

I intend to test the views of the Committee on this clause.

Clause as amended put, and a division taken with the following result:—

Ayes	..	..	8
Noes	..	..	9

Majority against 1

AYES.

Hon. J. R. Brown	Hon. T. Moore
Hon. A. Burvill	Hon. A. J. H. Saw
Hon. J. Cornell	Hon. E. H. Harris
Hon. J. M. Drew	(Teller.)
Hon. J. W. Hickey	

NOES.

Hon. J. Duffell	Hon. J. Nicholson
Hon. J. Ewing	Hon. H. Stewart
Hon. J. A. Greig	Hon. H. J. Yelland
Hon. V. Hamersley	Hon. H. A. Stephenson
Hon. J. J. Holmes	(Teller.)

Clause thus negatived.

Clause 7--Notification of disease:

The CHAIRMAN: Mr. Ewing asked for the recommitment of Clause 7.

Hon. J. EWING: In view of the amendment which has just been carried, I do not think it necessary to move a motion regarding this clause.

Progress reported.

BILL—PEARLING ACT AMENDMENT.

Returned from the Assembly without amendment.

BILL—TREASURY BONDS. DEFICIENCY.

Received from the Assembly, and read a first time.

House adjourned at 10.36 p.m.

Legislative Assembly,

Tuesday, 16th December, 1924.

	PAGE
Questions: War Patriotic Funds	2361
State Payments to Commonwealth	2361
Motion: Standing Orders Suspension	2361
Bills: Appropriation, all stages	2361
Loan, £5,845,000, all stages	2362
Industries Assistance Act, returned	2366
Norseman-Salmon Gums Railway, returned	2366
Forests Act Amendment, returned	2366
Main Roads, 2B.	2366
Permanent Reserves (No. 2), 2B., etc.	2367
Inspection of Machinery Act Amendment, 2B., etc.	2369
Pearling Act Amendment, 2B., etc.	2370
Treasury Bonds Deficiency, all stages	2379
Land Tax and Income Tax, 2B., etc.	2380

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

QUESTION—WAR PATRIOTIC FUNDS.

Mr. SAMPSON (for Lieut. Col. Denton) asked the Premier: Is it the intention of the Government to introduce a Bill for an Act to give effect to the recommendations of the Royal Commission on the War Patriotic Funds?

The PREMIER replied: Not this session.

QUESTION—STATE PAYMENTS TO COMMONWEALTH.

Mr. THOMSON (without notice) asked the Premier: Will a return be laid on the Table of the House showing the amounts paid to the Commonwealth by the State?

The PREMIER replied: I am endeavouring to get the information, but it will take some time to do so.

MOTION—STANDING ORDERS SUS- PENSION.

The PREMIER (Hon. P. Collier—Boulder) [4.35]: I move—

That during the present sitting the Standing Orders be suspended so far as to enable Bills to be introduced without notice, and to be passed through their remaining stages on this day, and messages from the Legislative Council to be taken into consideration forthwith.

Question put and passed.

BILL—APPROPRIATION.

Message.

Message from the Governor received and read recommending the Bill.

All Stages.

Introduced by the Premier, passed through all stages without debate, and transmitted to the Council.

BILL—LOAN, £3,645,000.

Introduced by the Premier and read a first time.

Message.

Message from the Governor received and read recommending the Bill.

All Stages.

The PREMIER (Hon. P. Collier—Boulder) [4.43] in moving the second reading said: This Bill is necessary to enable the existing programme of public works and services to be continued up to the end of the financial year, and until such further period as authorisations may be obtained. The amount for which authority to borrow is asked is £3,645,000. This is £118,000 less than the Loan Bill of last year.

Hon. Sir James Mitchell: You have some authority still left?

The PREMIER: Yes; the amount is about the same that we have been raising for some years.

Hon. Sir James Mitchell: You have not eaten up all the other authority?

The PREMIER: We are carrying on practically the same programme of work, and it is necessary to have authority to borrow this money in order to carry on the works which have already been approved by the House on the Loan Estimates.

