

Legislative Council,

Thursday, 8th March, 1917.

Questions: Police and disturbance at a public meeting	PAGE 2201
House Committee, change of member	2201
Bills: Land and Income Tax Assessment Act Amendment, 2a., Com.	2201
Friendly Societies, Assembly's amendment	2210
Industries Assistance Act Amendment, 2a.	2211
State Trading Concerns (No. 2), 2a.	2214
Ports and Harbours, returned	2218
Early Closing Act Amendment, returned	2218
Fire Brigades, 2a.	2218

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

QUESTION—THE POLICE AND DISTURBANCE AT A PUBLIC MEETING.

Hon. H. MILLINGTON asked the Colonial Secretary: 1, Is the Minister aware that an organised attempt was made by a body of returned soldiers and others, led by Lieutenant Burkett, secretary of the State Recruiting Committee, and one Priestly, vice-president of the Returned Soldiers' Association, to break up a public meeting in the Town Hall, Perth, on the 28th of February? 2, That Inspector McKenna and a large body of police were in attendance, and that they allowed those men to break-up the meeting without making any attempt to preserve order? 3, That the police allowed Lieutenant Burkett and several of his followers to gain admittance to the hall, after the doors were closed, without paying for admittance; and that when requested to remove those men the police refused to take action? 4, That the chairman of the meeting requested Inspector McKenna in writing to remove those men who were creating a disturbance, and that the inspector refused to take action? 5, That if action is not taken by the authorities to maintain freedom of speech and the right to hold public meetings, that there is likely to be a serious breach of the peace? 6, Will he see that action is taken in the future to prevent a repetition of what happened on the occasion referred to?

The COLONIAL SECRETARY replied: 1, No. 2, No. 3, No. 4, The Inspector acted according to law. 5, The police will act strictly in accordance with the law. 6, Answered by No. 5.

HOUSE COMMITTEE, CHANGE OF MEMBER.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [4.33]: I move—

That the Hon. H. Millington be appointed a member of the House Committee in place of the Hon. J. Cornell, resigned.

Mr. Cornell forwarded his resignation as member of the House Committee to the President yesterday. As members are aware, the reason for that is that our friend has joined the colours and offered himself for active service abroad. I need say no more than that I am sure hon. members feel that Mr. Cornell has conferred great honour on the House by so doing. We all wish him a safe return when his duty shall have been accomplished.

Question put and passed.

BILL—LAND AND INCOME TAX ASSESSMENT ACT AMENDMENT.

Second Reading.

Debate resumed from the previous day.

Hon. A. SANDERSON (Metropolitan-Suburban) [4.39]: In regard to Clause 2, we shall be able to deal with it in Committee. I understand we are all agreed as to the object to be achieved, but there seems to be some disagreement as to whether that clause and Clause 4 will carry out what we wish to put on the statute-book. When we come to Clause 5—"Exemptions in the case of persons on naval or military service," it requires very careful and close examination; because the exemption is restricted to income arising from personal exertion, and any person who has volunteered for military service and has an investment will still have to pay the full rate, both to the Commonwealth and to the State. I should have thought some concession, at any rate, might have been given to a person who may

leave dependants behind, even though some of his income is derived from property. I would ask, also, does it mean continuous service? Moreover, it states specifically that he must be absent from the State. Surely those persons who are within the State and are engaged on naval or military service might be entitled to some consideration. I mention these matters so that the Government may have an opportunity of looking into them and determining if this is not one of those hastily drawn clauses which will immediately require amendment owing to circumstances which they have failed to consider. The proposed exchange of information is interesting and, doubtless, from the officials' point of view, highly desirable. But it makes the absurdity of having these two offices greater than ever. We have the two offices, Federal and State, manned by separate staffs in separate buildings, doing the same work. Surely it is not a business-like way of conducting operations. Let us assume for the moment that it is desirable to keep the Federal Constitution as at present in existence. The object of any taxation department is, or ought to be, to get the maximum amount of taxation at the minimum cost. Would it not be cheaper and more expeditious and effective to hand our taxation affairs over to the Federal department—because, certainly, they will not hand theirs to us—and say, "We will pay you a small commission on the income tax you shall collect for Western Australia." Of course, the same question crops up in every department almost every day. Possibly the simplest illustration is that of the electoral rolls. We have two rolls which are, or ought to be, practically the same. Therefore, apart from these clauses which we can discuss in Committee, I welcome the Bill because it seems to me that already we have entered on the period of compulsory unification. Unification has been a long time coming; it has taken eleven years. Or, perhaps, that is not quite a fair way to put it; because prior to the imposition of the Federal income tax it might be said there was no necessity for unification. However that may be, is it business-like, in collecting money, to have two offices doing precisely the same work? Can we afford it? Will

the public stand it? They have to make up two returns now, because the details required by the Federal Government and the State Government are not quite the same. The Federal system seems to me much fairer and much more carefully considered. But the whole question of our taxation must be revised. I have carefully looked into our system, and compared it with the systems of other countries; and the system of Western Australia seems to me one of the most inequitable and one of the crudest that could possibly be conceived. In this State we have not only two Taxation Departments, but nearly half a dozen systems of taxation. I will leave out of consideration for the moment the question of land taxation, which has been exhaustively dealt with quite recently. Let us take the income tax, and the tax which is really an income tax although not so called—that is, the dividend duty. I will give a simple illustration, the case of a person drawing £300 of annual income from a mortgage. How much tax will that person pay under our present system of taxation? A comparative trifle—4d. in the pound on the balance over the exemption, whatever that may be. Now let us take the case of a person drawing £300 annually in the form of dividends. How much will that person pay? Fifteen pounds per annum dividend duty, although he may have no other income whatever. What possible justification can there be for such an anomaly except the ignorance and stupidity of past Treasurers of this country on a question of sound taxation? I feel keenly on the matter, because it is so grossly unjust. What possible explanation can there be except that which I have suggested, and which I believe to be the true one—ignorance and stupidity—for putting an income tax of one shilling in the pound on all dividends and putting no income tax on an income of £250? One can have an income of £250 from mortgage without being called upon to pay one penny of income tax in Western Australia. And that is only one of the injustices we are committing in this income tax business.

Hon. W. Kingsmill: There are many more.

Hon. A. SANDERSON: I know that; and therefore what appeals to me in dealing with the matter is to make the sugges-

tion to the Government—a suggestion which surely they should have made to themselves—that in putting the financial position of the country right they should deal with the matter as a whole. Let them put aside altogether, if they wish to do so, this theory of mine regarding unification, which I shall not touch on further. Let that theory be put aside, and let us come down to Western Australian local taxation. Let hon. members mark the way in which the Government have handled the question of simplification of taxation offices. I do not wish to cast any reflection on the officers of our Taxation Department, or indeed on any civil servant. I am not blaming any civil servant in any degree. I put the blame on the Government. Surely the business of the Government was to give the specific instruction to the State Taxation Department, "You are to go over to, or amalgamate yourselves with, the Federal Taxation Department; or you are to reduce your system to such simplicity that if the Federal Government will permit the interchange of information the whole of our system of income taxation and land taxation can be administered by two or three people from the State department, and so that it will be a cheaper and more efficient system to hand over the work to the Federal Government, or to ask the Federal Government to permit us, in return for whatever may be considered a suitable fee, to have their income tax papers in order that the information may be used for Western Australian local purposes."

Hon. J. F. Cullen: Is not such a proposal under consideration at the present time?

Hon. A. SANDERSON: I say it is not.

The Colonial Secretary: I have already told the hon. member that it is.

Hon. A. SANDERSON: That the proposal is under consideration?

The Colonial Secretary: Yes. In introducing the Bill I said that a conference had been arranged.

Hon. A. SANDERSON: Exactly. A conference between whom? That is the very point. A conference between these officials. Why do the Government want the officials to confer? The Government ought to give the civil servants specific instructions what to do.

Hon. J. F. Cullen: The matter cannot be arranged without the consent of the other party.

Hon. A. SANDERSON: Evidently the Government have the consent of the Federal Government for a conference between the officials. I say that is not a proper way of doing it. The question is one on which the Treasurer of Western Australia should confer with the Commonwealth Treasurer. But, really, it is hardly worth while going on, because the whole system is in the melting pot. What did we hear last night from the leader of the House on the question of finance, when the hon. gentleman was expounding the Government attitude and replying to criticisms on the question of unraised money? I shall not say any more on that subject, but let hon. members look for themselves in the *Government Gazette* which was referred to, and see who is technically right and who is practically right. The hon. gentleman said that five millions had been expended out of the nine millions authorised. That is perfectly true. The amount has been expended. But what is the difference between expending money raised under inscribed stock and expending money, as the Government are doing, raised on Treasury bills? The Colonial Secretary did not tell this House or the public what the difference is. Let hon. members mark and grasp the difference between raising money under inscribed stock and raising it on Treasury bills carrying a very high rate of interest. The Government are financing on Treasury bills. It is perfectly true to tell the country and anyone who takes an interest in the finances of Western Australia that nine millions of money have been authorised to be raised under inscribed stock, 7½ millions plus the 1½ millions of deficit. I want to be perfectly accurate. Seven and a half millions plus the 1½ millions deficit makes the nine millions authorised for raising under inscribed stock. The money cannot be raised under inscribed stock, and the Government are financing on Treasury bills, for which the Treasurer can pay any interest he thinks fit. I am not surprised that the people are becoming alarmed as to the outlook of Western Australia. To hope that we are going to put

the position right by this Land and Income Tax Bill, and to say that the conference between officials of the Taxation Departments is likely to assist us towards economy, is to hope for a little too much. Are the officials likely to abolish (themselves? Yet that is the only possible way of dealing with the matter. There ought not to be in this country two land and income tax departments overlapping, and duplicating their work. The matter under discussion is of very great importance, because we are led to understand—and I ask hon. members to mark this carefully—that we are to clean up this week. Yet showers of Bills are coming in upon us. What kind of consideration are those Bills going to receive? We have no idea as to what way business is being conducted in this country at the present time. Land Bills are brought down at the last moment. Important finance Bills are brought down at the last moment. Where are we going to stop? There is a Health Act Amendment Bill down for second reading. Again, there is the Apprentices Bill, which, as Mr. Dodd has pointed out, is a matter of keen interest to a certain section of the community. This little Bill in itself, which we have now before us, will want close attention and consideration in order that it may be put through in a workmanlike manner—attention and consideration which it certainly has not received elsewhere. It seems to me that unless this question of the exemption in the case of persons on naval or military service has been submitted to the most expert authority, not only in the State but in the Federal taxation department, so that we may know what the Commonwealth are doing—

The Colonial Secretary: I told the hon. member that this is a copy of the Federal provision.

