

MOTION—CROWN SUITS ACT, 1898.

Debate resumed from 3rd December.

The COLONIAL SECRETARY (Hon. J. D. Connolly): I had not intended to speak on this motion. I only wish to say that while not agreeing entirely with what has been said by the mover, no doubt some legislation is wanted in that direction. However, I do not think any Government would be prepared to go to the extent mentioned by Mr. Moss: that is, to place the Crown in the same position as a private individual. But whether the motion be carried or not it is not at all likely that a Bill will be introduced for this purpose this session. It would take some time to consider it and the time at the disposal of the Government will not permit it.

Question put and passed.

House adjourned at 8.3 p.m.

Legislative Assembly,

Thursday, 10th December, 1908.

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

QUESTION—LAW REPORTS, BINDING.

Mr. JOHNSON asked the Attorney General: 1, Is the Minister aware that the successful tenderer for binding of 450 Law Reports has no plant to execute the work. and, in consequence, has to sublet the contract? 2, In view of the many

promises made to those interested, will the Minister give the reasons why the usual clause against sub-letting was left out of this order? 3, Will the Minister, in order to arrest the rumour in the trade that this work has been sent out of the State, give the name of the factory in which the work is being done in this State? 4, If not, will he give the reason why such secrecy surrounds this contract?

The ATTORNEY GENERAL replied: 1, No. 2, The binding was only a portion of the order given. The missing parts necessary to make the Law Reports complete constituted the greater portion of the order, and were only obtainable from the Law Book Co. of W.A. (late Bull & Hale). It was therefore in the interests of the Government to include all the work in the one order, instead of treating separately with publishers, printers, and bookbinders. 3, The Law Book Co. of W.A. (late Bull & Hale) assure me that the work is being done in the State, but object to giving the name of the factory or factories. 4, Answered by No. 3.

QUESTION — PHOSPHATES, UTILISATION.

Mr. HAYWARD asked the Minister for Agriculture: 1, Will a supply of the newly discovered phosphates be available to enable potato growers to test their value on the crops which will be planted during next month? 2, Also will he arrange that trials may be made at the State Farm, Brunswick.

The HONORARY MINISTER replied: 1, Yes, to a few growers only at present. 2, Arrangements are now being made to conduct trials at the Brunswick and Hamel State farms.

QUESTION—EARLY CLOSING PROCLAMATIONS.

Mr. BOLTON (for Mr. Angwin) asked the Attorney General: 1, Did the Minister make the proclamations gazetted in 1907 and 1908 under the Early Closing Act, 1902. on the advice of the Crown Law Department? 2, Will the Govern-

ment test the validity of the decision of the Court declaring such proclamations illegal by appealing to a higher Court?

The ATTORNEY GENERAL replied: 1, Yes. 2, The Government are not a party to the proceedings.

QUESTION—HANSARD, COST OF PRINTING.

Mr. JACOBY asked the Treasurer: 1, What was the cost of printing *Hansard* for each session of last Parliament? 2, The number of copies printed and the number of volumes bound for same period?

The TREASURER replied: 1, 1st session, £547 17s.; 2nd session, £2,040 6s.; 3rd session, £791 12s. 7d.; 4th session, £474 16s. 9d.; 5th session, £112 12s. 3d. 3rd, 4th, and 5th sessions include cost of printing copies for volume previously printed separately and charged in cost of volume. 2, 1st session, quantity not available, £120 4s. 3d.; 2nd session, 180 sets of two volumes each, £385 16s.; 3rd session, 180 volumes, £56 10s. 3d.; 4th session, 180 volumes, £66 6s. 1d.; 5th session, 150 volumes, £41 4s.

BILL—WINES, BEER AND SPIRIT SALE ACT AMENDMENT.

On motion by the Treasurer, report of Committee adopted.

BILL—LAND AND INCOME TAX.

Second Reading.

The TREASURER (Hon. Frank Wilson) in moving the second reading said: It is unnecessary for me to emphasise the need for these land and income taxes. We have for the past 18 months or two years debated the question pretty fully in this Chamber, and the need for imposing taxation of this description is as apparent, if not more apparent, to-day than it was on the occasion upon which we proposed to initiate the taxes. Therefore, I do not propose to go over the old ground and give the causes for the shortage or otherwise of the State revenue. I realise that the Leader of

the Opposition does not blame Federation for the shortage of revenue, and therefore I presume he does not blame Federation for the need for this direct taxation. On the contrary, I think that to some extent it is responsible. I realise there is a great change in the incidence of revenue and, as I demonstrated clearly when delivering the Budget speech recently, there is great necessity for the revenue we shall derive from this taxation measure. It must be realised at once that when we had a change in our revenue, and our intercolonial customs were swept away, the return from the Commonwealth was much lessened. This has been demonstrated time after time, so far as Western Australia is concerned, the amount lessening enormously during the six years. There is no need for me to go into the necessity for obtaining the revenue we shall get from this measure; nor, I think, is it necessary for me to labour the question that we shall require to collect the whole of the tax in one sum. If we cannot get the full amount estimated to be received, namely £90,000, members will see at once that we shall be increasing the accumulated deficit instead of balancing the accounts, as we hope to do at the end of the financial year. I will pass that over and will refer to what has been done in the past in regard to the land and income taxes. The amount collected up to the end of the last financial year, that is to the 30th June, is, as shown on the Estimates placed before members when I delivered the Budget speech recently, £17,073, made up of land tax collections, £11,140, and income tax, £5,933. Up to the end of last month, that is to the 30th November, the Commissioner had collected a total of £30,194. From the land tax he had received £15,281, and from the income tax £14,913.

Mr. Bath: Are those the totals for the six months?

The TREASURER: The totals to the end of November. The office was established in February, and it took two or three months to get the first assessments out. In round numbers these figures embrace collections for about six months.

As I have said, up to the end of the last financial year we had collected just over £17,000.

Mr. Bath: The tax was only imposed for six months.

The TREASURER: No, no, the tax was imposed for the year, but we were only empowered to collect half the original taxes.

Mr. Johnson: What were the figures?

The TREASURER: Up to the end of November the land tax amounted to £15,281 and the income tax to £14,913; giving a total of £30,194. Of course hon. members will realise that all the assessments are not yet completed and that returns are still coming in.

Mr. Jacoby: To the end of what period?

The TREASURER: To the end of the last financial year. We are still collecting on the last financial year's assessments.

Mr. Jacoby: But nothing of this year.

The TREASURER: No, we cannot do that until this measure is passed. The indications are that the Commissioner's estimate of £40,000 in round figures—that is £20,000 from each tax—the indications are that this estimate will be fairly accurate. Up to the present it is so. The figures go to show that the Commissioner has been very accurate and that the balance will bring him in the odd £10,000.

Mr. Johnson: Is that £5,000 from each tax?

The TREASURER: In round figures, yes. The land and income taxes are providing practically the same amount.

Mr. Butcher: There is £10,000 still to come in? That means £60,000.

The TREASURER: No. An amount of £30,000 has been collected, and there is still £10,000 to come in; that will be £40,000. This measure, as hon. members will see, provides simply that a tax of 1d. on land and 4d. on incomes shall be imposed, the same as last year but with this difference, that we will collect for the whole year. That is to say, we will get 4d. and 1d. respectively, instead of 2d. and ½d. The land tax of course, although it is 1d. on unimproved land, is further reduced by

the Assessment Act to ½d. on improved land, the income tax being 4d. in all cases except in that of an absentee. The estimated amount to be derived from this measure during the present financial year is £90,000 as shown on the Estimates. We expect to receive the £23,000 arrears I have referred to. Of this £13,000 has already been collected, leaving only £10,000 more to collect to make up the arrears; and the Commissioner expects that his second assessment—which will approximate £80,000 the same as last year—when finally realised will produce during the remainder of the present financial year £67,000. He expects that of this year's assessment £13,000 will be in arrears when the financial year closes. So that the actual position at the end of the year will be that the Commissioner will receive the £23,000 arrears from last year, together with the £67,000 which he anticipates getting this year out of the £80,000 estimated to be due under the second assessment; making a total to be actually received this year of £90,000.

Mr. Johnson: Is that £45,000 from each tax?

The TREASURER: Approximately, yes. The actual amount he has to collect this year is £77,000. It has often been argued, and perhaps some may adduce the same argument to-day, that the tax is not worth collecting, because the cost of collecting is excessive. I wish to point out that any arguments based on figures of the past in connection with this matter cannot be taken as a fair criterion. Because in the case of a new establishment it has to be got into running order. One cannot at once get it running as cheaply as if it had been running for several years. But notwithstanding what has been said in the Press, and by other people who do not know, the Commissioner has run his office in an extremely satisfactory and economical manner. The actual expenditure up to the 30th June last, being the end of the last financial year, was £3,911; and of this sum, at least £2,500 was due to initial expenditure—expenditure which will have its effect so long as the office is running. Up to date the expenditure has only been £7,251 and about half of that total is due

to initial expenditure in connection with the establishment and foundation of the new department.

Mr. Bolton: Is it likely to continue?

The TREASURER: Not beyond the next year or so. For the first two or three years it must continue. You have all the returns to make and tabulate and classify; lands to classify and a hundred and one different things to be got into running order in connection with a department of this sort, all of which cost a considerable sum of money.

Mr. Heitmann: One year should establish it.

The TREASURER: No, it has been proved in every State in which taxes of this description have been established that it cannot be done under two or three years. The position is that up to the end of last month, to collect £30,000 it cost the country—if we deduct this initial expenditure, which will not go on—£3,600 or a little over 10 per cent. on the amount collected. This is a very low amount indeed when one considers the small amount of the taxes. There is no other State in the whole of the Commonwealth in which they have so low an income tax, or land tax, except New South Wales. When we consider that for the same money we could collect a tax of double the amount, it will be realised that this expenditure is most economical. This year it is estimated that the whole department will cost £9,553. Of this amount £1,000 will be directly connected with initial work; that is, with land valuations in order that there may be a correct assessment of our land values; and £1,000 is provided for refunds of overpayments of land and income taxes. In many instances the assessments were proved to be wrong; and the Commissioner, when satisfied that this is so, has to make restitution just as, if he were to under-estimate, he has the full right to collect the difference. So we have a net estimate for the running of the department—including of course any other initial expenditure that has yet to be completed—by the staff, of £7,553 for the present financial year. This will equal 8½ per cent. on the total collections estimated to be realised. I do not

think any hon. member can take exception to this expenditure. It is most moderate, and although moderate it is no criterion as to the low percentage which will be reached in the future. The experiences of all the other States go to show that the expenditure in connection with taxation departments decreases very considerably after the first two or three years. Therefore it is reasonable to suppose that when the department is in full working order its cost will not exceed the percentage which I estimated in this House two years ago, namely 5 per cent. on the amount of the collections. To point out and emphasise the fact that we are imposing very light taxation in Western Australia let me give to hon. members the amounts imposed in other States. In New South Wales the income tax is 6d., while the land tax is the same as ours, namely one penny, but with no reduction for improvements. In Queensland the income tax on personal exertion is from 6d. to 8d., and on incomes from property, 9d. There they have no land tax. In Victoria the income tax on personal exertion is from 3d. to 6d., and the tax on incomes derived from property is from sixpence to one shilling.

Mr. Heitmann: What are the exemptions?

The TREASURER: I cannot tell exactly what the exemptions are. I gave them fully some eighteen months ago and I am quite prepared to look them up again if it be desired. The land tax in Victoria is only on very large estates. In South Australia the income tax on personal exertion is from 4½d. to 7d., and the property tax from 9d. to 1s. 1½d., the land tax being 1d. and 1½d. These compared with our taxes of 4d. and 1d., with a reduction of 50 per cent. on improved land, go to show that our taxation is the lightest of any in the Commonwealth. Passing on from that I want to refer to a statement made by the Leader of the Opposition; he said that many persons were avoiding payment of income tax in this State. No doubt to some extent this is true, and some of those who can avoid payment are doing so. But I want to

state here that the Commissioner is fully alive to this fact, and is doing his utmost to reach these persons and not only to collect their taxes but to inflict the penalties and fines which he is empowered to inflict under the Act. It is a stupendous task to organise an office of this description in so short a time—for it must be remembered that it has been only ten months in existence—to bring it into working order and prepare the numerous forms and regulations, and to start the accountancy system, to say nothing of answering the thousands and thousands of questions that necessarily come in, verbally and by post, on the introduction of a new system of this description. Of course the Commissioner has had his hands full, and I want to pay a tribute to the excellent work, the undying energy and care which he and his officers have displayed in their endeavours to protect the interests of the State and to collect as much as they can under the statute. A complaint was also made in regard to some members of a certain club in this State, namely, that they were boasting they got off, that they had paid the tax on a smaller basis than they were legally entitled to, or that they have avoided the tax altogether. Now I want to show that the Commissioner has exercised due care in this regard, and I shall quote five typical cases given to me where the Commissioner's care and watchfulness have secured the interests of the State in the matter of income tax collected. There is a taxpayer whom I will designate as A, who sent in his return and showed that he would pay on £886. After due inquiries and probing into the question, the Commissioner found that the facts supplied in the return were not correct and assessed him at £2,055. Another case is that of B, who put in a return showing net income amounting to £1,084. After due inquiries this assessment was increased to £1,948. The return put in by C did not show any net income at all, but the Commissioner got payment on £841 from that gentleman. A return was sent in by D, showing £8,093 as the amount of income on which he ought justly to pay tax, but the Commissioner made him pay

on £10,775, after making inquiries and investigating his books. A return for £560 was put in by E, but eventually the Commissioner showed E that it was wrong, and that he should justly pay on £1,206. The total returns of these five amounted to £10,623, whereas the Commissioner's assessments amounted to £16,825. The additional amount taxable in these five cases was £6,202 which, at 2d. in the pound, brought in additional revenue to the State to the amount of £51 13s. 8d. I am giving these figures to the House to show that the officers in the department are alive to a sense of their responsibilities and duties; and that notwithstanding that the Leader of the Opposition has said that some individuals would endeavour to avoid the payment of this tax, the officers are alert and are not only endeavouring to follow up everyone in the State responsible for paying this tax, but are also alert to see that the correct amount is collected. At this stage I will answer another complaint of the member for Brown Hill. So far it is too early to ask for a detailed analysis showing the incidence of the new taxation; the information is not available to make out that return, and it is too early to bring in an annual report that would be of value to members. However, the system that has been established is such that it should ultimately give to members of this House a complete tabulated return showing the incomes, say from £200 to £300 and the amount collected thereon, and the incomes from £300 to £500, and so on up to a larger amount. It is also the Commissioner's intention to make these returns embrace not only the amounts of income but also the occupations of the taxpayers, so that the House next year I hope will be in a position to see not only the amounts within given limits on which citizens are taxed but also at a glance the groupings of the different occupations and trades of the people and the amount derivable from the different groups. The land tax will also be calculated according to the size and value of the different holdings, distinguishing of course the difference between municipal lands and lands outside municipalities. I need hardly impress on members that this system will take a con-

siderable time to get into proper and perfect working order, and that it is absolutely impossible it should be so within the next twelve months. Members must exercise a little patience and give the Commissioner a chance before they can get the complete return the member for Brown Hill asked for the other night. Of course the first thing in regard to land is to get a complete classification and a complete valuation. We have not been able to do that up to the present, but a land tax assessor has been appointed, and with his assistants will get to work, and though he cannot possibly hope to prepare a proper return so far as land assessments are concerned within the next year, something can be given, and the following year of course the assessors will be able to give us complete returns. The complete returns in regard to incomes will, of course, be available much earlier than the returns from land, and next year's report of the Commissioner will embrace full particulars as far as possible in regard to incomes. I have asked the Commissioner, in order that members may have the fullest information before them to-day, to give as much information in this direction as he possibly could, and he has compiled a list of the first 4,000 returns in connection with income tax received by him, and these will serve to some extent as an illustration of the incidence of this taxation. This return shows that out of 4,000 returns sent in to the Taxation Office, after due inquiry and after making proper allowance for the exemptions under the Act, there were 2,117 persons who came within the exemption, that is they came under the £200 and were not liable to pay the tax at all. Of the balance, 934 earned salaries ranging from £200 to £300, but only 847 of them were actually taxpayers, because the balance got below the exemption through the different deductions that were able to make for life assurance premiums, and for so much per head for each child under 16 years of age as provided in the Land and Income Tax Assessment Act. These 847 taxpayers earning incomes from £200 to £300 paid a total of £258 17s. 7d. income tax, which averaged out at 6s. 2d. per head. Of persons earning from £300 to

£500 there were 537 actual taxpayers who contributed £616 19s. 7d., or £1 3s. per head on the average. Of those earning from £500 to £700 we had 171 taxpayers, and they contributed £502 6s. 10d., or a sum equal to £2 18s. 9d. per head on the average. There were 112 actual taxpayers among those earning from £700 to £1,000 and they contributed £548 6s. 11d., or an average of £4 17s. 11d. per head. There were 64 actual taxpayers among those earning from £1,000 to £1,500 and they contributed £549 17s. 1d., or £8 11s. 10d. per head on the average. There were 59 actual taxpayers earning from £1,500 to £5,000 and they contributed £1,109 13s., or £18 16s. 2d. per head on the average. There were six taxpayers earning over £5,000 out of these 4,000 returns, and they contributed £711 13s. 2d., or an average of £118 12s. 4d. per head. So we got from 4,000 returns sent in 1,796 actual taxpayers who contributed £4,297 14s. 2d., or £2 7s. 10d. per head on the average.

