

vides that where the settlers do not receive any advantage from drainage they do not pay any rates. They pay according to the benefits derived. The Minister should confer with representatives of the settlers regarding what advantages are received. Local experience must be of considerable value. I believe the Government officers are fair in their estimates of what drainage benefits are received, but as local experience is of value I think the settlers should be consulted.

The MINISTER FOR WATER SUPPLIES: Miscalculations were made regarding the Harvey reservoir. The district is extremely porous. The calculations made as to what the reservoir would hold turned out to be inaccurate, and therefore we have had to restrict the area served. I do not know what the prospects are for getting additional water. I do not know if it is possible to raise the weir or to provide an additional weir higher up the stream. That phase has not been considered, but the fact remains that we cannot supply the quantity of water the settlers expect to receive. The only way out of the difficulty will be to line the drains, or, alternatively, to shorten the quantity of water supplied. As to drainage rates, we have endeavoured to meet the people fairly. As the result of a deputation from the hon. member's own district, the rate was altered at their request, and since then we have been inundated with appeals against the rate that was struck. The hon. member's district has been treated in a particularly generous manner. The member for Murray-Wellington is well aware of it, and I am surprised that he has had the temerity to mention drainage matters. His constituency has been treated as no other constituency in any other part of the State has been treated.

Vote put and passed.

Vote—Perth City Markets, £200:

Hon. C. G. LATHAM: Why is such a heavy decrease in revenue estimated? A drop from £866 in 1935-36 to £40 for the current financial year is shown. For some time the City Markets have been a source of revenue. Why is there this falling off?

The MINISTER FOR WATER SUPPLIES: The Government have decided to scrap the Perth City Markets, and tenders have been called for the work of demoli-

tion. The existing markets are a disgrace to the city, and the Government have decided to forgo the revenue that would otherwise have been received.

Vote put and passed.

Progress reported.

House adjourned at 11.51 p.m.

Legislative Council.

Wednesday, 25th November, 1936.

	PAGE
Question: State's finances, Consolidated Revenue Fund	2077
Bills: Dividend Duties Act Amendment, 3r. ...	2078
Trade Descriptions and False Advertisements, re-com. ...	2078
Industries Assistance Act Continuance, 1r. ...	2081
Guildford Cemeteries, 1r. ...	2081
Financial Emergency Tax Assessment Act Amendment, 2r. ...	2081
Factories and Shops Act Amendment, 2r. ...	2099
Metropolitan Milk Act Amendment, 2r., Com. report ...	2105

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

QUESTION—STATE'S FINANCES, CONSOLIDATED REVENUE FUND.

Hon. H. SEDDON asked the Chief Secretary: 1, What is the Government's present estimate of the position of the Consolidated Revenue Fund at 30th June, 1937, allowing for the reduction of the Federal Grant; and also the effect of the basic wage increases and marginal adjustments in salaries and wages consequent thereon? 2, What additional steps do the Government propose to take to balance the Budget for the year ending 30th June, 1937?

The CHIEF SECRETARY replied: 1, Since the introduction of the Budget, revenue has been adversely affected by the reduction of £300,000 in the Commonwealth grant. A considerable portion of the cost of drought relief will be met from revenue, but no re-

liable estimate of the amount can be made until the position develops further. The cost of the increase in the basic wage, which may be altered again in three months' time, cannot be definitely stated, but if the present figure continues, expenditure will be increased by approximately £70,000 this year. 2, Every effort is being made to reduce expenditure and to obtain all revenue possible.

BILL—DIVIDEND DUTIES ACT AMENDMENT.

Read a third time and returned to the Assembly with amendments.

BILL—TRADE DESCRIPTIONS AND FALSE ADVERTISEMENTS.

Recommittal.

On motion by Honorary Minister, Bill recommitted for the purpose of further considering Clauses 2, 5, 6 and 16, and a new clause.

In Committee.

Hon. G. Fraser in the Chair; the Honorary Minister in charge of the Bill.

Clause 2—Definitions:

The CHAIRMAN: At a previous sitting the following words were added to the definition of "goods":—"The Act does not apply to goods acquired and not disposed of prior to the date of assent to the Act." Clause 1 sets forth that the Act shall come into operation on a date fixed by proclamation. It is therefore necessary, in the amendment to which I have referred, to delete the words "date of assent to the" and insert in lieu thereof the words "proclamation of the."

Hon. J. NICHOLSON: I move an amendment—

That the definition of goods, as previously amended, be further amended by striking out the words "date of assent to the" and inserting in lieu thereof the words "proclamation of this."

The Chief Secretary: Will that make the position clear?

The CHAIRMAN: Yes.

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

Clause 5—Trade descriptions compulsory in certain cases:

The HONORARY MINISTER: It is necessary to revert to the original wording of the clause and to strike out the amend-

ment included at the instance of Mr. Parker. I move an amendment—

That in line 1 "any goods" (inserted at a previous Committee) be struck out, and the following words inserted in lieu:—" (a) any goods of the nature or description set out in the Schedule to this Act; or (b) any goods which are declared by regulation to be goods for the purpose of this Act."

Amendment put and passed.

Hon. H. SEDDON: Has the Honorary Minister looked into the question regarding vendors of shares?

The HONORARY MINISTER: Yes, I consulted the authorities, and I am informed that the clause will not apply to share dealings. The promotion of companies will be dealt with under the heading of "false advertisements," and the position in that regard, therefore, is sufficiently safeguarded in that part of the Bill.

Clause, as further amended, put and passed.

Clause 6—Condition of sale:

The CHAIRMAN: The further consideration of this clause was postponed, no amendment having been moved.

The HONORARY MINISTER: The clause was postponed because some member asked what "the prescribed trade description" meant. Those words mean the description decided upon in accordance with paragraphs (a) to (f) of the definition of "trade description."

Hon. W. J. Mann: It may mean any one of those paragraphs as applied to a specific article.

The HONORARY MINISTER: Yes.

Clause put and passed.

Clause 16—Manner in which goods seized may be dealt with:

Hon. J. NICHOLSON: I move an amendment—

That at the beginning of paragraph (a) the following words be inserted:—"If the inspector is satisfied from evidence furnished to him by or on behalf of the owner that the owner is not responsible for any omission to affix to the goods the trade description or particulars applicable thereto he may give written notice to the owner requiring him within fourteen days after service thereof to affix to the goods, so taken possession of, such trade description or particulars as may be prescribed, and if such notice be duly complied with then such goods shall be returned to the owner subject to the payment of any charges or costs incurred, but failing compliance with such notice within the time aforesaid then:"

The amendment, if agreed to, will enable a person who has, innocently, failed to do what is necessary, to rectify the matter. The party concerned can furnish evidence to the inspector, and if the official is satisfied, he can require the person to affix a proper trade description to the goods within the time agreed upon.

The HONORARY MINISTER: I oppose the amendment. If any mistake should occur, it will be fully covered by an amendment I propose to move in order to meet an objection raised by Mr. Thomson. That will render the present amendment unnecessary.

Hon. J. NICHOLSON: The Honorary Minister has overlooked the fact that his amendment will not meet the position I have indicated, because it will still be necessary for the individual to incur the expense of going to court and having the matter dealt with there. My amendment will deal with a case in which it is obvious that there has been an innocent omission and will permit the matter to be adjusted as between the inspector and the person concerned. There is no such provision in the Bill, with the result that all such matters must necessarily be taken to court. If members do not think it advisable to include the provision I suggest, I shall not press the matter.

Hon. J. J. HOLMES: I hope Mr. Nicholson will not press his amendment, nor take much time over it. We have previously had the same thing in another form under consideration. Mr. Nicholson is concerned about going to court. If we insert this amendment, no case will ever get to court. Any individual who commits an offence will have 14 days within which to rectify the matter, and on the fifteenth day he can continue as before.

Hon. J. NICHOLSON: All I have to say in reply to Mr. Holmes is that his interpretation is quite erroneous. If he were to study the amendment a little more, he would have recognised that there is virtue in my suggestion. I shall not press the matter; Mr. Holmes can vote against it.

Hon. J. J. HOLMES: All I have to say in reply to Mr. Nicholson, notwithstanding, heretofore and so forth, is that the effect of the amendment would be as I indicated, and no case would ever get to court under the provisions of the Bill.

Amendment put and negatived.

The HONORARY MINISTER: I move an amendment—

That the following proviso be added to paragraph (d):—

Provided that where the court is of the opinion that the owner has acted innocently in the matter and that he has exercised reasonable care to avoid committing an offence under this Act, the court may order that the owner's expenses in connection with the return of the goods shall be paid to the owner.

This amendment has been drafted to meet the point raised by Mr. Thomson.

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

New clause:

Hon. H. SEDDON: I move an amendment—

That a new clause, to stand as Clause 24, be inserted as follows:—"This Act shall continue in force for a period of 12 months from the date of proclamation, and no longer."

I stress the fact that in dealing with the Bill we are concerned with what is largely experimental legislation. In those circumstances it would be wise to limit the term of the Act, for a start, to a period of 12 months. At the end of that period when a Bill is introduced to re-enact the measure, we shall have some idea of how the legislation has operated.

The HONORARY MINISTER: I oppose the amendment. The Bill is a policing measure, and I do not think there is any possible chance of either House dropping it. The measure may require tightening up in future, but it is a Bill to regulate trade and commerce and will be of benefit to the public. It is not necessary to waste the time of the House, as we have done in connection with another Bill during the last month or so, by the introduction of Bills to re-enact such legislation.

Hon. H. SEDDON: The Honorary Minister is rather unfortunate in the illustration he has chosen. This House inserted the provision in the original Lotteries Bill requiring it to be re-enacted each year. We are again embarking upon a new venture in legislation, and it is desirable to see how it functions during a period of 12 months before we commit ourselves to placing on the statute-book something that is easy to put there but hard to remove, if we have no control over it. The obligation to introduce Bills to continue the operations of such legislation as that now under discussion has the important feature that it enables this House to keep control and also

has an important effect on those administering the legislation, seeing that they have to bear in mind that they are responsible to Parliament, which gave them the power they wield.

Hon. J. J. HOLMES: This is new legislation and perhaps it would be wise to put a limit to its life, but I suggest that a period of 12 months from the date of proclamation would be insufficient. Therefore, I move an amendment on the amendment—

That all words after "force" be struck out with a view to inserting "until the 30th June, 1938."

That would give the measure a life of about 18 months. As to the wisdom of this legislation, it will be remembered that the Metropolitan Milk Bill, which is policing the milk business, was limited to 12 months. That limitation had the effect of inducing people to look into the business during that period, and in consequence an amendment was brought down at the end of 12 months. That Bill has been re-enacted from year to year, and I understand that this session's Bill will extend the life of the Act by three years.

Hon. L. B. BOLTON: I endorse the remarks of Mr. Holmes. This is new legislation certainly, but it is very necessary legislation. I agree that it may be found desirable to overhaul it in, say, 18 months' time, but I think the time suggested by Mr. Seddon is altogether too short. If he will accept Mr. Holmes's suggestion, I will support it.

The CHIEF SECRETARY: I am not going to raise any very strong objection to the statements made in regard to new legislation generally. But it seems to me we are getting into the habit of dealing with a large number of Bills in this way and thus creating, in some cases, a lot of work and arousing a great deal of discussion that is not always very useful. This being a non-party measure, if we are satisfied that there is necessity for the principle underlying the Bill, then there is no real need to limit the period during which it shall operate. I do not think any Government would refuse to bring forward an amending measure if it became apparent that there was need for alteration in the Act, or if it could be shown that some hardship was being inflicted on one section of the community as against another. It is always possible for members to make representations if there is something which they think is not wise in connection with any legislation. I am speaking only with a view to trying as far as possible to

expedite the business of Parliament in future sessions. I could mention one or two measures that come up year after year and which some members justify each year, but in my opinion, there is no necessity to compel the introduction of continuance Bills each year as we have been doing. I urge members to consider that it is the principle underlying a Bill which counts. I am sure that any Government having had brought under their notice the fact that certain portions of an Act were not operating as intended, would be quite prepared to consider that or any other amendment regarded as necessary by hon. members. I want to get away as far as we can from this idea that by limiting the time of an Act we get a hold on that Act. In a measure of this kind there is no necessity for such a check, and for that reason while I approve of Mr. Holmes's amendment as against that of Mr. Seddon, I hope the Committee will not agree to either.

Hon. H. S. W. PARKER: Mr. Seddon's amendment would mean that the Act would lapse on the 31st December, next year, which is a convenient time for a continuance Bill can be brought down before December. But to have the time limit expire in June would not be nearly so convenient.

Hon. E. M. HEENAN: I listened carefully to the remarks of the Chief Secretary, but I must admit that the measure is breaking new ground and that it carries some drastic penalties. Therefore, I will support the amendment.

Hon. H. SEDDON: I am not wedded to the time set forth in my amendment. I brought it up for the consideration of the Committee, and if members think it should be made the 30th June, 1938, I have no objection.

Hon. J. J. HOLMES: I much prefer that the legislation should be given a testing period of 18 months, as against 12 months.

Hon. L. B. Bolton: Make it December, 1938. That would be reasonable.