Hon. A. SANDERSON: That emphasises the point. What on earth is the use of our duplicating, clause by clause, what the Federal Government are doing? Mark this. We are taking ourselves back to the exact time, the 30th June, decided by the Federal Parliament. The Colonial Secretary tells us we are taking the exact words of the Federal Act so far as soldiers and sailors are concerned, and as far as the exchange of information is concerned if we had one office

there would be no necessity for this Bill. This is the first step in the direction of unification so far as the Land and Income Tax Departments are concerned and to that extent the Bill has my cordial support.

Hon. J. DUFFELL (Metropolitan-Suburban) [5.1]: I rise to support the second reading and I suppose it is only natural hon. members should expect me to have a few words to say in respect to it. The leader of the House on the second reading drew attention to the fact that some time ago I moved in this direction and it was after serious consideration that I was reluctantly, practically compelled, to withdraw the motion to which I had spoken and on which I had placed my views before the House. I support the Bill because it is a step in the direction which I on that occasion attempted to achieve. It shows conclusively that the Taxation Departments of the various States and also of the Commonwealth have at last woke up to the fact that they have been causing not only great inconvenience but have been putting the merchants in the various States to great expense in compelling them to arrange their balances to suit the convenience of the State and Federal Taxation Departments. As I said just now, it was with reluctance that I withdrew the motion which I moved, acting on the assurance of the leader of the House that at the Premiers' Conference held some time ago in the Eastern States arrangements had been made which practically covered the ground of my motion, but I realise now the ground has not been covered and it is the portion of the ground that remains uncovered to which I intend to direct my remarks this afternoon. I refer to the proposed conference of Commissioners of Taxation to be held at a date in the near future in the Eastern States. This, to my mind, is another wanton waste of public money in arranging a conference between men occupying important positions, Commissioners of Taxation in the various States, to meet together to try and arrive at some solution whereby one set of officers shall conduct the taxation work of the States and the Commonwealth. I say without hesitation the whole thing is a farce to think that these Commissioners are going to meet together to draw lots as to which of them is to get the "order of the sack." When

this conference is concluded I am candidly of opinion that we shall find that the two separate departments will remain in force such as they are to-day. We have only to turn to this morning's *West Australian* newspaper to find that the Federal Taxation have entered into an arrangement for the erection of a suite of offices to be erected in King-street in the city of Perth. What does that mean? Is it any indication that the Federal Taxation Department are prepared to fall into line with the State Department with a view to retrenchment, with a view of economy, making one set of officers do the work that two sets of officers and buildings are engaged for at the present time? I say without fear of contradiction that the forthcoming conference on the lines we have had indicated must and will end in a farce—a wanton waste of public money. I do not intend to allow this matter to lapse with the passing of this Bill. I realise the Bill must be passed. I realise it is a step in the right direction, but I shall not rest content until we in Western Australia, in this House at any rate, have shown our intention to achieve what it is our bounden duty to do, namely to do something to stop the waste of money that is going on at the present time. Last night we listened to a most admirable speech by the leader of the House, a speech full of information, a speech which is worth keeping for reference on many occasions which will arise in the future, a speech which had for its object the hope of the Government in doing something to stop the waste which is going on wantonly at the present time, and while we have the Government in that frame of mind it is our duty to follow that line of argument and show an earnest to bring under the notice of the Federal authorities our intention in regard to that matter which we asked to consider in the Bill this afternoon. With these remarks I support the second reading.

Hon. J. W. KIRWAN (South) [5.6]: I would like to say a few words in connection with the Bill in relation to the remark made by the Colonial Secretary last evening, a remark I am always pleased to hear, that during the recess the Government proposed to see what they could do to effect economy along the lines of preventing the overlap-

ping of services. The two members who have just spoken have advocated the preventing of overlapping work as between the State Government and the Commonwealth Government; I quite share the views they have expressed. There is no occasion for satisfaction regarding what is done at Premiers' conferences. The matter of arranging for one set of officers to work the Land and Income Tax as for the State and the Commonwealth, that matter is to be referred to a conference of Taxation Commissioners. I quite agree with what the two members have said as to the likelihood of anything arising out of such a conference. We all know what departmental heads are, how jealous they are of their own status and position, and here the Commissioners of Taxation are asked to do something which unquestionably will affect their own status and will reduce considerably the number of hands employed in the work they are paid to investigate. I think it is a great mistake and I hope in what the Government are about to do, to prevent the overlapping in State affairs, they will not be guided entirely by their departmental officers. Departmental officers are of necessity conservative in their ideas. They usually are desirous of building up their own departments or subdepartments, which adds to their own importance, and they are very chary to do anything to reduce their hands or bring about efficiency in that direction. They exaggerate the importance of what the particular members of the staff are doing and because of that it seems to me it is extremely remote for any good purpose to come from the conference. It is quite evident they will bring forward some report which will be quite useless and the matter will be delayed. In this Bill there is a provision which shows that there is no immediate prospect of amalgamating the State and Commonwealth departments. There are provisions here for the exchange of information between the two departments. I notice it is necessary but everyone will regret its necessity because it increases the number of persons who will have a knowledge of the private business affairs of the people in the State and it implies that the two departments will not be amalgamated in the near future. I am satisfied had the Premiers' Conference left the matter

to three business men quite outside the Taxation Department altogether and had said to these three business men, "Would you bring forward a scheme by which there can be one set of officers to do the work for both the Commonwealth and the State and provide one set of returns," I am certain any three business men would bring in a satisfactory scheme in a very short time, indeed perhaps in a week, or a fortnight or a month. But I have no hope of anything being done in a week, or a fortnight, or a month or years under the system the Premiers' Conference has advised. I hope in what the Government are about to do in the matter of preventing the overlapping of State services they will act independently of what the departmental officers advise. Departmental officers are but human and they are naturally biased against what will reduce their status. Too much care cannot be exercised before following their advice too closely and nothing can be done to bring about efficiency and to prevent overlapping unless the Ministers have the courage to act independently of the departmental officers.

Hon. Sir E. H. WITTENOOM (North) [5.13]: I propose to support the second reading but I wish to ask the Colonial Secretary to make the point quite clear which I spoke about last night, that is when the time dates from. As I said last night all have sent in their returns to the Income Tax Department up to the 31st December. It is now proposed to commence to send returns to the 30th June. Are we to understand that the next returns are to be made up to the 30th June or six months from the 1st January and then onwards each twelve months? I want that made quite clear. I repeat we have already sent in returns up to the 31st December and is it now proposed to take the returns each year from the 30th June? Are we to pay for six months to the 30th June or are we to go on and give another 12 months?

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East—in reply [5.15]: I do not propose to say very much in reply. I think Mr. Duffell is rather labouring under a misapprehension when he says that the object of his motion has not been carried out. I will quote the exact words used in that motion. They are as follows:—

That in the opinion of this House, the Government should take the necessary steps to make the return of the State Land and Income Tax fall due on the 30th of June in each year instead of the 31st December, so as to bring it in line with the Federal Land and Income Tax returns which are due on the former date.

This Bill entirely meets with the effect of this motion. It is quite true that Mr. Kirwan moved for further amendments contemplating the amalgamation of the two offices, and that, as I have stated, has not yet been accomplished. Mr. Sanderson suggests that the method of doing this should be for the Colonial Treasurer of the State to confer with the Treasurer of the Commonwealth. I would point out that these two gentlemen have already conferred on this very matter on two or three occasions, and that the decision arrived at by them—the hon. member can say if he likes that it is a wrong decision—is that the best way to bring about the desired result is for the taxation commissioners of each of the States of the Commonwealth to meet together and draw up a uniform system.

Hon. Sir E. H. Wittenoom: You are not obliged to accept it.

The COLONIAL SECRETARY: No. Before there can be an amalgamation which we all desire, and which, I have no hesitation in saying, the Government are determined to bring about, there must be uniformity in the methods. The Treasurer of the State and the Treasurer of the Commonwealth have conferred, as I have said, on this matter, and the decision they have arrived at rightly or wrongly—personally I think it is a right decision—is that the Taxation Commissioners are the best people to decide the matter, and that there should be a conference between the Taxation Commissioners with a view to bringing about complete uniformity in the methods. Directly that has been done it will devolve upon the Governments to amalgamate the departments in some way so that we can avoid the manifest absurdity of having two sets of people doing work that can be done by one set of people.