Mr. Taylor: You still have unexpended some portion of the previous authorisation?

The PREMIER: Yes, the balance unraised as at the 30th June last was £1,239,138. That amount will be absorbed by the State's share of the Commonwealth loan that was recently floated. I anticipate that we shall have to raise a loan early in the new year of approximately £2,000,000 to enable us to carry on.

Hon. Sir James Mitchell: That will be raised in London?

The PREMIER: Yes. As the Leader of the Opposition knows, the agreement with the Commonwealth Government respecting local borrowings covers this financial year only. It is unlikely that there will be any more borrowings in Australia during the present year. Therefore we shall have to go on the London market to meet our obligations for the balance of the year. We are carrying on at present with a pretty substantial overdraft at the London and Westminster Bank. It is on very favourable terms, more favourable than the rate at which we shall be able to raise money now.

Hon. Sir James Mitchell: Far more favourable.

The PREMIER: I am hopeful that the position will improve regarding the price of

money. The recent Commonwealth loan was floated at £97 10s. at 4½ per cent. So far as I can ascertain, the tendency is for the price of money to come down somewhat in the Old Country. The loan last year was, I think, at £98 at 5 per cent. The present position is somewhat of an improvement upon those figures, and that was shown when the £6,000,000 loan was recently raised by the Commonwealth Government. I do not know that there is anything more I can say regarding the Bill. It is the annual loan Bill, and it is necessary for us to have authority to go on the market at the most favourable time. I move—

That the Bill be now read a second time.

Hon. Sir JAMES MITCHELL (Northam) [4.48]: I agree with the Premier that the Government must have authority to raise money to carry on, and also that he will have to find a considerable sum during the coming year. I hope that the exchange difficulty will be adjusted. To-day the exchange rate is acting practically in restraint of trade and surely an adjustment will be made by the British and Federal Governments.

The Premier: It is about 70s. now.

Hon. Sir JAMES MITCHELL: It is unthinkable that that rate should be continued. Our interest bill will be substantial. It is the British Government's policy to encourage trade and for that purpose Britain lends money to the Dominions to enable them to buy her goods. That is the system Britain adopts to encourage her export trade. I feel sure that the Premier will not have much difficulty in raising the necessary money in England. Money is cheaper in these days. The New South Wales Government raised money on Treasury bills at a very low rate of interest quite recently. Of course that was a temporary loan, whereas the Premier will require the money for a much longer period than obtained in that instance. I notice that the schedule contains provision for £40,000 for the State Steamship Service. I do not know just what that amount will cover.

The Premier: That is for a ship to replace the s.s. "Eucla." Her machinery is worn out and it would not pay to repair her. It would not be a business proposition.

Hon. Sir JAMES MITCHELL: These old boats are not commercial propositions. The "Bumbra" is another of the old brigade that cannot pay her way.

The Premier: We saved money recently when one of our boats was tied up.

Hon. Sir JAMES MITCHELL: You are obliged to Mr. Walsh for tying her up! Had he known that he was doing you a good turn, perhaps he would not have adopted that line of action. I hear that the seamen's strike is at an end and that work is to be resumed.

The Premier: Work will be resumed in the morning.

Hon. Sir JAMES MITCHELL: I am glad of that. It has been an anxious time for the Government and an unpleasant time for everyone concerned. Law and order has been more or less set aside at Fremantle by Mr. Walsh and some of the others. It will be a great relief to get to business again. As to the s.s. "Eucla," I suppose that no private company would cater for the south coast trade even with the subsidy.

The Premier: Not on that section. The Government will have to maintain the service on the south coast, otherwise the people will be left without supplies. We went into the question of repairing the "Eucla" but found it would not be a payable proposition at all.

Hon. Sir JAMES MITCHELL: The Premier knows that I believe it would be better to allow private people to run these services, but I do not suppose they could run that service without loss for some time to come.

The Premier: I would be satisfied if private people would provide a service, but I am afraid they would not do so on that run.