Hon. J. J. HOLMES: I have already moved an amendment on the amendment that all words after "force" be struck out. I first thought to insert in the place of the words struck out "the 30th June, 1938," but in view of what has been said, when the time comes I will move to insert the words "31st December, 1938." Replying to the Chief Secretary, the necessity for holding legislation in this manner is that unless we put in a restriction as suggested, the Act could never be

amended without the consent of both Houses. And we all know that if one House suggests an amendment, the other probably regards it with suspicion. If we give the Act a life to the 31st December, 1938, the measure will have a fair run, and after that we shall have a definite opportunity to amend it.

The CHIEF SECRETARY: I am not raising any strong objection to Mr. Holmes's amendment. We have to realise that a measure such as this will take a little while before it is really put into effective operation. The best part of a year probably will elapse before that object is achieved. Consequently the amendment moved by Mr. Holmes will give a certain period during which we shall have an opportunity to see whether or not the Act is successful. Mr. Holmes said that unless we make this an annual, or a bi-annual measure, we shall never have opportunity to amend it except with the consent of both Houses. But the same thing applies to a continuance Bill, for the House has not very much opportunity to amend it unless the Government are prepared to extend the time of such a Bill. Certainly a continuance Bill gives members an opportunity to express their views, sometimes at great length, and in that way considerable time is taken up in an unnecessary discussion. So I think there is something in the argument put forward by Mr. Holmes, and I certainly prefer his amendment to that of Mr. Seddon.

Hon. J. M. DREW: The object of the Bill is the prevention of fraud, and members, realising that, have given it reasonable support. In my opinion there should be no period put to its existence, necessitating a continuance Bill in 1938. If the Act should prove unsatisfactory the Government of the day, whichever Government, would certainly have it amended. At the expiration of the proposed two years there will be strong objection to extending the Act, objection on the part of those who will not be enjoying the immunity they enjoy now. Moreover, considerable time will be taken up in debating the continuance, and that will go on from year to year.

Hon. H. SEDDON: It is desirable that we put some limitation upon the life of this new legislation. If during that period the Act proves to be effective and satisfactory, members, if they so desire, can remove the limitation and make the measure permanent.

Amendment on the amendment (To strike out all words after "force") put and passed.

Hon. J. J. HOLMES: I move an amendment—

That after the word "force" the following words be inserted:—"until the 31st day of December, 1938."

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

Bill again reported with further amendments.

BILLS (2)—FIRST READING.

- 1, Industries Assistance Act Continuance.
- 2, Guildford Cemeteries.

Received from the Assembly.

BILL—FINANCIAL EMERGENCY TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. J. J. HOLMES (North) [5.20]: Before discussing the Bill I desire to congratulate Mr. Seddon on the speech he delivered last night. It is an effort which must have entailed a considerable amount of work and thought. That speech was appreciated by every member with one exception, and that exception was Mr. Hall, who interjected—

Hon. E. H. H. Hall: I take exception to that remark. I was specially thanked by Mr. Seddon for the interjection I made. Mr. Seddon said it was helpful to him.

The PRESIDENT: I am sure Mr. Holmes will accept Mr. Hall's statement that he did not object to the speech delivered by Mr. Seddon.

Hon. J. J. HOLMES: I do not know that there is anything to withdraw, and I will accept what the hon. member said that he was congratulated by Mr. Seddon. We will admit that Mr. Seddon thanked the hon. member, but the point was that while Mr. Seddon was in the midst of dealing with the financial problem out of which very few people can see their way, Mr. Hall interjected, "No one appears to be any worse off as the result of this disastrous finance." I presume the interjection was made by the same Mr. Hall who has been travelling round the country amongst distressed farmers urging them to put the acid on the Federal Government for a million of money in order to relieve them of their distress, and overlooking the fact that the money is

not to be given to the State, but is to be borrowed and then loaned to the State. Of course it remains to be proved whether the Commonwealth can actually raise this money and lend it to the State. If the loan is successful and the money is paid over to the State, the farmers will be expected to pay interest and other charges which will run into £40,000 or £50,000 a year. I do not see how that position can fit in with the interjection made by the hon. member that nobody seems to be any worse off as a result of this disastrous finance. I suggest that the hon. member should go back to the country as opportunity offers and tell the country people what he told this House, that because of this reckless finance the people are not any worse off than they were before the Government went on their financial jamboree. Probably age and experience will broaden the hon. member's mind. The fact remains that a lot of people are worse off as a result of this extravagance, and will be still further worse off unless something is done to bring the finances back to a proper condition. It is not my intention to discuss the Bill at great length. Mr. Seddon put up figures which will create any amount of food for thought without my adding any more figures to the debate. But there are one or two facts I consider it is my duty to elaborate, and to bring under the notice of the House and the public generally. In order that the Minister may understand the position I will suggest that we recognise the difficult situation and that it is our desire to assist him. We want to facilitate the business of the country and therefore I suggest that he should hold back the tax Bill until we finalise the assessment Bill. If we do that we can simplify matters. I had better say now that I am going to vote against the assessment Bill, my object being to give the Government an opportunity of introducing another assessment Bill on the lines of that of last year, which I think was severe enough for anybody and everybody, and which had a broader range of taxation than the Bill now before us provides. It cannot be argued that this House is interfering with Government finance, because it has been made perfectly clear by the Treasurer and others that the Bill before us would not bring in any more revenue than did the Bill of last year. Actually it lets off a certain number of people, lets down another section lightly, and it hits

a third section pretty hard. The Government have informed us that this Bill has been compiled to bring in the same amount of revenue as the Bill of last year did. It was generally understood at the commencement that with all emergency legislation there should be equality of sacrifice. I ask any person, any sane person at all events, to read the Bill and tell me whether it contains any evidence of equality of sacrifice. I cannot find any such evidence. To-day we had the announcement from the Chief Secretary in reply to a question by Mr. Seddon—I hope I have the figures correctly—that the increase in the basic wage means an additional Government expenditure of £70,000. That sum of money is going to a section of the community that is to be excluded from taxation by the Bill before us.

Hon. T. Moore: The increase is based on the cost of living figures.

Hon. J. J. HOLMES: The hon. member will probably be able to tell us whether or not the people in his province, the wheat-growers, receive anything like the basic wage. What this country is up against in connection with this finance is whether we are to vote for extravagance, borrow and spend, and let the other fellow pay. The Bill encourages that policy, though when the Government started out on the borrow and spend policy they thought that the other fellow would pay. But the Government have to be taught a lesson, they have to be taught that all this extravagance has to be paid for, and that they themselves must take part in paying for that extravagance. Only by this means will the Government be made to realise their responsibility. Last year's Bill was severe enough for anything, in my opinion; but the present measure proposes to let off a large percentage and to penalise the section at the top, the very section that ought to be encouraged to develop the enterprises of Western Australia and thus employ more labour. If one chooses to analyse the Bill, one may easily say that it is designed to lighten the burden on Government supporters and to victimise the thrifty people. If the measure is analysed, it will be found that there is a lot of truth in what I suggest. How can the present Government, or any other Government, justify the exemptions proposed? The people proposed to be exempted are the people who have enjoyed continuous employment right through the depression. They have been on

velvet as compared with farmers, sustenance workers and others, right through the five years of the depression. Let me draw attention to the fact that when it comes to lightening the burden on the people who have voted for the extravagances from which the State Treasury suffers, the so-called "under-dog" has been considered right throughout the Bill. But mark the difference when it comes to the question of levies to be imposed by unions. Do sustenance workers and half-time workers, or any of the lower-grade men, receive any consideration from the Government as to union fees and union levies imposed? I hope I am not correct, but I have been advised it is a fact that the sustenance worker, before he can start work, must join a union and make provision to pay 25s. a year to that union. Whilst he works only an occasional day, or works half-time, he still pays the 25s. per annum to the union, the same amount as is paid by the Minister on £1,500 a year.

The Chief Secretary: The hon. member will not accept a denial from someone who knows more about the matter than he does.

Hon. J. J. HOLMES: It has been denied in this House frequently. For years we said that the unions charged every man 6d. a week before he was allowed to work. That was denied in season and out of season, but in connection with financial emergency legislation it transpired that we were only a shilling out. Sixpence a week amounts to 26s. a year, as against the 25s. we quoted. The Minister can deny it as much as he likes, but when it comes to a levy those who have penalised the Treasury are not excluded as to payment of dues to the union. Is there any justice in the comparative situations? Could anything be more unjust? I do not think so. These men, I understand, without any exception, no matter how destitute they may be, no matter how large the number of their dependants may be, cannot get a job unless they subscribe to a union. The funds are going into—

The Chief Secretary: That is not correct.

Hon. J. J. HOLMES: The Minister can correct me when he replies. What I have stated represents the information conveyed to me.

The Chief Secretary: I wish you would not keep on repeating it after you have been told many times that it is not correct.

Hon. J. J. HOLMES: Yes, many times; and the whole thing was exposed when we came to a certain period. If the sustenance worker pays 25s. a year, the Minister pays 25s. a year. I was about to say, when I was rudely interrupted, that there is no exemption of workers from union fees and levies, no matter how destitute a worker may be. I wish the House to remember that there is only a handful of employers in Western Australia. The figures quoted last night by Mr. Seddon demonstrated that fact. Everything should be done to induce those employers to develop and extend the industries of this State, and thus create more employment. Instead of that, penalties are imposed on employers at every turn, higher penalties last year than the year before, and higher penalties again this year—workers' compensation, arbitration awards, Federal and State land tax, Federal and State income tax, emergency taxation, hospital tax, municipal rates, water rates, and everything else. All those imposts are piled on the "top-dog" as he is called, while the men who have been in permanent employment during the whole period of depression are not subscribing a penny towards the burden of the financial emergencies which was to be equitably distributed over all sections of the community. The persons who are responsible for the compilation of this Bill apparently are not men of broad vision. They must, if they sat down and thought the matter out quietly, realise that the Bill will kill enterprise, kill development, and minimise employment instead of getting everybody back to work on full-time, as we ought to do. I know the workmen of this country; I have lived amongst them all my life; and I refuse to believe that men in permanent employment receiving reasonable wages, or even the basic wage, would object to paying a small sum per annum to assist their less fortunate comrades who are on sustenance or part-time. That is how I view the Bill, and now I should like, with the permission of the House, to quote a few extracts from one of the best-written books on Australia that I have ever read—

Governments to-day have made the discovery that all their artificial measures only keep the poison longer in the economic system, and that the simple solution would be the best. How many Governments are there to-day who would dare advise the proper course and hope to survive the next election? In this respect Australia is in a worse plight than any democracy

in the world. With a population of $6\frac{1}{2}$ millions, she has seven Governments, seven Cabinets, seven complete sets of Parliament, and at least seven elections every three years. Instead of developing her resources, and being content with a standard of living that would have been a natural result of her wealth and the energy of her people, she arbitrarily fixed a certain minimum and made this the starting point of her political economy.

The Chief Secretary: Who is the author of that?

Hon. J. J. HOLMES: I shall tell the hon. gentleman. The author is a gentleman who has held, and I believe holds to-day, a very important position in Australia. He deals with Australia's past, present, and future. His book is well worth attention. Any member of Parliament and any member of the community may read it with pleasure and profit.

The Chief Secretary: But you do not tell us the name of the book.

Hon. J. J. HOLMES: The title of the book is "A Foreigner Looks at Australia." I have just forgotten the author's name. It is a foreign name. He can be identified when I finish. He is Consul General for the Netherlands, and his headquarters are in Sydney. As I say, he deals with Australia's past, present, and future. I do not know about great minds thinking alike, but Mr. Seddon and this author view the Australian situation in the same light. Next, the writer touches on sugar.

Hon. E. H. H. Hall: What about Jack Lang?

Hon. J. J. HOLMES: I felt inclined to say that this Bill includes portion of the Lang plan, but I refrained from doing so because the Minister seemed annoyed with what I was saying. Moreover, there are decent men in the Labour Party. Dealing with the sugar industry, the writer says—

When we guaranteed the sugar labourer a certain standard of living, we protected the sugar grower. The home consumption price was fixed at such a high level as would permit the producer to recoup the losses he suffered on his export. Thus, in the year before the crisis, the price of home consumption was £27 a ton, whereas the net value of sugar exported from Australia gradually fell to £10 10s. All the votes in Australia cannot change the law of economics. The sugar industry receives a guaranteed price of £27 per ton for its product, whereas the price on the world's market is £7 per ton. Again it is the Australian consumer who makes up the difference. Grey old Europe shakes her wise head and asks, "How long can these artificial measures be maintained?" To-day Europe frowns on the artificial reconstruc-

tion of the country's prosperity. Australia smiles, basks in the sun, and trusts to her luck.

Does the author sum up the position? I think he does. He continues —

True, she (Australia) cannot obtain further loans abroad, but she has succeeded in obtaining the necessary funds by issuing internal loans one after the other. The apparent economic recovery of Australia thus is but the prosperity of the man who lives on borrowed money.