Hon. J. W. Kirwan: Are not the Commissioners interested parties?

The COLONIAL SECRETARY: They are acting as experts to make the methods uniform. That is the work they have been instructed to do. When they have completed that work, the amalgamation of the departments will be a matter for the different governments to handle.

Hon. Sir E. H. Wittenoom: The Treasurers could know nothing about the details.

The COLONIAL SECRETARY: I do not think they could. I do not see how the Treasurers of the Commonwealth or of the State could have arrived between themselves at an understanding in the matter. I think they have done absolutely the right thing in saying that the experts, the men in the Commonwealth and in each State who are supposed, rightly or wrongly, to know more about the matter than anyone else, should meet together with definite instructions to evolve uniformity out of the present condition of affairs so that there may be only one return and one set of taxes, and that all the extra trouble to the tax-payers may be avoided.

Hon. A. Sanderson: And that is going to be carried out?

The COLONIAL SECRETARY: These are their instructions. I do not see any other method by which this can be arrived at. It is futile to say that the Treasurers of the State and of the Commonwealth could meet together and patch up an arrangement between themselves. The proper people to do this are the experts, the Commissioners of taxation, in the different States and the Commonwealth. It is not quite the case when an hon. member says that they would meet together to decide which of them should be abolished. The Taxation Commissioners for the Commonwealth is only one individual for the whole Commonwealth and he will meet the Taxation Commissioners for each of the States.

Hon. A. Sanderson: There is a Deputy Commonwealth Commissioner in the State.

The COLONIAL SECRETARY: The Deputy Commissioners will not take part in the conference at all. This conference will be between the Commissioner of the Commonwealth and the Commissioners of

the different States. Although the matter has nothing to do with this Bill, I hope that in the near future uniform methods in regard to the electoral laws will have been carried into effect, and that it will only be a short time before these two branches are also amalgamated. I do not regard either of these two steps as having anything to do with unification, because neither of these will detract from the proper powers and privileges of a self-governing State. All that it will do will be to get rid of waste. Sir Edward Wittenoom has raised an important point. It might appear that having sent in a taxation return for the current financial year, but covering the period from the 1st January, 1916, to the 31st December, 1916, and having paid on that return, the taxpayer might in the beginning of the financial year ensuing be called upon to furnish in respect to the financial year 1917/18 a return of income or land, as the case may be, from the 1st July, 1916, to the 30th June, 1917. If he was required to do that it would mean that the period from the 1st July, 1916, to the 31st December, should be included in the two returns, and very great injustice might result. It is possible that during that six months the individual might have an exceptionally large income. We might even leave out the case of the individual and take the case of the farming community, for instance, who as the result of a good harvest and the high price for their wheat, namely, 4s. 9d. as is now guaranteed, as compared with normal conditions, might for the six months secure a large income, with the result that it would be an injustice to compel them to pay on that large income twice. The explanation of the matter is this. A taxation Bill is to be introduced as well as this machinery Bill. The taxation Bill already introduced and passed does not apply to anything beyond the present. It is a taxation Bill for the financial year 1916/17, a Bill covering those returns which have already been sent in. As soon as the present financial year is over and before any further steps can be taken under the Bill now before the House, a further taxation Bill will have to be passed, and a new taxation provision will have to be made to meet the case to which I have referred. A Bill was

introduced in another place but was not proceeded with. This contemplated not only a tax for the current year but a tax for the succeeding year. In the Bill which was subsequently withdrawn it was provided that for the financial year ending 30th June, 1918, one-half only of the land tax and income tax to be charged, levied, or collected, should be levied and collected under the measure. When the time comes for the introduction of a Bill to impose a land and income tax for the financial year 1917-18 it will be necessary to include in it a proviso that will protect the taxpayers against having to pay twice on the same income. Whatever that proviso is it will have to be submitted to Parliament, and will have to meet the approval of this House as well as that of another place before it is passed into law.

Hon. Sir E. H. Wittenoom: It would be a much more simple plan to pay on the six months from the 1st January.

The COLONIAL SECRETARY: That would probably be more simple.

Hon. J. Duffell: The Commissioner will not accept a six months' return.

The COLONIAL SECRETARY: It will not be a question of what the Commissioner will accept, but it will be a question of the law which Parliament passes.

Hon. J. Duffell: Then why not put it into the Bill?

The COLONIAL SECRETARY: This Bill will not compel the taxpayer to do anything after the end of the year, because before anything can be done an Act will have to be passed imposing a land and income tax. The Act imposing this tax is of annual duration only and applies only for the year in which it is passed. Very late in the day, yesterday, we passed a Bill imposing a land and income tax that applied only to the current financial year, and only to the returns that the public have already sent in covering the period from the 1st January to the end of December of last year. Now, before any further steps can be taken and before taxpayers can be compelled to furnish any additional return, another Act imposing a land and income tax for the financial year 1917-18 will have to be introduced, and that Act will have to make a proviso satisfactory to

both Houses of Parliament in regard to the period from June to December, 1916.

Hon. Sir E. H. Wittenoom: When do you propose to introduce it?

The COLONIAL SECRETARY: Early in the next financial year so that the revenue can be collected. It will not be introduced now. Hon. members can pass this Bill without any fear that it is going to affect the future position in the matter of compelling taxpayers to pay the tax. Undoubtedly there will be some little difficulty in making the change from one system to the other. That difficulty will have to be solved and in a way satisfactory to both Houses of Parliament, and included in the taxation Bill which will be brought down, before any further tax can be imposed.

Hon. Sir E. H. Wittenoom: If these returns are to be asked for from the 1st January to the 30th June, 1917, and the House does not meet until July or August, there will be no power to ask for the returns until after the House has met and a Bill such as you speak of has been introduced.

The COLONIAL SECRETARY: There will be no Act to impose a tax until another Act is passed, because the Bill we have already passed imposing the tax relates only to the current financial year and the previous year so far as the returns are concerned.

Question put and passed.

Bill read a second time.

In Committee.

Hon. W. Kingsmill in the Chair; the Colonial Secretary in charge of the Bill.

Clause 1—agreed to.

Clause 2—Amendment of Section 2:

Hon. V. HAMERSLEY: Although the Commissioner of Taxation has no power until we pass the Land and Income Tax Bill to collect the tax, nevertheless the Assessment Bill gives him power to demand from the taxpayers returns for the year from last June to the end of December, which have already been given in. Under this measure the Commissioner will have no power to fix the amount of tax, but it will still be his duty to get from the taxpayers returns as from last June until the end of the coming month of June. It seems to me ridiculous that the taxpayers, who have put in their

returns as from June last until the end of December, should have to give the same figures over again. I would like to see an amendment inserted which would have the effect of providing for these returns to be supplied for the period December to June. That would get over the half year, and then it would be only the new figures which would have to be returned.

Hon. J. M. DREW: I have given this matter a good deal of thought since yesterday, and I thoroughly agree with the remarks of Mr. Hamersley. If an amendment is necessary it should be made in this Bill, and more than one amendment, in my opinion, is essential. If the Bill is not amended, the Government will be enabled to collect two years' taxes between now and the general election. The Bill commences a new year when only half the old year has expired. The meaning of the clause cannot be ascertained by a mere glance at it. It is necessary to carefully study it. I have put down on paper the meaning of Clauses 3 and 4. Clause 3 means that any person who, on the 30th June, 1917, is the owner of land, shall pay a year's tax on that land. Clause 4 means that any person who has earned income for the year ended 30th June, 1917, shall pay a year's tax on that income. Under the existing Act the income and land tax does not become due again until the 31st December of the present year. We had to make up our returns after the 31st December last, and any day now the accounts are likely to come along and we shall have to pay within 30 days. If this Bill passes, we shall have to make out fresh returns in July, send them in, and within six weeks or two months a fresh account will come along. So that we will have to pay for six months' operations a twelve months' tax. A provision is needed in the Bill that we should only pay a half year's tax in connection with the dual return. Another amendment is necessary also. The Bill covers ground already covered. Say a pastoralist sold a large number of stock last November and then went out of business. During the month of January he would fill in his income tax return and he would have to pay income tax on the profit he had made on the last sale. This Bill would take him back to the 30th June, 1916, and he would have to pay a second tax on

that sale of cattle. The farmers would have to pay twice on the last harvest. They have already included the profit in connection with the last harvest in their last return, and under this Bill they will have to include it again. A second amendment is necessary to direct the Commissioner of Taxation to make adjustments in cases such as I have mentioned, and to give to the taxpayer the right of appeal to the Treasurer. We should not leave everything to the Commissioner.

Hon. J. F. CULLEN: I am prepared to accept the Colonial Secretary's explanation. No one dreams for a moment that the State authority would collect the tax twice. That is unthinkable.

Hon. J. Duffell: It is not unthinkable; they have done it.

Hon. J. F. CULLEN: The difficulty is that all the taxpayers may be put to the cost of making a return without authority and then having to make another return with authority. The thing has happened. The Bill passed yesterday should have been passed last December, and the Commissioner acted as if it had been passed. The Commissioner called for returns and they were put in, but he had no authority to call for them. Now the Commissioner, in May or June next, may call for returns for the year beginning July 1st, and taxpayers will be put to the cost of sending in those returns. It may be said that all he would have to do would be to halve the return, but I submit that is not all, because half a year's return would not actually cover either six months of the year. What ought to be provided in the Bill is some direction that the next taxation paper shall be for the six months. There is no reason why that should not be added to this Bill.

