclosing the true financial position of the Commonwealth. I think the accusation was based on solid grounds. I will take the members of this House as an illustration. How many of us have received our income tax assessment for the past financial year? Many of us have not.

Hon. J. C. Willcock: No fear!

Mr. THORN: I have not received mine, and many others have not received theirs. We will get them very soon with the assessment for the present year in addition and thus the payments will come into the next financial year. It is the same all over Australia.

Hon. J. C. Willcock: Anyhow, you have made a provisional payment and will not have much more to pay.

Mr. THORN: That may be so. As I say, the true financial position of Australia is not being disclosed. There is another point.

An article appeared in the Press last week-end complaining about the boat-building industry. The writer mentioned that the industry was dead and he gave as his reason the sales tax of 25 per cent. on the price of a pleasure boat. We may say, "Well, I suppose it is fair enough that pleasure boats and pleasure vehicles should be taxed." But how foolish it is when we realise that, owing to the tax, we are putting dozens of men out of work or out of their ordinary trades or callings. That is the effect. This undisclosed taxation, such as the sales tax, is very cruel indeed. What is the good of filling the worker's pay envelope—and I do not want to dwell on the workers; what I say can be applied to anyone—what is the good of filling up a pay envelope, on paper, and taking away a big slice of it by taxation? That is what is happening. What is the purchasing power of the money in the worker's pay envelope today? It is very little indeed. He is having a tough time with all these deductions, because half the commodities he requires are loaded up with sales tax, and he is paying through the neck for everything. The amendment is very timely; and although there will be speeches protecting the Commonwealth Government, I feel sure that every member of the House is smarting under the taxation imposed by that Government. And not only this House, but the whole community. One thing that annoys thinking men is the wilful extravagance of the Commonwealth Government. There is no doubt about that extravagance. I do not suppose we have ever had such an extravagant Government in power using the taxpayers' money.

The Minister for Education: Let us have a few instances.

Mr. THORN: I will give the Minister a few. Has he ever been to the top floor of the Commonwealth Bank in Sydney? Has he ever seen the rows of beautiful offices? One door has on it the name of Max Falstein and inside is his typist, his private secretary, doing practically nothing. The next door has another Federal member's name on it. Is that expenditure warranted?

Mr. McLarty: The sum of £90,000 was spent in order to send Federal members for trips.

Mr. THORN: Yes, I had that in mind. I was not going to dwell on that too much. The amount is certainly extravagant, but I do think we should send ambassadors over-

sea. At the same time I agree that there was no need for those men to take their families at the expense of the taxpayers. It is not fair. State members of Parliament do far more work than Federal members. Half the time of the State members is taken up in doing the work of Federal members.

Mr. SPEAKER: Order! There is nothing about State and Federal members in the amendment.

Mr. THORN: No, but it is a charge on the taxpayers.

Mr. SPEAKER: The hon. member may discuss taxation but he may not compare Federal and State members and talk about the work they do.

Mr. THORN: All right, Mr. Speaker; but I was going to link up my remarks with the tremendous charge on the taxpayer. That expenditure is not warranted. It is unnecessary; and if that sort of thing did not occur we would have more faith in the Government.

Mr. Watts: The Department of Information costs £700,000 a year to inform the public wrongly.

Mr. THORN: Yes, and to "go" the newspapers. But I must not dwell on that because it is not in the amendment. I hope this matter will be well discussed. It is a tremendous problem to the whole of the taxpayers of Australia and is something that could well be checked up on. A tremendous saving could be made if our Federal Treasurer got down to tints.

MR. ABBOTT (North Perth—on amendment) [8.25]: I have already dealt to a certain extent with this matter in my speech on the general debate, but I feel that I should show I am thoroughly in sympathy with the amendment. I do not think I am out of the ordinary in that respect. I consider that 90 per cent. of the members in this House will support the amendment, whatever side they may be on, because it must be generally admitted that taxation is a lot higher than it need be. The Commonwealth Government is so used to dealing with war expenditure that that extravagance means nothing to it. We have all seen thousands of pounds of war material wasted, buildings erected and never used and a hundred and one other examples of wasteful expenditure. The Commonwealth Government is so used to dealing in millions of pounds that it does

not take much notice of a few thousands. At this stage, when the whole community is trying to engage in reconstruction, the Commonwealth Government thinks of building a university for a few thousand people in Canberra. It has also one of the finest schools in the world; one of the most extravagantly furnished and equipped establishments of its kind in Canberra. It cost the members of the Commonwealth Government nothing!