That is what we have said here repeatedly. This apparent prosperity is the result of borrowed money. Now comes an important paragraph—

Australia will not believe that she is living beyond her income. She will not cut her coat according to her cloth. She tries to stretch the cloth until it is large enough for the coat she desires. She goes on stretching. Some day the cloth will burst into shreds, and she will have to go a-begging in London once more, or walk about in her shirt.

Hon. T. Moore: We have never begged in London yet, anyhow. That is wrong.

Hon. J. J. HOLMES: We are begging from the Commonwealth now.

Hon. T. Moore: We have never begged in London.

Hon. J. J. HOLMES: We beg from the Commonwealth every time we are in a difficulty. State Governments try to push the burden on to the Commonwealth, and the Commonwealth tries to push it back. I have previously likened our position, and I will liken it again, to this, that the Commonwealth and the States of Australia are like a father with half-a-dozen extravagant sons. The sons are the States, of course. As long as the States can borrow and spend extravagantly or otherwise, and have the Commonwealth to fall back upon, they will go on spending. It is time a clear line of demarcation was drawn between the State's responsibilities and the Commonwealth's responsibilities. Until we reach that stage, we shall never get out of our troubles. The author proceeds—

Money, they say, is paid out as assistance to various groups of the population, and these in their turn pass it on to others, and eventually it returns to the bank, or the other places from where it can again be invested in new loans. Australia is convinced that by the expenditure of loan money she can obtain the greatest possible comfort for the greatest possible number, and refuses to consider how long such comfort will last.

The author says that if this is right, perpetual motion has been accomplished. Since the beginning of the world men have been

trying to evolve perpetual motion. This writer says that apparently Australia has discovered perpetual motion.

Australia is convinced by the expenditure of loan money she can obtain the greatest possible comfort for the greatest possible number, and refuses to consider how long such comfort will last. Here lies the choice: you can either take out of life all you can get, or shoulder your responsibility towards posterity.

I have no hesitation in saying that Australia is now trying to get all she can out of life.

This should be pleasant for the present, but it must prove fatal to future generations for no community can enjoy lasting prosperity unless every active member of it puts more into the common pool than he takes out of it.

We are not putting anything into the pool, but are trying to get all we can out of it. What I mean by the pool is the Commonwealth Loan Council, which has to fight the States year in and year out to try and keep them well within the mark. The trend of events, and particularly the information given in answer to questions to-day, indicates that there is not a distinct attempt to run the finances of this country on right lines. I propose to vote against the second reading of the Bill.

HON. G. FRASER (West) [5.47]: I do not intend to answer the hon. member who has just sat down, because we have been so used to having him every year riding on his usual hobby horse that we would be lost if we did not have that little entertainment. But in the course of this debate remarks have been made to the effect that the measure is an unfair one and we are also told that no more can be got out of the pool than is put into it. Various other things of a similar character have been said in respect of the Bill. I would like to ask members who have spoken in that strain whether it is fair to take money by way of taxation from persons who are receiving less than the amount set down by the court, of which we hear so much from hon. members, as a reasonable standard of living.

Hon. J. J. Holmes: Do you impose union fees on them?

Hon. G. FRASER: On some occasions they do pay union fees, and they have the goods delivered for the fees paid.

Hon. J. J. Holmes: So they do for the taxes they pay.

Hon. G. W. Miles: Why are you relieving Trades Hall secretaries?

Hon. G. FRASER: I do not know that they are being relieved. If they are getting less than the basic wage, they are entitled to be relieved.

Hon. G. W. Miles: I mean those getting £8 to £10 a week.

Member: You don't suggest that any secretary at the Trades Hall gets less than the basic wage?

Hon. G. FRASER: I have not particulars of what Trades Hall secretaries get, and am therefore not in a position to say whether they will obtain relief or not. The Bill provides that the burden of taxation shall be lifted from the shoulders of those least able to bear it. It is only right and proper that those earning good money should be taxed. This is an emergency tax and those not in receipt of the basic wage are to receive the benefit of exemption from payment.

Hon. L. Craig: In this Bill you are leaving out those receiving between £400 and £500.

Hon. G. FRASER: No, only those not receiving the basic wage are exempted.

Hon. J. J. Holmes: And others, too.

Hon. G. FRASER: According to what people earn so will they be taxed, and I see nothing wrong in that procedure. We are relieving people not in a position to pay taxation.

Hon. G. W. Miles: Those on £8 a week.

Hon. G. FRASER: That is ridiculous.

Several members interjected.

The PRESIDENT: Order! I ask hon. members to allow Mr. Fraser to proceed without interruption.

Hon. G. FRASER: The only persons, according to my reading of the Bill, who are exempt from payment are those, with dependants, and who are receiving less than the basic wage. Certain men are to be granted a slight reduction in comparison with the amount they paid in previous years, but that is designed to correct an anomalous position created through Acts of the past. This tax has been altered at least on two occasions in the past. The first occasion on which it was altered was when we were taxing persons earning £2 a week.

Hon. L. Craig: The man on 10s. a week and his keep is being taxed under this Bill.

Hon. G. FRASER: I would like the hon. member to point out where.

Hon. L. Craig interjected.

The PRESIDENT: Order! The hon. member will have an opportunity to speak later.

Hon. G. FRASER: I was dealing with the persons with dependants and the hon. member endeavoured to sidetrack me by introducing some other phase. Who was responsible for that?

Hon. L. Craig: Well, who would it be?

Hon. G. FRASER: The hon. member and other members of this Chamber. This Chamber insisted only last year on that class of person receiving 10s. a week and keep being taxed. The hon. member may deny it but it is a fact nevertheless. A Bill was introduced here to alter the taxation with a view to increasing the exemptions. A conference ensued at which this Chamber insisted that the person earning 30s. a week should be taxed. I hope the hon. member will repent and—

The PRESIDENT: Order!

Hon. G. FRASER: As the Bill stands now I consider it is the fairest measure which has been introduced on these lines since the bringing down of the first measure of this description, but it does not go as far as I would like to see it go. I would like to see exemptions not only for those under the basic wage, but exemptions similar to those granted under the income tax provisions whereby exemptions are allowed according to the number of children the taxpayer has to support. I realise, however, that that is not possible at this stage.

Hon. H. S. W. Parker interjected.

Hon. G. FRASER: While the hon. member agrees it would be quite right, I suppose he will fight against this measure although it tends towards that goal.

Hon. H. S. W. Parker: To which hon. member are you referring?

Hon. G. FRASER: The hon. member who has just interjected. I assume that while he agrees that further exemption should be granted, as I have suggested, yet he will seek to stop the increased exemptions allowed under this measure. Mr. Seddon last night quoted certain figures, but I consider that there was no comparison possible between the figures he gave and the incidence of this taxation. It is almost impossible to get a good comparison.

Hon. H. Seddon: I gave the best comparison it was possible to give.

Hon. G. FRASER: It did not give a correct idea of the position, because a person in any particular group under the income tax provisions would be in an entirely different group under this Act. A comparison is not possible because of the extra exemptions granted. I have not had an opportunity of comparing the two groups.

Hon. H. Seddon: My figures were taken from the Taxation Commissioner's report.

Hon. G. FRASER: Yes, but they dealt with income tax, which is an entirely different matter altogether. The classes to which exemptions apply are different under the two measures. A person in the £300 to £400 group who would be taxed under this Act would be entirely exempt under the Income Tax Act.

Hon. H. Seddon: The gross income would be the same in both cases.

Hon. G. FRASER: I see. By the hon. member's remarks last night I gained an entirely different impression of the table he was quoting. Apart from all that, however, there is no comparison between the two measures. The main thing in the Bill as far as I am concerned is that we are going to exempt those people who cannot afford to pay.

Hon. G. W. Miles: Those receiving £8 are being granted a reduction.

Hon. G. FRASER: To correct an anomaly in previous measures. I hope the hon. member will not object to people who are getting £15 a week having their tax increased.

Hon. G. M. Miles: Regardless of other taxes that have to be paid?

Hon. G. Fraser: That has been taken into consideration in compiling the amounts those persons should contribute. We have been told during this debate that increased taxation on the higher salaries will lead to unemployment and the withholding of money from industry. A person getting above £15 a week will pay, according to this tax, on a rough estimate, during the year between £40 and £50. Under the old measure he would pay approximately £30. We are told that because of these men having to pay an extra £10 or £20 per annum, money is going to be withheld from industry and unemployment created.

Hon. H. V. Piesse: What about companies?

Hon. G. FRASER: It is argued that because an individual is going to pay £20

per annum extra in taxation, more unemployment is going to be created. The argument will not bear investigation.

Hon. H. S. W. Parker: Have you ever heard of the last straw?

Hon. G. FRASER: There are not too many last straws with a man getting an income of that description. I have not yet heard any argument that will convince me that I am doing wrong in supporting this measure.

HON. T. MOORE (Central) [6.0]: I am surprised at the trend of the debate.

Hon. C. F. Baxter: I do not think you are.

Hon. T. MOORE: I certainly am. Two years ago something similar occurred; this House then attempted to take control of the finances out of the hands of the Government, and members will recall the sorry spectacle this House presented before the incident closed. I hope members will not repeat that stupid error on this occasion. I believe that the Government, who have been elected to control the finances of the State, will retain control. Indeed, I shall be surprised if they do not adopt the attitude that they took two years ago. This House has no right to attempt to take control of the finances out of the hands of the Government. That is not the purpose for which members here were elected. That is perfectly well understood by every member. I hope that this bluff will not be carried as far as it was two years ago, when members had to return after Christmas to undo what had been done before the holidays. That is what will happen if this Bill be thrown out. I appeal to members who represent country districts to consider what will happen if the Bill is voted out. The people in the cities are all right; the largest taxpayers do well at all times, but we from the country know that our people are indeed hard pressed. We have been urging the Government to do everything possible to assist the harassed people in the country districts who have experienced such a disastrous year, and the Government are endeavouring to help those people. If this House upsets the efforts of the Government to control the finances and to secure a certain amount of revenue, what is going to happen to the people we represent?

Hon. C. F. Baxter: What will be the result if the Bill is defeated on the second reading?

Hon. T. MOORE: Exactly the same as the result of two years ago. What else could happen? We are now within a month of the Christmas vacation; we know what happened before, and I do not wish to see that mistake repeated.

Hon. C. F. Baxter: If the Bill is rejected what will happen?

Hon. T. MOORE: I am certain that the Government will not submit to dictation on financial matters by this Chamber. The Government were not elected to tolerate such dictation. They would be giving away the rights of the people, which would be a most grievous error. If the Bill be rejected, the people I represent will not know whether sustenance will be provided for them.

Hon. C. F. Baxter: Now we know where the bluff is coming from.

Hon. T. MOORE: The hon. member and his party are those who are indulging in bluff. We all remember exactly what happened two years ago; their bluff was called. I do not want that to recur. The unfortunate people in the country districts should not have their bad plight rendered worse. I realise what will happen if the Bill be thrown out. The Government will not know how to finance the affairs of the State and the people of the country will suffer.

Hon. C. F. Baxter: I thought you did not know what you were talking about.

Hon. T. MOORE: The hon. member is rather offensive.

The PRESIDENT: Yes, the hon. member must withdraw that remark.

Hon. C. F. Baxter: I withdraw, but I think—

Hon. T. MOORE: I ask for an unreserved withdrawal of that statement.

The PRESIDENT: I did not hear Mr. Baxter's remark, but I understood that he withdrew his statement unreservedly.

Hon. C. F. Baxter: I withdraw unreservedly.

Hon. T. MOORE: Whenever any member of this House who supports the Government attempts to make out a case for Government legislation, he is harassed by interjections and told that he does not know what he is talking about.

Hon. C. F. Baxter: That remark has been withdrawn.

Hon. T. MOORE: I have told the hon. member what was done two years ago and he has pooh-poohed it. I appeal to country members to consider how the unfortunate farmers are situated and to realise what the

effect of their action will be if they oppose the second reading. Town members may be left to do as they like. I take it that no self-respecting Government would tolerate dictation from this House on matters of finance. The question of what the present Government may or may not do, however, does not matter, though I cannot conceive of their submitting to dictation by this House. Two years ago conditions in the country were not so serious as they are at present, and the action of this House at that time was less serious. I urge members not to take the action contemplated. Doubtless representatives of country provinces wish to see the Government control the finances so that they can improve conditions for those people who are so urgently in need of help.

Hon. C. F. Baxter: Do you know that this Bill will not affect the amount of revenue produced by the tax?

Hon. T. MOORE: Action such as that which is contemplated must seriously upset the finances of the country.

Hon. C. F. Baxter: No.

Hon. T. MOORE: I say again that it will.

Hon. C. F. Baxter: The present proposals will bring in the same amount of revenue.

Hon. T. MOORE: The hon. member is not in office at present. The Government have been elected by the people and members know that we should have nothing whatever to do with money Bills. Members are not prepared to allow the Privy Council to determine the functions of this House on money Bills; they know that they have shirked the appeal to the Privy Council.

Hon. C. F. Baxter: We never have. I ask that the hon. member withdraw that remark. This House has never shirked approaching the Privy Council.

Hon. T. MOORE: I have nothing to withdraw.

The PRESIDENT: The hon. member will withdraw the remark that this House has shirked approaching the Privy Council.