Hon. J. DUFFELL: The reply of the leader of the House on the second reading of the Bill is not clear. In Clause 2 the leader of the House will find that these words occur—

Provided that for the eleventh and each succeeding year of assessment the words "the year next preceding the year of assessment" shall mean the period of 12 months next preceding the year of assessment.

Hon. Sir E. H. WITTENOOM: Anyone who can understand that is clever.

Hon. J. DUFFELL: I would ask hon. members to look at the Title of the Bill. The title is for an Act to amend the Land and Income Tax Assessment Act, 1907. Therefore, Clause 2, which refers to the eleventh year, will carry us on to 1918. The leader of the House told us in his reply that early in the next session it will be necessary to bring in a Bill to provide for taxation for the period from the 1st January onward. He told us that the taxation returns and the Bill passed yesterday referred to the year 1916, and that this Bill had nothing to do with the coming year, or with the proposed alteration. I contend that this Bill has a great deal to do with it.

The Colonial Secretary: This Bill covers the proposed alteration.

Hon. J. DUFFELL: Why, then, will it be necessary to bring in a further Bill in the next session of Parliament? I contend this Bill refers to the period of 1918, and that is the period which we now have under review. Mr. Cullen has stated that the Taxation Department, as it is, will never assess us twice in one year. I say it without fear of contradiction that the Taxation Department is just the department that does tax twice and, unfortunately, I am one of those individuals who has paid twice on a portion of the year preceding 1916.

Hon. J. W. Kirwan: You are not the only one.

Hon. J. DUFFELL: It is the duty of the House to hold up this Bill, even to the extent of casting it out.

The COLONIAL SECRETARY: This Bill, if passed, will not enable the Government to collect a penny taxation from anyone. What I tried to make clear was that a fresh Bill will have to be introduced before any tax can be imposed, and when that Bill is introduced, before it can become law it will have to meet with the approval of both Houses of Parliament, and it will have to make provision so that the taxpayer shall not be called upon to pay twice on one income. The remark made by Mr. Drew is entirely beside the question. It was never intended that 12 months' taxation should be collected over a period of six months.

When the Bill was previously introduced in another place it was intended to cover that, and a special provision was inserted in the exact terms the hon. member now suggests. No taxation Bill has yet been introduced which applies to the period 1917-18. This is merely an Assessment Bill. I admit that there is a good deal to be said on the possibility of the taxpayer being confused in the first year of the change over, in connection with which there must be some duplication. For this reason I am prepared to admit that for that first year it might be better if the taxpayer were asked to make his return only up to the 30th June. This Bill provides the assessment up to the 30th June, 1917, in respect of which the taxpayer is called upon to make a return for the next preceding calendar half-year, that is to say, to the 30th December, 1916. That is the tenth year, which is not touched by this Bill. The proposal is made in order to synchronise our taxation year with the Federal taxation year. If it be the wish of the House I am prepared now to report progress and bring the matter before the taxation authorities to draft a clause providing that in the eleventh year the return shall be from 1st January to 30th June, 1918.

Hon. Sir E. H. WITTENOOM: What is desired is that we shall avoid the necessity for making returns from 30th June last.

Hon. J. M. DREW: It will be necessary in connection with the first half-year under the new proposal to reduce the exemptions by one-half, if the taxation year is to be ended in June, 1918.

The Colonial Secretary: I do not think it will be necessary to do that in this Bill.

Progress reported.

BILL—FRIENDLY SOCIETIES.

Assembly's Amendment.

Amendment moved by the Assembly now considered.

In Committee.

Hon. W. Kingsmill in the Chair; the Colonial Secretary in charge of the Bill.

Insert a new clause to stand as Clause 7: Amendment of Section 12. "Section twelve of the principal Act is hereby amended by

adding to paragraph (b) of subsection (1) the following words:—'Provided that on the death or resignation of a trustee the committee of management (by whatever name called) may appoint some other person as trustee in his place, but every such appointment shall be subject to confirmation at the next general meeting of the society.'"

The COLONIAL SECRETARY: I move—

That the amendment be agreed to.

Question put and passed.

Resolution reported, and the report adopted.

BILL—INDUSTRIES ASSISTANCE ACT AMENDMENT.

Second Reading.

Debate resumed from the 6th March.

Hon. C. F. BAXTER (East) [5.54]: My purpose in asking for the adjournment of this debate was that I might have an opportunity of perusing the Bill, and having done so I wish to compliment the draftsman responsible for this amending Bill on the masterly way in which he has succeeded in hiding the real intentions of the measure. There are clauses which will give very great power to the Government over existing mortgages, clauses which I venture to think will be harassing to many good men who are at present conducting their business in a proper way. In this matter, in my opinion, the Government is legislating for the few who may not be honest, and I do not think we should pass legislation the effect of which will be to hamper men in the manner which those clauses will do in a majority of cases. As a representative of the eastern agricultural districts I take strong objection to the tone adopted by some hon. members in the course of their remarks on the Bill. The Hon. E. M. Clarke especially was particularly strong against the wheat-growing portions of the State. I cannot see any reason for these continual references to the dry areas. This year what are referred to as the dry areas are showing the best results. I know a number of farmers in the dry areas who have obtained a return of 30 bushels to the acre over the whole of the area cropped. I hope members will drop the term "dry area,"

for in my opinion it should not be applied to any part of the wheat-growing portions of this State. The Hon. A. Sanderson called the attention of the House to the fact that the Colonial Secretary, when he was a private member, was not entirely in favour of this measure. The Minister himself has disposed of that contention. The country must realise that the Industries Assistance Act has been a wonderful benefit, not only to those who have been assisted, but to the country generally. Again, it must be remembered that those farmers who are assisted under the board are doing very good work for the country. There is one matter in regard to the wheat scheme to which I wish to call attention, and that is the matter of agreement with agents. In the latter part of last year I was responsible for the appointment of a select committee of this Chamber to go into the matter of the wheat pool business for the then coming season. One of the main points I then made was the agreement which had been entered into between those representing the farmers and the agents who operated on behalf of the scheme. There was no signed agreement, but drafts of both agents' and millers' agreements were laid before the committee, and I find that up to the present time even the agents' agreement has not been signed. In the absence of a signed agreement it becomes a question what claim the pool would have on the agents. We know that an agreement was completed which expired on 30th September, but without any subsequent agreement an agent cannot be made responsible for anything after that date. The Minister should have had the agreement signed at the commencement of the season, but, as I have said, it is not signed yet.

Hon. J. F. Cullen: The matter is covered by bonds.

Hon. C. F. BAXTER: The £20,000 bond was held in respect of last season's wheat. The £20,000 bond put up for last season's wheat is the one in existence to-day, and is the only bond entered into. I take exception to the drastic manner in which the Agricultural Bank has been criticised by certain hon. members on the score that no report has been furnished. Of course under the Act a report should have been furnished,

but after all what does the report contain, when we get it, beyond the opinions of the trustees? We have here the balance sheet for 1916, and it gives all the information desired.

Hon. J. W. Kirwan: Is the estimated loss shown there?

Hon. C. F. BAXTER: There is no loss, but the profits for the year amount to £8,000. The Agricultural Bank was established as a developmental institution, and not as a profit-making concern, notwithstanding which it produces a profit.

Hon. J. W. Kirwan: Have there been any losses?

Hon. C. F. BAXTER: I cannot say. I have not gone thoroughly through the balance sheet, but the hon. member is at liberty to peruse it for himself. I can well understand why no report has been furnished. In the inaugural year of the Industries Assistance Board, when the rush was on and the Government were so late in bringing down the necessary measure, the board had no staff, and practically the whole of the staff of the Agricultural Bank was transferred to the Industries Assistance Board. Many of the staff have never gone back to the bank. Under these conditions it was difficult for the bank to carry on at all, without thinking of supplying the customary report. I do not altogether agree that the Agricultural Bank should be exclusively a developmental institution. If it did not stick so hard and fast to developmental lines, we would not have had to come to the assistance of so many farmers under the Industries Assistance Board. No one can say that the Industries Assistance Board has been a failure. Indeed it has been a success, and will eventually become a most complete success. There are going to be losses, of course, but they will be due to the way in which the Act has been administered.

Hon. J. W. Kirwan: Will there be further losses in addition to that of £100,000?

Hon. C. F. BAXTER: I do not think the total losses will reach that amount. However, the losses have been mainly brought about by the free and easy manner in which commodities and other forms of assistance were distributed. I have heard of cases in

which farmers who were contracting on the roads have been supplied with fodder, others who had seed wheat and never put it in the ground, and still more who had stores, yet never worked their farms. It will be a good thing for the State and for the men themselves when the board culls out those who are unlikely to make good. Many of the board's clients are working splendidly. It is yet early in the season, notwithstanding which I find a large number have already got a clearance of their accounts from the Industries Assistance Board for this season's operations. Unfortunately many others are not so keen about securing clearances. What is keeping a large number on the board is the demand from the machinery firms for the whole of the money outstanding on three years' terms. Apart from the direct benefit derived from the Act it is safe to assume that the railways will benefit from the 2,000 clients of the board to the tune of £140,000 on wheat alone and, having regard to all other commodities, I expect that sum will be doubled. Then there is the further benefit of the securities of the State, the farms, being maintained instead of being allowed to drift back to a condition of wilderness. Moreover the board has taught many farmers the value of adopting business methods, and it now demands that they shall work their farms on business lines, from which, of course, they are not likely to depart again. I admit I cannot swallow the estimate of the board in regard to cropping cost, because I know that 16s. 9d. is so far below the real cost as to be probably not more than one-half. But from the standpoint of the board I take it that that sum will be the actual advance made to clients, and of course those clients will have to supplement it, for nobody could crop at that price. Another question of importance is the insurance paid. Last year the insurance effected amounted to a million and a quarter, premiums paid £22,216 and claims only £2,475. Therefore the clients of the board paid away £20,000 for insurance. I would like the leader of the House to induce the Minister concerned to try to arrive at some insurance scheme among the clients of the board. If the Minister could thus save £20,000 to those 2,000 clients he would be doing very good work indeed.