The Minister for Education: You think it an extravagantly equipped school, do you? I do not.

Mr. ABBOTT: They have a domestic science centre which cost nothing less than £2,000.

The Minister for Education: You think that is above a proper standard of education, do you?

Mr. ABBOTT: No; but I think that Western Australia is very much below that standard and that the standard ought to be common to all States. Any Serviceman knows the large amount of money that has been spent by the Department of Information in sending literature to members of the Forces—mostly propaganda and deemed to be very good for the Labour Government. Thousands of pounds were squandered by the department in distributing literature that was thrown into the wastepaper basket. I have seen cartloads of such pamphlets. It did not matter; it was wartime! I think it would do no harm but a lot of good if the Commonwealth Government received from this State a suggestion that such useless spending of money was not appreciated. Therefore I support the amendment and I feel that we shall receive support, too, from the Government and members on the other side of the House.

MR. PERKINS (York—on amendment) [8.27]: We have no alternative in the way we approach this question of taxation at present seeing that the taxation powers have been removed from State Governments and that the sole taxing authority in Australia is the Commonwealth Government. The only approach we can make to deal adequately with the question of taxation is to request our State Government to make representations of some kind to the Federal authorities and to submit the views of the people in this State. There may be differences of opinion as

to the exact representations that should be made, but at least the member for Beverley in moving the amendment has indicated a line of approach. If members generally agree that the taxation position is unsatisfactory it is up to them to suggest some better approach if they do not agree with the one suggested. Some alteration of the present taxation burden is absolutely essential. The amendment deals in the first place with taxation as a deterrent to production. I think members, generally, will agree that wherever one goes one hears the opinion expressed by people of all classes that the heavy rates of taxation being levied in Australia now are the greatest single deterrent to increased production and increased energy on the part of the people, and those responsible for the organisation of production.

Mr. Withers: Would you say that applied to primary production?

Mr. PERKINS: I say it applies everywhere—to primary production and secondary industries. It applies to companies and to the men working for companies. I do not think any section of the community is immune from this feeling that energy in production is much diminished through heavy taxation.

Mr. Styants: The companies are still paying good dividends.

Mr. PERKINS: Some are.

Mr. Styants: All of them.

Mr. PERKINS: All of them are not paying good dividends. That is an absolutely false statement!

Mr. Styants: Well, most of them are.

Mr. PERKINS: Not even most companies are paying good dividends.

Hon. J. C. Willcock: They do not pay any tax if they do not make a profit.

Mr. PERKINS: All of us can think of specific instances of high rates of taxation having a serious effect on industry. Some members may know of the instance I am now going to quote. I am not going to mention the names of the people concerned, but a big Sydney factory, which is largely dependent on its moulders in the moulding shop, has got into such a state with its production that it has made inquiries in Western Australia to have some of the moulding carried out here, the castings sent to Sydney for processing and then returned to Western Australia as finished articles to

be retailed. I am told that in that particular factory the moulders are working the equivalent of only three or four days a week. The balance of their time is lost in absenteeism.

Mr. W. Hegney: You are speaking to the amendment.

Mr. PERKINS: Yes, I am speaking of the deterrent effect that high taxation has. These particular moulders who work only three or four days a week in the moulding shop earn, in that time, £6 or £7 on which they pay a fair amount of taxation, and they are prepared to pay that. If they agreed to work overtime, which is freely offered by the company, they might earn £15 or £16 a week. But the position is that they are spending the balance of their time in the backyard industries to which other speakers have referred. Any member who has been in Sydney recently must have heard the same sort of tale. People there are engaged in backyard vegetable production and hawking the vegetables to other householders and thus earning money which is not subject to high rates of taxation, or to any taxation at all because that is one form of black marketing.

I am going to deal with the question of evasion of taxation a little later because I think it is a separate subject, but looking generally at the matter members can realise the position of the goldmining industry in this State. It forms rather a special case. A company that owns a goldmine owns a certain amount of gold in the ground which can only be mined and sold once. Everyone hopes that at some stage we will get back to lower rates of taxation than are being levied at present. It must be obvious to all that it will be to the interests of the shareholders of a mining company for the concern to go slow on production at present with the object of conserving its gold resources in the ground so that they can be mined later on when a lesser proportion of the company's profits will be taken by the Federal Taxation Commissioner.