Mr. Johnson: That is for six months.

The TREASURER: Yes. The point in connection with this return is very patent, and that is that out of 4,000 persons there were only 847 receiving under £300 and contributing £258 to the revenue out of a total of £4,297. This goes to show I think conclusively that the burden of the taxation is falling upon those who can afford to carry it and pay it, and I think that was the intention of this House and the Government when we introduced the measure. The worker who is earning anything from £4 per week or under is practically wholly exempt. Indeed the worker who is earning £5 a week in a great majority of cases is exempt, because as a rule he has exemptions in the way of life assurance premiums and for children under 16 years of age as provided for in the Assessment Act. I think this return is an indication at any rate of the incidence of this taxation as it will be proved when we have the full returns before us. I am sorry to say these returns cannot be available this year, but next year I hope we will have at any rate such returns as will show completely and prove completely that the in-

incidence of the taxation is not bearing unduly upon the poor man or upon the man who cannot afford to carry it. The Commissioner of Taxation has also another anxiety which he realises to the full, that is that so far as the land tax is concerned, the values on the returns are in a great many instances—I might say almost in a majority of cases—much below the true unimproved value of the land. It is sad to state that very few of the local bodies upon whom of course he had to depend showed the unimproved values of the land in their districts on their books, and where they do I am sorry to say as a rule they are not the true values of the land. So it can readily be seen it was impossible for the Commissioner to value the land prior to the issue of his assessments in the early portion of the year, and therefore he was under the necessity of accepting in most cases, provisionally of course, the values shown on the returns sent in. However, as members are aware, he has power under the Assessment Act to amend these values and to collect the balances after he finds out what the true values are. That is if he finds that the true value of any land assessed this year is very much greater than the value that has been put in, notwithstanding that he has collected the tax and even given a receipt for it, he can reassess it and collect the difference, if it is worth collecting. The taxpayers have all been notified of this fact in their assessment notices, and the indications given in the handbook the Commissioner has compiled all go to point out to those people that notwithstanding they may have put in their returns yet the Commissioner retains to himself, in the interests of the State, the right to go through these returns after his assessors are at work and get the full values and to amend the assessments. Of course many of the people have not sent in their returns, and the Commissioner is now prosecuting inquiries from the Titles Office and from municipal records and from roads boards records, wherever he can get information, to discover those who have not yet sent in their returns. Of course, wherever they fail to comply with the Act, which

a good many have done, he has not only assessed for taxation purposes, but has inflicted fines, and in this connection he has up to the present collected a tidy sum in respect of fines from those who have failed to send in proper returns. I think the Leader of the Opposition should realise that there is no wish to withhold any statement. The Commissioner wants to give all the information he can to the House, but statements compiled with such figures as I have referred to in connection with the land values at the present time, cannot be of any value; they would not be a true basis for argument or comparison, and, therefore, he hopes he may be permitted to go on as he is doing to get his office into order, and bring out complete and correct statements, and, perhaps, progress returns as he gets his land values and classifies them. In conclusion, let me say that the financial policy of the Government, of course, is based upon the imposition of this taxation measure. As I said at the outset, we hope to derive £90,000 of our revenue this year as a result of the passage of this measure, always supposing that the House will agree to the taxation being collected in one sum, instead of in moieties, as prescribed for in the Assessment Act. If we cannot collect it in one sum, then it means that we will be something like £40,000 short of our revenue for the present year. I want to point out the incidence of the taxation, as just quoted, is so light on the small man, and will be equally light, or perhaps lighter still on the small land holder, that it will be no hardship; on the contrary, it will be more convenient to the taxpayer to pay this amount in one sum, instead of dividing it into moieties as provided previously. We hope with this money, and by other means, to increase our revenue so that we shall be able to balance our ledger at the end of the financial year as we did last year. We hope, notwithstanding indications referred to in condemnatory terms as to the position of the overdraft or deficit at the present time, that as the year goes on the same result will be achieved as was achieved last year, that we will make up leeway.

which I am satisfied we can do to a large extent, and, at the end of June next, we will be able to put a return before the House, showing that we have at any rate paid our way during the present financial year. I have much pleasure in moving—

That the Bill be now read a second time.

Point of Order.

Mr. Walker: I wish, sir, to rise to a point of order. My point is that this Bill has not been properly introduced, that it is not properly before the House. It is a Bill imposing taxation, and Bills of this character must originate in Committee. Bills imposing burdens upon the people are in the House of Commons originated in Committee, and by Message introduced in Committee. I do not want to make any long speech upon the question. I wish to draw attention to indisputable authorities on the matter. The work I wish to refer to is *The procedure of the House of Commons*, Volume 2, which says:—

“As to the occasion for constituting such a Committee, i.e., for changing the House into a Committee, and as to the limits of action of such a Committee, we may say at once that no single subject of discussion is on principle outside the purview of the whole House. But nineteenth century practice has laid down a definite limit to the competency of these Committees. Their proper function is to decide after debate not, as frequently in earlier days, to investigate some particular state of affairs. On certain points a debate in Committee is specially prescribed; it is an express rule that all proposals as to taxes or grants or indeed any matter concerning the income or expenditure of the nation, must be considered in a Committee of the whole House, before the measures for giving effect to them are brought before the House.”

That, sir, is on page 198 of Redlich's *Procedure of the House of Commons*. *Burgess' Political Science and Constitutional Law*, Vol. 2, page 75. says:—

“If the project proposes the raising or appropriation of money, it can be introduced only in the Committee of the whole House of Commons, and in the case of appropriations only by a Minister of the Crown; in the case of taxation, if the project imposes new burdens, only by a Minister of the Crown.”

The Law and Custom of the Constitution, by Anson, part one, Section 3, dealing with money Bills, lays down on page 252:—

“Legislation which has for its object the granting of public money, or the imposition of burdens upon the taxpayer, possesses some special features which require to be specially noted. In the first place such legislation is under the entire control of the House of Commons. A Bill relating to Supply must begin in the House of Commons. It is formulated there, and though it needs the concurrence of the House of Lords it cannot be amended by them on its way to receive the Royal assent. In the second place such legislation only takes place on recommendation from the Crown. In the third place such legislation must commence in a Committee of the whole House.”

Mr. Jacoby: Does that Bill deal with Supply only?

Mr. Walker: No; any Bill imposing taxation or a burden upon the people. Then *May* deals with this matter of Bills originating in Committee:—

“In pursuance of the Standing Orders which regulate the financial procedure of the House, Committees of the whole House are appointed to sanction by their resolutions grants of public money, or the imposition of a charge upon the people. The Committee is appointed either before the commencement or after the close of public business, by a motion that “this House will” on a future day “resolve itself into a Committee” to consider the matter specified in the motion, and at this stage no statement can be made. If satisfied that the motion will receive Royal recommenda-

tion, the Speaker proposes the motion as a question from the Chair, and thereupon a Minister of the Crown or a privy councillor signifies to the Speaker, and to the House, that the motion is recommended by the Crown; and the recommendation, and the name of the member who signified it, are recorded upon the journal of the House."

The point is this, that the House upon a future date shall resolve into Committee. That is how a Bill of this character is introduced, and it can only be, therefore, according to this rule, introduced in Committee. Our own Standing Orders say, "That matters affecting finance shall be discussed in Committee of the whole House."

The Treasurer: What is the number of that Standing Order?

Mr. Hudson: No. 361.

Mr. Walker: I notice our Standing Orders are lamentably deficient in instructions for dealing with money Bills, and this House may have been led into errors in consequence of not having sufficiently explicit Standing Orders. But there can be no question whatever of the fact that the custom is, everywhere where British Parliamentary Government obtains, to introduce all Bills imposing a burden upon the people in Committee of the whole House. *May* says:—

"Under the practice thus established, every motion which in any way creates a charge upon the public revenue or upon the revenues of India, must receive the recommendation of the Crown, before it can be entertained by the House; and then the recommendation having been given procedure on the motion must be adjourned to a future day and be referred to the consideration of a Committee of the whole House."

That is on pages 558 and 559 of *May*. This is not a mere matter for Standing Orders to decide. I am arguing from the standpoint of the law itself. It is the law that imposes that duty upon us, and no Standing Order can get over it. The Attorney General, I think, will admit that Anson is an authority on the law and custom of the Constitution, and I think he will admit also Burgess in his *Political*

Science and Constitution, in the volume dealing with Government.

The Attorney General: The British Constitution?

Mr. Walker: Undoubtedly, of which this is a successor, an offshoot, a direct and lineal offshoot.

The Attorney General: We have a statutory Constitution here.

Mr. Walker: Undoubtedly; but where our own method of dealing with matters of procedure is not complete, what have we by our own Standing Orders to do? The Attorney General, I hope, will approach this subject with the desire to get at the real facts. On a matter of such vital importance we should not try to get up a debating school argument on the subject. We have more than statute, we have procedure, and that procedure is regulated by our Standing Orders, and our Standing Orders say that in the conduct of business, if we have not provided sufficiently, recourse shall be had to the custom of the British House of Commons. Although we are regulated here by statute law, and we have a Constitution within the four corners of an Act, there is nothing in that Act that directs that that course shall not be adopted. Although this Constitution Act confines within the limits of its wording, it does not pretend to define to us procedure as to the method in which Bills shall be treated. It does not tell us how any Bill on any subject shall originate in this House. It does not tell us how a Bill shall be dealt with after it has been introduced or how it shall be disposed of. The Attorney General knows the Constitution Act is entirely silent on these matters. They are matters of procedure and that procedure is regulated by two things. First of all by the Standing Orders we draw up for ourselves, and these Standing Orders absolutely tell us that matters relating to finance may be discussed only in Committee of the whole House, and when not provided for by the Standing Orders that we shall be ruled by the custom prevailing in the British House of Parliament. Now the Attorney General may perhaps find something to comment upon in the article on money Bills in the *Encyclopædia of the Laws of England*, volume 9, at page

291, where it deals with money Bills. It says:—

"In certain important respects the procedure on a money Bill differs from that on other Bills in Parliament. According to constitutional practice a money Bill can only originate in the House of Commons and in Committee of the whole House."

Nothing could be more definite than that. This volume of the *Encyclopaedia of the Laws of England* I believe was published in the current year in 1908; it is not antiquated, it is up to date, and it expresses the law, not an opinion on the subject, and the law distinctly says according to constitutional practice that money Bills can only originate in the House of Commons in a Committee of the whole House. It will be no answer to me to say that other taxation proposals have not originated in that form; it will be no answer to me to say that the custom has sprung up of ignoring that necessity.

The Treasurer: It has been in existence for 17 years; ever since we have had Responsible Government.

Mr. Walker: I do not care how long it has existed. The point has never been taken before; it is taken now, and it is time to take it to prevent going on in a slipshod method.

The Treasurer: Why not take it before I started then?

Mr. Walker: I think the Treasurer ought to be thankful to me for giving him the chance of getting his speech off. I could have interrupted him if I had desired to do so.

The Attorney General: If your contention is right, you allowed him to work off his speech for nothing.

Mr. Walker: He has got it reported; he has got it all over the country. He has got what the Government often like, having no answer to it. It is no answer to say that the point has never been taken before. The fact of the matter is that this House—I am not speaking in any derogatory fashion—but this House has been going on in a careless way doing business. It started more or less in a careless way.

The Treasurer: I do not think it has drifted into a careless way.

Mr. Walker: It is not custom, if you start to do a thing illegally. It is time you turned back from the custom. We are departing from the fundamental principle governing this House, that governs all Legislatures that have their derivatives from the British Crown. The supposition is that the Crown, even in this Parliament that is created by statute, is present. His Excellency in his vice-regal capacity is a part of this Parliament. It is his function to deal with matters imposing burdens on the people, and that function of the Crown goes back right to the days of Henry IV., and prior to that; the object of that being this: the Governor has the right to recommend or ask for taxes, and it is the function of the Commons—of this House—to grant these taxes and it has been the custom of the British House to go into Committee to receive the King's message on taxes in order that every committeeman might discuss the King's Message by rising in his place oftener than once. On all direct motions a member can only speak once, but in Committee a member may rise and speak as often as he feels he has something to say, or it is necessary for him to say it. There is no more contentious subject than that of taxation, and when a Message comes from the Crown, or as in this instance from the Governor, recommending the imposition of a tax, the Commons have the right in Committee to discuss the whole bearing of that tax and its situation before they agree to entertain the Message or the Bill at all. First there must be the recommendation of His Excellency, and then a Bill dealing with that recommendation must be introduced where it can be most fully debated and fully questioned, that is to say, in Committee of the whole House. It must not run the course of other measures. It must not be introduced by leave, and then afterwards by first reading and so on. It must be considered in its vital aspect in Committee before it is allowed to reach the further step or the further stage. The whole history of the British Constitution hangs round these money, and these taxation questions. We cannot blind ourselves to the fact that we have not got rid of that important question because we in Australia

lia are separated by oceans from the old mother country. The Constitution has had nothing taken from it because of the distance we are from the mother country. The Constitution does recognise this fact that the Crown does participate in our legislation. In our Constitution Act, as we have often had it quoted, the only section I believe on which the Attorney General will rely, it provides for the participation of the Crown in our deliberations. It says—

“All Bills for appropriating any part of the Consolidated Revenue Fund or for imposing, altering, or repealing any rate, tax, duty, or impost, shall originate in the Legislative Assembly.”

That is the first step, in perfect accordance with the law as I have read, and then it goes on to say—

“It shall not be lawful for the Legislative Assembly to adopt or pass any Vote, Resolution, or Bill for the appropriation of any part of the Consolidated Revenue Fund, or of any rate, tax, duty, or impost, to any purpose which has not been first recommended to the Assembly by message of the Governor during the session in which such Vote, Resolution, or Bill is proposed.”

That gives all that I want, in our own Constitution. It gives me the fact that the Governor participates in our legislation, that he recommends to this House by Message whether there shall be a tax of this nature. Having recommended the tax, there is not a word—and I ask the Attorney General to be careful on this point—there is not a word in this Constitution Act of ours that prevents the privileges of those who represent the Commons being taken from them. The Governor represents the King; this Legislative Assembly is the successor, or rather the collateral imitation of the British House of Commons. We have in this House the liberties and privileges and duties that belong to the members of the British House of Commons. Let us follow the steps. The Governor has recommended certain taxes to be raised, namely the land and income taxes. Then comes in our old ancient privileges whether those taxes should be introduced

from the initiative, not in their slow form of discussion as with other Bills, but whether it is necessary to introduce such a measure at all. It gives the right to say whether we shall have this burden or not, whether we shall entertain it a moment or not, and gives the right to consider whether other methods can be adopted by the Government to meet the requirements of the country. If we do not follow these forms laid down to us as law, not as mere matter of custom, not as mere procedure but as law, established law; if we do not follow that law, these old privileges, we are shorn of our rights, the whole relationship of the Crown and Parliament is taken away, a violent shock is given to every constitutional privilege. We are playing with no light matter. It is not a matter of “Yes” or “No.” We are dealing with what is to shape the laws of the country and what is to preserve to us the privileges of our forefathers. It is to prevent taxes being sprung on us, going through the slow process provided for ordinary measures, that this liberty is ours. To take away these privileges is to abrogate the right of one factor in constitutional government, for we must not forget that Government or Parliament has in it three elements, the King, the Lords and the Commons. None of these elements must be curtailed or abrogated or ignored. They must be kept always before us. We have here in the place of the King, the Governor; in the place of the Lords, the Upper House; and in the place of the Commons, this Assembly. The rights which belong to the old body equally belong to this body, and if it be the law of the land in Great Britain that these money Bills shall originate in Committee, it follows by logical reasoning—we being a fac-simile of that body, with less dignity is true—we too must originate our money Bills in Committee. Our Standing Orders undoubtedly provide a recourse to that practice. I take this further argument. I wish this matter not to be treated lightly by anyone. I wish no privileges of this body to be taken away. I refer in further support of my argument that there is not in the Commonwealth of Australia a single Parliament that introduces money