Hon. T. MOORE: I wish to qualify my remark.

Hon. C. F. Baxter: Withdraw, and no explanation!

The PRESIDENT: I ask the hon. member to withdraw the remark that this House has shirked an appeal to the Privy Council.

Hon. T. MOORE: If I know that to be a fact, must I withdraw the remark?

The PRESIDENT: The word "shirked" is offensive.

Hon. T. MOORE: I retract the word. When it was suggested by another place that this contentious question should be determined once for all by the Privy Council, this House refused to co-operate.

Hon. C. F. Baxter: Why?

Hon. T. MOORE: Because members knew that they would be defeated. I have no doubt on that score. Members here exercise a certain amount of power which they have taken unto themselves, and their attitude is, "What we have we'll hold."

Hon. J. J. Holmes: I have not interjected until now, but tell me why the Bill is here. Have we nothing to do with it?

Hon. T. MOORE: I hope this House will not be so foolish as to throw the Bill out. To adopt that action would be regrettable especially at a stage when the Government require to know what revenue they will have available to assist the unfortunate people in the country. I support the second reading.

HON. H. S. W. PARKER (Metropolitan-Suburban) [6.9]: I did not propose to speak on the Bill but I have been egged on by the last two speakers. Some little time ago in order to avoid conflict between the two Houses it was specially enacted that a Bill imposing a tax should contain nothing but provisions for the imposition of the tax, and that an assessment Bill should be introduced for the sole reason that the assessment Bill was the only one which this House could amend. If members here so desired they have always possessed the power to reject any tax Bill, and, as I have pointed out, they have been within their rights in amending an assessment Bill.

Hon. T. Moore: You propose to throw this Bill out.

Hon. H. S. W. PARKER: If the hon. member will give me time, I will tell him what I propose to do. Here is a measure introduced for the sole purpose of allowing us, under the Constitution Act, to exercise our votes in an independent manner, not being bound by any outside organisation. In that independent manner, I propose to act. We have been told that this measure will produce the same amount of revenue for the Government as was received last year, notwithstanding the altered incidence of the tax. I do not pose as an expert, but for the life of me I cannot understand how, by granting the proposed exemptions and taxing the men on the higher incomes, the Gov-

ernment can possibly receive an equivalent amount of revenue. Many men had a large income until the drought occurred. Men on the higher incomes are principally pastoralists and this year, as is well known, they will probably not be able to pay working expenses and will have no direct income.

Hon. T. Moore: They have suffered terrible losses.

Hon. H. S. W. PARKER: Tremendous losses, and I think Mr. Moore will agree that they will probably not receive any income at all this year, whereas they have had large incomes in the past few years. Nevertheless this year they will have to pay taxation on last year's income out of their capital. Although this year they might have incomes on which to be assessed, next year assuredly they will have none. Therefore, next year another alteration will have to be made to the law in order to secure the revenue required. When this legislation was first enacted I was a member of another place, and I understood it was designed to relieve distress existing at the time. Certainly it was legislation to meet an emergency. Time and again we have been informed that the emergency has ceased to exist. We have also been informed that there are virtually no sustenance workers remaining on the hands of the Government. Those workers do not require special taxation in order that their needs might be met.

Hon. G. Fraser: Who told you that?

Hon. H. S. W. PARKER: I believe it was said by almost every Labour candidate on the hustings in the early part of this year.

Hon. G. Fraser: This is the first time I have heard it.

Hon. H. S. W. PARKER: Then let me impress upon the hon. member that I am informed and I verily believe it to be correct. Indeed a successful candidate in the metropolitan area got in on the strength of the wonderful reduction in the number of sustenance workers and the great work the Government had done for the unemployed. We were given to understand that there were practically no sustenance workers as compared with what there had been.

Hon. G. Fraser: The sustenance workers have not been eliminated.

Hon. H. S. W. PARKER: In view of those facts, I cannot see why there should be any necessity to continue the emergency tax. I fully agree that the Government re-

quire the money for general revenue and that it is required largely because of the extravagance in the administration. There is no need to continue this form of taxation. I would much prefer the Government to adopt the more equitable form of raising revenue by means of the income tax. Let us change over to the income tax which has stood the test of time and is infinitely more equitable than is this emergency tax.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. H. S. W. PARKER: It has been said that the basic wage should not be taxed, and that it would be unfair to do so. The basic wage is arranged on a basis of a man, his wife and two children. By this Bill not only is the man with three dependants not taxed, but the man with only one dependant is not taxed. Surely the man with one dependant is better off than he who has three dependants, both being on the basic wage, and surely the former can bear some of the obligations of a citizen in the way of taxation. I would say that it is not at all unfair that such a man should be taxed. An income tax would adjust this anomaly. Certain supporters of the Government seem to be annoyed because the Constitution allows this House to take part in the legislation of the country. It is quite right that this should be so. I believe in two Houses for the purpose of preventing hasty legislation or even class legislation. We in this Chamber all know that this House has in the eyes of Governments proved very irksome, no matter what Government may have been in power. The Constitution protects people very often against the Government in power, and that is the objective of this Chamber. We are here for the purpose of discussing and dealing with all kinds of Bills as we think fit, except that we cannot amend a taxing Bill. One of the planks of the platform of many supporters of the present Government is that this House should be done away with. The present Government have done all in their power to take away, not only from this House, but both Houses, the power to legislate. Let me instance a Bill that was recently discussed here, wherein the desire was that the law should be made by proclamation. This would have the effect of doing away with any criticism by either House of Parliament. The ob-

ject of the present Government is as far as possible to avoid their measures being defeated in this House. It is natural for any Government to object to that sort of thing, but the Constitution gives us the right to do this, and it affords that much protection to the people. I will vote against the Bill. If it is defeated the Government will be left in the position of carrying on with the existing assessment Act. If they so desire they can bring down a further financial emergency tax on all fours with the existing one. There is no reason why they should not bring down a third one. As the first was out of order, they brought down a second, and if this assessment Bill fails there is no reason why they should not bring down a third Bill. The Government will then get exactly the same money as they have budgeted for under the present tax. I would vote for the continuance of the existing tax in the hope that next year the financial emergency tax will be entirely repealed, and that the income tax will be adjusted accordingly. We should then have one tax less, and one assessment Act less to consider and understand. There would also be less confusion. We want one simple income tax so that the situation may be less complicated for the taxpayers. The income tax must be increased, but the incidence of the tax should be far more equitable, especially for the man on the lower rung of the financial ladder. By this means we can provide that the man with a family shall have less taxation to pay than the man who is drawing the same wage but has fewer or no dependants.

Hon. G. Fraser: Would you support a proposal to increase the incidence of the income tax to bring in the extra amount of revenue required?

Hon. H. S. W. PARKER: The Government must obtain revenue. I trust I shall never endeavour to prevent the Government from getting the funds necessary with which to carry on the work of Government. If the financial emergency tax is displaced by an income tax, the latter must certainly be increased, and I would support it.

HON. H. V. PIESSE (South-East) [7.37]: Having been appealed to by my friend Mr. Moore to vote for this Bill, I feel I must add my quota to the debate. All members will appreciate Mr. Moore's re-

marks. We know that he is very genuine, and that he is not in the habit of endeavouring to bluff the House or his fellow members. I shall have no hesitation in voting against the second reading of the Bill. If the measure is defeated it will not interfere in any way with the amount that will have been collected provided the old assessment is reinstated. We have heard many references to-night to the 25s. union fee.

Hon. G. Fraser: I do not notice that in the Bill.

Hon. H. V. PIESSE: No. Some time ago a man informed me that he was forced to pay this 25s. He said, "Not only have I had to pay that but I have had no say in the union affairs, nor any vote until I became a financial member. I became a financial member at the end of the year when I had paid my 25s. in instalments over the year."

Hon. G. Fraser: Whose fault was that?

Hon. H. V. PIESSE: One could not expect to take 25s. at once from a man on sustenance, so the union enables such people to pay so much a quarter. Not only are these men taxed by the union, but they have no say in the conduct of the organisation or in any of the matters that come before it. Mr. Moore said this would be a serious matter from the farmers' point of view. It is going to be very serious for them if we pass this Bill. When I was in the Eastern States recently I met two leading financial men who were interested in a mutual insurance company. They said they were coming to this State with a view to gaining personal knowledge of it and investing further moneys here. They did come here and made a general tour of the State. I was told by the manager of one of the mutual insurance companies that if the financial emergency tax was increased by a further 3d., the only people they could possibly pass the tax on to would be the farmers and mortgagors. Quite recently the company has sent out a number of letters stating that if the tax was increased the interest would be increased above 4½ per cent., and they would be unable to carry on at the same rate as they had done in the past.

The Chief Secretary: It cannot be a very substantial company.

Hon. H. V. PIESSE: It is, and it is one that has endeavoured to keep the Government of Australia going.

Hon. T. Moore: The incidence of taxation in the Eastern States is higher than it is here.

Hon. H. V. PIESSE: The incidence is lower than is the case in this State. If this tax is increased the company referred to and other mutual companies will have to pass on the extra payments.

Hon. G. Fraser: If the Bill is not passed the farmers will not be able to pay. The tax cannot be passed on to the farmers.

Hon. H. V. PIESSE: I was told by the manager of the company in question that if this class of tax were continued it would probably be necessary for the company to send their money for investment to the Eastern States. We must not force capital out of this country. We want every penny of it for our industries. Our farmers require extra money so that they may be carried on. We cannot go cap in hand to the Government for all our requirements. In many cases we have to raise extra money, and increase our overdrafts so that we can carry on with our properties. Such a tax as this, which will affect all mutual companys, will be detrimental to the farmers who have mortgages with them. I realise the Government must have money with which to carry on. They could raise exactly the same amounts under the existing assessment as they did last year. That is a more reasonable tax, and a fairer one than to increase the rate to a shilling, cutting out the tax altogether in the case of those who are on the lower rung of the ladder. I will oppose the Bill.

HON. E. H. H. HALL (Central) [7.45]: This year's financial emergency tax realised £827,119. It was estimated that the tax would return £685,000, and therefore the excess amount collected was £142,119. It is estimated that the tax this year will realise £840,000, and if this year's estimate is as far out as was that of last year, the Government will receive just on £1,000,000. I believe this money should be raised for a specific purpose. Everyone knows what financial straits the farming community are in, and I do not think there would have been any demur from any man in the State, basic wage earner or otherwise, if he were asked to pay a little to help the men on the land in their hour of need. The pastoralists, too, are in want of assistance. Perhaps they do not require direct financial aid, but the Government are out to

assist that important industry in every possible way. I have no doubt about that. They have already done so, and I am sure they are prepared to continue that assistance, which can be rendered not necessarily in actual advances but in easing the burden by decreasing railway freights, land rents, and so forth. If that course were pursued, it would enable the pastoralists to overcome their difficulties more easily. When the Premier moved the second reading of this measure in another place, he said—

This year certain alterations have been introduced in the Bill not for the purpose of raising more revenue but to spread the incidence of the tax in a more equitable manner.

Therefore, I take it we can accept that statement as reliable and authentic. We can regard that as a statement made by a man who has a full knowledge of the position. I am one of those who desire to speak their minds. I realise full well that I may leave myself open to be castigated by people with whom I should stand shoulder to shoulder, and also by those with whom I disagree politically; but that does not matter at all. We are here to state our views fearlessly, and if I ask the privilege of expressing my views, I shall do so without fear or favour. If I want that right, I must be prepared to give it to others, and I intend to do so. I do not think it is a matter that any of us can be proud of when people in receipt of the basic wage are compelled to pay an emergency tax when the state of emergency no longer exists. How do I make that out? What grounds have I for saying that the state of emergency no longer exists? I certainly have reasons for making that statement. Members will remember the cablegram that the former Premier (Hon. P. Collier) sent to the Agent General in London just before Parliament assembled, in the course of which he stated that Western Australia was free from the depression. That statement was followed up by acts, and we are told that acts speak louder than words. What has Parliament done? The lead was given by the Government and so free from the depression was the State that Ministers said, "Now we shall restore to people the cuts that they have suffered in their wages or salaries. We are over the depression, and everyone will get back to their full pay." It was done. I, as a member of Parliament, am one of those who

benefited accordingly. Commencing with Ministers of the Crown, others, including members of Parliament and all the civil servants, are back on pre-depression rates. Am I not justified, therefore, in saying that the action of the Government alone gives me ground for saying, and others for believing, that we have passed through the period of financial depression that was ushered in some years ago, in consequence of which the financial emergency taxation was inaugurated?

Hon. J. J. Holmes: Then you are going to vote for this emergency legislation?