Hon. Sir JAMES MITCHELL: If the Premier were proposing to provide a ship to cater for trade that private owners were willing to serve, it would be another matter. Unfortunately our coastal trade is small and those services are almost bound to be run at a loss.

The Premier: Especially along the south coast.

Hon. Sir JAMES MITCHELL: Generally speaking, our coastal trade is such that it is difficult to run. The Minister controlling the State Steamship Service announced some time ago that the "Eucla" would have to be replaced, and I know that the service has to be maintained. Whatever views we may hold regarding State enterprise, we cannot offer opposition to this item.

Mr. THOMSON (Katanning) [4.54]: We recognise that it is impossible to carry on the affairs of State without borrowed money. Large sums of money are required, and while Parliament is supposed to be the custodian of the finances of the State, we generally find that we are committed to expenditure and Parliament has no other course to adopt but to approve of the necessary authorisation. The Government might well take into consideration the appointment of a public works committee, so that there might be a check upon some Ministers and upon the finances generally. If that course were adopted, vast sums of money might be saved. For instance, if there had been in existence a public works committee, we would not have experienced that unfortunate episode regarding the Lake Clifton railway. When we come to discuss the schedule to the Bill, I would like the Premier to explain one or two items. I am

pleased to know that he will be leaving for England shortly, and I hope he will be able to make satisfactory financial arrangements while there.

Mr. Taylor: Parliament is not up yet.

Mr. THOMSON: The Premier will be able to go to London whether the session is concluded or not. There are one or two matters that the Premier might take into consideration. The Leader of the Opposition referred to the position of our exports and to the difficulties arising from the exchange problem. I hope the Premier will consider securing some relief when dealing with our requirements such as those of the railways and so on. Then again, it has been stated that the Wembley Exhibition will be continued next year. If that be so, and Western Australia participates in the cost, I hope the Premier will endeavour to see that the state of affairs that obtained this year will not be repeated. Large numbers of our fruit-growers secured a net return of 1s. per case for their fruit, whereas their apples were sold for as much as 6d. each in London. There were 200 apples of certain sizes in a case, and that meant that while our growers received a net return of 1s. per case for their labours, those who had the right to sell their apples at the exhibition, secured a return of £5 per case!

Mr. George: Some of the growers got into debt over it.

Mr. THOMSON: This is a matter the Premier might well take up when in London. He might discuss the position with the Agent General with a view to making arrangements for Australia to sell her own apples and to put the profits into a pool for distribution amongst the growers. It is outrageous that our people should get such a poor return as 1s. per case, whereas the retailers in London sold the apples at 6d. each. They robbed the British public—I say that advisedly—and our growers were robbed as well. I wish to avoid a repetition of that state of affairs. While recognising that 95 per cent. of the expenditure covered by the loan authorisation represents a legacy from the previous Administration, I hope that the money will be wisely spent and in such a way that we shall not have to lay out 25s. to secure a return of £1 for our produce. The present Administration have had a heavy burden placed on them, and there is a general desire to give them a reasonable chance to make good. I hope the Premier's wishes will be realised, and that we shall be able to get this money.

Hon. Sir James Mitchell: Agriculture is a good enough legacy for this or any other Government.

Mr. THOMSON: But I am not dealing with that; I am referring to our fruit industry, particularly the dried fruit industry. Many of our growers are getting but a pitiful return. We require to go in for profitable production. Our wheat and wool are finance

ing the State, but when we come to the dried fruit industry and the potato industry, we find that growers have spent more money in putting in crops than they are likely to get by way of a return. We require to direct the energies of our people into channels that will be profitable both to the State and to the growers. Of course I am not opposed to agriculture. Could anything be more absurd? In this House I represent an agricultural section of the community. We have the Agricultural Department with its experts, and we should direct the new settlers to proper methods so that they may have a reasonable chance of getting a fair return for their money.

The Minister for Agriculture interjected.