Bills in the ordinary fashion and allows them to run the course of ordinary legislation. New South Wales do not, Victoria do not, the Commonwealth do not. The Commonwealth have this provision and originate money Bills in Committee. Why? Because in every other Parliament it is contemplated that a money Bill introduces at once a certain relationship between the Crown and the people; that is the reason. It at once draws into prominence the functions of the Sovereign and the duties of the people. Other questions are of trivial importance compared with this great one of placing taxes upon the people. Therefore in all other Parliaments the practice I mention has been adopted. If you go to Canada, New Zealand, wherever you turn, Cape Colony, Natal, and in the Transvaal, the same relationship between the Crown and the people obtains. In all these bodies money Bills originate in Committee. I venture to say that in the course adopted here there has been an oversight. In connection with the procedure of this House sufficient care perhaps was not taken at the time to get into exact line with other bodies of a like character, or to ascertain and copy the methods obtaining in the mother country. We have, I regret to say, got more or less into a careless method of conducting business. What might have been excusable 17 years ago, or even less than that, cannot be excusable any longer after once attention has been drawn to it. I am drawing attention to it now. The reason I am doing so is that we may correct the practice which is careless; that we may restore our practice to that obtaining in every other British Parliament in the Empire; that, in other words, we may conform to constitutional law, that our work here may be lawfully done. There may be issues arising out of imperfect legislation which will involve the subjects of His Majesty in disaster. It may happen that the laws we pass, thinking they are rightly passed, but which were wrongly introduced or wrongly proceeded with against well established constitutional law, may bring people before the Court and mulct them in heavy damages. We do not want that. Any possibility of that

kind is a reflection on this Legislature, which should be supreme. It must be weakening to us, to the Crown, to all concerned, that our doings should be discussed in courts of law; and that it should be pointed out there during that discussion, and be decided by the Judges, that our conduct has been thoughtless or illegal; that we are law-makers doing illegal things. This is not a matter to speak about merely as a mistake or the retention of a custom which has existed for many years. Such a thing as that does not do in a Court of law. If my arguments are sound, the Attorney General himself must admit that all the rulings from the Chair, and all the resolutions of this House, will not prevent the law being administered. We shall have to go under. The laws will have to go under if these things are decided by the Court. I know the Attorney General is anxious to answer me, and I want him to show me where in the Constitution Act there is one word that says this course I am indicating shall not be adopted; show me one word in the Constitution Act that says it is unnecessary; show me one word that alters the customs or procedure of the British House of Commons. I am anticipating his argument, and that he will say the clauses I have read do not make mention of the Committee. It is unnecessary to mention it, for it is presumed that when the Legislature starts upon its destinies it starts with such rules for the guidance and conduct of business as to enable it to prosecute its work in accordance with the established laws of the Constitution of the motherland. If we establish laws not in accordance with the laws of the motherland, if we are at variance in our procedure, then we are violating the laws of the land. We have no right to do it. We are to a great extent acting, if not disloyally to the Crown, at least disloyally to the people. It is taken for granted that we shall make Standing Orders in accordance with the laws of the land, those laws we took over at the time of the Constitution, and unless the Constitution abrogates any laws those laws are in existence. I direct the Attorney General's special attention to that fact. Until the

Constitution abrogates some law of Great Britain, up to the hour of the passing of the Constitution, we take over all the laws in force in Great Britain at that time. That argument should not be merely sneezed at, but dealt with on its merits. If we took over the laws in existence in Great Britain we took over the laws relating to the Constitution dealing with money Bills, and the law existent in England becomes the law here, the moment we have a Parliament, by the operation of the law itself. That very moment this law came into force, and it says—

“According to Constitutional practice a money Bill can only originate in the House of Commons and in Committee of the whole House; further it must be initiated by recommendation from the Crown.”

That is the law and we cannot make Standing Orders to annul it. If we do they would be *ultra vires*. If we pass Standing Orders trying to take away the force of that law which came to us with the Constitution, and is nowhere abrogated by anything in the Constitution Act, we cannot annul it by that means. It is the law of this State; it is the law of this Parliament; it is the law which shows really what are the elementary parts of Parliament—the Crown, the Lords, and the people. It is the law too which more than all others, preserves to this body its inestimable and ancient liberties. If we were to curtail them, to reduce ourselves into a sort of town council, with none of the dignities or principles underlying that great constitution of which we are all so proud, let us say so. But if we are to act according to law let us do so. Bills relating to the imposition of taxes must originate in Committee of the whole House. This Bill has not originated there; and consequently I respectfully submit that it is not properly before this Assembly this afternoon.

The Attorney General: I congratulate the member for Kanowna on the great trouble he has gone to in order to make up the case he has put before the House. I submit, however, that this case is not one we can accept. The British Constitution is not a written one. It has grown up from century to century by

gradual privileges and rights being acquired by the Commons and being exercised by them and their successors. The Constitution of Western Australia is a written one. It is something which the Imperial Parliament having power and authority to grant, have granted; and outside the four corners of that Act we have nothing we can claim. I propose now to refer the House to the sections of that Act, and to point out how those sections do not in any sense bear the construction the member has asked us to accept. Under Section 66 of the Constitution Act, 1889, provision is made as follows:—

“All Bills for appropriating any part of the Consolidated Revenue Fund, or for imposing, altering, or repealing any rate, tax, duty, or impost, shall originate in the Legislative Assembly.”

The member for Kanowna attempts to read in after “originates in the” the words “Committee of the whole House of the.” Those words are not there at all, and the rule for the interpretation of statutes is this, that where the words have a meaning as they appear in the statute, one has no right to read any other words in.

Mr. Walker: I did not read them in.

The Attorney General: I am submitting an argument which the member may not agree with: but for his argument to stand he must read in the words I have mentioned. If one gives the words “originate in” their meaning, one must apply the procedure bearing on Bills in the House of Assembly. If on the other hand it was intended to place in the new Constitution those conditions which had prevailed, by mere usage, in the British Constitution, there would have been inserted the words “shall originate in Committee of the whole House,” or whatever words should be decided to be inserted. Inasmuch as this section relates only to Bills of the character which we are discussing here to-night, I have no hesitation in saying that the ordinary meaning of the word “originate” occurring in that section can be given effect to, and the word should be given its ordinary meaning. That is, that the measure should go through the course Bills ordinarily go through when they are brought into the

Assembly and finally are passed on to the other House.

Mr. Scaddan: Does not that section only provide that the Bills shall originate here and not in another place?

The Attorney General: It is alleged that such measures should originate in Committee of Supply or in Committee of the whole House. Had it been for a moment contended that such should be done it would have been expressed in words. Only the ordinary meaning can be given to the word "originate" and that is that the measure shall originate the same as any other Bill. In addition, under the Standing Orders we provide in Order 303, when a Bill originating in this House shall have been passed, the Clerk shall certify at the top of the first page that it is a public or private Bill, originating in the Assembly, having been this day passed, and is now sent to the Legislative Council for its concurrence. Had it been necessary that a Bill of the character we are now discussing, a Bill to impose taxation, should originate in the Assembly—that it should originate in Committee of this House—we would have found the Standing Orders providing for a certificate by the Clerk that the Bill had originated in Committee of this House. In other words we should have found expression given to the alleged necessity for such a Bill originating in Committee.

Mr. Walker: We go into Committee of Supply, do we not?

The Attorney General: Certainly.

Mr. Walker: Now where is that in the Constitution Act?

The Attorney General: It is a different thing altogether from a Bill.

Mr. Walker: Where is it provided for?

The Attorney General: There is no Bill at all; it is not a Bill.

Mr. Walker: Where is it provided for?

The Attorney General: Surely the hon. member will recognise the difference. Now, allow me to say that if I am to be interrupted by everybody in the House I shall have to resume my seat. It is obvious to everyone that we have a Committee of Ways and Means for Supply and that when we bring down a Bill to impose taxation the procedure is

along totally different lines. We have here a distinct rule in our Constitution for a Bill which imposes taxation. It is perfectly clear that unless you read into the section the phraseology the hon. member suggests, you have not a leg to stand upon. The hon. member has said that the House is absolutely wrong. I venture to think that although we may have enormously improved the standard of education in this country the standard of education in this House is not to-day so very much superior to the standard of the past; I think we have no right to assume that we are so much wiser than were our predecessors, and that the fact that they followed a certain practice is no argument in favour of that practice. It is unnecessary for those who are defending a precedent to prove it to be right; those who attack that precedent have to prove it to be wrong, and until they do so your Honour is bound by it. It has been said that this would lead to a privilege being taken away from us. No one would be more reluctant than I to give up a privilege of this House. But what is the privilege, after all, as pointed out by the member for Kanowna? Merely the right to speak more than once. That advantage cannot be said to be worth very much after all. Surely any hon. member who wants to express his opinions does not require two or three opportunities for the purpose. I venture to say that to argue that the right of speaking more than once is a privilege of a character so great as to warrant reading into the sections of the Constitution words that do not occur in it, is asking us to take a very extreme view indeed. I will undertake that nine out of every ten members in this House can say everything they want to say in one speech. To say that to reserve the right to speak again is to secure a valuable privilege is to put upon us a course of procedure of which I for one entertain no favourable impression.

Mr. Walker: It is a question of what they have a right to say.

The Attorney General: The hon. member asks me what have they a right to say. Well, have they not a right to

point out, say, that the taxation is not justified, and that some other forms of taxation would furnish further revenue. We are guided in many ways by the practice of the British House of Commons; but the practice of the British House of Commons has been built up by usage, by custom from age to age—and in many cases not a well-thought-out custom, but one that Parliament for the moment arrogated to itself.

Mr. Walker: And this from a lawyer, too.

The Attorney General: I think that in addressing myself to the House I have not been uncomplimentary to the hon. member; I have tried to appreciate his arguments; and in return, what do I receive? Interjections of a puerile character, suggesting that he is distressed at the attitude I have taken up. I hope we shall have none of that. I have asked you, Mr. Speaker, to look at a particular section of our Constitution; I have pointed out that we are under a written Constitution—a very different thing from a Constitution unwritten—and that under it unless you interpolate certain words you have no authority to depart from the practice of the past; and that you have no right under the law of interpretation to put other words into the section. I have dealt with the fact that really we are not fighting for any privilege such as the hon. member suggests. One might fight, and fight hard even with a bad case when the privilege amounts to something worth having; but we are merely concerned with the fact that as the procedure has been followed in this House an hon. member speaking on a Bill of this character can only voice his opinions once. For my part I think that even if he were to forget something essential he would not find any great difficulty in getting some other member to supplement his remarks for him. I cannot believe there is any great privilege at stake, or any ground for your Honour to entertain the objection raised.

Mr. Jacoby: I cannot but admit that the point raised by the member for Kanowna is a correct one. This is not a legal matter arising out of the Constitution Act at all. It has arisen out of the

interpretation of our own Standing Orders, and by those very Standing Orders we are bound to follow the practice of the House of Commons; and there it is clearly laid down that Bills dealing with charges on the public purse shall originate in Committee. But I would submit that it would be dangerous at the present time to depart from the practice we have so long been accustomed to. I would suggest that consideration be given to the question of reforming our methods of dealing with money Bills. I have always recognised that the English procedure is not correct. But the opportunity did not arise so far as I was concerned to alter it; and I would suggest with all respect that you, sir, rule that we should continue the practice this House has been accustomed to in the past—with all the details of which we are thoroughly conversant—and at the first opportunity a new procedure should be adopted. I want to point out to the member for Kanowna that his contention that the privileges of members are adversely affected by following our own custom and not the custom of the House of Commons can hardly hold ground; because our present procedure gives us an opportunity of discussing such a measure which is not possessed by the members of the House of Commons. So, on that point so far as it affects the privileges of members of this House, I do not think his argument is a sound one. We are permitted to discuss the measure at this stage and still have all the powers that come to us in the Committee stage. That being so, I think we should retain our own practice until opportunity occurs for us to improve upon it.

Mr. Walker: You are now building up a Constitution, not interpreting one.

Mr. Jacoby: But for the first of our Standing Orders, which makes it compulsory to adopt the practice of the House of Commons, we could build up our own practice, and I believe that in many directions we could build it up differently with advantage to ourselves. Undoubtedly the practice of the House of Commons is for these measures to originate in Committee; but I venture to suggest that for practical reasons—and to us in

this State practical reasons are worth more than mere matters of form—we should maintain our own procedure until we can properly consider other procedure to take its place.

(Sitting suspended from 6.15 to 7.30 p.m.)

Mr. Hudson rose to speak.

Mr. Speaker: Strictly speaking, by the Standing Orders only the member who rises to a point of order should speak to it. Even the member for Kanowna, strictly speaking, has no right of reply. He merely raises his point and then it is left for decision. However, I desire to interpret the Standing Orders liberally, and if a member wishes to speak and is brief there should be no objection.

Mr. Hudson: In view of the Attorney General's argument, I had desired to say a few words.

Mr. Speaker: The hon. member may proceed if there is no objection on the part of hon. members; but it would be better in future to adhere to the Standing Orders.

Mr. Walker: I give notice that I will move to dissent from your ruling on this point, that is that no one but the member raising a point of order can speak to it.

Mr. Hudson: I do not think there is any need for us to go beyond our own Standing Orders. The argument of the member for Swan seems to show—and it has been accepted by the Attorney General—that the practice and procedure of the House of Commons is applicable to this Assembly where other provision is not made. It is conceded that the practice and procedure of the House of Commons is that on the introduction of taxation proposals the House should immediately go into Committee. That appears also to have been accepted by the framers of our Standing Orders and I would like to draw attention to Standing Order 387 which says:—

“It shall not be competent for a private member to move the House into a Committee of Supply, or of Ways and Means, nor into a Committee of the whole House, for imposing any tax, indent, or impost, nor shall it be competent for a private member in any such Committee to propose in-

creases on the amounts proposed therein.”

It is assumed by that Standing Order that it is necessary to go into Committee of Ways and Means for the purpose of considering any new taxation proposals brought down by the Government. It assumes the importation of the rules in the House of Commons. The Attorney General has said that, because it is not provided in our Constitution that we should go into Committee in this way, therefore the rule of the House of Commons is not applicable. In answer to that contention I would like to draw attention to the Constitution Act of Victoria which is in almost precisely the same language as our own. The Constitution of Victoria is a written Constitution and provides for the appropriation of money and for the originating and passing of votes of this nature. And if we look at the practice in Victoria we see that quite recently on a similar measure to this the procedure is set out in the Victorian *Hansard* of 18th September, 1907. It is headed “Income Tax Bill,” and reads: “The House having gone into Committee of Ways and Means *Mr. Bent* moved that the rates on duties and incomes,” and so on. That is the procedure adopted and followed in the Legislature of Victoria. Having gone into Committee of Ways and Means, a resolution moved by the Premier was carried; and immediately following that, referring to page 1222, after some discussion in Committee, the motion was agreed to and the resolution was reported to the House and adopted. Then, authority having been given to *Mr. Bent* to bring in a Bill, he brought in a Bill, moved the first reading; this was agreed to, and the Bill was read a first time. That is the procedure followed under the Constitution of Victoria, which is exactly the same as ours. The member for Swan has given it as his opinion, and I am inclined to agree with him, that the practice should be followed in this Assembly. I disagree however with the second portion of the remarks made by that hon. member. If any regard were had to his observations, I think it would place your Honour in a false

position, because the hon. member suggested that you should decide the question, not upon the point of order, but upon the expediency of the proceedings.

The Premier: Upon the practice.

Mr. Hudson: I maintain that your position is a judicial one, and that whatever the expediency may be you are not called upon to decide upon that. I take it you are called upon to decide one thing and one thing only—whether the point of order raised by the member for Kanowna is right or wrong. An error may have been made in the past, but I submit it is not your duty to perpetuate that error. If you find that the practice in the past has been wrong and that the point of order raised by the member for Kanowna is a good one, I take it in your judicial capacity it is your duty, whether it is expedient or otherwise, to decide that point. Also I submit that it would be wrong for us to ask you to consider the effect of your decision upon this point of order. It may be that it would be inexpedient, it may be that there would be loss of time or some other result; but whatever the result, you in your capacity at present have not that point to decide, and you would be exceeding your jurisdiction if you did so. I ask you to consider it in the light I have submitted, and I suggest that you follow the practice followed in Victoria in similar circumstances.

Mr. Jacoby: We are bound by the House of Commons, not by the Victorian practice.

Mr. Hudson: I am answering the argument of the Attorney General where he said that unless it was in plain words we were not bound to follow the House of Commons. I say that following our own Standing Orders the House on the introduction of any measure imposing taxation should at once go into Committee.

Mr. Walker: The member for Swan has clearly intimated that the Standing Orders of Great Britain are a guide to this House. The practice, the wisdom, and I go further and say the law of the House of Commons are a guiding standard to this House. Then the hon.

member counsels that you, Mr. Speaker, should evade that law because there has been a custom here. I take it that is the argument used, because of an interjection from the Ministerial bench. Now, ignorance of the law excuses no one. If we have been wrong hitherto it is time we set the matter right. Our ignorance of the law will not save the subject if he gets into difficulties over the income tax or the land tax, and I venture to say that if the law is not obeyed in the properly legalising or legislating of this Act, any subject aggrieved by it can go into Court and plead that the Act is illegal.

Mr. Jacoby: That is not so. No want of form in this House can invalidate any Bill passed by this House. We can pass a Bill in defiance of the Standing Orders and it would not be an illegal act.

Mr. Walker: Where does my hon. friend get his law?

Mr. Jacoby: You will find it the practice.