Hon. E. H. H. HALL: If Mr. Holmes will restrain his youthful impulsiveness, he will find out in good time how I shall vote. We have been led to believe, both by word and by act, that the state of depression no longer exists. If the depression were still with us, I would have no doubt about the position, notwithstanding the rather pessimistic utterances in this Chamber to-day and yesterday to the effect that the race was decaying and that our people were not of the type of former decades. We were accustomed to hear that sort of talk before the outbreak of war in 1914, but our men responded and proved that they were of the same old race and had the necessary grit in them. If the Government, as leaders of the State, lay it down that we are still in the period of depression, then I consider that every man-Jack of us should be forced to contribute towards relieving the emergency condition. But we are told that state has passed. That being so, I cannot conceive it to be right to vote for a Bill that proposes to continue extracting emergency taxation from people who are in receipt of the basic wage. Where does the basic wage emanate? From the Arbitration Court, a tribunal that has been extolled by many members of this Chamber, a tribunal that exists for the purpose of sifting evidence that is placed before them. The court investigates the pros and cons before the basic wage is declared. That wage is declared to be one that will enable the recipient to obtain the bare necessities of life. With all due respect to those people who are not fortunate enough to have families to maintain—I use the word “fortunate” advisedly—I assert that if they were in the position of men whose good fortune and high responsibility it is to feed, clothe and suitably educate three, four or more children, while

in receipt of the basic wage only, they would have a vastly different tale to tell.

Hon. G. Fraser: We would not have so many opponents of these remissions of taxation.

Hon. E. H. H. HALL: We would not. According to their remarks, they seem to think that the man who is in receipt of the basic wage is able to have a jolly good time and to keep his wife and family in reasonable comfort. To hear some members, we would think that the basic wage earner is on a jolly good wicket. I can speak from experience, although not as a basic wage earner. Fortunately I have always been in receipt of more than the basic wage, but even so I and my family have found it difficult at times. I have a very good manager in my wife and she has often declared that she wonders how people in receipt of the basic wage manage to get along with three or four children. Apart from all political associations and affiliations, I am here to give expression to my feelings and I am not going to vote for something I cannot conscientiously support. I remember the words of the Premier, who said he was not out to get more money but to spread the tax more equitably. That is what I am after. That being so, I have not much faith or hope that the Government will pay me the compliment of accepting the little schedule I have drawn up, but I shall place it before members. I have been heartened in my little effort by a speech made in this Chamber last night. Notwithstanding the remarks of Mr. Holmes, I appreciate just as much as anyone else that Mr. Seddon has treated this Chamber on more than one occasion to a sound analysis of the financial position of the State. It is not for me to dampen the ardour or to restrain the industry of that hon. member. I wondered last night whether his efforts would be given the attention that they undoubtedly deserve. Undeterred by the thought that the effort he made was a labour of love and that he had wasted his time as far as the Government were concerned—I mean the present or any other Government because they say, “This is our job. Leave it to us, and everything will be all right”—I have also made an effort. I drafted a schedule. If it were adopted, it would produce less revenue. Just how much I am unfortunately unable to say. But it will at least comply with the Premier’s aims and objects, in that I do not think there will be any difficulty in showing

that it will spread the burden more equitably. Now the first line in my schedule is, "With dependants, up to £4 10s." What moved me to put the figure at £4 10s. was that I had heard so much criticism about having several basic wage standards; a certain basic wage in the metropolitan area, another for agricultural districts, and a third for the goldfields. Critics say that is going to cause endless confusion, and ask, "How are we to know just where the agricultural districts begin and the metropolitan area ends?" They say it should be one definite amount. So I have made a definite amount which will give the same basic wage in the metropolitan area, in agricultural districts and on the goldfields, and I have set it down at £4 10s. But, unlike the Government proposal, I say that my men on £4 10s. are going to be exempt. There is nothing of the business of saying that the basic wage earner is exempt, and then increasing the wage so that he shall have to pay taxation. As I say, my first line provides that for a man with dependants, up to £4 10s., there shall be exemption. I am going to read out this schedule, and if members cannot follow it they can have a look at it after I am finished. The schedule is as follows:—

	£	s.	d.	£	s.	d.	s.	d.
With dependants up to Every £1 or portion thereof over ...	4	10	0	Exempt.	
Do. do. ...	4	10	0	up to	5	10	0	2 0
Do. do. ...	5	10	0	"	6	10	0	1 6
Do. do. ...	6	10	0	"	7	10	0	1 4
Do. do. ...	7	10	0	"	8	10	0	1 4
Do. do. ...	8	10	0	"	9	10	0	1 4
Do. do. ...	9	10	0	"	10	10	0	1 3
Do. do. ...	10	10	0	"	11	10	0	1 3
Do. do. ...	11	10	0	"	12	10	0	1 3
Do. do. ...	12	10	0	"	13	10	0	1 3
Do. do. ...	13	10	0	"	14	10	0	1 4
Do. do. ...	14	10	0	"	15	10	0	1 5

Amounts payable—

Per week.	Under present Act.	Under this Bill.	Suggested Rate.
£ s. d.	s. d.	s. d.	s. d.
5 10 0	2 6	2 1	2 0
6 10 0	3 0	3 0	3 0
7 10 0	4 8	4 0	4 0
8 10 0	6 0	4 8	5 4
9 10 0	6 0	6 0	6 8
10 10 0	7 6	6 8	7 6
11 10 0	8 3	8 3	8 9
12 10 0	9 0	10 0	10 0
13 10 0	9 9	10 10	11 3
14 10 0	10 6	12 10	13 4
15 10 0	11 8	15 0	15 7

	£	s.	d.	£	s.	d.	s.	d.
Without dependants up to Every £1 or portion thereof over ...	1	10	0	Exempt.	
Do. do. ...	2	10	0	up to	2	10	0	0 6
Do. do. ...	3	10	0	"	3	10	0	0 6
Do. do. ...	4	10	0	"	4	10	0	0 6
Do. do. ...	5	10	0	"	5	10	0	0 6
Do. do. ...	6	10	0	"	6	10	0	0 7
Do. do. ...	7	10	0	"	7	10	0	0 8
Do. do. ...	8	10	0	"	8	10	0	0 9
Do. do. ...	9	10	0	"	9	10	0	0 10
Do. do. ...	10	10	0	"	10	10	0	0 11
Do. do. ...	11	10	0	"	11	10	0	1 1
Do. do. ...	12	10	0	"	12	10	0	1 2
Do. do. ...	13	10	0	"	13	10	0	1 3
Do. do. ...	14	10	0	"	14	10	0	1 4
Do. do. ...	15	10	0	and over ...	15	10	0	1 5

Amounts payable—

Per week.	Under present Act.	Under this Bill.	Suggested Rate.
£ s. d.	s. d.	s. d.	s. d.
3 12 0	1 0	1 0	1 0
4 10 0	1 8	1 8	1 6
5 10 0	2 1	2 1	2 4
6 10 0	3 0	3 0	3 4
7 10 0	4 8	3 6	4 6
8 10 0	6 0	4 8	5 10
9 10 0	6 0	6 0	7 4
10 10 0	7 6	6 8	9 9
11 10 0	8 3	8 3	10 10
12 10 0	9 0	10 0	12 10
13 10 0	9 9	10 10	15 0
14 10 0	10 6	13 9	17 4
15 10 0	11 3	15 0	18 8

That spreads the incidence more equitably than does the present Act, and certainly more equitably than is proposed in the Bill. That brings me to the decision that I will vote for the second reading of the Bill, with the idea of trying to bring it more into line with my ideas when it gets into Committee—that is, if it gets there. From what I have been told is going to happen to this Bill, it is going out on the second reading. It is a course to which I am opposed except under certain circumstances. When I can see very few virtues in a Bill I am prepared to do that, as I was on the Factories and Shops Bill. But on this occasion I want to explain what I then said. I announced my decision to vote against the second reading of that Bill, but I am not prepared to treat many Bills in that manner, for it is our duty to give them every consideration; and if we do not agree in the main with such a Bill, then we should get it into Committee and try to bring it to what we think it should be. It must be apparent to all of us that notwithstanding the announcement by the Premier that he had not brought down this Bill in order to get more money, the Government will require more money if financial assistance is to be given to those people who are sorely in need of it. I consider that money is urgently required for people in the agricultural districts. It would be almost impossible to satisfy every public requirement; that goes without saying, but there are many necessary requirements that the Government find it impossible to supply. It will be generally recognised that the whole of the community should be called upon to stand up to its obligations in order to enable the Government to carry out essential governmental services. To revert to the basic wage, it seems to me it is too often forgotten that people on the basic wage spend perhaps all their money. That money is put into circu-

lation to enable other people who run various businesses to make a profit, from which, of course, the Government are able to obtain their quota. So I consider that is another reason why people on the basic wage should not be called upon to pay this taxation on the score of an emergency that has passed. The Government in power to-day, by the yield from this taxation and the grants that have been made to them by the Commonwealth Government, have had a huge sum of money to spend. I wonder whether, without cutting down anybody unfairly, that economy is exercised which we have the right to expect shall be exercised. It seems to me that Parliament as a whole does not or cannot exercise that check over expenditure of public money that people have the right to expect. We heard to-night words from the lips of a member who is credited with having a pretty good knowledge of human nature and a close acquaintance with the affairs of the State, a man whose judgment as a rule is pretty sound; yet in this Chamber to-night, where he has stood for a long period, he remarked, "They have got to be taught a lesson."

Hon. J. Nicholson: Who was the member?

Hon. E. H. H. HALL: Mr. Holmes. I wonder to whom he was referring when he used the word "they." I have a pretty good idea. I have heard of the avocation followed by the hon. gentleman, but I have never heard that he was ever a school teacher. Of course he has every right to say what he thinks, and the words I quoted were what he said tonight. I ask whether that is the spirit that is going to get us anywhere, whether we are going through a period of financial emergency or not. Just how does he propose to teach the people to whom he refers as "they"? I imagine that he was referring to the basic wage earners, because they are the people who will escape taxation if this Bill goes through. I wonder what was in his mind when he said that. Does he mean to say that he thinks that that particular section of the community have not had a pretty severe lesson? He has told us that he has knocked about amongst the people. With all due respect to him, I knock about amongst the people too, and I know that we are in danger of destroying the initiative of the people. The people to whom the hon. member referred have been through a very lean time. They have suffered a great deal more than any hon.

member in this Chamber. Those people, together with the men and women in the agricultural areas of this State, are the section of the community that have suffered. What does it matter to a man if he has the money with which to pay taxation and is called upon to pay? That experience is nothing in comparison with the hardships suffered by men who have lost their employment through no fault of their own and who have had to go on relief work as well as those who have seen their substance vanish. To say that those people should be taught a lesson is not going to do any good. We were also told that the way we were going on was likely to damage the credit of the country. Only in this morning's paper I read a reply by the London "Times" to some remarks passed by the Premier of South Australia which were in effect that he regretted there was a tendency to go on the London market for our requirements. The "Times" pointed out how foolish it was for Australia to confine its borrowings to the Commonwealth. The "Times" stated that there were lots of advantages to be gained by raising our loans in London. That does not look as if the outside capitalist was getting into a state of panic because of the way we were going on. Repudiation is an ugly word and we have heard quite a lot about it from a neighbouring State. The Premier of that particular State was responsible for bringing about a sad condition of affairs there. His name was mentioned this afternoon. But what about the act of repudiation that is going on in this State today? I have not heard one member of this Chamber, except when a certain Bill was before the House, refer to it. It was certainly not referred to on this discussion. Even Mr. Seddon, who is the embodiment of all that is right and proper, and who last night gave us a very interesting resume of the financial position of the State and foretold the dire effects that would follow if we continued to go on in our present casual fashion, even he did not mention anything about those in our own State who are suffering from an act of repudiation. I am referring to the storekeepers in the country towns. It is absolutely monstrous that they should be called upon to accept 2s. and 2s. 6d. in the pound free of interest to cover debts legitimately incurred.

Hon. H. S. W. Parker: They will not be taxed.

Hon. E. H. H. HALL: The hon. member had better keep quiet. This matter, which is looked upon with horror by certain members of this Chamber, has not been given very much consideration by the hon. member who said "They have got to be taught a lesson." There is nothing that can save the storekeepers and it is a matter that has not received from the powers that be the consideration to which it was entitled.

Hon. J. Nicholson: Who passed the Bill that made that possible?

Hon. E. H. H. HALL: The hon. member knows. I know, from other utterances that I have made, that I will be told to be careful or I shall be doing the State a lot of harm. The circumstances that have brought about the act of repudiation to which I have just referred might be revealed. The hon. member knows what I mean.

Hon. W. J. Mann interjected.

Hon. E. H. H. HALL: I do not want any interjections from the hon. member.

The PRESIDENT: Order! I wish hon. members would not interject.

Hon. E. H. H. HALL: I am nervous as it is, and the hon. member makes me even worse. I cannot understand the desire of the Government to interfere with institutions that are rendering a great service to the State—I refer to the mutual life assurance companies. If there is one thing about which we should all be in agreement, it is the good work that these societies do amongst the people who are practising that thrift which we commend. Yet the assurance companies felt that it was necessary to address a letter to the Premier drawing his attention to the good work they were doing in the community and asking him that they should not be called upon to pay a rate of tax higher than 9d. in the pound. That is another matter I shall endeavour to alter, if the unexpected happens and the Bill goes into Committee. I have endeavoured to give my reasons for voting for the second reading with the intention of bringing about certain alterations in Committee and if I am not permitted to do so, it will not be my fault.