The present position must, in some degree, be responsible for the rather slow recovery of the goldmining industry in this State. Some members may say that, in the present state of world affairs when food is so urgently needed, possibly some other things are more vitally required than

is gold. That may be so, but if gold is available it certainly makes it possible for us to get, in exchange for it, many articles badly needed for production of various other kinds. I cite that instance because goldmining is an industry where the asset in the ground is a gradually depreciating one. The same principle applies, to a greater or lesser extent, to many other lines of production. Even in primary production, in which some members on this side of the House are mainly interested, it is unreasonable to expect producers to make their lives harder than need be by expending greater energy and time on their work when such a large proportion of the results of their efforts will finally go to the Federal Taxation Commissioner.

I came across a case not very long ago of a farmer and three sons who were concerned in farming a very productive property in this State. In the years of lower taxation they had, for their own convenience, made their farm into a company and had allowed themselves a rather low rate of remuneration for their labour. During the depression it was as much as most farmers were able to earn. They had allowed themselves about £300 or £400 a year each for their efforts, and they were a very efficient concern. As a result of the better prices during the war years, and the deferred maintenance and improvements, their current income returns have been somewhat inflated. The total income of that farming company has increased to a considerable figure and that concern is now paying, firstly, the company rate of taxation of 8s. in the £, and then the dividends that are distributed are taxed on the basis of earnings from property. They pay the income tax rate for income earned from property in the dividends, when distributed, and the sum total of taxation for the father and three sons concerned was such that, taking direct taxation on the incomes they receive as wages, and that received as dividends from the company, on this farm they were paying 15s. 6d. in the pound. Such a high rate as that must have a deterrent effect on production.

Member: Did they not dissolve the company?

Mr. PERKINS: I do not know what has happened to the company, but my advice to them was to dissolve the company and

make it an ordinary partnership. However, under the present regulations it is doubtful whether the Taxation Department would permit such action to be taken, because obviously it would be an attempt to evade taxation on the basis on which it was levied in earlier years.

Mr. Watts: Or to avoid it.

Hon. J. C. Willcock: They would get definite advantages from being a company.

Mr. PERKINS: They may have done so, but I could not see much advantage in it when they were paying 15s. 6d. in the pound in taxation, and in that case it was having a deterrent effect on their increasing production at a time when food of every description was so badly needed. Another aspect is that the very high rates of taxation are causing many people—people who are prepared to adopt evasive measures—to escape the just imposition of taxation. There are many anomalies at present as between one section of taxpayers and another. I referred earlier to the fact that many backyard industries have sprung up, industries which are not efficient but the motive for which is to avoid taxation. There are many indications, if one looks for them, that there must be a considerable amount of taxation evasion, especially in the larger cities.

I was in Sydney earlier in the year and, if one were to believe the tales one heard, the position must be very bad there. On the evidence that one can collect and which may reasonably be assumed to be correct, it is obvious that there is a great deal of evasion at present, and I maintain that its extent is largely proportionate to the severity of the rate of taxation. I think we are justified in stating a case to the Commonwealth Government and in saying that if there is a reduction in the rate of taxation we can expect that the revenue will not fall in anything like direct proportion to the reduction of the rate, because with the lower rates there will be far less incentive for evasion to take place. I understand that in the luxury seaside resort of Palm Beach, just north of Sydney, there are many cottages let throughout the summer season at £21 per week. It must be obvious that, with the present rates of taxation, it is impossible for anyone—no matter what his income, unless it is a fabulous sum—to pay that amount per week for the

greater part of the summer season if he is paying the legitimate rate of taxation on his income. It is impossible to prove, but there is a strong suspicion that this luxury spending in Melbourne and Sydney is done by people who are not paying their just dues to the Taxation Department.

Mr. Watts: It is a suspicion that is shared by the Taxation Commissioner.