The Colonial Secretary: It was a year exceptionally free from fires.

Hon. C. F. BAXTER: No, I think it was only an average year. There are in the Bill clauses which I cannot support. I think the department is asking too much in automatically taking a lien over everything from the moment a client receives any assistance from the board. This will mean turning honest men into dishonest men. There is no need for this. There are other ways of getting at the few dishonest clients of the board without automatically taking a lien where it is not desirable.

Hon. J. F. CULLEN (South-East) [6.14]: I hope hon. members will not be too critical of the Bill. It deals with a most difficult question. One often hears people ask, "Why did the Government allow so much laxity in the first place, why was not everything put on a business footing from the start?" The Government were suddenly called upon to deal with a considerable amount of distress, and to have waited for ordinary business methods at the start would have been to court disaster. The Government rushed to the rescue of farmers in distress, and the moneys first advanced were advanced without real security. To those who think that unwise laxity also is introduced, in that the Government claim is supposed to take precedence where precedence in the ordinary law would not be given, I would point out that one proviso inserted in the last amending Bill and reproduced in this will meet fears of that kind. The proviso is that before the board give an advance they will have to notify the mortgagee or vendor, and if the vendor objects, the advance will not be made, or if made, will be made not on the real property but on the crops that are to be produced. I think the Bill is as sound as it is possible to make it under the circumstances, that good work is being done, and that whatever losses may be incurred they will be small compared to the enormous advantage to the State and to the settlers themselves.

Sitting suspended from 6.15 to 7.30 p.m.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East—in reply) [7.30]: I do not think it necessary that I should reply

in detail to the comments which have been made on this Bill, because it is obvious that, while many of us regret the necessity for legislation of this kind, hon. members with perhaps one exception admit that the necessity exists, that this Bill must be carried, and that we must see the thing through. Consequently the Bill has become purely a Committee measure. I do not propose to take the Committee stage this evening, and all I ask of hon. members is that any amendments they desire to move shall be placed on the Notice Paper, so that on Tuesday we may get to business knowing exactly what we have to do. Mr. Hamersley has already given notice of certain amendments, and in the main I see nothing to object to in the majority of them. In fact, hon. members may observe on the Notice Paper an amendment which I have placed there and which is in practically the same terms as one of Mr. Hamersley's amendments. The only other matter I wish to allude to is Mr. Kirwan's request for particulars of advances made to other than settlers on the land. I have here a brief return which is at the disposal of the hon. member. It shows that the following advances have been made or guarantees given under the Industries Assistance Act to other than settlers on the land. In the case of the South-West Timber Hewers' Co-operative Society in the first instance a guarantee of £25,000 was given, the security being a mortgage held by the Commonwealth Bank over the assets of the company. This guarantee was on general account to cover working expenses. A further guarantee to the same company for an amount of £10,000 was given on the same security for an overdraft on No. 2 mortgage for banking purposes, commission, etc. A further guarantee of £15,000 was given on behalf of the same company on the same security to cover an overdraft for discounting by the bank of the company's drafts for oversea shipments. A total of £50,000 was thus guaranteed, the security being a mortgage held by the Commonwealth Bank over the assets of the society. The advances were made by the Commonwealth Bank, who hold the security; and the State Government guarantee the account. A sum of £4,000 was advanced by loan to the Kalgoorlie and

Boulder Firewood Company. That advance has been repaid in full. Then the Great Fingal Gold Mining Company were guaranteed to the extent of £15,000. This money also was advanced by a bank on the security of a mortgage, the company guaranteeing to keep their stock at a minimum of £9,000. The purpose of the advance was to cover an overdraft for development work. The Fremantle Trading Company were guaranteed to the amount of £18,000. The advance was made by a bank and secured by mortgage. The purpose of the advance was to permit of the company's mining, refining, and smelting lead ores, and marketing the products. Those are the whole of the loans and guarantees made under the Act to people other than settlers on the land. All other matters raised during the course of the debate can be dealt with in Committee. I repeat my request that hon. members who desire to move amendments should place them on the Notice Paper.

Question put and passed.

Bill read a second time.

BILL—STATE TRADING CONCERNS (No. 2).

Second Reading.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [7.37] in moving the second reading said: In submitting this Bill for the consideration of hon. members I do not propose to make a lengthy speech, because I think that the principle of the measure will be readily agreed with and that whatever differences of opinion may exist would be on minor points which can be considered in Committee when the time arrives. It has been realised for a long time that the trading concerns of the State—I am speaking altogether apart from the opinions we may hold as to the advisableness or otherwise of those trading concerns having been established at all—are not working on sound commercial lines, that the financial operations as disclosed on the Consolidated Revenue account are not correctly stated, and that it is not possible to obtain a correct view of the financial position of each concern. During the debate in this House on

the Treasury Bonds Deficiency Bill several hon. members commented on the fact that it was practically impossible to get a clear and concise statement of the position of the various trading concerns. Furthermore, the provisions of the State Trading Concerns Act of 1912 are in many instances not applicable and in many other instances cannot be given effect to. This unsatisfactory state of affairs has caused the Government to frame and introduce this Bill with the object of putting the State trading concerns on a sound business basis, altogether apart from the question of whether or not they ought to be carried on at all. I think hon. members will agree that, whatever opinions we hold on the advisableness or otherwise of all or any of these undertakings, all of us must be of one mind in this respect, that every trading concern that we carry on because we think it desirable to do so, or that we carry on because for the time being we are unable to get rid of it, must be conducted on sound business lines and with the best methods that can be devised. The Under Treasurer, acting on instructions from the Treasurer and the Minister for Trading Concerns, called a conference of departmental officers administering and controlling trading concerns to discuss matters and to go into the financial operations of the trading concerns generally. The Bill now presented to this Chamber is the result, largely, of that conference and of subsequent deliberations by the Government after the officials had made their report. The Bill has four main objects. The first is to place the trading concerns on a sound commercial basis similar to that of an incorporated company. The second is to show the cash operations on separate trading concerns Estimates. These Estimates will be entirely distinct from Consolidated Revenue Fund Estimates. That amendment of procedure, I think it will be agreed, is very necessary. In the past the custom has been to include Estimates of revenue and expenditure for the trading concerns with the ordinary Estimates on Consolidated Revenue account. Without my going into details, hon. members will recollect that in previous financial years the actual results

of the operations of these trading concerns have differed from the Estimates to the extent of hundreds of thousands of pounds. The effect has been to make the Estimates of revenue and expenditure on Consolidated Revenue account entirely misleading. One of the purposes of the Bill is that the Estimates so far as they apply to trading concerns shall be furnished separately and quite distinct from the ordinary Estimates. The third object of the Bill is to provide a fixed capital for each concern to cover capital and also working expenses. That provision, I think it will be agreed, is absolutely essential. The practice in the past has been to provide fixed capital for the initiation of the concern, but without providing specific capital for carrying the concern on. In many instances the amount required to carry on a concern is almost as great as the fixed capital required in connection with its establishment. For instance, the fixed capital of the State sawmills as ascertained to the 30th June, 1916, was £241,156; but it has been found necessary to provide working capital for carrying on the State sawmills to the extent of £108,000. The State brickworks have a fixed capital of £28,076, and it is considered that they require a working capital of something over £2,000. The State implement works, on the other hand, require a larger working capital than the fixed capital, because of the necessity of allowing credit for considerable periods and also because it is impossible to sell the product of the works as it is turned out. The implement works fixed capital is £94,470, and the working capital £230,530. In the case of the State quarries the fixed capital amounts to £4,700 and the working capital to £1,500. The State Steamship Service has a fixed capital of £242,000 and a working capital of £60,000. The State hotels have a fixed capital of £39,400, and in this instance no working capital is considered necessary. In the matter of meat distribution, which is a small affair, the fixed capital is £980 and the working capital £1,000. I think it will be agreed that it is essential, if these concerns are to be run on a proper business-like basis, that sufficient capital shall be furnished in each case to cover not only the cost of establishment but also the

funds needed as working capital with which to carry on. The fourth object of the measure is to allow each trading concern to appropriate its own cash receipts to meeting its working expenses. Certain concerns which were not regarded as trading concerns in the true sense have been omitted from the Bill. Clause 3 shows that the measure applies only to the trading concerns set out in the schedule at the end of the Bill. This schedule states the name, nature, object, and capital of each trading concern. In this matter the Government are adopting the same principle as applies to companies under the Companies Act of 1893—the principle applicable to all incorporated companies, namely, that of determining the capital of each concern. That capital, whether fixed capital or working capital, Parliament will be asked to authorise in respect of each concern. Clause 4 deals with future trading concerns, which under Subclause 2 cannot be established or carried on without Parliamentary authorisation. This provision is considered to be necessary. It may be contended that under our Constitution at the present time it is unlawful for the Government to apply money to the establishment of trading concerns without first having obtained the authority of Parliament. But there can be no difference of opinion on the point that it is desirable in the case of future trading concerns that they should not be established unless the sanction of Parliament has been obtained. In another place an attempt was made to amend this clause so that the consent of one branch of Parliament alone should be necessary. Happily that attempt was defeated. I do not see what argument could possibly be advanced in favour of vesting any rights or privileges of Parliament in one House of Parliament only. All the privileges of Parliament must be exercised by both Houses of Parliament in conjunction with His Excellency the Governor in Council. This Bill provides that in future Parliament shall sanction the starting of any trading concerns before they are started. Clause 5 provides that Parliament shall furnish the necessary funds for all these concerns.