Mr. Walker: It is not very long ago in this State that the Crown pleaded the illegality of a Bill passed through this House.

Mr. Jacoby: That was because it contravened the Constitution Act.

Mr. Walker: My hon. friend should make himself acquainted with the facts before he speaks. It was not so. The plea that was urged—the Attorney General will bear me out—though not upheld, was that a certain Act was illegal or *ultra vires* because it had not been introduced in this House by Message.

Mr. Jacoby: Yes, but that is laid down in the Constitution Act and not in the Standing Orders.

Mr. Walker: Very well. If it be necessary by our Standing Orders and the practice of the House of Commons to introduce a Bill with a Message, provided for in the Constitution Act, in Committee, then the matter becomes illegal.

Mr. Jacoby: The Court cannot question our acts.

Mr. Walker: The Court can question the legality of our Acts of Parliament if they are not in accordance with law.

Mr. Jacoby: That is right.

Mr. Walker: No Standing Order can defy the law. The law will stand, and

this is the law as I have read it. The law as laid down in the *Encyclopædia of English Laws* is—

“A money Bill can only originate in the House of Commons and in Committee of the whole House.”

It is not Standing Orders; it is the law; Anson, who is certainly an authority, equally tells us the three requisites of a money Bill: one of which is, it must be introduced into a Committee of the whole House. That is the law of the land; that is not the Standing Orders. That being the law of the land, if we do not observe that law, then to that extent what we do becomes in itself illegal. The argument of the member for Swan is this, that you ought to reform, but not just now. Let this go on, and some time in the future, or as soon as you can, come to a decision, or go to the rules of the House of Commons the very moment we find we are departing from them. That is the time to take the step to return to the law as it exists. The argument I think has not been raised—

Mr. Jacoby: Do you argue that all our proceedings on money Bills are absolutely illegal?

Mr. Walker: I do lay that down.

Mr. Jacoby: Then I would suggest that the hon. member should study law a little further.

Mr. Walker: I like the presumption of this wine-bibber.

Mr. Speaker: The hon. member must not use that language.

Mr. Walker: I withdraw that, *Mr. Speaker*: But when the insolence of this upstart ex-Speaker—

Mr. Speaker: The hon. member must withdraw that.

Mr. Walker: I withdraw that, *Mr. Speaker*. But I feel utter contempt for his interjection, which may be expected from a gentleman who is so logical in his reason; a gentleman who tells you that the law and the rules regulating this House are all on my side; a gentleman who advises you to take no notice of what is right, to prepare to do what is right by and by. That is the kind of logic you expect from an hon. member who would make such an interjection as that. I want to reply a little more pertinently

to the Attorney General. The Attorney General twitted me with not knowing the difference between a Supply and an ordinary money Bill. He told this House there was no difference between a money Bill and a Supply Bill. In other words he said Supply was not in the nature of a Bill; he said Supply was not a Bill. What was the force of his reminding me of the difference between Supply and a Bill? He exactly told me that Supply was not a Bill. The hon. member himself scarcely knows what Supply is if he talks in that fashion. Here we have on our list of Bills the Supply Bill. The Colonial Treasurer in pursuance of notice moved—

“That the House do now resolve itself into a Committee of Supply and also of Ways and Means for the purpose of considering His Excellency’s Message No. 1, recommending that an appropriation be made out of the Consolidated Revenue and from moneys to credit of General Loan Fund for the purposes of a Bill for an Act to apply out of the Consolidated Revenue and from moneys to credit of the General Loan Fund the sum of £365,579 to the service of the year ending 30th June, 1909, etc.”

This motion as it is put on the business paper is a Bill for an Act to apply out of Consolidated Revenue Fund and from moneys to the credit of General Loan Fund, the sum of £365,579.

The Premier: Do you consider there is any difference between appropriation and power to impose taxes?

Mr. Walker: There is; but what is the law there. On certain points it is specially prescribed. Proposals as to taxes, or grants, or indeed any matter concerning the income or the expenditure of the nation must be considered in Committee of the whole House. It is not I who put these things together; it is the practice of the House of Commons and what is the law of the land.

The Attorney General: It is only a matter of procedure in the House of Commons.

Mr. Walker: The hon. member has told us that the House of Commons has no Constitution except what is made from

day to day. As against what the hon. member says I am sorry to have to constantly refer to these authorities. "Legislation which has for its object—" I presume the Attorney General will not consider this frivolous; this is the opinion of Anson, who, we might consider an equal authority with the Attorney General.

The Attorney General: We will take it at that.

Mr. Walker: Very well then. Anson says—

"Legislation which has for its object the granting of public money, or the imposition of burdens upon the taxpayer, possesses some special features which require to be specially noted. In the first place such legislation is under the entire control of the House of Commons. A Bill relating to Supply must begin in the House of Commons. It is formulated there and though it needs the concurrence of the House of Lords it cannot be amended by them on its way to receive the Royal assent. In the second place such legislation only takes place on recommendation from the Crown. In the third place such legislation must commence in a Committee of the whole House."

The Attorney General: The first two heads are constitutional; the last is a matter of procedure.

Mr. Walker: I trust the hon. member will see I am not confusing Supply and Bills imposing taxation. They both follow the same rule, and the same procedure in the House of Commons applies to both; both that of appropriation of grants and that of imposition of burdens upon the taxpayer. These possessing some special features must be introduced as I have said. They all therefore must originate in Committee of Supply. If it be procedure—and we ourselves provide for our own procedure—and supposing I take that argument as sound, I say it is so established, so absolutely the law laid down to us that we cannot divert from it. Supposing it be only a matter of procedure, then we deal with our own procedure, and I want to know how it is

our friend the Attorney General did not refer to that Standing Order of ours where it states that financial matters must be considered in Committee of the whole House.

The Attorney General: That does not say originate?

Mr. Walker: The Attorney General referred to one that had no bearing on the subject. This was the quotation upon which he based his argument. Let us read rule 203.

The Attorney General: It was 303 that I quoted.

Mr. Walker: Well 303 is equally inappropriate. It reads—

"When a Bill originated in this House shall have been passed, the Clerk shall certify, at the top of the first page, 'That this Public (or Private) Bill originated in the Legislative Assembly; and, having been this day passed, is now ready for presentation to the Legislative Council for its concurrence.'"

The Attorney General: That is all that is necessary.

Mr. Walker: Now here is the fallacy of the Attorney General's argument. If that is all that is necessary why do we have provisions for reading a Bill a first a second, and a third time, and why do we have provisions for reporting a Bill. This is only to give testimony as a Bill goes to the Upper House that it is in accordance with what it professes to be, and a certificate of the Clerk is necessary. The object of this Standing Order is to provide for that. It does not go a step further. It is only a guarantee that the Bill as it leaves this Assembly is what it purports to be. Why does not the Attorney General who is so keen upon the Standing Orders read to us No. 387 which says—

"It shall not be competent for a private member to move the House into a Committee of Supply, or of Ways and Means, nor into a committee of the whole House, for imposing any tax, indent, or impost, nor shall it be competent for a private member in any such Committee to propose in-

creases on the amounts proposed therein."

That covers our point without going to the English Standing Orders. That, in itself tells us just exactly what these authorities tell us, namely, that to impose a tax we must have a Message and it must be introduced by a Minister of the Crown, and it must be introduced in Committee of the whole House. This says it is not everybody who can move for the Committee to impose a tax or indent or impose a burden. A private member cannot do it; it must be a Minister of the Crown. And this Bill regulates it, setting forth the whole procedure as I have laid it down according to the authorities from which I have quoted this afternoon. "It shall not be competent for a private member——." That means that it is only competent for a Minister. "It shall not be competent for a private member to move for a Committee of the whole House for the purpose of imposing any tax." Now that cannot be explained away. That is a clear statement of what our duty is; to go into a Committee of the whole House to consider any imposition of a tax or a burden upon the people. But no private member, not even the Leader of the Opposition can move the House into such a Committee. It must be done by a Minister, and that Standing Order shows us the way in which it is to be done. It is incorrect to say we have not provided for it. We have distinctly provided that which is in perfect accord with the authorities I quoted this afternoon, and going one step further making it perfectly clear whose duty it is to move the House into Committee, limiting the members who can do that and declaring that no private member can. But it must be done if we are to have a tax or impost, by the Minister themselves. Mr. Speaker, when you are giving your decision I would direct particularly your attention to that Standing Order, and to ask you what meaning this can have; what other meaning can it possibly have placed upon it if it does not indicate that the method of dealing with the tax or impost of placing a burden on the people is by means of going into

Committee of the whole House. No other interpretation is possible. Now, I deal with the Attorney General's strained interpretation of our Constitution Act. He would have you—and I must here exceedingly regret that so great an officer of this State as the Attorney General should attempt, as it appeared to me he did attempt, to misrepresent my arguments, misrepresent them completely for the sake of a temporary victory, to put into my mouth words I never used, meanings I never intended. He said I wanted to read into the Constitution Act certain words after "Legislative Assembly" in Section 66, "and should be in Committee of the whole House." I had no intention of any suggestion or thought of the kind. As a matter of fact, what I am arguing now is perfectly consistent with, and complimentary to, the Constitution Act, it in no way derogates from it, it in no way adds to it, but is part of its interpretation, a part that is necessary to this Act if we are to read it correctly. What did the Attorney General mean by saying because it was not in the Act that these words are omitted? No one would have thought that I would have placed such words in the Constitution Act; for the Constitution Act did not intend to provide for every Standing Order, or the means and methods of procedure; it never intended that for a moment. Because it is omitted here we are to suppose it is contradictory to the Act. If he can prove my contention that the Act excludes the possibility of that course, there may be something in his argument. It is nothing of the kind. What sort of trouble would the Attorney General lead us into if we were to imagine that this section in this Act dealt entirely with the procedure of the House. The Attorney General knows, and you know, Mr. Speaker, that we have a variety of methods of introducing Bills into the House. There are certain Bills that must be introduced by petition. If I desired to introduce a Bill by petition—a private Bill—into the House, and I endeavoured to do it by the ordinary method, what would you do to me? You would draw my attention to it, and say I wanted to introduce the Bill informally; you would say it was out of order, and

would not allow the Bill to proceed in that method, and that if I wanted the Bill to pass through the Chamber I should introduce it in a peculiar form by petition. Now, this applies to introducing in Committee. There are these different ways of introducing Bills, in Committee, by leave being granted, and by petition. We find nothing about petitions in this Constitution Act. Because we do not find petitions, or anything about introducing Bills by petition, should we conclude that they are informal or out of order? Not at all; we provide for these things by Standing Orders, the same as we provide for every other matter I am speaking of, by a specific and definite Standing Order, which provides for the Committee of the whole House dealing with imposts and taxes. The Attorney General says we are bound by this Act because it is statutory, and we are not to go outside of it. He knows full well if that statement were to be taken purely as he uttered it he would mislead you. That is what I object to. We are not here to be guided by the mere weight of argument or the personality of the deliverer, but by the argument itself. I object to that argument being used which is so calculated to mislead; that only what is within the four corners of the Act becomes the law and is the guide to this House. The Attorney General did not answer me when I raised the argument at the time we took over the Constitution, that at that moment the law of the British Parliament became our law. He did not answer the question. If we had no other law for use but what was brought over in the Constitution, what became of all the other laws we took over? It is a recognised principle in law—and the Attorney General knows it—that in taking over the self-government of a colony, at that moment we take over all the laws of England, and so the Parliamentary law of England comes into existence at that time. I do not want to labour the question, I want to say I am perfectly right in that contention. We have no power to alter the laws of the Parliament of England as they apply to the Parliamentary Government of this State. They attempted to do it in Can-

ada by passing laws, and what was the result? This was the result. It says here—

“In order to limit and legalise the privileges of the Federal Parliament—”

I am dealing now with one that is a written Constitution, the powers of the Canadian Parliament. It goes on to say—

“In order to limit and legalise the privileges of the Federal Parliament, Section 18 of the British North America Act was repealed, and, by an Imperial Statute 38 and 39 Vic., cap. 38 (1875), the following provision took its place.”

This is a provision in an Imperial Act. It further says—

“The privileges, immunities, and powers to be held, enjoyed, and exercised by the Senate and by the House of Commons, and by the members thereof, respectively shall be such as are from time to time defined by Act of the Parliament of Canada.”

But there is this proviso—

“But so that any Act of the Parliament of Canada defining such privileges, immunities, and powers, shall not confer any privileges, immunities, or powers exceeding those at the passing of such Act, held, enjoyed and exercised by the Commons House of Parliament of the United Kingdom of Great Britain and Ireland, and by the members thereof.”

I draw the attention of the Attorney General to that. The Imperial Parliament itself will not allow us to play with our liberties, we must conform to those of the British House of Parliament, only we alter our privileges by a specific Act of Parliament. The reasoning is clear; it says—

“The privileges, immunities, and powers to be held, enjoyed, and exercised by the Senate and by the House of Commons, and by the members thereof, respectively shall be such as are from time to time defined by Act of the Parliament of Canada. But so that any Act of the Parliament of Canada defining such privileges, immunities, and powers, shall not confer

any privileges, immunities, or powers exceeding those at the passing of such Act, held, enjoyed, and exercised by the Commons House of Parliament of the United Kingdom of Great Britain and Ireland, and by the members thereof."

I have another authority which is bearing to the same effect, and also deals with these questions governed by statute law. "In their Constitution," I am quoting now from *Parliamentary Government in the British Colonies*—the Attorney General tried to make a wide distinction between the House of Commons and these subsidiary Legislatures, but this is what *Todd* says at page 705:

"The Victorian Constitution Act, 1855, Section 56, and the British North America Act, 1867, Section 53, severally declare that 'Bills for appropriating any part of the public revenue, or for imposing any tax or impost, shall originate in the (Assembly or) House of Commons.'"

Our very words, except that we say, "in the Legislative Assembly" instead of "the House of Commons." It goes on to say—

"No further definition of the relative powers of the two houses is ordinarily made by any Statute; but constitutional practice goes much farther than this. It justifies the claim of the Imperial House of Commons (and by parity of reasoning, of all representative chambers framed after the model of that house) to a general control over public revenue and expenditure—a control which has been authoritatively defined in the following words:—'All aids and supplies, and aids to His Majesty in Parliament are the sole gift of the Commons, and it is the undoubted and sole right of the Commons to direct, limit, and appoint in such Bills, the ends, purposes, considerations, conditions, limitations, and qualifications of such grants, which ought not to be changed or altered by the house of lords.'"

The inference is, and there is a long discussion on it, we follow the same rules in our Legislatures and in the Federal Legislature. The Attorney General

should read that, and that brings me to this point.

The Attorney General: I quoted that on a former occasion to show the privileges of the House.

Mr. Walker: What are privileges of the House? The chief privileges of the House are to control money Bills.

The Attorney General: Are they endangered by this procedure?

Mr. Walker: Undoubtedly.

The Attorney General: How?

Mr. Walker: Because we are not having our proper form of treating money Bills. Let us look at the object of this Section 66, which the hon. member made so much of. It says:—

"All Bills for appropriating any part of the Consolidated Revenue Fund, or for imposing, altering, or repealing any rate, tax, duty, or impost, shall originate in the Legislative Assembly."

The Attorney General would have us believe that the wording precludes our Standing Orders; precludes the Standing Orders in our books.

The Attorney General: What Standing Order?

Mr. Walker: The Standing Order that declares that Ministers shall introduce Bills in Committee of the whole House instead of private members.

The Attorney General: That is not the form of the Standing Order.

Mr. Walker: It is not exactly the words, but the exact meaning. At page 387 of this book it says:—

"It shall not be competent for a private member to move the House into a Committee of Supply, or of Ways and Means, nor into a Committee of the whole House, for imposing any tax, indent, or impost, nor shall it be competent for a private member in any such Committee to propose increases on the amounts proposed therein."

The hon. member admits that for Supply we do go into Committee. Does the hon. member admit that?

The Attorney General: We go into Committee, certainly.

Mr. Walker: Of the whole House?

The Attorney General: Yes.

Mr. Walker: Would we be in order if we did not?

The Attorney General: No; not in order, not on any money Bill.

Mr. Walker: It would not be in order for a Bill to be introduced in any other way?

The Attorney General: What do you mean?

Mr. Walker: Supply. Do we not introduce Supply in Committee?

The Attorney General: Certainly we do.

Mr. Walker: That is all I want. Where is it provided in the Constitution? It is not in the Constitution, yet we do it. Now, if my argument is faulty because my motion is not provided for in the Constitution, is it out of order to go into Committee of Supply because it is not introduced into the Constitution? The facts are that it is a necessary form of introducing Supply to go into Committee of the whole House; the Speaker would not allow Supply to be introduced in any other way. And it is equally essential to introduce money Bills—because money Bills are exactly upon the same footing—imposts and taxation; and now I return to this quotation to say that this Bill is exactly on the same footing as Supply. If I show that, I think the Attorney General must admit his case is bad. Let us read Standing Order 387 more carefully. It says:—

“It shall not be competent for a private member to move the House into a Committee of Supply or of Ways and Means nor [Now let us follow it up] into a Committee of the whole House for imposing any tax, indent or impost.”