Mr. PERKINS: I suppose that is so, and I have often wondered why the Taxation Commissioner has not inquired further into it. On the evening that I left Sydney we had dinner at the grill room of one of the large hotels, and when I went to pay the bill and handed over the cash I noticed that the drawer of the cash register was open. I got my change but the drawer was not closed and the amount was not rung up on the cash register. Apparently it was a common practice, and people were passing in and out. The Taxation Department's inspectors would have had the same opportunity as any private citizen to see what was going on. One could not say that taxation evasion was taking place in such a case, but obviously if a cash register is placed on a counter and is used to hold the money, that concern, in normal times, would depend on the cash register figures for computing its takings. In this case the amounts were not being registered, and I am afraid that that practice applies in far too many businesses. The result is that people who are prepared to adopt unscrupulous practices are able to evade paying their share of taxation, while other individuals, whether ordinary workers in industry or other honest members of the community, who render approximately correct taxation returns, are paying extra in order to make up for the taxation evaded by the less scrupulous section of the community.

Apart from the aspect of decreasing incentive to production, such practices have a bad moral effect on the community generally. I think we are fully justified in making representations to the Commonwealth Government along the lines set out in this amendment. I would not like anyone to think that members on this side of the House were irresponsible in this matter, and I do not think any of us forget the effect that a great reduction of taxation would have on Government finance, but I think we have good reason for holding the opinion that a better way to gather sufficient to meet Governmental expenditure and commitments is to increase

production, so that the levy can be spread over a much wider period in order to gain the required amount, rather than to attempt to collect the necessary amount from a lesser amount of production. I do not think it would be extravagant to say that if taxation were reduced to approximately pre-war levels—I doubt, of course, if that is possible—production could be increased by 50 per cent. or even more. It is a matter of opinion but it is a question upon which the Commonwealth Government should be able to form a more accurate opinion than is possible on the part of any private member. Certainly it is a matter respecting which the Commonwealth Government has made very little inquiry. Had inquiries been made in the directions indicated, taxation schedules would probably be based on rather different premises than they are at present.

There is also the question of a better and more scientific spending of money already available to Governments. Tonight we have had references to the Department of Information, which is costing the people of Australia £1,000 per day. While that type of expenditure is going on, we have every ground for protesting to the Commonwealth Government that all steps have not been taken to bring expenditure down to more reasonable levels. Besides the effect on production which reduced taxation would inevitably have, there is the other aspect that if expenditure were cut to some degree, less taxation would be required to meet the commitments confronting the Commonwealth Government. If the Government is not prepared to make representations along the lines suggested in the amendment, Ministers should show cause in this House why those representations should not be made. I have pleasure in supporting the amendment.

MR. SEWARD (Pingelly—on amendment) [8.53]: I would not have participated in the debate but for an interjection during the speech by the member for York to the effect that taxation did not affect primary producers. I was dealing with a case today which I have placed before the Commissioner of Taxation, concerning a farmer in my district who has received an assessment for £250—the first assessment he has had for three years. It may be said that he has received the income that enabled him to be assessed to that amount, but it includes £133 representing the amount involved in the

iniquitous steal, as I regard it, by the Commonwealth Government with respect to what it termed the lag in taxation. When I interviewed this man's bankers, I found that he was receiving sustenance to enable him to carry on.

Mr. McLarty: He could borrow and pay interest on the money.

Mr. SEWARD: He cannot borrow at all; he has no equity. He is receiving sustenance from his bankers. He can no more pay the taxation for which he is levied than he can fly. Fancy no assessment for three years and then getting one for £250!

Mr. Watts: And £133 for next year.

Mr. SEWARD: No, that is included and represents his taxation lag—or rather “steal.” That shows how the Taxation Department carries on.

Hon. J. C. Willcock: No, it does not. The Taxation Department gives reasonable consideration to representations that are made.

Mr. SEWARD: But that is what has happened.

Mr. Leslie: The department sucks the blood out of them, that is all.

Mr. SEWARD: As a matter of fact, I referred to this matter when speaking to another departmental officer, and he admitted that the writ should never have been issued against this man.

Hon. J. C. Willcock: There you are!