HON. A. THOMSON (South - East) [8.25]: I congratulate Mr. Seddon on the excellent and carefully prepared speech he

made last night. I have never listened to a more informative or more instructive statement since I have been a member of this House. We should exercise that privilege which is ours, namely, to carefully scrutinise as far as possible the finances of the State and keep a control over them. Within the last few days I asked several questions with an object in view, and they were answered by the Honorary Minister. I inquired how many men had been employed in the metropolitan area on sewerage works. I received the answer that the number so employed was 887, and replying to another question as to when it was expected that the works would be completed the Honorary Minister said that it all depended on the loan moneys which were made available. I also asked for information as to the number of men employed at the Canning Dam, and the time when that undertaking was likely to be completed, and the answers again were similar. In the Press it was stated that the million pounds sewerage scheme, or rather a portion of it, was to be opened this week. The Minister for Works, in a speech on the Annual Estimates, pointed out that on the 30th June, 1934, the total number of persons on relief work was 11,280, that on the 30th June, 1935, it was 9,200, and that last year it was 8,100. I quote those figures to call attention to the fact that the future employment of these men depends materially, according to the replies given to me, on the amounts of loan money which will be available. One wonders, when the sewerage works in the metropolitan area have been completed, what scheme the Government have in view to re-employ the men. To-day those men depend solely on Government employment. If the Premier, in submitting the increases in financial emergency taxation, had stated that in the interests of the farming community the Government must have additional funds, more especially having regard to the reduction in the Federal grant, I would feel much more inclined to support this measure. Ever since I have had the privilege of being a member of Parliament I have maintained that irrespective of the position in life held by any person, he or she should pay a quota of taxation. The rate could start at $\frac{1}{2}$ d. or 1d. in the pound, but let everyone who shares in the benefits provided by the Government pay his or her quota.

Hon. G. Fraser: You will be taking pennies out of the kiddies' money boxes presently!

Hon. A. THOMSON: That is hardly a fitting interjection. Is it even sincere? I do not propose to touch on that phase.

The Chief Secretary: If you did, you would be on dangerous ground.

Hon. A. THOMSON: The Chief Secretary does not frighten me. In any case, his remark does not help in the present discussion. The latest report of the State Commissioner of Taxation gives some illuminating figures. When the previous Government came into power, in 1932-33, the total amount of revenue extracted from the Western Australian people was £941,688. The present Government proved more fortunate upon taking office, for in the succeeding year taxation jumped to £1,193,912. In 1934-35 there was a further increase to £1,704,000 odd. In the financial year ended on the 30th June last, the Government were blessed with a revenue of £1,947,883. We know that the present Government have been highly fortunate in obtaining special grants from the Commonwealth. I do not in any way criticise the present Government on the score of the huge revenues they have had the privilege to expend. I acknowledge that they have had to face difficult positions, such large numbers of men being out of employment. I fear that the present outlook of Western Australia is that this country is not out of the wood as regards finding employment for large numbers of men. Any future Government will have to face that serious and important task. I can only hope that my judgment may be wrong, and that things may improve greatly in the agricultural and pastoral areas, and that the prices of our primary commodities will increase, a difficult position thus being relieved. The Auditor General's report contains some interesting and illuminating paragraphs. On page 8 I find the following:—

Taxation and Social Services.—Increased taxation collections and decreased expenditure on unemployment relief have been the most important items contributing to the improvement in Revenue finances. The variation under those headings for the last seven years showing the balance of taxation available for normal services is shown in the following table.

I do not propose to quote all those figures. I desire to draw attention, however, to that portion of the report which states, in effect, that despite our increased taxation and apparently decreased expenditure on unem-

ployment relief, the same expenditure has been going on. It is strongly in evidence in statements made by the Minister for Employment, many sewerage works having been initiated long before being definitely required. I do not think exception is taken to those works, because ultimately they will be used to their full capacity; but the larger portion of the decrease in expenditure represents merely a transfer of amounts from one side of the ledger to the other. Our indebtedness has increased correspondingly. That statement is amply borne out by the reply I received here on Tuesday, when the Chief Secretary stated that the completion of the sewerage works now in progress was dependent on the amount of loan money available in each year. That answer implies that if the Government are not able to go on borrowing money, our position from an employment point of view may become somewhat serious. According to the Auditor General, the total amount of taxation received was barely sufficient to meet expenditure charged to the Education Votes. That fact discloses a serious situation. For the information of those who maintain that persons sharing in the Social Services provided by the State should not contribute a small quota of taxation, I draw attention to the following paragraph in the Auditor-General's report:—

In the year 1930-31 the amount available was barely sufficient to meet expenditure charged to Education Votes, viz.: £673,202, and in the following year it was far short of the sum required, viz.: £549,115; consequently a considerable portion of the cost of Social Services in those years was met from borrowed money.

We have reached a stage when, in order to carry on and provide free Social Services, we are compelled to borrow. If any private person attempted such a course in his business, we know where he would speedily finish. He would soon appear in the Bankruptcy Court and have some highly pertinent questions put to him. In quoting from the Auditor General's report my object is to show that every member of the community should contribute a quota towards the cost of Social Services. The Auditor General also writes—

Last year taxation was more than sufficient to meet the whole cost, but the modern tendency towards increasing the quality and scope of Social Services will impose a heavier drain on taxation, and, unless collections are correspondingly increased, there will be a lesser sum available for the functions of Government and the recoupment of losses on Loan undertakings.

We employ an Auditor General to draw the attention of Parliament to the position of the State finances. A business man employs an auditor to check and balance his books and show him the drift in his affairs. Therefore I contend that there is ample justification at this stage for asking the Government to continue to carry on under the same conditions as obtained during the preceding 12 months. If they can show that more revenue is absolutely essential to them, that will be a matter for consideration. As the Premier himself has stated, the incidence of our taxation requires adjustment. I have no objection whatever to a graduated income tax, but the tax should start so that every person will contribute his or her quota. I quote a further paragraph from the same page of the Auditor General's report—

Particulars of expenditure from taxation collections and fees which are applied under statutes to specific purposes are not detailed. Under these circumstances it is not possible to obtain from the Public Accounts the actual costs of the various functions of Government or of Social Services in each year. It would be of advantage to furnish returns in order that the amount of taxation devoted to the services could be accurately determined and recorded for the purposes of comparison.

I am one of those who for many years have advocated that we should have what is termed a public accounts committee. We have embarked on the expenditure of millions of pounds in the metropolitan area. I am not taking any exception to that because ultimately those works will be reproductive. We have embarked on such enterprises as the sewerage works and the Canning Dam, all of which can be fully justified, but, as far as Parliament is concerned, to quote the words of Mr. Hall, "We have no control of the finances." I consider it is the duty of Parliament to see that as far as possible we keep control of the finances of the State without in any way unduly interfering with the Government's administration. In to-night's paper, under the heading of "The Voice of Labour," is an article written by Mr. P. J. Trainer, who, I understand, is the secretary of the Trades Hall. That is not a reflection upon him. I mean that, as far as one may judge, he is a very able man. He must be to occupy such an important position.

Hon. G. Fraser: He is not secretary of the Trades Hall.

Hon. A. THOMSON: Well, he is a very important man at the Trades Hall. Suppose we say that?

Member: He gets the basic wage.

Hon. A. THOMSON: I dare say he does, and that he earns it.

The Chief Secretary: He is secretary of the Labour Party.

Hon. A. THOMSON: Writing in the Press to-night, he mentions you, Mr. President, referring to a speech delivered by you at Norseman last week, in which you stated that nearly two short tons of gold had been won from the Norseman gold mine in the past three years. The writer speaks of the men employed at the mine and points out that the miner who follows this dangerous calling has before him "one of two prospects—old age unprovided for or years of lingering death as the victim of dread miner's complaint." He goes on to say, "It does seem, however, that the State is entitled, in view of the enormous State outlay to enable the gold mining industry to operate, to ask more from the mining industry than is now being contributed to the upkeep of the State and the care of thousands of workers thrown by it on to the industrial scrapheap." I would say that if there is one section of the community which has been specially considered, I mean one section of the industrial workers and those on the basic wage, it is that section engaged in the mining industry. I concur with the remarks made by Mr. Trainer, who is secretary of the Labour Party. From the Auditor General's report we find that miners' phthisis compensation has been charged to Consolidated Revenue from the years 1925-26. In this connection the sum of £419,213 has been provided from Consolidated Revenue. For the last four years there has been charged to the funds of the State Insurance Office £25,000 a year, so the State Insurance Office has provided £120,000. For the eleven years since 1925, therefore, there has been contributed by a direct charge upon the Consolidated Revenue and the State Insurance Office in respect of compensation £539,213. Yet we find that members in this House and elsewhere say that it is not right that the State should levy a tax upon those who are receiving the basic wage. The Government in 1926 introduced the Mine Workers' Relief Fund. I understand that at the present time miners have to contribute 9d. a

week to that fund. Would any member of this House say it was unreasonable to ask of miners who will ultimately benefit from that fund that they should contribute 9d. a week towards the fund? I do not think anybody here or in another place would say that that was an unjust charge. If it is fair to suggest that a miner should contribute toward a fund which is to provide for him when he falls on evil days, may not the same argument be justly applied in connection with this Bill? Is it not reasonable to expect that those who derive benefits from free hospitals and free educational facilities should contribute their quota towards the expenses of maintaining the social services which they are fortunate enough to have the privilege of enjoying?

The Honorary Minister: They do not get free hospital treatment.

Hon. A. THOMSON: They do. Those who have anything to do with hospitals and who have come into touch with people who have had to be in hospitals know that if the patients are not in a position to pay, they have the privilege of free service.

Hon. G. Fraser: They have a special fund of their own.

Hon. A. THOMSON: Who have?

Hon. G. Fraser: The miners.

Hon. A. THOMSON: I am dealing with ordinary individuals at the moment. If it is fair and reasonable that men working on the mines should contribute towards a fund providing for their own relief at some future date, the argument can be put up with a considerable amount of justice that all those receiving benefits from social services should contribute their quota towards the maintenance of those services. I am not asking that the Government should have less money to spend. I am basing my remarks on the report made by the Premier himself. He stated there was no intention of raising more money but that the Government were only adjusting the incidence of the tax. But in view of the position we shall have to face sooner or later of providing more work for men, and in view of the fact that the Government received £1,000,000 more last year than their predecessors, it should be possible to adjust matters in a more reasonable way. I think the Government should carefully reconsider their views. It is not unreasonable to ask that there should be a proper review of our finances. There is no necessity for an emergency tax

because the reduction in the salaries of Government employees during the depression has been restored. In view of that fact, the Title of the Bill is a misnomer. It cannot be said that there is a state of emergency. This is a definite tax, and I am in accord with those who say that as the Government are going to bring down a comprehensive taxation measure next year, let them go through the matter carefully and bring down an amendment of the income tax which will at least do justice to those that have families. I do not think there is any necessity to amend the Act in the manner in which it has been amended.

[The Acting President (Hon. J. Nicholson) took the Chair.]

THE HONORARY MINISTER (Hon. E. H. Gray—West) [9.0]: I shall be very brief in my remarks, but I wish to comment on some of the statements that have been made to-night. I do not propose to make any extended references to the oft-repeated statement about the compulsory contribution of 25s. a year by sustenance workers. Members should appreciate that it is lawful for all bodies of men to organise—professional men, business men, tradesmen, primary producers, pastoralists. They may form properly organised bodies and, by their own acts, declare what rate of subscription shall be paid, when it shall be paid, and how it shall be paid. In so doing, they are acting quite within the law. There is no Labour organisation operating in this State that is not democratically controlled by the workers. The members have the whole of the management in their hands, and can decide what subscriptions they shall pay, and what officers they will have.

Hon. J. J. Holmes: Will you connect your remarks with the Bill?

The HONORARY MINISTER: For years Mr. Holmes has stressed, with great sincerity, the financial ruin confronting the State if Governments persisted in the existing financial policy. Let me point out that there is a far greater danger confronting this State, and this danger I can connect with the action of the Government in proposing to exempt from financial emergency taxation workers in receipt of the basic wage. The greatest danger confronting this State is the unwillingness of all sections of the community to bear children resulting in a declining birth rate which is the greatest

menace in all British communities to-day. That applies to all British communities.

Hon. A. Thomson: Will this Bill remedy that? I am afraid not.

The HONORARY MINISTER: That fact is recognised by all thinking people, great though our financial troubles might be. If we impose additional financial burdens on basic wage workers, we shall add to that danger by restricting their ability to rear families.

The ACTING PRESIDENT: May I ask the Honorary Minister if he intends to connect his remarks with the Bill?

The HONORARY MINISTER: I am trying to connect them with the statements made in criticism of the exemption of basic wage workers from financial emergency taxation. It is impossible for a worker on the basic wage, notwithstanding that he receives free education and free medical service, to rear a family if he follows the advice of the medical profession and teaching profession, as demonstrated in infant health and maternity centres and in schools. The average father and mother strive to provide a much higher standard for their children than was formerly the rule, even to the extent of sacrificing necessities for themselves, in order to conform to present-day teachings. That justifies the Government in exempting basic wage workers from this taxation. We cannot do without the working class.