They are to be upon the same footing. No word-splitting can alter that. Just as a private member cannot move to go into a Committee of Supply of the whole House, so no private member can move into Committee of the whole House, for considering any tax, indent or impost. Clearly this distinction that has hitherto been drawn will not stand in the face of our own Standing Order. Our own Standing Order absolutely declares that we must go into Committee of the whole House for considering any “tax, indent

or impost.” The language is conclusive. What I object to is, that the hon. member will urge this section in the Constitution Act as a direction as to procedure. This section was introduced for very strong reasons, for the great battle in Parliaments has always been the rival powers of the two Houses, the Council and this, as to money; and all Section 66 of the Constitution Act says is, that we must not let money Bills originate in another place. That is what the Constitution Act is for; only for that; but it does not tell us how they shall originate; it tells us where they shall originate. And I draw attention to that distinction for the benefit of the Attorney General. There is a great deal of difference between “where” and “how.” Section 66 of the Constitution Act tells us where money Bills may originate, but it leaves us to arrange how they shall originate. “All Bills for appropriating any part of the Consolidated Revenue Fund, or for imposing, altering or repealing any rate, tax, duty or impost shall originate in the Legislative Assembly.” That tells us where they shall originate; and it serves me further for this purpose, and I think it will serve you, Mr. Speaker; because it makes no difference between Supply, Ways and Means, and the imposition of taxation. Its value to you is that it clearly shows you cannot make these distinctions, you cannot say it is right to go into Committee on Supply, but it is not right to go into Committee on some imposition of a tax; because in the very sentence quoted by the Attorney General in this very section from the Constitution Act the two things are put as one and as of equal importance. There is no difference made in this section as to the manner in which the two things are to be treated. They are both to originate in the Legislative Assembly. And I wish to draw attention to the fact that these matters are considered of such importance that they are included in the Constitution Act. Trivial Bills and matters are not there, and it shows the vast importance of this matter, this imposition of a tax, that it has a special section in the Constitution Act. That Act makes it illegal for a tax, duty or impost to originate in the Legislative Council; it can

only originate in the Assembly. We are told that in Section 66. Then as to "how" it shall originate, we are to follow two sources of instruction : first the British House of Parliament, next our own Standing Orders. I have conclusively shown that if we follow the practice of the British House of Commons, my case is made out. Then I say, in addition, if we be guided purely by our own Standing Orders, equally my case has been made out. Now let me say in conclusion that no one was more surprised than I to hear the Attorney General hittle as he did the British Parliament which gave us all that we are enjoying, and sneer at it and as much as tell us it was not worth copying because it had no written Constitution, and because it had been made, as it were, as time ran on and had grown bit by bit; but I am sure the Attorney General would never have used such an argument had it not been for the purpose of trying to make a point, merely trying to get out of a difficulty. The Attorney General knows the British Constitution is like the growth of an oak. It has withstood the storms of centuries. It has been baffled by the winds and the tempests; and the very severity with which it has been attacked—the tumultuous tempests that have been have only made it stronger. It stands out in magnificent outline, a pattern to the world of liberty and of grandeur. Yet it is not worth comparing with our Constitution, because our Constitution is written. Sir, you, in occupying the dignified position you do, know how the British Parliament has grown. You know how from the earliest days of almost barbarism, from the King's Great Council until the last Reform Act, step by step it has been a process of wresting power from despotism, from the Royal sceptre, and distributing it among the people. You know how privileged classes have been made subservient to the welfare of the nation as the growth of the British Constitution has proceeded. You know in that Constitution there are histories of great wars, strifes that fill the pages of history. You know that in making that Constitution that kings have been led to the scaffold, kings have fled from

their kingdom, the whole people of the British Isles have armed against each other. Step by step through every kind of battle, step by step through every kind of experience, with the accumulated knowledge of the world we have got that magnificent temple of liberty that we call the British Constitution. It is our natural guide, our natural pattern. We are merely modelled upon it, and if we have written our Constitution, it is only that we might be more sure that we approach the outline of that great edifice; and so that the similitude might not be questioned by quibblers, we have adopted that system, we have imitated it in every respect; and respectful to the memory of those great people, those marvellous statesmen, those philosophers and sages who have given the grandeurs of their lives to make England what she is, we ourselves with our written Constitution to guide us have not neglected to pen the Standing Order for our guidance, and for future guidance, to provide that when we are at a loss to know what we should do, we shall cast our eyes to the motherland and follow the copy she has set us in the Constitution, unwritten but still glorious.

Mr. SPEAKER: The question how far the principles of the British constitution overlap the Constitution Act and Standing Orders of this State is open to argument. It is to be presumed that our Constitution Act embodies all of those principles that were thought applicable to our conditions and that such as are not mentioned are not binding. The provision of Taxation Bills originating in Committee cannot therefore be held to carry legal obligation. The only point in the objection taken by the hon. member for Kanowna is Standing Order 361. "Matters affecting Finance shall be discussed only in a Committee of the whole House." This is to my mind not sufficiently definite to make me declare the procedure of this Parliament from its beginning to be wrong. Standing Order 387 though implying the existence of this practice cannot be held to definitely prescribe it. "It shall not be competent for a Private Member, etcetera," I consider the practice of our predecessors in this Parliament

to carry too much weight to be set aside except by definite prohibition in the Constitution Act or Standing Orders. I therefore rule that the Bill should be proceeded with.

Debate Resumed.

Mr. BATH (Brown Hill) moved—

That the debate be adjourned.

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

Ayes	..	..	..	16
Noes	..	..	..	25

Majority against .. 9

AYES.

Mr. Bath	Mr. McDowall
Mr. Bolton	Mr. O'Loughlen
Mr. Brown	Mr. Scaddan
Mr. Collier	Mr. Underwood
Mr. Gill	Mr. Walker
Mr. Holman	Mr. Ware
Mr. Horan	Mr. Troy
Mr. Hudson	(Teller).
Mr. Johnson	

NOES.

Mr. Barnett	Mr. Keenan
Mr. Butcher	Mr. Male
Mr. Carson	Mr. Mitchell
Mr. Cowcher	Mr. Monger
Mr. Daglish	Mr. N. J. Moore
Mr. Davies	Mr. S. F. Moore
Mr. Draper	Mr. Nanson
Mr. Foulkes	Mr. Osborn
Mr. Gordon	Mr. Plesse
Mr. Gregory	Mr. Price
Mr. Hardwick	Mr. F. Wilson
Mr. Hayward	Mr. Layman
Mr. Jacoby	(Teller).

Motion thus negatived.

Mr. H. BROWN (Perth): I will say a very few words on the Bill on this occasion. I object to the re-enactment of the tax, as I think the Government have not carried out the retrenchment they might have done in the public service of the State. We have a revenue of about £3,750,000; we have one million pounds for interest and sinking fund and about one and a half millions in salaries; is it possible for any country to carry on with such a huge civil service? There is no doubt some of the civil servants are underpaid, but a great many of them are overpaid. In the Public Works Department the staff is

as strong numerically now as when money was flowing into the coffers of the Treasury and public works were being constructed freely. One of the officials in the Taxation Department receives £350 a year, and his sole duty, which occupies him about half a day, consists in opening letters, taking out postal notes and post office orders, entering them in a book, and his day's work is over. That is work that could be done by a youth of 18 or 19, and yet the official receives £350 a year for it. The under secretaries of the departments are chiefly to blame for the over-manning of their branches. Speaking for Perth, the heavy taxation is becoming almost unbearable. The extra taxation proposed to be imposed will make it very hard for the residents of Perth to live. The next matter on the Notice Paper means still further taxation, for it will impose rates for sewerage and storm water drainage. In addition to this particular tax there will be another which not only the owner but also the occupier will be saddled with and that is a heavy rate for the cost of connecting the sewerage works with the properties. This will bring the rating of the City to about 6s. 8d. in the pound. The Government might well impose a tax on those lands that have improved considerably in value owing to the construction of spur railway lines. Since these railways have been opened no attempt has been made in this direction, but on the contrary freights have been reduced. Some imposition should be placed upon people living near these railways, in order to make both ends meet. Perhaps I am speaking somewhat parochially, but at the present juncture the imposition of the tax is detrimental to the State. I know that nothing I say will have any effect, for the minds of the majority of members are already made up in support of this tax. I had hoped that other methods would be adopted to make both ends meet. I have frequently advocated a reduction in the subsidies to municipalities and roads boards, and if this had been done the State would easily have received a sum of money equal to that to be raised by direct taxation. I regret to find that

this year again it is proposed to collect all the tax in one instalment. I hope the country members will assist the City members in inserting a provision in the Bill enabling the tax to be paid in two equal half-yearly instalments.

Mr. JACOBY (Swan): Before this Bill passes the second reading stage, I desire to say a few words in explanation of my position. Had I been here when the original Bill was introduced, I would have opposed it. During the recent election I took up the position that unless the Federal appropriations from the revenues of this State were increased beyond the amount then being paid, I should oppose the re-enactment of the measure. Since then, however, the position has altered to the extent that we have now to lose a much larger sum on account of appropriation for Federal expenditure than was the case previously, and in the circumstances I propose to vote for the second reading of the Bill. I want to say that I am not committing myself at this stage to the other taxation measures of the Government. I consider it is the duty of any Government before imposing taxation on the people, to go before the people with a good case and show them that every reasonable economy has been effected in expenditure in Government departments and in public services generally. I do not agree that any such case has been made out by the Government. We have had instances of economy, but it has been economy of expenditure in minor public works and not economy in administration. Those who have any knowledge of the Government departments must come to the conclusion that there is a splendid opportunity existing there for a Government, with the requisite strength, and for Ministers, with the requisite determination, to make considerable economies. I take exception to the economies that are being effected in the producing districts of the State, where works necessary to aid the producers are being curtailed, while nothing like a proportionate curtailment is being made in those portions of the State that add nothing to the wealth of the State.

As far as business is concerned the present position of the State is bad, as the general financial position of private citizens is not at all satisfactory or robust. When one looks at the amount of taxation paid even now before the imposition of the new taxes, one cannot come to any other conclusion than that the people of the State have an extremely heavy burden to bear. If we look at our revenue we find that for State services we pay twice as much as the average citizen in the other States for a similar service. And when we come to the taxation, we find that we pay £1 5s. 2d. per head more than the citizens of the next highest taxed State, namely, Queensland. In the circumstances therefore it is a very serious matter when we come to recollect that we have added by the taxation Act of last Parliament an extra burden of 6s. 5d. per head of the population. Surely a strong endeavour should be made to stop expenditure that perhaps might be justified in times of prosperity, but which in times such as these should not be borne. I do not wish to make lengthy references to this Bill or to introduce other matters concerning the finances of the State, as I hope to have an opportunity of discussing the latter question in connection with the Estimates; but I would point out in conclusion that when there is added to the present amount of £4 13s. 1d. per head we pay in taxation an additional 6s. 5d., that should surely be the limit we should be called upon to contribute in the present position of affairs in the State. We are taking some £86,000 out of the pockets of the people at a time when every penny is required in order that they may carry out the work of development which is now the greatest work in the State both public and private. That money would do far more good in the pockets of the people than in the hands of any Government that does not come boldly forward and face the position and is determined that economy in expenditure all round is absolutely essential. A Government that can go to the people and say they have made every reasonable effort to curtail extravagant

expenditure and the high cost of running departments would be in a different position. It is essential that this should be done before there is talk of further taxation. Had the Government done this, had they cut down expenditure in every direction, no one would object to further taxation. There must be irritation on the part of the people when they look around and see expenditure on Government departments which is not justified, while at the same time fresh taxation is asked for. I will support this Bill—

Mr. Troy: How extraordinary.

Mr. JACOBY: On account of the necessities of the State so far as the position in connection with the Commonwealth finances is concerned. Had it not been for the Surplus Revenue Bill it might have been different. My position was absolutely clear on the hustings, and I can say at once I would have voted against this measure had it not been for the Commonwealth Bill to which I have referred.

Mr. Holman: What does the Surplus Revenue Bill do?

Mr. JACOBY: I am not going into a discussion on that now. I have said exactly what I mean, as I usually do, and have explained the reason for the position I take up. I intend to support this Bill, but I must be well convinced before I decide to support the other proposed measures of taxation.

Mr. Johnson: Party before the people.

The SPEAKER: Order.

Mr. JACOBY: I do not think the hon. member for Guildford (*Mr. Johnson*) can say he has ever shown a disposition to consider the country before his party in any question in which he has been concerned.

Mr. NANSON (Greenough): Although the Bill will no doubt receive the support of the House on this occasion, I think, sir, that what the hon. member for Swan has said in regard to the power of retrenchment not having yet been exhausted is amply borne out. The first duty of the Government to my mind, instead of imposing taxation,

should be to see whether further savings can be effected. I am fully aware that at a time of depression retrenchment must exercise in some respects an injurious influence upon the community. But if you have to choose between two evils; if you have to choose between, on the one hand, injury done by retrenchment, and on the other hand, injury done by imposing taxation. I think, sir, we can only arrive at the conclusion that the injury caused by retrenchment is on a very much smaller scale than that caused by drawing money out of the pockets of the general taxpayer. The position in Western Australia at the present time seems to me to be this, that you have taxpayers suffering from general depression, and instead of taking money away from them you should do everything to maintain their resources unimpaired. The policy of the Government in regard to taxation seems to me to be much like that which used to be applied in earlier days by the happily now obsolete medical practitioner. When a patient was seriously ill and wanted all the blood in his body to support his physical strength, the usual remedy was to draw blood from him pint by pint until as often as not the unfortunate sufferer succumbed, not so much from the disease as from absolute exhaustion through loss of blood. That seems to me very much the policy of the Government to-day in regard to the body politic. We have not only the re-imposition of this tax, but further taxation proposals, as if the body politic were not weak enough without drawing more blood, so to speak, from it. I suppose this Bill will be passed on this occasion; but I hope the Government will seriously consider their position in regard to their new taxation proposals, and that in the 12 months which will have to elapse before this Bill is again re-enacted, they will endeavour, not only to do away with the necessity of imposing new taxation, but also of re-enacting this measure. The essential necessity in Western Australia at the present time is that there must be retrenchment in the cost of the public service. It will be an unpopular task

for the Government to perform, but it is our duty as a Parliament to see that the Government of the day shall perform that task, and if they do not feel strong enough to do so, then they must give way to some other Government who have the necessary moral courage to carry out retrenchment of that kind. Personally I do not care in the least by what Government that unpleasant task is performed as long as it is carried out; but those of us who look at the present condition of things and look at the immediate future we have to face, will agree with me that it is a question whose importance raises it above and beyond party politics, and one that must be settled satisfactorily if prosperity to the State is to be restored to its former level.

Mr. TROY (Mount Magnet): I move—

That the debate be adjourned.

Motion put and negatived.

Mr. BATH (Brown Hill): When the Treasurer has any desire to cover up his lack of knowledge or his incompetence, he usually resorts to precisely the same attitude as he has adopted to-night, and that is to try and burke discussion on a measure immediately after he has submitted his case.

Mr. Osborn: We do not want to waste any time.

Mr. BATH: I hope that three years of experience in the House may tend to improve the hon. member's views somewhat. The Treasurer meets a new Parliament with a taxation proposal embodying both land and income taxes, and expects the Parliament fresh from the country to adopt the measure, without any possible chance whatever of discussing or considering or amending in any shape or form the machinery Bill which is essential to the carrying into practical effect of this taxation measure. If the Treasurer or the Government were to be fair and just with this Parliament, coming as it does fresh from the constituencies, the machinery Bill would have been submitted with this shorter Bill, which merely states the amount of income and land taxes respectively. I say that hon. members in this House, from the views they have expressed have shown that there is a wide

diversity of opinion regarding the incidence of the land tax, and the only way they can give expression to that opinion is not by amendments in this measure, but by amendments to the machinery Bill which is absolutely necessary before the Bill we have before us can have effect. When we were discussing the Land and Income Tax Assessment Bill, or rather the Land Tax Assessment Bill, I pointed out to hon. members what would be the inevitable result of the separation of these measures, and when that Bill was discussed I was one who supported the proposal for the adjournment of the assessment Bill until the House was placed in possession of the taxation Bill itself, so that we would know exactly what the incidence of the tax would be. At that time the Attorney General, fearing defeat for the Government side, distorted, or misrepresented my motives in moving for the postponement of that measure, and tried to make out it was some alliance with the member for Claremont who was then opposed to the principle of land values taxation. My prediction has come true and we find the Treasurer keeping the assessment Bill in the background and reintroducing the Taxation Bill itself, and thus burking any opportunity of giving expression to any new mandate from the people with regard to the incidence of that tax. I complained also on the debate on the Treasurer's budget statement, that no attempt whatever had been made, either when the tax was introduced or since it has been in operation, to supply any information whatever as to the incidence of the tax and how it affected the various classes of the community. And we are told to-night by the Treasurer that this matter can only be ascertained after lengthened experience of the measure itself. I venture to point out to the Treasurer that in every other State where taxation measures of this kind have been introduced, that information has been furnished to hon. members prior to the measure being submitted, or at least they have had a good idea how the tax would affect the various classes of the community. We have had a tax in operation for a financial year, and the Treasurer candidly confesses to-night he

is no further ahead and he is in no better position to supply information to members than he was when he introduced the measure.