Mr. SEWARD: But that officer is not the Commissioner! There are other instances that come to mind. I was speaking to a lady whose husband died two years ago. She is receiving over £1,000 a year and will have to pay a considerable amount of income tax, but she has not yet received any assessment. References were recently made in the Commonwealth Parliament to the amount of income tax outstanding. The amount was computed at £60,000,000. Suppose there were a number of other instances such as I have referred to in which the individuals cannot possibly pay their assessments and, for argument's sake, not £60,000,000 but £30,000,000 or £40,000,000 is collectable, what would be the position? If the tax were collected, then, instead of the Commonwealth Government granting relief to the extent of £17,000,000, the Federal Treasurer could have granted relief to the extent of £30,000,000. If he collected what is outstanding, that should be quite easy. The member for Beverley is to

be congratulated on moving the amendment. I did not know of his intention to do so, or I would have been prepared with material, much of which is available, to support his suggestion that urgent representations should be made to the Federal Treasurer for further relief in taxation. Surely it is recognised that heavy taxation must be to the detriment of production.

During the last 12 months I have met many farmers and have discussed the matter with them. They say, "What is the use of putting in more crop or getting more sheep or stock? Anything I earn goes to the Federal Taxation Commissioner." That is the position. Farmers will not increase production for that simple reason. Then again, I visited a town in my electorate where there is an industrial establishment. The proprietor admitted to me that he did not know what he was going to do. If there happened to be a dance or a social gathering on Thursday night, even if it took place miles away from the town, his whole establishment would be deserted. The employees were quite satisfied to work from Monday to Thursday and did not care whether they worked for the rest of the week because they knew that what they earned would simply go in taxation. It is high time a scientific inquiry was conducted into our taxation methods and imposts, and the haphazard way in which assessments are sent out. Thank goodness, I have not been placed in the position of not getting an assessment for two or three years, but I have met many men who have been in that position and then received a blister that they have not been able to meet. I have pleasure in supporting the amendment, and sincerely hope the Government will make urgent representations to the Commonwealth on this matter and secure relief for many people thoroughly deserving of it.

MR. LESLIE (Mt. Marshall—on amendment) [8.58]: I congratulate the member for Beverley on his initiative in promoting this discussion.

Mr. Withers: Initiative, or by request?

Mr. LESLIE: I refer to the hon. member's initiative. Surely the Government is not going to be behindhand in the matter and leave it entirely to the initiative of the Opposition to take steps to bring about a reduction in taxation. The reduction that has already been announced is, we say,

totally inadequate, but nevertheless it was granted directly as a result of efforts made by the Opposition parties in the Commonwealth Parliament.

Hon. J. C. Willcock: Nonsense!

Mr. LESLIE: In support of my statement I will quote one whose words will be accepted without question as coming from the highest authority from which such a statement could emanate. As the member for Geraldton knows, seeing that he is an ex-Treasurer, no Government goes before Parliament with a programme of taxation totally unprepared. A Government knows well ahead what the proposals for the year are and it is not left as late as the end of June before a decision is reached whether there will be a decrease or increase in taxation. The Commonwealth Treasurer is surely quite as astute as the member for Geraldton would be in that respect. Mr. Chifley clearly indicated by his own statement that he was quite unprepared to make any reduction in taxation whatsoever, but the pressure by the Opposition parties, their repetition, suggestion and urging, such as is taking place here tonight, eventually convinced the Government that there was a necessity to do something.

Mr. SPEAKER: The amendment sets out to protest against the reduction made. It does not matter whether it was the Government or the Opposition that was responsible for the reduction.

Mr. LESLIE: I must bow by your ruling, Mr. Speaker, but the amendment alludes to the taxation relief which is proposed by the Commonwealth Government, and it is the taxation relief proposed by that Government that I am dealing with. I quote from "The West Australian" of the 29th June. The Prime Minister, in dealing with this tax reduction, is reported as follows:—

Canberra, 28th June.—The Prime Minister (Mr. Chifley) explained today that continuance of the present scale of tax deductions depended on when the Taxation Department could complete the schedules of the reduced deductions and get them distributed . . . Normally, the Government decided on taxation deductions in sufficient time to permit of the schedules being prepared, but in this instance it had been impossible.

It was impossible for the reasons I have explained. The Commonwealth Government was forced into taking this action. That is unquestionably so on the authority of Mr. Chifley himself.

Hon. J. C. Willcock: He knew that he was going to make reductions, but did not know the amount.

Mr. LESLIE: He probably had a shrewd idea that he would be forced into making reductions by the insistence of the Opposition, though he did not know how forceful that pressure would be or how much effort would be required to resist it.