Hon. Sir E. H. Wittenoom: Will that be out of revenue or loan?

The COLONIAL SECRETARY: That will be for Parliament to decide. It would be necessary for any Government recommending the establishment of a new concern to accompany that recommendation with the necessary financial proposals. If any such recommendation involved the expenditure of say £20,000, the Government which proposes the establishment of the concern will have to tell Parliament where it proposes to get the necessary money from, and it will then be open for Parliament to sanction it or otherwise. Clause 7 intends to overcome the considerable difficulty which has been experienced in dealing with the payments of account. The Treasurer will act as banker for these trading concerns, and when a trading concern requires money to carry on, the Treasurer will provide it, always assuming that the money is available and that Parliament has authorised the capital of a concern, and that there is money in the Treasury for the amount required. The trading concerns will draw on the Treasurer by cheque in just the same way as similar institutions run by private individuals would draw upon a private bank. Clause 8 provides a statutory sinking fund and directs how the money shall be applied at the end of four years after the raising of the loan. This clause is essential. It provides that the contribution to the sinking fund shall commence within four years of the raising of the loan, and also makes provision where a higher rate of sinking fund is necessary than is stipulated in the clause. Subclause (a) covers those cases in which a special rate is found to be necessary, in such cases as that of the purchase of the motor ship "Kangaroo." In case the Government realised that an exceptionally high rate of sinking fund, $3\frac{3}{4}$ per cent. per annum, is required, the necessary further contributions would be met by the provision made in Subclause (b). Already the working capital for the trading concerns has been provided out of Consolidated Revenue. Most of the trading concerns, so far as fixed capital is concerned, have been financed out of loan, but the working capital has been provided out of the Con-

solidated Revenue Account, and is a sort of temporary advance. The amount already provided by way of working capital is set out in the schedule of the Bill, and I have already made reference to it. In regard to this clause, interest will be charged in accordance with the clause from day to day. Clause 10 provides that charges for rent of buildings, the use of property and services rendered by other departments, shall be debited in connection with each trading concern. Subclause 2 of Clause 10 is necessary in order to save the dual debiting of votes, that is to say, that where a departmental vote has been debited and no abatement shown on the Estimates of the department, the departmental vote is to be credited, if possible, with the amount of the payment made by the trading concern. But where a department shows on its annual Estimates that it has provided for repayments to a trading concern, such repayment shall be treated as a rebate accordingly and not as a credit to the departmental vote. This is a matter of book-keeping and is one which I think will be found to work smoothly. It provides merely for adjustment of accounts between trading concerns and departments, and that each trading concern shall, as far as possible, stand on its own merits from a financial point of view, just as if it were a concern owned by private individuals. Clause 11 applies in the following manner: when Parliament has passed a vote for the amount of the capital of a trading concern, and when a trading concern requires to operate on a vote, for, say, three months, it will forward an imprest or certificate to the Treasury, which will be accepted as a voucher and a debit made to the vote. The imprest or certificate will be accepted by the Auditor General as a debit to the vote, and it will be the duty of that officer to follow the debit and see that it has been properly disposed of in accordance with the regulations under this Act. Clause 12 is necessary where a trading concern has cash which is not required, and which the Colonial Treasurer may wish to use for other purposes. This provision gives him power to temporarily invest that money. That is to say, that if any of these trading concerns at any time have any surplus money, which some mem-

bers may think is not at all likely, the Treasurer shall have power to invest that surplus money. Clauses 13 and 14 require no explanation, their objects are perfectly clear. Under Clause 15, in order to have some uniformity in principle in determining the depreciation of assets of trading concerns, it is provided that the Colonial Treasurer shall determine the amount of depreciation. That will not be an arbitrary act on the part of the Colonial Treasurer, because the manager of each trading concern will submit his recommendation to his Minister, and the Minister in turn will forward the proposal to the Treasurer, who will have the final voice in fixing the amount of the depreciation. In practice it will be found that the Under Treasurer acting on behalf of the Treasurer, will undertake this work of fixing the amount of depreciation, but in every case the final decision will rest with the Colonial Treasurer. Clause 16 provides, as I have already mentioned, for the annual Estimates of trading concerns being submitted to Parliament separately from the Consolidated Revenue Fund Estimates. Members of Parliament would then be able to see in a clear and concise form the cash position of every trading concern which hitherto has been more or less covered up in the Consolidated Revenue Estimates. Clause 17 provides for a trading concern appropriating its own receipts for working expenses, and in the event of a deficiency applying its working capital as set out in the schedule to the Act, as may be provided by Parliament; and that in the event of any deficiency of working capital, application may be made to the Treasurer for an advance out of the Treasurer's Advance Account. It is not always possible for Parliament, at the passing of the Estimates, to fix the exact amount which will be required; hence this provision to provide additional capital. But that applies only to working capital. So far as fixed capital is concerned it will be taken out of loan moneys which have been voted by Parliament for that purpose. The intention of Clause 18 is to apply only the surplus profits for the benefit of the Consolidated Revenue Fund. I think this highly desirable, because it will save undue expansion of the Revenue Estimates, will

bring them into much better order, so that they will be more easily understood by the public and more readily dealt with by Parliament. I would like to mention that such trading concerns as the State Steamship Service and State hotels, which do not deal in large stocks, and which have a monthly cash turnover, would provide a credit almost monthly to the Consolidated Revenue, but in the case of other undertakings, particularly the implement works and State saw-mills, the amount of the profit would have to be ascertained and allocated, and that could only be done after the financial statement has been got out. Clauses 19 and 20 are sufficiently clear. The provision in Clause 21 is to remove trading concerns from the provisions of the Audit Act and Treasury regulations, for the reason that the provisions of the statute cannot be carried out. At the same time regulations will be provided under this Act, which will be equally as binding as those under the Audit Act. As soon as this Bill is passed the regulations will be prepared. One other section to which reference should be made is that regarding the sale of a trading concern. As originally introduced, the Bill gave power to the Government to dispose of any of these works. That provision was amended in another place, and I do not in any way quarrel with the amendment. As the Bill stands now, before there can be a disposal of any of these assets the proposal must be submitted to and approved by Parliament. I do not think any hon. member will question the necessity for a Bill placing the trading concerns on a more sound business basis. The only difference of opinion we may have here will be as to procedure. I do not suggest for a moment that the introduction of this Bill may be taken as an indication that the Government approves of trading concerns. The desire of the Government is that so long as we have them our trading concerns shall be carried on by this or any other Government in the same way as they would be carried on under an ordinary commercial system; and we make provision that no further trading concerns shall be established except with the sanction of Parliament. I beg to move—

That the Bill be now read a second time.

On motion by Hon. J. M. Drew debate adjourned.

BILLS (2)—RETURNED FROM ASSEMBLY.

- 1, Ports and Harbours.
 - 2, Early Closing Act Amendment.
- Without amendment.

BILL—FIRE BRIGADES.

Second Reading.

The COLONIAL SECRETARY (Hon. H. P. Colebatch—East) [7.59] in moving the second reading said: I desire first of all to anticipate the objection which may be raised by some hon. members that this is anything in the nature of hasty legislation. I desire to assure members that the framing of this legislation has occupied the attention of this and the preceding Government for about five years. Prior to 1898, when the first governing board was created to deal with fire brigade matters, each municipality or roads board authority was a law unto itself in respect to fire administration. When settlement throughout the State became closer the necessity for a uniform measure became apparent, and in 1898 an Act was passed constituting a central board of control, but this only applied to the municipality of Perth and such other districts as were brought under its operations by proclamation. Under the Act only the municipalities of Perth and Fremantle were at that time included. The growth of the suburban areas and other large centres throughout the State, however, created a desire for a more comprehensive administration, and with this object in view the present Act, the Act of 1909, was introduced. This brought within its scope practically the whole of the State with the exception that power was given to the Governor-in-Council to exclude from the operations of the Act any particular area. It was anticipated with the 1909 Act that a central and uniform control would tend to lessen the cost of fire administration, but that anticipation was not realised.

Hon. J. Duffell: Alas!