The Treasurer: I thought I gave you a good deal of information.

Mr. BATH: What information the Treasurer has supplied has been very scanty; he is not desirous of giving members an opportunity of availing themselves of the information, so there is very little in the gracious way in which he has handed out the small amount of information this evening. There has been no comprehensive attempt to give members an idea of the incidence of the tax, and I say that no taxation measure, especially of the importance of this one, should ever be accepted or passed by Parliament until they know, or have a good idea as to how it bears on the community. The incidence is the most important of all the considerations, and we have to consider in imposing a new tax, whether it is going to inflict any hardship or is going to have any harassing effect: or whether the tax we impose will have the effect of blocking the wheels of progress and preventing the application of energy and enterprise on the part of our people to the resources of the State. That is the first consideration; and that is the first information which should be supplied by the Treasurer who professes to fulfil the functions of the office before he asks the House to accept his measure and pass it. Now the attitude taken up by members of the Labour party differs from that of hon. members who have spoken here to-night, and who, while professing their dislike to this taxation measure have at the same time announced their intention of supporting it. I think if any taxation measure were introduced, members on this side, whatever might be the exigencies of party, would not be likely to accord support to any proposal, especially one of taxation which was objectionable in their eyes. I cannot understand hon. members, for instance like the hon. member for Katanning who, the other night emphatically declared—it was only a repetition of what he had previously stated—that he would sooner see a deficit of £500,000 than see

this land tax introduced in the State. And yet when we turn to a record of the division we find the name of the member for Katanning included amongst the rest as one of those who voted for the measure. The attitude taken up by members of the Labour party is not one in opposition to the tax and yet in support of it for party consideration. We believe in a land tax on unimproved values, regarding it as the tax which presses least on the individual energy and enterprise of the taxpayers, and which seeks to secure for the community some of that value which the community itself merits by the display of energy and enterprise. I have pointed out where the expenditure of loan funds involving payment of interest and sinking fund by the general taxpayers of the State and involving extra tolls on the individual users of railway lines have added 50 per cent. and 100 per cent. to the value of lands favourably situated where these lines are constructed; and I have given instances in which the owners of these lands have realised the extra value which the State has imparted by the expenditure of this loan money and by the guarantee which the taxpayer gives for the loan—in which they have sold their land and realised the extra value while giving nothing in return. Surely this is a legitimate source of taxation and one which would be preferred to those others sought to be availed of by the Treasurer. When the taxes were previously introduced hon. members on this side of the House opposed them because there was no attempt whatever at the complete embodiment of the principle. The only desire of the Treasurer was to so frame it and mutilate it, that he would meet a little prejudice here and a murmur there; win the grudging support of some who had hitherto been entirely opposed to the tax and by so catering to the prejudices and in some cases to the ignorance of those who had never had the subject fully explained to them, and had had no opportunity of realising what the tax meant, to get the measure through Parliament without any regard whatever to its incidence on the people of the State. And the Treas-

urer succeeded on that occasion. But I say that we have a new Parliament including many new members, and I contend that hon. members should be given an opportunity of recasting the machinery Bill, and of dealing with those mutilations and exemptions and rebates which are a feature of that Bill, in order that the land and income tax might be made a reflex of the opinions of the House. Again, in this connection I think it says very little for the judgment with which these taxes have been imposed, when on the authority of the Treasurer himself we find that the amounts raised from the income tax and the land tax are practically the same. Now from every Minister sitting on those benches we have had the opinion expressed that an income tax was to be imposed only as a last resort. In fact when the member for West Perth was contesting his election we had the Minister for Mines, the Attorney General, the Minister for Works and, I think, the Premier, speaking on behalf of that gentleman's opponent and expressing their utter abhorrence of the least idea of intention or threat to impose an income tax in this State. Yet three or four weeks later we found the same gentlemen supporting the introduction of that measure. Even then we had from them an apology for their change of front—the explanation that it was only introduced as a last resort. But if the one tax be equitable and the other something only to be introduced when the condition of the State is desperate, then surely commonsense and a consideration for the fitness of the two forms should dictate that under these taxes equal amounts should not be raised towards the revenue of the State. Hon. members on this side of the House are opposed to this measure because we will have no opportunity given us of recasting the machinery Bill, because the Treasurer is seeking to evade his responsibilities to the House by submitting a measure of taxation without submitting the machinery Bill and because at the same time he is perpetuating by that very step those mutilations and that objectionable incidence which was an obnoxious feature of the taxation measures

passed in 1907. Had the House been given an opportunity of recasting the machinery measure in conjunction with this Bill we might have made it one that while raising more money would have pressed more equitably on the taxpayers. But while the Treasurer seeks to raise taxation by unjust and inequitable methods, by catering to the people's prejudices instead of exercising a regard for what is right, he will find that the old difficulties of adjusting the finances which have confronted him in the past will confront him in the future. One remark the Treasurer made was to the effect that I had declared that the Commonwealth was not responsible for the financial position of the State. So far as the statement is confined to those words the Treasurer is right. I say that the Commonwealth is not responsible for our present financial position. It is true that the State through the operation of the Constitution Act has lost certain sources of revenue and has been involved in certain expenditure; but that the Commonwealth can be held responsible for this I deny. The provision which was inserted in the Constitution at the request of the people of Western Australia—or at least of those who professed to represent them; that is the special Western Australian duties on a sliding scale extending over five years—was well known to the people of Western Australia. They had the fullest knowledge that at the end of five years that special tariff would cease so far as Western Australia was concerned, and that in the meantime the return from it would be a constantly declining product. That being so they must have been aware of the fact that at the end of those five years they would have to meet the altered circumstances. I say it was an excellent opportunity for the people of this State to readjust their burdens more equitably and more in proportion with the capacity of the taxpayers who had to bear them. That special tariff for Western Australia meant the heaviest possible burden—amounting to £20 or £30 per average family—especially on the goldfields; and when these duties were finally taken

away it meant that the taxpayers of Western Australia were released of a burden to that extent. And it also provided an excellent opportunity for anybody alive to our financial position to readjust the burden so that while the revenues would not decline the taxation would be adjusted more in accordance with the capacity of the ratepayers who bear it. But things were allowed to drift on and on, and it was only when the decline in the amount received from the Commonwealth reached an alarming figure that the Treasurer acknowledged the necessity for introducing taxation previously regarded with abhorrence by the occupants of the Ministerial benches. Not until then were measures proposed by the present Government to meet the difficulty which anyone could have foreseen would occur in Western Australia. So, while we may trace our loss of revenue to the loss of these duties and to the expenditure inevitable to the constitution of the Federal Government we cannot blame the Commonwealth if we were not prepared to meet it, but can only blame those in Western Australia who failed to make provision for the inevitable. I am going to oppose the second reading of this Bill on the grounds that the Treasurer and the Government are shirking their responsibilities and are seeking to continue in Western Australia taxation which through these mutilations is unjust; and because they are seeking to impose a tax without giving to members of this new Parliament an opportunity of considering the machinery Bill which should have been included in the first instance, and the discussion of which is necessary for the intelligent fixing of the land and income taxes embodied in this measure.

Mr. GILL (Balkatta): I have no intention of giving a silent vote on this question. I may say at the outset that I intend opposing the proposal of the Government to re-enact this Bill. The Leader of the Opposition has given reasons why he intends opposing it, and those reasons apply to myself with perhaps more force than to him. As a new

member of this Parliament I do not feel justified in supporting this Bill, and by assenting to it assenting to the abortion that was passed by the previous Parliament. That is the position I am taking up. During the elections I in no uncertain manner voiced my disapproval of the taxation proposals of the Government as embodied in that machinery Bill with which we will not have an opportunity of dealing. I certainly am strongly opposed to many of the conditions of that machinery Bill, particularly to its exemptions and rebates. I certainly am strongly in favour of a land tax. Some hon. members in this House have twitted me and said that I would not be prepared to face the electors in any part of the metropolitan area and advocate a land tax pure and simple, without exemptions or rebates. I have always done so. I am not afraid of the subject; I have always advocated a land tax in no uncertain manner, believing as I do that a substantial land tax is the only means of getting out of the difficulty we are now suffering from, and from which, from all appearances, we are going to suffer for some time. Consequently, I am strongly opposed to being driven into a corner by the introduction of this small Bill, and by consenting to this consenting to the incidence of the taxation as embodied in the machinery Bill. With some members who have spoken previously, I am satisfied that the Government might improve matters. There are many ways in which the present position could be improved. The Government have not, as many members have said, had the backbone to tackle retrenchment in the civil service in the manner they should. I have not the slightest doubt there is a great deal of room for improvement in that direction. I know of many ways in which a good deal of retrenchment could be performed with benefit to the service and to the public generally. We have had several instances during the last few days where members have pointed out the methods adopted in the civil service, of papers being passed from one to another and back again, and going all round the

buildings before anything of a definite nature is decided on. I am confident this applies to all the departments, but in one particular department with which I am more conversant than others I know it attains to a great degree, not in any way increasing the efficiency of the service, but in a great measure retarding it and the economical working of the department. That being the case, I contend it is the duty of the Government not only to enact a reasonable and substantial land tax, but also to see if some more decided means of retrenchment cannot be performed in our public service. I do not advocate retrenchment if it can possibly be avoided. I am not with the member for Greenough who says it is preferable to a land tax because it will not inflict so much hardship. I realise it would be a great hardship to a number of people in Western Australia, and that it would be the means of our losing a great number of our population, because if we turned them out of positions now there is no possible hope of their getting other positions. That condition of affairs, I am sorry to say, exists. I hope members will not say that I have any desire to say anything that will injure the State in any way; but, unfortunately, the condition of affairs here means that if a man gets out of a position to-day he has no hope of getting another within reasonable time; consequently, if retrenchment were to take place in our public service, any man retrenched, if he had not sufficient capital, would be well advised to look for employment in some other State. That is the position as it appeals to me.

The Minister for Mines : I thought you were advocating retrenchment just now.

Mr. GILL: I advocate retrenchment because I consider that the money squandered in the public service now could be put to better use, and I make this statement with regard to the want of employment here in reply to the member for Greenough. The hon. member said that he did not consider retrenchment would inflict as much hardship as a land tax.

To my mind, the land tax inflicts no hardship on anyone.

Mr. Butcher : If he has no land.

Mr. GILL: I make no exception. We hear great solicitude on the Government side of the House for the poor man and the working man. The attitude I take up when hon. gentlemen from the Government side of the House show their great sympathy for the poor man is that I consider it is time for the poor man to button up his pockets. I have advocated the land tax pure and simple, and I find that the poor man is not afraid of the land tax. If he has a small bit of land he realises it is a just proposition he should pay some little amount. Certainly it would be smaller than what would be paid by a man with a larger area, but he recognises that he has a duty to the State and does not hesitate paying his little towards the government of the State. I maintain those who are getting greater services rendered by the State, who are getting greater increases to their land by the expenditure of the State, should not be the ones to cavil at a land tax, such as we on the Opposition side of the House at any rate are anxious to see placed upon the statute-book. I contend that a land tax would improve the position of the poor man, and that the rich man would get additional benefit. My contention is that if we had a land tax that would be effective—I do not claim that the present one is effective in straightening our finances, or in bringing the land under cultivation as we would like it—if we had a tax of a substantial nature it would be the means of bringing about prosperity such as we have not had for a long time. The poor man will not suffer, nor will the rich man suffer. It is the depression from which we are suffering that causes the poor man, as well as the rich man, to cry out. The pettifogging proposals laid before us by the Government since the commencement of this Parliament cause more annoyance, and a great deal more soreness, than a good substantial land tax would. And it is not only soreness and ill-feeling they engender; they are also to my way of thinking a bit of a trap; because, should the Government,

after all these pettifogging taxes that will do no great good, come down with a proposal that would be effective, it would simply mean that the people would cry out louder, and say, "You have been increasing our taxes in every way possible, and now that you come down with a substantial tax it is more than we can bear." I contend we should do away with the pettifogging proposals before us now because they are not effective, and should bring down a decent tax, because then we would do a greater amount of good, and no one would be any the worse off, and we would bring about a state of prosperity that would benefit everyone, poor and rich alike. I am satisfied also it would be the means of bringing into use a lot of the land at present lying idle throughout the State. I simply rose to clear myself on my opposition to this measure. Should I vote for this Bill, I would simply be committing myself to the proposals already on the statute book in the machinery Bill, and I would be consenting to a tax enacted during last Parliament whereby such things as exemptions and rebates were placed on the statute-book, and those are things to which I am strongly opposed. I consider the only way, and the right way, that should have been adopted by the Government was to have given the new Parliament an opportunity of expressing an opinion on that machinery Bill. It is just possible there is a majority in the House now opposed to the proposals that were enacted during last Parliament; and should such be the case, it is only reasonable and right that we should have an opportunity of expressing an opinion on the subject, and of saying whether we are in favour of them or not.

The Minister for Mines : Does not that apply to all legislation?

Mr. GILL: It does not apply to taxation, at any rate. I take it we are committing ourselves to the proposals of the last Parliament if we consent to this Bill to-night, and my constituents could reasonably say I consented to the proposals of the Government for rebates and exemptions. I am not doing that, and therefore I am going to oppose the

proposals of the Government embodied in this short Bill. I hope the House will throw out the Bill; and if the Government need more revenue, then they can bring down another machinery measure, and let us express an opinion as to whether we are in favour of exemptions and rebates and those other means of escaping from taxation, because I contend those clauses are simply means of escape. That being the case, I oppose this Bill, and I hope the House will throw it out so that the Government will be forced to bring down a decent measure and give us an opportunity of dealing with it, as we have the right to claim, being a new Parliament.

Mr. JOHNSON (Guildford) : I desire, in a few words, to take strong exception to the action of the Government to-night in trying to force through this taxation proposal. The unfairness of it must be patent to all members present. We have had an Act in operation for about 12 months, and the only true experience we can get as to the operation of that measure is to review the incidence of the taxation by the figures given to us by the Treasurer. In my humble way, I endeavoured to follow the Treasurer, but it was impossible to do so and catch all the figures he quoted. The only way one could obtain an idea of the operation of the measure would be to peruse the speech of the hon. member to-morrow, and then we would be ready to proceed with arguments as to the incidence of this tax. So, I claim it is distinctly unfair, and certainly unprecedented in this House, for a taxation proposal of this nature to be forced through without any adjournment. More especially is that so when it is well known that members on the Opposition side took strong exception to the assessment Bill introduced by the Government last Parliament. We then prophesied that certain things would happen. Our accusations and our prophecies were objected to and denied by Ministers, who stated that other things would happen; but we now find that exactly the same prophecies advanced by members of the Opposition have taken place. In the first place, we remember a Bill for imposing a

land tax was introduced. That, of course, was thrown out by another place. Then, in order to please another place, a land and income tax Bill was introduced; but Ministers pointed out that the main feature of the taxation proposal was a tax on land values, and that the income tax was small in proportion. They said that the income tax was a secondary consideration to the land tax. But what do we find? From the figures quoted to-night we find that the income tax produced almost within a few pounds of what the land tax produced. Consequently I claim that the arguments advanced from this side of the House last year were absolutely correct, and that the member for Ivanhoe (Mr. Seaddan) was the man who put up the strongest case, when he argued that the working men of the goldfields and the toilers of this State were to be called upon to supply the tax, while the land owners get off practically scot free. This accusation was denied by Minister after Minister, and member after member, who said that such a thing would not happen, and returns were put forward by the Treasurer, and arguments were advanced, to try and prove that the member for Ivanhoe was incorrect. But what do we find? Exactly what the member said, for the income tax has contributed to the revenue equally as much as the land tax. Does not that go to show that members were misled last session? If members are sincere in their desire to make a land tax the first consideration and an income tax the second, they should take up the stand adopted by this side of the House, and that is not to agree to the taxation proposals of the Government until we have a chance to revise the machinery measure.

The Minister for Mines: The statement made last year was that the land and income tax would each produce half. The Treasurer said that.