Much has been said about the adverse effect of the high incidence of taxation on production. I feel that this House can take a leaf out of the book and follow the example of the Federal Opposition parties by reiterating and maintaining pressure on the State Government in order to convince it, if it is not already convinced, that the incidence of taxation is too great a burden for the workers to carry. Figures have been quoted to prove that the more one does nowadays, the less one actually gains. The harder one's work, the less one's return, because most of it is swallowed up in taxation. I am very much concerned about the adverse effect of high taxation on production, not so much upon production as it has been affected this year because of the unwillingness of people to expand their industry, engage in developmental work and so increase vitally-needed production, but because in a short time when the almost worn-out machinery and plant of primary producers and secondary industries need to be replaced, we shall find that these people have no reserves with which to meet those charges. Those reserves will be in the hands of the Federal Treasurer, and these people will have no option to going again to the banks and asking for advances in order to meet what will then be a cry from the Government for increased production in order to maintain the national economy at a sound level. For this reason it is urgently necessary that a greater reduction in taxation should be made than that which is proposed.

The amendment of the member for Beverley says we consider that the taxation relief proposed is inadequate, especially as it indicates no relief of any kind from indirect taxation. I do not know from what source the funds that are used for the hospital benefits scheme are drawn, whether they come from direct or indirect taxation.

Mr. Watts: They come out of the general pocket.

Mr. LESLIE: They come out of the people's pockets. The fact that we are being compelled to bear that cost and are getting no return for it is another cause for dissatisfaction, as the member for Beverley points out in the concluding part of his amendment "cause discontent among industrial workers and others." Although we have a hospital benefits scheme for free hospital treatment, we have not the hospitals to accommodate the patients seeking admission. A couple of days ago the "Daily News" told us of what was happening at the King Edward Memorial Hospital in regard to accommodation for maternity cases. These are hospital cases; patients pay taxes, but when it comes to finding a place where they can get accommodation, this so-called benefit provided by an allegedly beneficent Government, grasping deeply into the pockets of everybody for the coins that might be there, is not available. Is it any wonder that there is discontent amongst industrial workers and others?

It is only a wilfully blind Government that cannot appreciate the discontent that exists today amongst industrial workers and others, making them a very fertile field for the operations of those elements that would disrupt the production and development of Australia in order that they might eventually impose their will upon us. Members on the Government side of the House know the section to whom I allude because they so often abuse that section for the disruption that occurs amongst the industrial community. The blame for this lies at the door of the Federal Treasurer for providing and making so fertile the field for that undesirable section. It is only a wilfully blind Treasurer that cannot see the dangers that lie ahead. If there were any necessity for a continuance of the present high taxation, one could understand that any means might justify the end, but the Leader of the Opposition, and I hope the result of our efforts is no necessity for it in the light of the ordinary economy of the State.

Mr. Cross: You are only putting up a one-eyed case.

Mr. LESLIE: The one-eyed case was put up in the Federal sphere because there was only one side to the case. There is no argument against it. Anyone who takes the opposite view must stand condemned. That is why the case had to be put up by the Op-

position, and I hope the result of our efforts will eventually be as successful as were those of our colleagues in the Federal sphere. According to the Speech, in other industries employment is restricted by a shortage of materials. Let us trace that back and we find that the burden of taxation is the cause of it, this taxation which is causing discontent amongst the industrial workers, interruption of production, shortage of materials, unemployment, the necessity for imposing high taxation to provide funds for the unemployed. There we have the circle, and it can only be broken by a Government that is strong enough to tell the people what is the correct thing to do.

I say that the high taxation that is being imposed today is not due to the fact that the Government believes it necessary in the interests of the national economy. It is a bait to catch the people, to let them think that they are getting something for nothing. We have social schemes and social benefits—something for nothing. Ever since we have had democratic Governments, it has been the aim and object of every political party to endeavour to secure the support of the electors by offering them something more than the other party offers.

Mr. SPEAKER: The hon. member had better get back to the amendment now.