Hon. A. Thomson: Whoever suggested that we could?

The HONORARY MINISTER: One must recognise that fact.

Hon. V. Hamersley: They often go on strike.

The HONORARY MINISTER: Notwithstanding all the organised efforts to raise the standard of the working class, the gap between the leisured class and the working class remains as wide as ever. In olden days, people were content to show their superiority by driving a buggy or sulky. To-day a man shows his superiority over the driver of a Ford car, or the man who cannot afford a motor, by driving an expensive car. When members coolly argue that we must have equality of sacrifice, I reply that the basic wage workers with dependants are contributing greater value to the social life of the community by rearing a family as it should be reared than is the man in receipt of £15 a week who is asked to pay a little more into the common pool. The basic wage

worker is doing quite enough. It is impossible to arrive at a schedule of rates that would be fair to everybody. There must be anomalies. The only fault with the rates in the Bill, to my mind, is that they do not go high enough. When we compare our taxation with that imposed in Great Britain or the Eastern States, we should consider ourselves fortunate in escaping so lightly. No hardship will be inflicted upon anybody by exempting the basic wage workers from this taxation. Those men on the basic wage are contributing their share toward the welfare of the community by looking after their homes and families. I support the second reading.

On motion by the Chief Secretary, debate adjourned.

[The President resumed the Chair.]

BILL—FACTORIES AND SHOPS ACT AMENDMENT.

Second Reading.

Debate resumed from the 19th November.

HON. W. J. MANN (South-West) [9.9]: I may as well indicate at the outset that I propose to vote against the second reading. My chief reason for so doing is that I believe the Bill is wrong in principle. The Minister for Employment in another place indicated that the Bill had been introduced to improve the wages and working conditions of certain classes of employees. In that statement alone I recognise a very definite indication that the main feature of the Bill is to abrogate the powers of the Arbitration Court. That is my reason for believing that the Bill is wrong in principle. It has been said, and I dare say the statement will be repeated during the debate, that the measure is designed to cover persons who do not come within the scope of Arbitration Court awards. That may be so, but it does not warrant Parliament in intervening. It is not the fault of the Arbitration Court, or of the arbitration system, that some people are not within the ambit of the awards of the court. The Bill is wrong because it creates the position that while certain sections of workers shall be catered for by the Arbitration Court, another section shall look to Parliament as their tribunal. Had the Chief Secretary intimated that the Government proposed to abolish the Arbitration Court, one could agree that the

necessity had arisen for the introduction of such a Bill. Such extreme action, of course, is not contemplated, and I hope it never will be. With all its faults, the Arbitration Court is a very valuable institution. Properly conducted, and functioning as originally designed, the court is the sanest, most equitable, and most effective means of regulating industry that one can imagine. I have dipped into the history of the Arbitration Court in this State to ascertain what was in the minds of its sponsors. A perusal of the debates that took place years ago makes instructive reading. When one views the position to-day and recalls what was in the minds of the sponsors of the Arbitration Court in the early days, one realises how far we have moved along the road and how greatly conditions have altered in various ways. Previous to the introduction of the measure that gave birth to the Arbitration Court, the experiences of industry through a number of big industrial upheavals had impressed upon Labour leaders the fallacy and futility of expecting Parliament to deal with the normal control of industry. Organised labour, under such conditions, it was believed, could never assume what was thought to be its rightful place in the community. Labour leaders saw in the action of Parliament endeavouring to handle industrial affairs a danger of bias, and the risk of Governments who sponsored such legislation not being to their way of thinking. They realised there was bound to be a swing of the pendulum politically, and that the time would come when they would not be on the Treasury benches. Hence they decided to work for an Arbitration Court. They strenuously advocated the system of industrial arbitration with a properly constituted tribunal. From every platform and in every Parliament where this matter was discussed, special stress was laid on the non-intervention by Parliaments in industrial disputes. In that way they showed they had no faith in Parliament in work of this kind. They said "Give us laws that will permit organisations of workers, and employers who may desire also to organise, and then give us an Arbitration Court to which they may appeal. We want one representative on our side, and one on the other side, with an impartial chairman. When this has come about, we can produce evidence, and that will enable our differences with regard to the regulation of

trade customs, usages, conditions and remunerations, etc., to be fairly adjusted." Again and again Labour representatives in and out of Parliament urged the removal of influence in these matters from the hands of legislators. In 1924 the then Minister for Works, Mr. McCallum, introduced a Bill containing important amendments to the Industrial Arbitration Act. He made a notable speech, which, after the lapse of 12 years, still makes interesting reading. He referred to the danger of Parliament interfering in industrial affairs, and one may take it that he meant to bring down legislation that would make this question wholly the function of the Arbitration Court. In the course of his remarks he said that non-interference in industrial disputes was the accepted policy of practically all Parliaments in Australia. The doctrine of non-interference was stated by Sir William McMillan at the Federal convention in 1888 when he said that he held, and every year of his political life had made it a more sacred principle to him, that the less Governments had to do with trade control, except in acting as policemen for the betterment of the community, the better it would be for all concerned. Governments should indeed not interfere except to preserve law and order. Mr. McCallum quoted a number of authorities along the same lines, to show the necessity for having a tribunal that would take evidence on these questions, and come to a decision. Such a tribunal would obtain a proper survey of the industry under discussion in a way that is not possible on the part of Parliament. Amongst the authorities quoted by Mr. McCallum was the late C. C. Kingston, a man who, all will agree, played a prominent and wonderful part in the politics of Australia.

The Chief Secretary: And his work stands good to-day.

Hon. W. J. MANN: I am glad to hear that interjection. My objection to the Bill is that it departs from that principle. Mr. Kingston is reported to have said that it would be a good thing if the House took proper steps to compel parties to industrial disputes to refer their difficulties to a tribunal in which the public had full confidence. He was referring, of course, to the Arbitration Court. In bringing down this Bill I contend that the Government are deliberately endeavouring to get behind the

court. It is not the fault of the court that certain people it is designed to cover are not working under an award. If there is any blame for this, it is attachable to the people themselves. The facilities are there for them. It is lawful for them to organise, and the court is a proper place for them to go to. I sometimes feel that this and other Governments in Australia have so far departed from the spirit of the years I speak of that by their actions they are somewhat belittling the Arbitration Court. We have had the spectacle on several occasions of strikes, and of action being taken by the court to deal with those who have broken the law. The court in its wisdom has inflicted fines on quite a number of men and unions. I heard it said not long ago in the case of a union that was fined, that not only had the fine never been paid, but that it never would be paid. One gentleman said he would dare the Arbitration Court to collect the money. That is not the way to bring industrial peace into the country. I do not charge the present Government with supporting that kind of thing; I think too much of them for that. But this is evidence showing that we have to stand up for the court. The Bill provides for the regulation of hours, wages, holidays and conditions. We are asked to adjudicate upon the necessity for this legislation without anything else to guide us but a Ministerial statement. I do not wish it to be assumed that the Minister in charge of the Bill has endeavoured to mislead the House. Much of what he has said I believe to be true. My contention is it is not for Parliament to deal with these questions whilst we have an Arbitration Court. The court is the most powerful factor for peace and order and for the industrial uplift of any country. Let us keep to that court. Where the Act is found to be defective, we can, at any time amend it. I believe that unions have a just grievance against the court with respect to the time taken in getting their cases before that tribunal. I made inquiries recently to ascertain how far the complaint was justified. I was told on excellent authority that the president and the two representatives had a full-time job. Whilst the hours they spent on actual court work did not seem to be very great, a tremendous amount had to be done in reviewing evidence, compiling minutes, and arriv-

ing at decisions. I can well believe that. I have had some experience of courts of another kind, and know how much time can be taken up in that direction. Many of these cases take days and weeks to be heard, and reams of evidence have to be sifted. It is not an easy job, but I feel that the position is not being improved. These people complain that they have been forced to take direct action because they could not get before the court. There is some justification for that view. Whilst I realise it might be expensive and difficult to duplicate the court, I believe something should be done in that direction. There are boards which do good work, but something more is required to give better effect to the principles of arbitration as we recognise them. Many of the clauses in this Bill will have a far-reaching effect. I believe in the universal Saturday half-holiday. Not many years ago I was able to introduce that principle into my home town. Single-handed I took up the question of the Saturday half-holiday, and, by a steady advocacy of it, I won over a sufficient number of traders to give it a trial. It ran for about three months. During the last two months, more curses were heaped on my head than has ever been the case since. I was the most unpopular person in the community. Eventually a referendum was taken and I was blown to ribbons. I hardly had a supporter left at the finish. The town reverted to the old order of things, and to-day the people there have had quite enough of a Saturday half-holiday. Whilst I believe in the principle a large number of country centres—there is one exception which adopts the Saturday half-holiday—have urged me to oppose it here.

Hon. J. Nicholson: Even your own town?

Hon. W. J. MANN: My own town has threatened what it will do if I do not oppose the principle. I am not in accord with the idea of bringing two or three members of a family under the Act. That interferes too much with the liberty of the individual. The Minister who introduced the Bill in another place could not have attached much importance to it when he stressed at considerable length the necessity for dealing with people who made jams, sauces and pickles in their own homes. I say definitely, and most members will agree with me, that if the best jams, pickles, preserves and so forth are required, they can be procured from homes. Ninety-nine per cent. of the home-made

articles are the best. The Health Act should cover such phases as hygiene, pure foods and so forth. I do not think there is in the Bill any menace to fair competition. That point has been raised, and it is said that the Bill is necessary to ensure fair competition in many directions. I have looked around many of these small places and have often wondered how anyone could reasonably lodge a complaint on the score of serious competition. In most of the small factories inspected I found the plane, the handsaw and so forth in use, while the people who complained about serious competition had the benefit of the latest machinery and up-to-date tools. Where one individual can make a door or a gramophone case by hand, the other fellow can turn them out by the dozen, and certainly should be able to stand up to whatever competition there may be. There is not much to worry over in that respect. Another section of the Bill that I agree with refers to the principle of payment to women.

The Chief Secretary: Then why vote against the Bill?

Hon. W. J. MANN: I have already weighed the Bill up.

Hon. J. J. Holmes: There is not enough good in it.

Hon. W. J. MANN: No, not enough good to leaven the whole. Provision is made for the payment to female workers over 21 years of age of the basic wage for their sex. I am in favour of that, provided that the female is experienced and has proved capable in her work.

The Chief Secretary: The basic wage is for the unskilled worker.

Hon. W. J. MANN: Is there any unskilled worker?

The Chief Secretary: Yes, what is termed unskilled.

Hon. W. J. MANN: That is quite different. In most directions in which girls and young women are engaged there is a certain amount of skill required, even though they may be shop assistants selling products over the counter.

The Chief Secretary: I hope the hon. member is not mixing up the basic wage with the minimum wage, which is different.

Hon. W. J. MANN: I am talking about the basic wage which, I understand, is about 50 per cent. of that paid to the male worker. I favour that because there is nothing more deplorable than to expect a young woman to hold her head up and join in the social

amenities of young womanhood without being reasonably paid. We should see to it that young women receive what is their due. We look up to them, and we should see to it that they are not expected to work for a mere pittance, for that would have a degrading effect on them.

Hon. J. J. Holmes: Is that not for the Arbitration Court?

Hon. W. J. MANN: I believe, of course, that the court should say what should be paid, but I believe the Bill has been designed for that purpose. Clause 52 deals with the occupiers of the factories and seeks to provide that the employer must cease work when the employees cease. Briefly, I think that is impertinent.

Hon. H. Tuckey: It is worse than that.

Hon. W. J. MANN: If a man cannot go into his own business premises, which probably represents his all, and do a little extra work that may be essential to satisfy a customer, without being brought to book by some inspector, then I think we are travelling in the wrong legislative direction.

The Chief Secretary: The Bill will not prevent that.

Hon. W. J. MANN: Then I have a wrong conception of the measure.

The Chief Secretary: Entirely wrong.

Hon. W. J. MANN: Then many other members of Parliament and the general public have an entirely wrong impression of the Bill. I think the Minister should indulge in some lively propaganda to persuade most members of Parliament and the public generally that the Bill is not what it is really thought to be.

Hon. J. J. Holmes: The Minister said he had the power already, but that turned out to be wrong.

Hon. W. J. MANN: Then there is the proposal to deal with partnerships. That strikes at a very essential portion of our commercial life. If I have a business and I say to one of my employees, "I will give you a small interest in this business in order to quicken your enthusiasm"—

The Chief Secretary: And in order to evade an industrial award.

Hon. W. J. MANN: Not necessarily for the purpose of evading an award at all. We are not clairvoyant, and we cannot read people's minds. There may be odd instances where the object is to defeat the provisions of an award, but there are very many instances where that objective would not enter into the matter at all. I have had some ex-

perience along these lines, and I know it proved wonderfully effective, and there was not any question of evading an award.

The Chief Secretary: That may have been a genuine case.