Mr. JOHNSON: The Treasurer made a number of statements. He said the member for Ivanhoe was incorrect in his calculations. We are opposing the taxation proposals to-night because we object to granting the tax until the machinery measure is amended. We claim that the method of assessment is wrong, unsound

and inequitable, and as a protest against the Government's method of preventing us from revising the machinery measure, we oppose the taxation. Is it fair that after what is practically an experimental measure has been in existence for only twelve months, the Government should give us no opportunity to review the Assessment Act? Anticipating arguments against the Assessment Act, and that it would be amended, the Government now refuse to reintroduce it, but simply bring down a Bill to perpetuate an injustice which has been placed on the people for the last twelve months. As one who takes strong exception to injustice of this description, I shall vote against the Bill. I do not do so because I am against the principle of land values taxation, but because I am opposed to the method of taxation introduced by the Government. If an assessment Act were introduced and we were given an opportunity of revising and amending it in accordance with the principles we hold, then we would support the land tax every time. But such is not the present proposal. I take the strongest exception to the action of the Government and will cast my vote against the Bill. How can members on the other side whom I have heard, not only here but also in previous Parliaments, championing land values taxation, support a measure of this description? It is not a tax on unimproved land values in the true sense of the term, but only an apology for it. As I have said before, by way of interjection, members on the other side put party first in all their considerations, and on this question, merely out of consideration for their party, they will support a Bill which they know to be absolutely unjust, inequitable and unfair to the people of this State. As one who believes in fair taxation I take strong objection to the proposal, and intend to cast my vote against it.

Mr. O'LOGHLEN (Forrest): It was not my intention to rise to-night to oppose this measure, as I thought there would have been some consideration shown to members and that they would be given an opportunity to consider the Treasurer's figures before the debate was

concluded. In opposing this Bill I am carrying out my pledges to my constituents, and carrying out also the policy I have advocated since I have taken part in public life in this State. I strongly oppose the methods adopted by the Government in bringing down this tax, for they have given us no opportunity to discuss the incidence. This question was put clearly by me during the electioneering campaign, and the people of my electorate showed they approved of the attitude I took up by returning me unopposed. With regard to the land tax I am not satisfied with the exemptions and rebates which form so prominent a feature of the measure. I have discussed the question with many of the small land holders in my district, and they approve of the graduated land tax the Labour party support, which provides for no exemption, which taxes the small man in an infinitesimal amount, and increases the amount according to the size of the holding.

The Honorary Minister: How kind of them!

Mr. O'LOGHLEN: I do not think that on this question the Minister can put up much of a case. As a keen student of this question, I have some recollection that the Honorary Minister won his first election and his way into this Parliament, because of his professed stubborn opposition to the land tax.

The Honorary Minister: You are quite wrong.

Mr. O'LOGHLEN: Not if we are to take the public reports as a guide.

The Honorary Minister: Read those reports.

Mr. O'LOGHLEN: I have read them and they clearly indicate that the Honorary Minister was wooing the suffrages of the electors of Northam because of his professed stubborn opposition to the land tax, and he appealed to the agriculturists to support him, and to fight against the representative of the Labour party who was in favour of the tax.

The Honorary Minister: That was only stated by your friends.

Mr. O'LOGHLEN: I am not in the habit of misrepresenting anyone, and I do not think I am doing so now. In regard to the income tax which is attached

to the land tax, the people of the State have shown the strongest opposition to it. If we look through the figures given when the proposal was first made, we will find that there was a deliberate attempt on the part of the Government to lift the burden of taxation from the shoulders of those best able to bear it, and place it on the miners and mechanics of the State.

The Honorary Minister: Is a £200 exemption nothing?

Mr. O'LOGHLEN: The original Bill provided for an exemption of £150. Further than that, the Treasurer then said he hoped to raise two-thirds of the revenue from personal incomes ranging over £500 a year. That proposal however did not become law, and the exemption was fixed at £200. As a member of the Labour party I contend that the exemption is still too low, and that members should be given an opportunity now of increasing it to at least £250.

The Honorary Minister: Stick it on the land owners.

Mr. O'LOGHLEN: I do not look upon a proposal of this kind merely as a revenue tax. I think a land tax is just in any country, and that as land is the source of wealth, it should contribute at least sufficient revenue to provide avenues of employment for the large number of people looking for work. In the electorate of the Honorary Minister there is one estate about which I have received information from the most reliable source.

The Honorary Minister: Be careful.

Mr. O'LOGHLEN: I will be. I have it on the most reliable authority that on that estate not more than 20 or 30 people are getting a livelihood. The estate comprises 33,000 acres.

The Honorary Minister: It is in the York electorate.

Mr. O'LOGHLEN: It exists, and there are several others like it. Before the country is committed to the expenditure the Government have mapped out, before the people are called upon to pay the additional taxation proposed to be introduced, there should be an increase in the land tax, so that more money

would be obtained and the owners of large estates along the railways would be compelled to improve their lands which are now untouched.

The Honorary Minister : Are you sure of that?

Mr. O'LOGHLEN: Other members will follow me in the debate and the Honorary Minister himself will have an opportunity of dealing with the question. There are many large areas in this country which are not contributing to the revenue in the way they should. We should try and bring about a scientific system of taxation, whereby an equitable and fair burden would be placed on the shoulders of the people able to bear it, for this would mean that owners who have large estates along the railways, would have to utilise them or give others an opportunity to do so. If we look through the policy of agricultural development and the general policy of land settlement in the State, we find that people are being forced out 20 or 30 miles beyond railway facilities. Although I know that a railway is progressive, and always pushes out farther and farther, still there are a large number of settlers forced into districts which will not be provided with railway facilities for many years to come. Settlers are forced out even as far as the rabbit-proof fence, and yet as one travels along the Great Southern Railway he sees large areas now carrying merinoes instead of humanity. It should be the duty of the Government to try and arrange a tax, so that the owners of that land should contribute more to the revenue. As to the petty system of taxation proposed to be introduced, there will be a chance of considering that later on. The Government, however, should make a honest attempt to bring into force a tax that would meet with the approval of the people. Last evening the question of the licensing laws was discussed, and it was pointed out truly that in this direction lies a splendid field for revenue. If we were to carry out the proposals of the James Government and nationalise the liquor traffic, there would be no occasion for

half the taxation proposals now being introduced. If we look into the far-sighted policy of that Government in that one respect of nationalising the liquor traffic, we would realise that had it been adopted, we would not have now conflicting interests cropping up, but would have possessed by the State something like 100 State hotels which would not only be a credit to the country and to the Government who had the courage to deal with the question, but also a credit to the people. By that means revenue would be provided and Ministers would not be compelled to bring in harassing proposals such as those to be brought before this House shortly. We must look to all sources for revenue and we should look more to the land tax, before embarking upon the policy the Government propose to adopt. The Land and Income Tax Bill is going to pass this Chamber owing to the support accorded to it by members on the other side of the House. Whether they will be pursuing a wise policy or not, it is for them and for their constituents to say. Possibly the Treasurer will say he has not time to reintroduce the machinery measure this session. I believe that will be his excuse, but in justice to the large number of people in Western Australia who have been asking for a land tax of the right kind for some time it should be introduced. The very presence of so many members on this side of the House provides sufficient justification for the statement I make, that the people of the State believe in land taxation without exemption and without rebates. I say that the number of members on this side of the House, 21 of us, is sufficient justification of the fact that in the State there are a great number of people, a majority of people in fact, who are in favour of this particular form of taxation. I notice the Honorary Minister is laughing. Possibly he cannot follow me on this particular question. I only rose for the purpose of entering my protest against the attitude of the Government in trying to force this Bill through to-night without giving hon. members an opportunity of considering the incidence of the tax, and I venture

to say there is not one member who could speak accurately to-night from the figures quoted by the Treasurer. We have not had sufficient time to go into these figures. Members must know it takes time for figures of any description to soak into any intellect, and it would have been gracious on the part of the Government to grant the adjournment of the debate until to-morrow, when hon. members would have been in a better position to continue the discussion, and when they would also have had the opportunity of looking at the results, and debating further the possibilities of the re-enactment of this particular type of legislation. As I stated, the Bill is likely to have a pretty quick passage, judging by the views of hon. members. During my election campaign I advocated the proposal of the Labour party, that is, a land tax and income tax with exemption up to £250. Hon. members may taunt me with opposing this Bill while advocating a land and income tax. I want to repeat as regards the land and income taxes that the Labour party advocate a graduated income tax with exemption up to £250, and I contend that the present Government during the last few months have not paid that attention to the question that it deserves. They have not endeavoured to bring down an equitable measure but they have brought down a proposal which is not satisfactory to the people of Western Australia, not satisfactory even to the Treasurer himself, because I believe were he to accept the proposals of the Labour party, proposals which were endorsed by a great number of electors, he would have been in the position of submitting a measure which would have produced more revenue and would not have rendered it necessary for him to look for other avenues of taxation. I have stated my reasons for opposing this Bill as a protest against the action of the Government in submitting it without giving members a chance of altering the incidence so as to make it more equitable to the people of the State.

Mr. TAYLOR: I move—

That the debate be adjourned.

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

Ayes	..	..	..	18
Noes	..	..	..	25
Majority against				7

AYES.

Mr. Angwin	Mr. O'Loghlen
Mr. Bath	Mr. Scaddan
Mr. Bolton	Mr. Swan
Mr. Collier	Mr. Taylor
Mr. Gill	Mr. Underwood
Mr. Holman	Mr. Walker
Mr. Horau	Mr. Ware
Mr. Hudson	Mr. Troy
Mr. Johnson	(Teller).
Mr. McDowall	

NOES.

Mr. Barnett	Mr. Jacoby
Mr. Brown	Mr. Keenan
Mr. Butcher	Mr. Male
Mr. Carson	Mr. Mitchell
Mr. Cowcher	Mr. Monger
Mr. Daglish	Mr. N. J. Moore
Mr. Davies	Mr. S. F. Moore
Mr. Draper	Mr. Nanson
Mr. Foulkes	Mr. Osborn
Mr. Gordou	Mr. Price
Mr. Gregory	Mr. F. Wilson
Mr. Hardwick	Mr. Layman
Mr. Hayward	(Teller).

Motion thus negatived.

Mr. TAYLOR (Mt. Margaret): Since the Government will not allow an opportunity to hon. members on this side of the House to go through the figures put forth this afternoon by the Treasurer, I suppose I can only at this stage offer my objection to the measure. Unfortunately this Bill is not a Bill that this side of the House desires to attack. One in attacking this measure is perhaps at a difficulty in making himself clear. This is not the measure on which we put up a fight last session. It was the machinery Bill, which is not before Parliament yet, and which we opposed last year as being an objectionable measure. If it were only within the province of Parliament this session to deal with that measure, I believe I would be safe in promising the Government a pretty warm and lively time.

Mr. Walker: That is why they have not introduced it.

Mr. TAYLOR: It must be plain to the Government and to this State that the

action of the people during the last campaign has proved beyond doubt that the taxation proposals of the Government are most objectionable to the people. What do we find happened during the last campaign? We find Ministers of the Crown who had previously been returned to Parliament opposing the land tax, opposing it tooth and nail, being returned to Parliament and going back on their original views. We find them giving their support to the proposals and apologising for their attitude, and the Premier too apologising and telling the people that it was necessary to propose this taxation for revenue purposes. But what we find is this, that the very set of hon. gentlemen who were returned to Parliament in 1905 absolutely opposed to land taxation proposals, and afterwards supporting the Government blindly and docilely in the imposition of this tax, when they went before their masters during the last election were defeated and defeated badly. The member for Beverley (Mr. Smith) was defeated; the member for Greenough (Mr. Stone) was defeated; the member for Perth had a Government supporter opposing him, and the member for Perth who is opposed to the tax defeated the Government candidate out of sight. We had also the Government member for Collie (Mr. Ewing) —who was ever at the beck and call of the Government during the last three years to support them at every turn—opposed the wishes of the electors and he too was rejected. The member for Balkatta (Mr. Veryard) not only betrayed his electors on the education question but went back on every pledge and principle he advocated, and he was ignominiously defeated by Mr. Gill. We find at every stage that the Government, when they were fought on fair and open grounds, were defeated. And now we find not alone this tax but other taxation proposals that the Government were afraid to mention. Will any hon. member tell me that the Government would dare go to the country last session and say they were going to tax the people's amusements. Why, they would tax the very air the people breathed, if they had power.

Mr. Johnson: What did the Minister for Mines say at Menzies?

Mr. TAYLOR: When the Minister for Mines was fighting his battles at Menzies under those memorable conditions politics were out of the question. He was scratching gravel for his very existence. He has my sympathy. I know the row he had to hoe and I recognise that he was all out. He was not only going back on taxation proposals, but he was prepared to raise the sectarian serpent to save himself.

The Minister for Mines: I rise to a point of order. It is absolutely incorrect. Moreover it has nothing to do with this subject and is quite out of order.

Mr. SPEAKER: The hon. member must withdraw. The Minister says it is incorrect. The hon. member must withdraw.

Mr. TAYLOR: If the Minister says it is incorrect, and if you desire it I shall withdraw. The Minister will recognise that there will be a time and a place where I will be able to give expression to my views on this question without being trammelled by the forms of this House. I am one of those who have no desire to transgress the forms of this House, but I feel so strongly on this question that perhaps if I have transgressed there is some little excuse. It is understandable that when an hon. gentleman is in so tight a corner as was the Minister for Mines during his campaign he might say things which he would like to have forgotten. But that does not get away from the fact that the taxation proposals of the Government are not the proposals on which the Government were returned to power. The Government have no justification for imposing the tax they seek to impose. And while I recognise that the people of Western Australia in common with the people of the world know that it is necessary that taxes should be imposed for the purpose of carrying on the affairs of the country; still when we find that the people's taxes are being wilfully wasted I say the people are justified in advising the Government in the way they advised this Government at the last election, namely, by absolutely rejecting six of their can-

didates. Six of their old, tried, servile supporters were rejected. Bear in mind I am not responsible for the moderation of the people in their advice. At the same time there is no argument in favour of the Government imposing this tax. If the Government acted fairly to the people, and if they acted fairly to their supporters, to at least six hon. members who are supporting them and who were returned to Parliament with certain limitations they would do it. The member for Greenough is smiling. He knows full well how he wiled his way into the wishes of the electors. I was not here to-night to hear the hon. member make his speech but I have been informed that he is going to be a veritable willy-willy next session—that he is going to blow the Government away if they dare to come down with any more taxation. He is prepared to give the Government a chance this session, but woe betide them if they come along next session. Of course it is just as well to stage over Christmas and the holidays, but I will be pleased indeed to see the hon. member come along next session scarifying the Government over their taxation proposals as only he can do. It will be refreshing to me to hear his voice in this Chamber, as I have heard it in the past, denouncing what he believes to be iniquitous in the proposals of the Government. And the electors of Greenough will be more than pleased. They have rejected a man who blindly supported this class of legislation last session, and have returned a man brand, spanking new and clean from England; a man in whom they have placed their trust, a man whom they know to be possessed of a great power of speech which will enable him to denounce the Government in their proposals. But the electors have placed their trust on a bruised reed. There is no doubt that if we had the machinery Bill before us there would be no shelter or shade for hon. members to get under; they would be compelled to come out of their shells and to give the country and this Parliament their views on the question. I venture to say that if the Government dared to bring down the machinery Bill it would not be carried. If the

Government were to give this House such an opportunity this session—this House as it is constituted fresh from the electors, having gone through the ordeal of the land and income taxes as proposed and carried by the Government against the wishes of the people—if we had that opportunity this session the Government would not be able to carry the measure. I am reminded by the Leader of the Opposition that by carrying this measure this House will endorse the objectionable Bill, the machinery Bill. I am not so anxious to fight this measure, as I am to fight the machinery measure. But there is no hope in the wide world of expressing my views on the machinery Bill; therefore I take this opportunity of pointing out to the House and to this State that I am opposed to the machinery Bill. This is the only stage at which I can do so. I did it last year, and I am indeed sorry that when the machinery Bill was before us Parliament was not constituted as it is this session. If it had been, the measure would not be law to-day. We would have had a form of taxation which would have fully replenished the Treasury, and the Treasurer would not be harassing the people with these small taxation proposals. The Government will tax anything. It is appalling when one comes to think of it, that the Government should ever have been credited with competency. Let us look back to the 1905 elections when Mr. Rason with his chest inflated said: "Give me an opportunity; give to me a majority in that Parliament and I will relieve you of this burden which the Government have placed on your shoulders, this burden of £40,000 odd. I will not tax you. I believe that economy will do it: economy with wise administration; not taxation; this country will not stand taxation." At that time Mr. Rason pointed out that a new growing country desirous of increasing its industries and of putting its manufactures on the same footing as those in the older States could not stand taxation; that land requiring settlement should not be taxed but that every inducement should be given to the people to settle: and that at all hazards we should increase our population and

not tax the people. He exhorted the people not to return the opposing candidate who was desirous of introducing taxation. Now what has been the result ever since that day? There has been nothing but taxation. I say it is unjust for candidates to stand up and advocate principles and afterwards go back on them, while we on this side of the House have all our cards on the table and none up our sleeves. But our opponents during the campaign told the people they were going to do something absolutely different from what they did when they actually got into power. I say we have had nothing but an increasing deficit; increased from £40,000 to nearly £350,000. We recognise, and the Government recognise in their returns that we are to the bad some £251,000. But add to that £73,000 of trust funds, of loan moneys of which the Government burgled the people, and in respect of which they subsequently brought down a Bill of justification; add that £73,000 to the £251,000 and we find we are actually £324,000 to the bad. And this is the wise Government that is going to put Western Australia on a sound footing; the saviour of the country. Talk about putting the people on their feet—they are putting them on their feet; and the people on their feet with their swags on their backs are looking for work. The Government are sending them towards the sunset, with their feet turned towards the sunset. Some of our best and finest specimens of Western Australian manhood are out of work; some of the best men we have in our State. Men who have made our State, and helped to build it up, are walking about looking for work under the wise administration of our present Government.