Mr. LESLIE: I am connecting up what I say with the amendment. If the Commonwealth Government will depart from the policy which it is pursuing today of deceiving the people by making them think they are getting something for nothing, and by making no reference to the taxation, then we might get greater relief from the taxation now imposed. It is because the Commonwealth Government is determined to inaugurate social service benefit schemes, for which they are imposing an unjust and unbearable burden of taxation, it is because that Government is determined to pursue something for which it has no plan, or merely a half plan, that it finds it necessary to impose this heavy taxation from which we are seeking relief. I challenge the Government and members on the Government side of the House to press a claim which they know is being made by every section of the community throughout the length and breadth of Australia. I challenge them to join with the people whom

they are supposed to represent in asking the Commonwealth Government to take immediate action to bring about an adequate reduction in taxation.

MR. READ (Victoria Park—on amendment) [9.12]: I am also of opinion that we are rather in a mess over taxation. The taxation which we have to pay is an exceedingly heavy burden, but will anything we can do here, with all our speeches and all our efforts, relieve us of any part of that burden? Certain commitments, war-caused, must be met. I do not think this Parliament, representing less than 500,000 Australians, is able to dictate to the Commonwealth Parliament, which represents 7,000,000 Australians. Peoples of all countries are called upon to pay high taxation. Recently a very wealthy lady from England visited Australia on English governmental duties. She is reputed to be worth many millions of pounds. She told our Lord Mayor that so heavy was the taxation she had to pay that there only remained £2,000 of her income for her own use; and that, as she had endowed two children's homes, that £2,000 had to be used for that purpose, while she actually lived on the salary she received from the Home Government. I would like to have a little of the money that I am earning to spend, instead of paying it away in taxation. Therefore, with the 100 to one chance that this Government can do something to relieve us of some of this taxation, I shall vote for the amendment. I have lost any hope, knowing what our war commitments are, that I shall in the short period I have before me, receive any benefit from reduced taxation.

Mr. Smith: No matter what Government is in power.

Mr. READ: That is so. Looking at the matter from the point of view of an Independent member, I recall that the primary producers were very anxious to get subsidies on their products, and now that we have to be taxed highly for those subsidies they do not seem to like it. We are perfectly well aware that the subsidies are paid out of taxation and that consequently taxation must continue. If things break too badly for me in later years, I feel I shall always be able to fall back on the old-age pension.

Members: Hear, hear!

Mr. READ: I shall then be able to get a return of some of the taxation which I have paid. Perhaps I shall be able to grow a

few vegetables in the back garden as well. As I said, I have lost hope of recovering any benefit by way of lower taxation, and so I am like the disconsolate old rooster up against the barn door who said, "What is the use, anyway? Today we are eggs and tomorrow we are feather dusters."

THE PREMIER (Hon. F. J. S. Wise—Gascoyne—on amendment) [9.16]: I do not intend to take up much time in expressing my views in opposition to the amendment. The member for Beverley, speaking as a responsible member from the front bench opposite, was sufficiently discourteous when framing the amendment to the motion to see that there was no opportunity of my knowing that it was to be moved. Such tactics are very unusual in this House, especially by responsible members on a front bench. They have been known to occur when adopted by irresponsible people on back benches; but very rarely has such a discourteous attitude been adopted by those who are in a more responsible position in the House. Since it has been clearly shown by statements made, particularly by the Leader of the Opposition and the mover of the amendment, quite separately and distinctly, that they excluded the State Government from their criticism, I can only conclude that no discourtesy at all was intended; that, as a matter of fact, the amendment was treated so lightly that it was considered unnecessary to follow the usual custom. Therefore I take my leave from the hon. member in that connection.

I have nothing whatever to defend on the part of the State Government. Not one word was raised against it. As a matter of fact, the Government was specifically excluded and no reflection was cast upon it.

Mr. Watts: We want you to do something.

The PREMIER: This amendment on a popular theme has been selected for two or three reasons. The first was the one acknowledged by the Leader of the Opposition, that it gave him the opportunity to castigate the member for East Perth for his speech of the other evening. I have no quarrel with him on that score; but I say quite freely and frankly, without the necessity of taking up the time of this

House on a matter over which neither it nor the State has any jurisdiction, that it would have been better had the debate developed on matters more pertinent to the welfare of the State and about which this Parliament could do something.

Mr. Watts: This is very pertinent to those objectives.