Mr. THOMSON: The Minister's interjection is rather absurd. No one knows better than I that we cannot control the markets and the seasons. But the Government can direct settlers as to the best methods of cultivation and as to what trees to plant for export, our local market being not large enough to absorb our production. To-day hundreds of tons of potatoes have been left in the ground because it will not pay the grower to dig them. It is to overcome that sort of thing I am raising my voice. I am not seeking to cast any reflections at all.

Hon. Sir James Mitchell: Tasmania is in the same fix.

Mr. THOMSON: And Victoria also. I recognise that. But attention could be paid to profitable methods of dealing with our products. For instance, it is suggested that a Bill should be brought down giving the Minister control. Many of our producers are beginning to realise that the only way to get decent prices for their products is to have compulsory unionism. The member for Swan (Mr. Sampson) has been advocating the adoption of the Queensland Fruit Marketing Act, and the Minister for Agriculture has said that we shall have it next year. I have had to point out these things in self-defence, in order to preclude anybody charging me with admitting that agriculture is not the backbone of the country, or something of that sort. I will offer no opposition to the second reading.

Mr. E. B. JOHNSTON (Williams-Narrogin) [5.5]: I am pleased to see that of a proposed expenditure of a little over three and a half millions, two and a quarter millions is to be devoted to the development of agriculture. Then no less a sum than £456,000 is being voted for the construction of new railways, some of which have been authorised only five minutes ago. This schedule is remarkable, both for what it includes and what it omits.

The Premier: What does it omit?

Mr. E. B. JOHNSTON: I have read the schedule carefully. It consists of 13 items for railways, among which is the Norseman-Salmon Gums line. I do not think that has been assented to by the Governor yet, not-

withstanding which we find £20,000 provided for it. I am not complaining of that. It is a proper expenditure. But when I look through the list of 13 items, I regret to say I find no reference to a line that has been authorised for 10 years, namely, the Narrogin-Narrogin railway.

The Premier: But that was in the last Loan Bill. It is not necessary to include that here, for provision has already been made for it.

Mr. E. B. JOHNSTON: I am very pleased to hear that explanation. It is what I wanted to know. I knew that £50,000 for the line was included in the last Loan Bill. The Premier will realise that large numbers of people concerned, who will read this schedule in to-morrow's paper, would be very much disappointed without that explanation. On the 10th March last 500 electors attentively listened to the Premier's address at a meeting, when he gave an assurance—

The Premier: But I didn't have to. They turned me down. They didn't want to hear it.

Mr. E. B. JOHNSTON: Because they knew that you and your Government were supporters of the line. On the 10th March the Premier said that after the elections he would be Premier, that there would be a Labour Government, and that it would be left to the Labour Government to build that railway.

The Premier: But I have years ahead in which to fulfil that promise.

Mr. E. B. JOHNSTON: I was a little concerned about the omission of the item, although I am now very pleased to have the Premier's explanation. I warn the Premier that if he wants to keep faith with those electors—and I know that he does—and intends to carry out that promise, it is necessary that he should do so within the next two years.

The Premier: No, no!

Mr. E. B. JOHNSTON: If he fails to carry it out within the next two years he may be denied opportunity to carry it out at all.

The Premier: Why be so pessimistic?

Mr. E. B. JOHNSTON: Let him carry out the promise and carry it out now. However, I am pleased to have the Premier's assurance that the reason for the omission is that provision has already been made for the building of the railway.

Mr. SAMPSON (Swan) [5.10]: In the absence of the member for York (Mr. Latham) I wish to say that every section of the House approves of the passing of the measure. It is merely a platitude to declare that development is necessary, and that funds are required in order to provide facilities needed by the State. Some reference has been made to the difficulties of the fruit-growers. I keenly realise those difficulties. It seems to me that in addition to a Bill on the lines of the Queensland