Hon. W. J. MANN: Most of such instances are genuine, and I do not like this particular phase of the Bill. The law should not be allowed to enter into such matters. When I say that I approve of partnerships, I want to modify that statement by saying that I believe in partnerships that are entered into for the conduct of businesses, so long as those partnerships do not come within the ambit of the Criminal Code. If there is anything unlawful about such a partnership, I do not propose to condone it. Then there is a provision relating to the branding of goods. I am in accord with that proposal. I think manufacturers should place their names on their work. If the goods are of such quality that manufacturers are ashamed of them, then they are not of much use in the community.

Hon. J. J. Holmes: We can catch them under the Trades Description Bill.

Hon. W. J. MANN: Yes. I could continue my remarks at greater length, but I think I have made it clear that my objection to the Bill is that it definitely attempts to get behind the Arbitration Court. As a supporter of industrial arbitration, I oppose the second reading of the Bill.

HON. H. TUCKEY (South-West) [9.40]: Although I have received a few requests to support the Bill, the great majority of people in the South-West Province are opposed to it. The Bill contains many clauses that should not be included in such a measure. I have in mind particularly matters that should be dealt with by the Arbitration Court. It is the duty of Parliament at all times to support laws already passed, and not to undermine them by the passage of Bills of this description. I oppose the proposal to establish a universal half-holiday on Saturdays. Towns and municipalities already have the legal right to decide that question for themselves. In the South-West Province there are a large number of holiday resorts, and if the Bill were to become law, many of the people who have businesses at those resorts would be prevented from continuing their usual week-end trading and would have to go out of business. Farmers prefer to do their shopping on Saturday afternoons. There are other matters dealt with in the Bill that are not acceptable to the people in my

province. I would instance the provision regarding small factories. There are a number of such factories in country areas, many of which are conducted by one individual. In some instances they manufacture goods that can be turned out more cheaply than similar goods can be obtained if purchased in the city, involving the cost of transport. If those one-man factories are made to comply with the provisions of the Bill, it will be altogether too drastic. There are many other points that I might discuss, but the Bill has been fully debated. I have no doubt members have already made up their minds how they will vote. If the Bill be agreed to, it will have far-reaching effects. I oppose the second reading.

HON. G. FRASER (West) [9.44]: I shall be brief in my references to the Bill, and shall be the first to congratulate the Government upon introducing such a measure. So far the trend of the debate has been in the opposite direction. I congratulate the Government because such a Bill is long overdue. Last year a somewhat similar measure was before Parliament, but it was not passed. One of the main objections to the Bill is that it contains a clause that will bring factories where fewer than four persons are employed under the provisions of the legislation. It has been asserted that it is necessary for certain privileges to be given to persons who employ fewer than four persons. Great regret has always been expressed in this State because of the few manufacturing concerns that we have here. To my mind one of the reasons for that is the unfair competition that has been permitted, in consequence of which manufacturers will not set up establishments here. The opponents of the Bill would seek to carry on that state of affairs, and so it seems that the same state of affairs is to continue. By their attitude members are encouraging brass plates instead of chimney stacks. Members, in stating their objections, have not been fair to the Bill. One of the clauses lays down certain hours for the carrying on of motor garages and service stations, and it is said because of that a number of people will be interfered with. But I have yet to learn why special treatment should be given to the owners of service stations, or that the commodity they sell is of greater importance than other commodities sold elsewhere.

Hon. G. B. Wood: What about the liquor trade?

Hon. G. FRASER: On a day like yesterday it would be difficult to say what the hours of trading in liquor should be. But, as I say, I have yet to learn why a motor service station should be treated more favourably than are other concerns. But because it is proposed to restrict the hours of business in those places, the Bill is to be strenuously opposed. But opponents of the measure have not mentioned that there is a saving clause which permits all cases of urgency to be attended to in service stations.

Hon. J. Nicholson: Which clause is that?

Hon. G. FRASER: Clause 39. By interjection we have been told that that clause refers only to parking, but I can assure members that they will find it refers to all sides of the business.

Hon. C. F. Baxter: How can they afford to keep a man there for a particular job?

Hon. G. FRASER: We are often asked why should the employer be stopped from doing certain things. But in this measure the employer and employee both are desirous of this proposed alteration.

Hon. C. F. Baxter: Only some of them.

Hon. G. FRASER: I understand it has been agreed to by their association and that both sections of the trade have requested that the alteration be made. The idea behind that request is, of course, that if it were granted in law everyone would be on the same footing and there would be no unfair competition. It applies only to the metropolitan area and the goldfields. Because the Act prescribes that certain hours shall be worked in shops, warehouses and factories, together with the fact that provision is made for certain holidays to be observed, and that a certain wage shall be paid, we are told that all this is interference with the Arbitration Court. But all that the Bill does is in one instance to lay down the maximum hours that shall be worked.

Hon. W. J. Mann: Why not lay down the maximum hours for working in a hotel?

Hon. G. FRASER: The Bill sets down the minimum number of holidays to be observed. All other matters are left to the court to award what they think fit. Even if the Bill were all that those members who are opposed to it say, would it be any different from other measures that have been passed by this House? Have we not passed laws and prescribed that for an offence against those laws the penalty shall be £30 or £50, as the case may be? Do not we lay

down the maximum in those cases? Of course we do, and if we laid down the maximum in those cases, why should we not lay down the maximum or the minimum in this instance? We never heard that we were interfering with the court because we laid down the maximum or the minimum penalty, yet that is the position that we find here, and we are told that we are interfering with the Arbitration Court. Another matter is the question of the general Saturday half-holiday. Some members have gone to considerable pains to show that this proposal is wrong, and they have even quoted a little place with the proverbial two men and a dog.

Hon. G. B. Wood: What place is that?

Hon. G. FRASER: The hon. member mentioned a place, Pantapin, or some such name.

Hon. G. B. Wood: No, I did not.

Hon. G. FRASER: I interjected, and you repeated the name. We have had these protests from all sorts and sizes of places, but I have to learn that there will be any greater difficulty about the Saturday half-holiday in those places than there is in the metropolitan area.

Hon. A. Thomson: You ought to go and live in the country.

Hon. G. FRASER: It would be ridiculous to say that no other day but Saturday is the day on which the shops shall be open in order that the farmer may make his purchases. The arguments put up against this Bill were put up in the days of my forefathers, when arguments the same as those we have heard on this Bill were trotted out in opposition to any proposal to improve the conditions of the workers. So the same arguments still live, and in plain language to-day they have whiskers on them.

Hon. H. Tuckey: And very good ones, too.

Hon. G. FRASER: Even Australian people used to hold up Western Australia as being in the forefront of industrial legislation. During the time I have been a member of this Chamber, I cannot recall an instance where legislation for the improvement of our industrial conditions has been agreed to; rather have we found overwhelming opposition in every instance. So while the world is progressing in that respect, Western Australia stands still. We hope that hon. members will see their way clear to passing the second reading of the Bill in order that some efforts may be made in Committee to

find redress for those things that require correction. During the debate we have heard much about football teams. The discussion on this Bill reminds me of a football match with the Bill as the football. Unfortunately, whilst the opponents of the measure have a full team with a few reserves, those of us who support the measure have only half a team, and it appears to me that immediately the ball is bounced our opponents will be successful in having it pushed out of bounds. I will support the second reading.

On motion by Hon. J. Nicholson, debate adjourned.

BILL—METROPOLITAN MILK ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

HON. W. J. MANN (South-West) [9.58]: On this occasion I find I can support the Government. It is much nicer to be able to do that than to have to oppose their legislation. The success achieved by the Metropolitan Milk Board is a matter of congratulation to those who strenuously advocated the original Bill four years ago. At that time there were hostile prophecies regarding the possibility of the original Act being of any benefit. We were told it would never be possible properly to control the whole milk industry, and we were told that in no uncertain terms. It was pointed out that there were many factors and that it would be impossible so to regulate the industry that it would be controlled. The experience of the last year or so has proved that those hostile prophecies have been effectively negated. Although those opposed to the Bill said it was going to do harm to certain people, and although those people did their best to defeat the Bill at that time, the results have proved most satisfactory. I congratulate the board responsible for the administration of the Act. They were beset with all kinds of difficulties, and what was most noticeable in the early history of the board was that a great deal of opposition was engineered by men who should have known better. Last year the Act was brought before Parliament for review in the light of the experience that had been gained, and on that occasion quite a number of anomalies were straightened out,

and the measure made more workable; so that now one can very confidently support the suggestion for a three years' life for the board. To my mind, three years is little enough; I would have been prepared to support five years. It is essential for the continued satisfactory working of the Act that the board should be given some guarantee of continuity of effort. The increased consumption and the quality of milk offered for sale, with a corresponding better price for the producer, are very satisfactory features. There is no doubt that the introduction of this legislation did have a salutary effect on some of the people engaged in this very important business. I am glad the Minister last night presented the details of the contributions made under this Act, because recently it was suggested that the board were holding a large amount of money in their compensation and general funds. It was alleged that the amount of money being held was more than was necessary for the board's needs, and it was contended that the rates of contribution should be considerably reduced. To-day I had an opportunity of examining the position of those funds, as shown by the figures submitted by the Minister, and I am satisfied that the statements were made to me under a misapprehension by people who did not quite appreciate the position. In the dairy-men's compensation fund in June last there was just under £3,000. Those of us who know the wide ramifications of the industry would quickly realise that that amount would not go far in the direction for which it was needed. Consequently, in my humble opinion, there is a very definite necessity for a continuation of the levies for some time to come. I should like to see a substantial fund built up so that the people who are engaged in the industry will know their actual strength, and I am sure it will make for a better realisation of the importance of the industry and the importance of the value of the business. The milk vendors' compensation fund was necessarily larger—£4,450. Again, that amount of money would not go very far if the fund were called upon to any great extent. It is sound policy to build up the compensation funds until they are in a sound condition. The proposal to expend £1,000 in propaganda for the greater consumption of whole milk has my heartiest support and, as the Honorary Minister said

last night, there is no better beverage for human beings, and particularly the young, than pure milk. The money spent in that direction will be productive of bigger business. It will have a twofold object—the greater consumption of pure milk will tend to build up the individual, and, secondly, which is an important factor, it will strengthen the position of the most worthy man in the land, the dairyman, who works seven days a week and 365 days a year.

THE HONORARY MINISTER (Hon. E. H. Gray—West—in reply) [10.7]: I am very pleased that the Bill has been received so favourably by the House. It will be a great encouragement to the Milk Board, who are pursuing a wise policy. There is a big field for the board to work on, and the Bill will give them the opportunity to expand.

Question put and passed.

* Bill read a second time.

In Committee.

Hon. V. Hamersley in the Chair; the Honorary Minister in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 7 of the principal Act:

Hon. J. NICHOLSON: I wish to draw attention to the fact that there are some women's organisations desirous of being represented on the board. I should be interested to hear whether there is any possibility of such representation being provided for.

The HONORARY MINISTER: There are women's organisations that require representation on every Government activity, and this board is not exempt from those claims. It is not considered advisable to alter in any way the constitution of the board. Moreover, it would be unwise to swap horses while crossing the stream. Generally speaking, committees composed of both sexes are not always very successful.

Clause put and passed.

Clauses 3 and 4—agreed to.

Bill reported without amendment, and the report adopted.

House adjourned at 10.13 p.m.

Legislative Assembly.

Wednesday, 25th November, 1936.

	PAGE
Questions: Water Supplies, agricultural areas—	
1, Holding fee; 2, Maddington settlers ...	2106
Education, High School for Fremantle ...	2107
Unemployment relief, standing-down period ...	2107
Electricity supply, current, profits, pumping, etc. ...	2107
Bills: Reserves, 1a. ...	2108
Federal Aid Roads Agreement, 1a. ...	2108
Geraldton Health Authority Loan, 1a. ...	2108
Industries Assistance Act Continuance, 3a. ...	2108
Guildford Cemeteries, 3a. ...	2108
Dairy Industry Act Amendment, report ...	2108
Lotteries (Control) Act Amendment, report ...	2108
Pensioners (Rates Exemption) Act Amendment, 2a. ...	2108
Western Australian Bush Nursing Trust, 2a., Com. report ...	2108
Dividend Duties Act Amendment, returned ...	2148
Annual Estimates 1936-37: Votes and items discussed—	
Railway, etc. ...	2109
State Batteries ...	2146
Cave House ...	2148

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

QUESTIONS (2)—WATER SUPPLIES, AGRICULTURAL AREAS.

Holding Fee.

Mr. WARNER asked the Minister for Water Supplies: In view of the fact that the £5 holding fee charged by the department is considered by farmers to be excessive, will he introduce an amendment of the Water Boards Act to provide for the abolition of the fee?

The MINISTER FOR WATER SUPPLIES replied: The rating of a country land holding consists of a fixed annual rate (£5) and a rate per acre, and is sufficient only for necessary revenue for the service provided. If one portion of the rate is reduced the other must be commensurately increased, thereby upsetting the equitable incidence of rating and yielding no general benefit to farmers. No amendment to the Acts concerned is at present contemplated.

Maddington Settlers.

Mr. SAMPSON asked the Minister for Water Supplies: 1, Does he realise that water supply is essential to poultry men and other small farmers? 2, Is he aware that residents on Maddington-road off Albany-road, Maddington, within a short distance of the water main, are unable to obtain connection with the main which runs along Albany-road? 3, As those concerned