Mr. Horan: What do you know about work?

Mr. TAYLOR: It is a very old saying that one can speak more eloquently about something one knows nothing of. As I was saying, this measure is the only opportunity one has of opposing the assessment Bill. At least eight or nine members have spoken on the measure, and when we are dealing with a Bill entailing figures and finance, and seeing that one could not follow the Treasurer,

and seeing that there are members who wish to speak to the subject, I think it is only fair that they should have an opportunity of going through the figures put forward by the Treasurer so as to deal with the subject at a later date. It is unfair that the Government should try to bludgeon this Bill through to-night, and I want to warn the Government that there is such a thing as getting the House into a bad temper. Though weak in other respects, the Government may be powerful in numbers, and there is something in their using their power in that direction to their disadvantage. I do not wish to threaten the Government, but I warn them that, although the session is late, we have spent half the revenue and have not had an opportunity of dealing with the Estimates; and, in all human probability, if the Government are not careful the whole of the revenue will be spent before we have an opportunity of passing the Estimates. It only means carrying on this session till the 30th June next; and that is the simplest thing in the world. It only means discussing measures brought before the House as they should be discussed, every member giving his views on the particular subject being debated. However, I have no intention of delaying the House now, but I hope the Government will give members an opportunity of going through the figures of the Treasurer before any further debate takes place on this Bill.

Mr. Scaddan: There is no danger of that, you might discover something.

Mr. TAYLOR: There is nothing the House or the country could discover that could make the Government any worse in the eyes of the people than they are. I again emphasise it that my opposition to this measure is because I cannot reach the Act I desire to oppose, and that is the machinery Act; and I cannot acquiesce in the passage of this measure, opposing, as I do, the other.

Mr. McDOWALL (Coolgardie): On this occasion, another fond delusion of mine has been dispelled. When I was elected I was under the impression that Parliament, especially a newly elected

Parliament, had a voice in framing the laws of the country : but to-night I have discovered that such is not the case. For instance, I have before me a Land and Income Tax Bill with practically two short clauses which I am compelled to support or oppose. Now, what I object to is that I supposed members of Parliament had a right to some voice in the incidence of the taxation of the people, but the extraordinary thing is that we are here to discuss a measure of taxation we cannot possibly interfere with in any direction whatever. If that is proper parliamentary procedure, if it is the proper way to give an intelligent expression of one's opinions, it certainly does not strike me as being the best. Perhaps it is on a par with the procedure in introducing the Bill that caused such an immense constitutional discussion this afternoon. Certainly, it seems to me to be entirely improper that I, and other members, at least should not have the slightest opportunity of framing taxation in the direction we think proper. It seems to me that to bring a measure of this kind in without giving us an opportunity of speaking upon the vital principles, is diametrically opposed to sound Government, and to anyone intelligently conducting the affairs of the country. We are told by the Ministers that this is a splendid measure. The Honorary Minister interjected that there was an exemption of £200 so far as the income tax was concerned. He did not say that this exemption was due to the Opposition side of the House, nor did he say that the exemption of £10 per child under 16 years of age was also due to the Opposition. The Treasurer, in introducing the Bill, pointed out that this exemption was equivalent to £5 per week. Where he gets his figures from I do not know, because £5 per week means £260 a year. The Treasurer said that with the life assurance premiums and exemptions for children a man earning £260 per annum would not be taxed, because there was only about £200 left. It is marvellous that these gentlemen are taking so much credit for these exemptions that they fought so strenuously when the Bill was before the House. Unless a man has

a large family, and a young family, and unless he pays large life assurance premiums, larger premiums than men earning £5 per week can afford to pay, I venture to think he will not be within the exemptions under the assessment Bill. It seems to be somewhat inconsistent for Opposition members to be opposing land values taxation, because it is known it is a plank in our platform. In fact, it is a plank we believe in to the utmost possible extent ; we believe in it to this extent, that had the Treasurer or the Government introduced the machinery Bill on this occasion, we would have so altered the incidence of that taxation, to make it scientific and just, that all the other little petty and vexatious taxes would have been unnecessary ; we would have helped the Government to put the finances of the State in perfect order. That is the way it should be done ; but, instead, the Government bring before us something that to my mind is an absolute insult. What right have the people of my constituency to elect me to Parliament, or what right have they to elect others to Parliament to come here and leave this machinery Bill out, and give us no voice in the management of the country, no voice in saying what is right or wrong according to one's opinions ? To me it is an absolute scandal. Go into a little petty municipal council and a man has a voice in everything before him : if one joins any institution in the world he has a voice in it ; but here I am to-night speaking on a question, and I have no opportunity of voicing my sentiments or opinions on the main principle. If that is parliamentary, I say there is something rotten. It is not proper that we should be in this position, and I have simply risen this evening to explain my opposition, to show that I object most strenuously to this kind of thing, and that I consider it absolutely improper. The Honorary Minister also interjected that the Opposition did not want to be taxed. Of course, that is an insinuation that our pockets are empty.

The Honorary Minister : Oh, no.

Mr. McDOWALL : Do not mistake me ; I did not mean it in a nasty way ; but it is an insinuation that members on the Opposition side of the House have not

land, though at election times, they say the member for Kanowna owns nearly the whole of the country. It is an insinuation that by doing away with the exemptions, and by going in for a graduated income tax, we expect to escape. If the Honorary Minister only studies matters seriously he will find there is no possibility in the world for the poor man to escape taxation. Primarily it must come from him; there is no getting away from that. Therefore we do not speak because we desire to escape taxation, but we say that it should be just; and what we complain of is that we have no voice whatever in the framing of this taxation. Now, I think it is patent to everybody that had this machinery Bill been placed before us, the incidence of this tax would have been, as I have already said, altered to such an extent as to rectify the finances of the State; and the owners of land at once say, "Yes, but we are the ones to pay it." I would remind these gentlemen that land is of little or no value if it cannot be placed to some use. Without population land is simply useless, it is of no value whatever. Population has given value to the land, and all we ask is that a portion of that value should be returned to the State in the way of fair taxation. Part of the value given should be returned to the State in order to conduct the government of the State and to pay to a certain extent for the immense expense that is incurred in the protection of property. As I have already stated, I simply rose to tell the House that another illusion so far as Parliamentary life is concerned has gone. I trust I shall never have occasion to mention it again, because I sincerely hope that when another Bill is introduced into this House we shall have an opportunity to discuss the whole measure. It is absolutely unfair not to have given us an opportunity to do so on this occasion. I think that, indisputably, land values taxation is the remedy for the affairs of this State; but at the same time, as I am not given an opportunity to say a word or two in connection with the incidence of the taxation, it is necessary for me to oppose the measure on this occasion. I can assure the Government that if they would only

introduce the Bill properly and give us an opportunity of putting it into something like proper shape, this side would be unanimous in their support of it. Surely the Government must see that would be the very best way for them to get out of that difficulty so far as the financial position is concerned? I trust the second reading will be rejected.

Mr. WALKER moved—

That the debate be adjourned.

Motion put and negatived.

Mr. WALKER (Kanowna): I have no intention to speak for long, but I simply desire to explain to the House the reason why I shall oppose this Bill; why I shall vote against it. There are those who perhaps will say, that any member of the Labour party who votes against the land and income taxes, votes against his programme, his principles. I wish to dispel that illusion if possible. There are certain principles on broad lines which should guide all politicians and be supported by them when those broad lines are put in practice; but when, as in this tax there is introduced what is not strictly a land and income tax, and an attempt is made to palm it off as the genuine article, then it is time that those who hold to the broad principle should object. In principle I am a land-taxer; in principle I believe in an income tax. But I submit that what the Government have offered is not a consistent land tax. It is true that it is an imposition; it is a grab upon those who hold property either in large or small areas; and it is utterly devoid of principle. That is to say there is no real, no broad, scheme, no far-reaching purpose to effect, no reform; simply a money grab. That is all there is in the land tax proposed by the Government. It is no more in consonance with the just application of the powers we have to impose taxation, than it would be if we employed a man to stand in Hay-street and tell each person who comes along to "fork out," to pay three-pence or sixpence as the case may be. There would be just as much principle in obtaining taxation by that means as by the method proposed. The tax is applied without any rhyme or reason; there

is no elasticity; no fitting the burden to the back that has to bear it. It is because of that I object to the Bill as we have it, and I sincerely regret that the Government have not given us the opportunity by bringing down the machinery Bill once more, to show exactly what points we disagree with in the measure. We have here a bare impost, it is the stand and deliver part of the Bill, nothing more nor less. It is due to the House, and due to Parliament that we should be able to debate every feature of it; that we should be able to suggest new applications of the incidence. We have to take an evil thing; a thing condemned from one end of the country to the other; we have to take it in that form or not at all. In no sense is the pill sugar-coated; we have to swallow it just as the Government give it to us. That is extremely objectionable. It is not fair play to the people's representatives. We have been sent here to discuss in all its bearings a land tax; sent here if possible to amend what may be called an instalment—to give it the highest credit we can—of a land tax and an income tax; an instalment in bad form I admit. We have been sent here to amend that, either to get more or less, or to alter the incidence of what we have; but we cannot touch it, we are debating a measure with our hands tied. Only one course is open, either to vote for it or against it. That is all we can do, and that is not fair treatment to those sent here to serve their constituencies. It gives those who have different views no opportunity to express them. It is a plain assumption of infallibility on the part of the Government, an assumption to which I have the strongest objection. It must be admitted that in a new Parliament, after so much fault has been found with the old tax, we should have a right to deal with the question as a whole. Granted that the tax is needed—though it is regrettable to think that it should be so, when we consider the wholesale extravagance of the Government—I guarantee to say that in three or four public institutions of Perth the whole of the money col-

lected from the land and income taxes could be saved if there were more judicious and economical management. If this were done the people would be saved all the irritation of the land and income taxes. When I see the extravagance, no mere surface extravagance but deep-rooted extravagance, the squandering on favoured works and individuals the money of the State while at the same time there is a perpetuation of a tax of this illogical description, I realise it is time for the public to speak out. The Government surely should have learnt something by their appeal to the country at the last election. However they may pride themselves, they were defeated and humbled, and though they may recover temporarily a little support in this Assembly from those very people who have beaten them, who have been the instruments of thrashing them so to speak, the birch administered by the electors, yet the moral effect must overtake them, and as certainly as this Bill is passed in its present form, so will the condemnation of the general public increase. The public cannot forgive and forget. This stand will at least thoroughly disgust the whole public, and the Government will have to take the consequences. I cannot possibly endorse a land tax of this description because there is no purpose to be served by it. Judicious taxation will not only bring in revenue, but if I may be allowed to use the expression, it will have a moral effect on the community. It will not give to the minds of the people a sense of despotism and tyranny on the part of the Government officers of this State; it will give to the people an idea that they are living under a just Government. Injudicious taxation causes the general taxpayer to believe that he is not treated with fairness; that those governing him are unjust; that the law of equity does not prevail. All that tends to make the people dissatisfied; tends to crush them; tends to humiliate them and make them dissatisfied with everything connected with the State. It makes people feel that some have to bear more of the burden than they deserve, and without

any adequate recompense for it in the long run. What is the total amount of money that has to be collected for which the people are to be humbugged and irritated? The income tax is carried into businesses, and is the worry of private individuals, and the amount of money that has to be spent on preparing returns that are issued from the taxation office is a cost that is worth more than the Government get out of it. It humbles one to think we have to live in a country governed by incapables. It is disgusting, but we are obliged to submit to this tantalising method of being robbed. I submit if there were a land tax which in the course of its operation would affect mostly and chiefly the man who refuses to utilise his property, or rather the property of the State for the benefit of the State and the whole community, if we had a land tax which would take from the occupier for speculative purposes his unearned increment which belongs to the community, and would force him to turn his land into utility for the benefit of the State at large, there would be some principle in it. The land tax then would not only bring in revenue, but would do collateral good on all sides, and all taxation should have that object. If we are compelled to touch the land at all, we should touch it in the way that its ultimate tendency would be to make the earth more fruitful, and to benefit the State in the long run. I want to make that clear, because there are a number of people who are anxious to find excuses for supporting the Government in this land tax, and constantly saying that if the Labour party were in office there would be a terrible land tax that would press heavily on the selector, the man of small means. There is no warrant whatever for any assertion of that kind. The Labour party recognise that the form of taxation should be the tax which like other taxes in its incidence would not seriously affect those who are utilising the land, particularly the small cultivator who is bringing the earth into fertility, instead of at present having exemptions here and exemptions there, and rebates

here and rebates there, and leaving the speculative man who allows his land to remain idle to continue his speculative tendencies. Is there any member who will say that the man who has a million acres shall pay so much and that the man who has only five acres shall pay so much? There is no principle to guide that, it is purely rule of thumb. It is a toss up, head or tail, whether they pay so much, and it is very similar with regard to the income tax. It is the poor man who has to pay out of all proportion to his income. There are on the goldfields those receiving wages of £4 a week who have to pay income tax and they have to pay out of their £4 at the same ratio as the man who has got his £40 or £50 a week or more than that. Can there be any equity in such an incidence as that? The Labour party believe in an income tax. We believe in supporting an income tax beginning at the smallest figure and increasing in ratio to a man's capacity to bear it until the man in receipt of an enormous fortune should be compelled to unburden himself of the bulk of it. It is no species of robbery to propose a tax of that kind. We should be guided by England in matters of such taxation. The Minister in charge of this measure knows well that the more money people have, the more in the pound they can afford to pay. That is what we want here. We adhere to the principles, but we want them fully applied. The income tax should not touch a man who requires every penny of his income for himself, his wife and his family, and should not touch even the man who is struggling to get a little comfort in addition to the bare necessities of life. This tax allows nothing. We tax from the lowest rung of the ladder upward and all on the same proportion. The rich man who has his £20 a week to play with, only pays out of that the same rate per pound as the man who needs every penny to buy his children boots and shoes. That is not the tax the Labour party wish. It is true the Labour party would propose this tax only after having tried all measures of economy, and bringing the administra-

tion within the income. Having failed through the hardships of the times, and taxation being necessary, we should seek to put a burden where it would not do any cruel wrong. The Government do exactly the reverse. There is not a tax they propose which does not fall most heavily on the poorer section of the community. It is that to which we object—not the principle, but the incidence.

The Treasurer: It does not do so with these exemptions.

Mr. WALKER: It does do so with these exemptions. Where is the increasing burden for the man who has wealth in this State? The Labour party do not believe in the exemptions in the sense in which they were introduced in the machinery Bill.

The Treasurer: Yet you moved for a £300 exemption.

Mr. WALKER: Because we took the view that the working man, and particularly the man on the goldfields with his £250 or £300 a year, is using all of it for his living, for his mere chance to exist; and in the course of that living is paying more to the State in the shape of taxes proportionately than any of the wealthy people of the State. For that reason we said, start at £300 or make the tax so light below that amount that it will not be felt to be burdensome. That is the reason why I shall vote against the Bill. I am not voting against the principle, but against the incidence. This is so irritating, so unscientific, so devoid of equity and principle that it is not worth a moment's toleration by sensible people who aspire to be legislators.

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

Ayes 23

Noes 19

Majority for .. 4

AYES.

Mr. Barnett	Mr. Keenan
Mr. Butcher	Mr. Male
Mr. Carson	Mr. Mitchell
Mr. Cowcher	Mr. Monger
Mr. Davies	Mr. N. J. Moore
Mr. Draper	Mr. S. F. Moore
Mr. Foulkes	Mr. Osborn
Mr. Gordon	Mr. Plesse
Mr. Gregory	Mr. Price
Mr. Hardwick	Mr. F. Wilson
Mr. Hayward	Mr. Layman
Mr. Jacoby	

(Teller).

NOES.

Mr. Angwin	Mr. McDowall
Mr. Bath	Mr. O'Loghlen
Mr. Bolton	Mr. Scaddan
Mr. Brown	Mr. Swan
Mr. Collier	Mr. Taylor
Mr. Gill	Mr. Underwood
Mr. Holman	Mr. Walker
Mr. Horan	Mr. Ware
Mr. Hudson	Mr. Troy
Mr. Johnson	

(Teller).

Question thus passed.

Bill read a second time.

House adjourned at 11 p.m.

Legislative Assembly,

Friday, 11th December, 1908.

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

QUESTION—PUBLIC SERVICE REPORT.

Mr. HUDSON asked the Premier: 1, What is the cause of delay in presentation to Parliament of the report of the Public Service Commissioner this year? 2, When will such report be laid on the Table of the House?

The PREMIER replied: 1, I understand the report referred to has been to-day handed to His Excellency the Governor. 2, Next week.