Fruit Marketing Act, we require also a Federal Act to control the export of fruit. Without such an Act there is necessarily an absence of control, and accordingly we find that whereas to some ports and countries an excess of fruit is exported, to other countries and ports we export less than is required. But with a Federal Act, and with the growers co-operating in respect of export, that state of affairs would be corrected. I look forward to the introduction of such a Bill in the Federal Parliament, for it would have a very good effect in respect of fruit export in all the States. The member for Katanning (Mr. Thomson) dwelt on the disastrous result of the export of apples last year. But an even worse condition exists in respect of the export of oranges. I know growers who have not only failed to secure a return, but are heavily in debt as the result of their enterprise. I repeat that in order to make the Queensland method of control thoroughly effective, it is necessary that there should be also a Federal Act. Then we as a State might do something to assist. We require at Fremantle, in juxtaposition to the wharf, a pre-cooling store. The Minister for Agriculture has discussed this matter, but unfortunately there is as yet no provision for that essential facility. It is claimed that the existing stores at South Fremantle are sufficient. But the Minister will have no difficulty in securing evidence that they are not by any means sufficient. Pending the erection of the necessary pre-cooling stores for export of fruit, additional louver vans might be provided, so making it possible for fruit to be conveyed from the refrigerator at South Fremantle to the ship's side without suffering any violent change of temperature. As for the apple export industry, we must not be too pessimistic. I pay a tribute to the magnificent work carried out by the co-operative company at Mt. Barker.

Mr. Thomson: So, too, at Bridgetown.

Mr. SAMPSON: Greater success has been achieved at Mt. Barker than at any other centre in the State. There the secretary, Mr. A. T. Booth, has proved himself a veritable captain of organisation, and the results even during the present season have been reasonably satisfactory. When the member for Katanning spoke, I thought I detected a note of pessimism in his speech.

Mr. Thomson: That was purely imagination on your part.

Mr. E. B. Johnston: I think the wish was the father of the thought.

Mr. SAMPSON: I would like to see the member for Katanning and also the member for Williams-Narrogin adopt a more optimistic view, and then the corrective I have applied on this occasion would not be necessary. It is very gratifying to find that additional funds are being provided for the goldfields water supply, which of course in-

cludes all the agricultural areas served by the scheme.

Mr. GRIFFITHS (Avon) [5.17]: The other night I endeavoured to elicit some information from the Premier, but was told to wait until the Loan Bill was before us. I should like to know the position regarding the Yarramony eastward railway.

The Premier: You have missed your chance; you should have mentioned that on the Loan Estimates.

Mr. GRIFFITHS: I take it there is no significance in the order in which the railways are mentioned in the First Schedule.

Mr. SPEAKER: The hon. member can not discuss the schedule at this stage.

Mr. GRIFFITHS: I was merely referring to the order of the items.

Mr. Corboy: The Lake Grace-Newdegate railway is altogether too far down the list.

Mr. GRIFFITHS: I am in accord with much of what has been said by the Leader of the Country Party and the member for Swan, particularly as regards the fruit industry. Earlier in the session I endeavoured to secure the appointment of a committee to investigate various phases of the fruit industry, and I am satisfied the remarks of the member for Swan to-day have shown that my action on that occasion was justified. A good deal could be done by us to organise our producers, quite apart from anything the Government might do.

Question—put and passed.

Bill read a second time.

In Committee.

Mr. Lutey in the Chair; the Premier in charge of the Bill.

Clauses 1 to 6—agreed to.

First Schedule:

Hon. Sir JAMES MITCHELL: I am very glad to see that the Brookton-Dale River and the Yarramony eastward railways are provided for. I understand this money cannot be expended until the Government get a further authorisation from Parliament. Both these railways are fully justified and long overdue. It will be satisfactory to the settlers to know that if they do not get a railway this year, the Government will make a start next year. I believe great good will result from starting the construction of these lines.

Mr. THOMSON: One item in the schedule reads—

Loans and grants to local authorities for erection of country hospitals or discharging existing liabilities thereon, and to trustees of agricultural halls; also to institutions for erection of homes, etc., £25,000.

Is it the intention of the Government to continue the present policy of subsidising the local authorities pound for pound for

the erection of hospitals? Further, what is the policy in dealing with agricultural halls? I know that in some parts a combined hall and school have been erected. Where the settlers put up a certain amount of money for a hall, the Education Department should work in with them and provide one decent building to serve both purposes. I presume the provision for institutions for erection of homes, etc., applies to workers' homes.