The PREMIER: Therefore, in the protest made, particularly by the mover of the amendment, there is no argument whatever, in spite of his statement that the matter had no political significance. I would say that apart from the attempt and the necessity, as members opposite saw it, to speak sharply and to offer opportunity for those who had previously spoken to say something in reply to the member for East Perth, there was no other purpose than that of political propaganda. I suggest that if it were not for the Federal election within seven weeks we would not have heard very much either of the amendment or the arguments submitted in support of it. I decline to be led into a debate in this Chamber in this way on a matter over which neither the State nor the Government nor Parliament has any jurisdiction whatsoever. The Prime Minister of Australia has already submitted the case for his Budget for this year and has disclosed the taxation he proposes to levy. He was criticised and he answered the criticism.

Mr. Watts: He has not presented the Budget; only a Supply Bill.

The PREMIER: He presented a statement to the House in anticipation of the requirements of the Commonwealth; and in presenting that statement he was the one person, of all persons in the Federal political sphere, to know his requirements. It is quite futile to make comparisons with what has been done or what it has been possible to do in other countries in this connection. I would satisfy myself by saying that the Federal Treasurer, knowing as he does, the commitments of this country, would be a very foolish person, realising the responsibility attaching to those commitments, if he did not present the statement to the House, and with it taxation proposals which in his view were the lowest he could present. Taxation being, as it is, always unpopular, there is no possibility of deriving popularity from imposing a rate any higher than is necessary.

As to the point that the member for Beverley desired to make, concerning this State's attitude, I would indicate it very clearly in these words: Our attitude towards uniform taxation was very clearly expressed in the fact that this State, in common with other States, was a party to an approach to the Federal High Court in connection with uniform taxation—not only as to its legality, but on the point as to how the States of the Commonwealth were to continue within its provisions. It is not a case of accepting the decision and leaving it at that. If there were a prospect in this House of having one's voice heard effectively on this point, it is on this side of the House that that voice would be raised. Is it not a fact that where it has been possible to influence any admission or any increased grant, those representations have been made in the proper place and, so far, with much success? But it does not rest at that and this Government stands very clearly right in the middle of the road on the point that this State must get all the moneys proportionate to the tax levied within the State and proportionate to the needs involved in developing the State to the maximum. That is where the Government stands in that connection.

But let me indicate a very important point concerning the futility of this amendment. In a short time—in seven weeks—the Commonwealth Government will go to an authority that will have the right to approve or disapprove of these taxation proposals. From this Parliament—no matter how much it has the right to criticise; no matter how much we indulge in time wasting on argument in whichever way our fancy may lead us—criticism is absolutely ineffectual. In seven weeks' time the people of Australia will have an opportunity to say whether in their view the taxation proposed by the Federal Treasurer is sufficient or insufficient; whether it is too high or too low or whether by its incidence it will do justice to all sections of the community. If this amendment were carried, the only effect it would have would be to support the words that have been expressed from the opposite side of the House this evening—and most of what was said constituted mere words. By the time the sentiments could be conveyed to the Commonwealth Government through our Lieut.-Governor, there would be no Commonwealth Parliament to consider them; and unless there is a Commonwealth Parlia-

ment there can be no alteration in taxation. So the whole thing is utterly futile. It could have no effect whatever, and on those reasoned and proper grounds I oppose the amendment.

Amendment put and negatived.

Question put and passed; the Address adopted.

BILLS (16)—FIRST READING.

- 1, Marketing of Barley.
- 2, Vermin Act Amendment.
- 3, Feeding Stuffs Act Amendment.
- 4, Bulk Handling Act Amendment.
- 5, Milk.
- 6, Cattle Industry Compensation.
- 7, Marketing of Potatoes.
- 8, Wheat Industry Stabilisation.
Introduced by the Minister for Agriculture.
- 9, Medical Act Amendment.
Introduced by the Minister for Health.
- 10, Legislative Council Referendum.
- 11, Transfer of Land Act Amendment.
Introduced by the Minister for Justice.
- 12, Totalisator Duty Act Amendment.
Introduced by the Premier.
- 13, Factories and Shops Act Amendment.
- 14, State Government Insurance Office Act Amendment.
Introduced by the Premier (for the Minister for Labour).
- 15, Traffic Act Amendment.
Introduced by the Premier (for the Minister for Works).
- 16, Electoral Act Amendment.
Introduced by Mr. Watts.

House adjourned at 9.38 p.m.