The COLONIAL SECRETARY: In fact the contrary has proved to be the case. To illustrate to hon. members the measure of disappointment on the part of those who introduced the Bill thinking that it was going to lessen the cost of administration, I would inform them that the Government contributions in 1909, during the first year of the operations of the board, amounted to £1,036. In the following year when the Act got fairly into operation the contributions of the Government were increased to £6,687, or an increase of over £5,000 above the first year. That expenditure steadily increased until the Government contribution for last year stood at £7,887. Hon. members will understand without my going into details the principles under which the finances of the board are raised. The amount is divided into eighths. The Government find two-eighths, the fire insurance companies three-eighths, and the local authorities find the remaining three-eighths. For this year the board's estimate of expenditure throughout the State is £31,350. The Government are of opinion that the expenditure is excessive, and it is one of the objects of the Bill, the main object, to reduce that expenditure. When I say the main object I wish to point out that it is also the desire of the Government to do justice to those local authorities which in the past have been compelled to contribute far in excess of their just proportion. But the greater proportion of expenditure is incurred in the metropolitan area and in the larger centres where men are employed permanently in the different fire brigades. It has been contended that permanent fire brigades—I believe the contention is right and I support it—have been established in many centres where volunteer fire brigades are quite willing and able to carry out the work. The result has been to destroy to some extent the volunteer fire brigade movement which, apart from the fact that it is economical, has always been an excellent movement and there has been a fine class of men taking part in it. The volunteer movement has always comprised the best men in the community and it is regrettable that so much of that spirit has been destroyed. The influence that this has had upon the volunteer

fire brigade movement has thrown much additional expense upon the shoulders of the board. Many representations have been made over a long period of years asking for an amendment to the existing Act in order that it might press less heavily than it does now upon the different local authorities and the small municipalities and road boards. In 1912 my predecessor in office (Mr. Drew) drew the attention of the then Premier to the fact that the present Act seemed to be giving universal dissatisfaction and a promise was made that an amending Bill would be introduced for the following session. The fire brigades board, that is the body administering the Act, also urged an amendment to the Act providing for self-contained districts, and the present Bill has largely been drafted on the recommendations of the committee of the fire brigades board itself, the chairman of the committee being a gentleman who at that time was chairman of the board, namely, Mr. Basil Murray, the manager of one of the insurance companies in Perth. This Bill has been drafted largely on the recommendations of that committee. Instructions were issued to prepare a Bill to be introduced in the 1912 session, but owing to the pressure of legislation this was not done. Similar instructions were issued again in 1913 but again it was not done. Instructions for the preparation of the Bill so that it could be submitted to Parliament in 1915 were also issued, but by that time we had got into the war period, and there were many matters of great urgency which had to be brought before Parliament so that the Bill was not given effect to. The financial burdens of these local authorities have been the subject of deputations to successive Ministers during the past four or five years. As late as September of last year a deputation representative of forty contributing bodies waited upon me to urge that immediate legislation should be introduced to relieve them of their financial burdens. It is partly as a result of that deputation and of the persistent agitation which has been going on for the past four years, also the expressions of opinion of my predecessor in office, of the previous Government and of the board itself, that this Bill has been

introduced, therefore I think it will not be suggested that this savours in any way of hasty legislation. It has been put off from year to year notwithstanding that a gross injustice has been done to many of the smaller municipalities and road boards, and notwithstanding the very large sum which has been spent by the State, which I firmly believe would have been avoided if the Bill had been amended at the time the defects in the previous legislation were first pointed out. It is perhaps well that I should say that the existing legislation, the Act which contains these defects, was the Act introduced and passed by a Liberal administration, and consequently our predecessors in office were in no way responsible for it. This is a consolidating Bill and not merely an amending Bill. At the present time there are nine Acts in force relating to fire brigade matters. This Bill consolidates the whole lot so that we shall have it all under the one cover now. The main principle is to constitute each municipal district and road board mentioned in the schedule separate fire administrations to the intent that each local authority shall annually contribute to the expenditure within its district. I think it will be agreed that this is entirely a fair provision. I know of instances of larger provincial municipalities in which, before this Act came into operation, before 1909, they were conducting a reasonably efficient volunteer fire brigade service at a cost to the ratepayers of about £100 to £150 per annum. They were paying the entire cost themselves. They had these volunteer fire brigades which were reasonably efficient—perhaps not quite so efficient as the paid brigades that we have now—and when the Act came into force in 1909 it made this provision, that instead of each local authority finding the whole of the money it required that the Government should find two-eighths, the fire insurance companies three-eighths, and the local authorities three-eighths. Consequently, the Act was welcomed with open arms by these larger provincial towns which had been paying the whole cost themselves of the volunteer fire brigade service and had been contributing only about £100 to £150 a year. They thought under these new provisions that they could go on contributing only that amount,

and that with another £100 from the insurance companies and £85 from the Government they would be able to establish a tip-top brigade without it costing them any more. It has however, worked out differently in practice. Some of the municipalities which had been keeping up an efficient volunteer fire brigade service at a cost of about £100 to the rate-payers now found themselves compelled to pay £200 to £300 a year under central administration. Instead of being relieved through the Government and insurance offices being compelled to pay a portion of the cost, they have been severely penalised. The measure also provides for local authorities to have some say in the class of protection in their respective districts for which they are required to pay. Now it rests with the central board to say exactly what form of brigade should be established in each district. That is not considered desirable. The object of the Bill is to give the local authority power to say what sort of fire brigade they wish to have, and also to provide that their contribution shall not exceed three-eighths of the necessary cost of fire protection in their district plus a reasonable charge for administration expenditure. The measure also provides in the future for the local or advisory committee being formed from the municipal council or roads board as the case may be. Although provision is made in most of the Australian Acts in connection with fire brigade work for local committees and these provisions are contained in the existing Act, they have not been found workable and have been more or less a dead letter. It is now intended to create committees controlled by the local governing authorities.

Hon. J. Duffell: What power do you propose to give them?

The COLONIAL SECRETARY: Advisory powers, and also they have power of saying what form of brigade they are going to have. In the event of any dispute between the local committee and the board the matter has to be referred to the Minister for decision.

Hon. J. Duffell: And is this decision final?

The COLONIAL SECRETARY: Yes. It is expected that the local committees will

have the effect of creating an active interest in the fire brigade administration in their respective districts. I think that not only in regard to fire brigade matters but in everything else, the secret of success is local interest and local enthusiasm. If we can create that interest by this Bill we shall have accomplished something which is entirely desirable. This interest in fire brigade matters used to exist in the old days when each centre maintained its own particular volunteer brigade. Latterly, however, there has been no reason why any local authority should take the least interest in these matters, because they have been compelled to pay the amount of their rates, it may be £200 or £300 a year, knowing that they have not the slightest interest in the expenditure, and there has therefore been no local interest in the matter. Two or more fire districts may be united together into one fire district by order in Council, provided that one month's notice of the intention to so unite them is given to the local authorities concerned. This provision will permit of contrary representation being made to the Minister if such is desired, and the Governor-in-Council will finally determine any dispute which may occur in the matter. An alteration is made in regard to the representation of the different bodies on the Fire Brigades Board.

Hon. A. Sanderson: What clause is that?

The COLONIAL SECRETARY: Clause 6, dealing with the constitution of the board. At the present time the board is constituted approximately in the same ratio as the contributions of these funds are required. The Government provide two-eighths of the fund and nominate two members to the board. The local authorities, which provide three-eighths of the fund, nominate three members to the board; and the fire insurance companies, which provide three-eighths of the fund, nominate three members of the board; and one member is given to the volunteer fire brigades, which makes a total membership of the board of nine. In this Bill it is not intended to alter the number, but it is intended to alter the authorities by whom they are elected.

Hon. Sir E. H. Wittenoom: You said eight before, and now it is nine.

The COLONIAL SECRETARY: There are nine members on the board. This deputation which waited on me in September made a large number of requests, most of which have been urged over and over again and the justice of which has been recognised by the Government, the Fire Brigades Board and everyone. Amongst other things the deputation asked that the contribution of the fire insurance companies should be increased, that they should be called upon to pay a larger proportion of the cost of maintaining the board and also that their representation on the board should be reduced. I was able to give effect to nearly all the requests to the extent that I was prepared to embody them in the Bill, but I was so anxious to have the great injustice done to the municipalities and roads boards removed, I was so anxious also to try and secure economies from the point of view of the Government, that I thought it desirable not to put in the Bill anything that might raise any great controversy, and, therefore, the Bill did not include either of the two requests by the local governing authorities regarding the insurance companies, but in another place it was deemed desirable to give effect to the latter of these requests though no alteration has been made so far as the contributions of the fire insurance companies are concerned. An alteration has been made in the measure of their representation on the board, and if this Bill is passed the Government will nominate two members, the insurance companies will nominate two, the volunteer firemen will have one as before, and the local authorities will have four, forming a board of nine as at present, the only difference being that the insurance companies will have one member less and the local authorities one member more. Personally, I think the amendment introduced in the Legislative Assembly is justifiable and the only reason why I did not put it in the Bill is that I was so anxious to get the Bill through that I was prepared to forego a matter of this kind. Let me explain the basis upon which the local government authorities had representation in the past. One represented the City, and one represented Kalgoorlie, Boulder, Coolgardie and the Kalgoorlie Roads Board district. The third

member was supposed to represent all the other local authorities in the State whether municipal or roads board, with the exception of the city of Perth, Kalgoorlie, Boulder, Coolgardie and the Kalgoorlie Roads Board. This representation was clearly inequitable and of course it was unreasonable, because it could not be assumed that the interests of all these bodies, so widely separated, would be similar on all matters, let alone identical. Another reason why it was inequitable was, that these four relatively small areas with an annual value of approximately £230,000 had the same representation as the whole of the other local bodies—excepting the city of Perth—throughout the State with an annual value of £750,000. So that these outside bodies with an area incalculably larger than the goldfields bodies, and with an annual rental value three times as great, had only the same measure of representation on the board. It is not intended to entirely remove this anomaly, nor is it intended to prejudice the goldfields bodies so far as representation is concerned. The Bill gives representation to the local bodies in the following manner:—Two to the city of Perth; one for the metropolitan area, excluding Perth, one to the goldfields districts set out in Part Three of the second schedule, and one for the contributing centres mentioned in Part Two. The annual values of these districts are as follows: Perth, a contribution on the basis of the rateable value of £620,000; eighteen suburban areas, £517,000; nine goldfields districts, £247,000; sixteen country districts, £208,000. It will be seen, therefore, that compact areas like Perth and suburbs have only the same representation each as the goldfields and country districts, although their contributions are twice as great, and I think that will be admitted as a just provision, because when one member is representing the city of Perth, he is in a much stronger position than one member representing sixteen bodies spread over a large area. To come now to the representation of the fire insurance companies. I have received a communication from these companies and it is signed, to the best of my knowledge and belief, by all the fire insurance companies operating here. It

may, therefore, be taken as representing their views on this matter. It will not surprise hon. members to know that the companies take exception to the reduction of their representation. The letter is as follows:—

We, the undersigned Fire Underwriters, view with serious concern the amendments to Clause No. 6, which passed through the Legislative Assembly on the 6th instant. Ever since the present Act came into operation we have contributed our quota of the expenditure for the upkeep of the fire brigades of the State, and in turn the Act gave us fair representation for the expenditure by providing three representatives from the insurance companies to the board. The clause which has passed the Assembly reducing our proportion of representation to two members is manifestly unfair and departs from the recognised principle of representation following taxation. We, therefore, respectfully pray that the original number (three) be restored when the Bill is being considered by your Chamber. We also wish the words "local authority" in the 6th line of Clause 30 altered to "Contributing bodies," thus giving us an equal right as contributors to bring our differences (if any) before the Minister.

This is a separate matter and one which can be dealt with when the Bill is in Committee. The other is largely a matter of principle.

We should, however, prefer that all the words after the word "protection" in the sixth line of Clause 30 be struck out, for, as the Bill now stands, appeal to the Minister is provided for one contributing body only, while other contributors are excluded. This contention also applies to Subclause 2 of the same clause. The idea in that case is, that in the event of a difference of opinion between the board and a local authority the board should decide. I do not think that is desirable.

Further, your petitioners beg respectfully to draw your attention to the fact that insurance companies are representing the insured portion of the community, which comprises a very large percentage

thereof as compared with the uninsured, therefore this representation should not be curtailed. In conclusion we would draw your attention to the remarks made by Mr. J. B. Holman, M.L.A. (President of the Fire Brigades Board), at the third reading of the Bill in the Assembly as reported in the *West Australian* of this date, namely, "Mr. Holman said he again desired to draw the attention of the hon. Minister to the grave danger of rushing the Bill through. There were certain provisions of the Bill which required serious consideration. The proviso added to Clause 26 at the instance of Mr. Angwin was liable to lead to serious complications, whilst, by the Bill as originally introduced and agreed to, grave disabilities might be brought about by reason of the alteration in the constitution of the board. He claimed that proper consideration had not been given to the measure." Trusting that you will see the reasonableness of our request.

If we look at the condition of affairs in the other States we find that in South Australia the board consists of five members. Two of these are appointed by the municipalities and two by the insurance companies, while the fifth is appointed by the Government. There we have insurance companies and municipalities having the same representation, but when we come to the matter of contribution we find that the municipalities contribute two-ninths of the total expenditure and the insurance companies four-ninths, the remaining three-ninths being provided by the Government, so that in that case, although it may be argued insurance companies should have the same representation on the board here as the municipalities because they have it in South Australia, it is important to remember that in this State insurance companies and local authorities contribute on the same proportion to the funds, whereas in South Australia insurance companies contribute four-ninths of the funds and the local authorities only two-ninths. There they pay twice as much and have the same representation. In this State it is intended that they shall continue to pay the same but that the representation shall be four-ninths for the municipalities and the other local governing bodies, and

two-ninths for the insurance companies. If this Bill is passed the position as compared with South Australia will be practically that in the one case the two bodies contribute the same and the insurance companies have only half the representation, whereas in the other case the two bodies have equal representation and the insurance companies contribute double the amount.

Hon. W. Kingsmill: Do you defend the South Australian position?

The COLONIAL SECRETARY: If the South Australian position is to be quoted as showing that the position we take up in this Bill is wrong, I ask the insurance companies whether they will accept the South Australian principle and continue to have the same representation as the local governing authorities and pay twice as much. In Victoria each of the contributing parties, the Government, the insurance companies, and the local bodies pay three-ninths. They all pay the same and there are two classes of board. There is the country board and the metropolitan board. On the metropolitan board each of the contributing bodies has three representatives. On the country board the Government have three, the municipalities two, the insurance companies two, and the volunteer brigades two. In New South Wales there is a board of five commissioners. The president is appointed by the Government, two representatives are appointed by the municipalities, one by the insurance companies, and one by the volunteer brigades. One-third of the expenditure is paid out by the municipalities, insurance companies, and the Government, so that in that case we see that the insurance companies contribute the same as the municipalities and they have only half the representation on the board. So that the provision in this Bill is as generous to the insurance companies as it is in New South Wales, and I take it more generous than the provision in South Australia, because they would prefer to have less representation rather than pay double the amount of money.

Hon. A. Sanderson: Does the Minister propose to put this Bill through Committee to-night?

The COLONIAL SECRETARY: I am simply speaking to-night for the conveni-

ence of hon. members so that they may have the week end to think over the Bill. I can speak with some experience on this matter and I say that on the present basis of representation the insurance companies entirely dominate the Fire Brigades Board. I say it, not with the view of taking any exception to their methods. I was a member of the board for a little time, and I never had the least occasion to quarrel with the insurance companies' representatives. I believe that they were always animated by the desire to get the greatest possible measure of efficiency in the board. Many of the amendments, indeed most of them, now introduced have been introduced at the suggestion of a body of which one of the companies' managers, Mr. Basil Murray, was the head. But under the present arrangements the insurance representatives dominate the board. It is all very well to say they have only the same representation as have the municipalities; but what happens? The three representatives of the insurance companies all live here in Perth. Their interests in fire brigade matters are identical in every point. It is part of their business to look after fire brigade work, and I have not the slightest doubt that, in the proper conduct of that business, they meet together to discuss matters and arrive at a decision, with the result that they go to the board meeting knowing everything that is to take place, having discussed it fully amongst themselves—and properly so, too—dealing all the time with a business they know all the ins and outs of. What happens in the case of the local governing authorities? One representative comes from Perth, another from Kalgoorlie, and another from Bunbury. They have no community of interests. As often as not, what suits one does not suit the other. They have no opportunity of conference, and although they are always very able men, probably the leading men from their centres, they are not expert in fire matters, and the result is that the united delegation from the fire insurance companies entirely dominates the board. I do not think it is altogether a fair or just proposition, from the point of view of the other representatives. I think that if the fire insurance companies are to dominate the board they should do as in South Australia, and provide a larger proportion of the cost of

conducting it. Another feature of the Bill is that the president is to be one of the Government representatives, and nominated by the Government. I think this is a wise provision. As a matter of fact, in the past, with only one exception, the president has been one of the Government nominees. But, in order that there may be no misconception on this point, I want to say that, during the time one of the representatives of the insurance companies was chairman of the board, no fault was ever found with his conduct of affairs, and this provision is not intended in any way to reflect on the fact that one of the insurance companies' representatives was at one time chairman of the board. I do not think the board ever had a more efficient, more painstaking, or more single-minded chairman than Mr. Basil Burray. But it is considered desirable that the chairman of the board should be one of the Government's nominees. In this respect the Bill follows the South Australian and New South Wales Acts. This also was one of the requests made by the 40 local authorities who were contributors to the board's funds, and who waited on me during last September. An amending Fire Brigades Bill was passed in Victoria in 1915, and an amending Bill was passed in South Australia in 1913. Both of those Acts have been carefully studied in the compilation of the Bill now before the House, and as far as the Government can provide, it contains the best features of those Acts, embodying them with what we believe to be the sound features of the Act at present on our statute-book. There are, of course, many features of the Bill which hon. members will wish to discuss in Committee, but I think I have sufficiently explained its provisions, and I move—

That the Bill be now read a second time.

On motion by Hon. Sir E. H. Wittenoom debate adjourned.

House adjourned at 8.35 p.m.

Legislative Assembly,

Thursday, 8th March, 1917.

	PAGE
Questions: Chaff, high price	2224
Base metals, treatment	2224
Sewerage system and City Council premises	2225
Esperance-Northward railway construction	2225
Mines Department employee	2226
Collic coal miners and Arbitration award	2226
Bills: Ports and Harbours, 2a., Com., 3a	2226
Early Closing Act Amendment, petition, 2a., Com.	2227
Friendly Societies Act Amendment, Council's Message	2235
Mental treatment, 2a., Com., 3a.	2235
Special Lease (Stirling Estate) Council's amendments	2246

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

QUESTION—CHAFF, HIGH PRICE.

Hon. W. D. JOHNSON asked the Minister for Industries: 1, As it is generally conceded that there is sufficient hay stocked to supply the State chaff requirements for over twelve months, can he explain why chaff continues at such a high price? 2, If not, will he investigate the matter, and take action if he finds the market is cornered?

The MINISTER FOR INDUSTRIES replied: 1, I do not know that there is a sufficient supply of hay in the State to meet our requirements for over 12 months. 2, I have no power to take any action in the matter.

QUESTION—BASE METALS, TREATMENT.

Mr. HUDSON asked the Minister for Mines: 1, Has his attention been drawn to a report appearing in the *West Australian* of the 28th ultimo of a deputation representing the Mines Departments of New South Wales, Victoria, and Queensland, which waited on the Prime Minister at Sydney on the 27th February last? 2, Are the statements relating to the exportation of base metals from Western Australia made therein correct? 3, Has the Government been asked to establish a refinery in Western Australia for the treatment of base metals? 4. Does the Government intend to do so? 5,