The PREMIER: It is the policy of the Government to continue the subsidy for the erection of hospitals. There are several hospitals in course of erection or just completed. The call on the Treasury for money for hospitals in the country districts is pretty heavy, more particularly in the South-West, where group settlements are located. We are finding money wherever possible for that purpose. I need not discuss the whole question of the maintenance of hospitals, but some of the country districts, especially the old established ones, might do more than they have been doing for the maintenance of their hospitals. Even when the smallest sum is required to put a lock on a door or a pane of glass in a window, requests come from solid, prosperous towns for the Treasury to find the money.

Hon. Sir James Mitchell: They are not as bad as the city or the goldfields.

The PREMIER: The hon. member is wrong as regards the goldfields. Many goldfields towns for years past have borne the whole cost of the maintenance of hospitals. Nearly every mining town has had a hospital board, and the men employed on the mines have made weekly contributions towards the upkeep of the hospital. Thus the Treasury has been relieved of the necessity for finding money.

Hon. Sir James Mitchell: You refer to the outback ones?

The PREMIER: Yes. The position generally is not satisfactory. In some districts the Government bear the whole of the cost; in other places the local people find a portion of the money.

Hon. Sir James Mitchell: Why should they?

The PREMIER: At any rate, we might endeavour to place all districts on a uniform basis.

Mr. Sampson: Where there is a Government hospital, there is absolute indifference on the part of the public.

The PREMIER: They are all Government hospitals.

Mr. Sampson: I mean where the Government provide the funds.

The PREMIER: Yes, there is indifference; the people say, "Let the Government maintain the hospitals."

Mr. Sampson: Other centres like Kellerberrin provide the bulk of the money required.

The PREMIER: Maintenance is hardly a subject for discussion under this Bill. It is the policy of the Government to continue the

subsidy. The practice has been for the State to make loans to the local people for the erection of mechanics' institutes and halls. That policy will be continued. In the old days there was a pound for pound subsidy, but that was discontinued before the commencement of the war. Now, loans are made to the local bodies, who have to pay the interest and repay the principal. That is as far as we can be expected to go.

Mr. Thomson: What about a joint school and hall instead of having two buildings?

The PREMIER: I do not know how that will operate; the Education Department would have to be consulted. In some of the more remote districts where the school attendance is not great, it might be possible to have a joint building.

Hon. Sir James Mitchell: It does well enough for a time.

The PREMIER: In some districts it is in operation at present.

Hon. Sir James Mitchell: But is not satisfactory.

Mr. Taylor: It has been most unsatisfactory on the goldfields.

The PREMIER: I have before me at present a file relating to a church that we have been using for a school. The church authorities have advised us that the building will not be available after the end of the year, so we shall have to erect a school there.

Mr. Taylor: You cannot be very popular with the churches.

The PREMIER: It arises from the fact that the parents were protesting against the accommodation provided for the children. The Education Department would not favour the combined hall and school on an extensive scale.

Mr. Thomson: What about the provision for institutions for erection of homes, etc.?

The PREMIER: That is for institutions; maybe additions would be required for a place such as the Old Men's Home.

Schedule put and passed.

Second and Third Schedules, Preamble, Title—agreed to.

Bill reported without amendment, and the report adopted.

Read a third time, and transmitted to the Council.

BILLS (3)—RETURNED.

1, Industries Assistance Act Amendment.

2, Norseman-Salmon Gums Railway.

Without amendment.

3, Forests Act Amendment.

With amendments.

BILL—MAIN ROADS.

Read a third time, and transmitted to the Council.

BILL—PERMANENT RESERVES

(No. 2).

Second Reading.

The MINISTER FOR LANDS (Hon. W. C. Angwin—North-East Fremantle) [5.36] in moving the second reading said: It appears that in August, 1916, a proclamation was issued for the purpose of handing over portion of the reserve on which these Houses of Parliament are erected to the Perth City Council for the widening of Hay-street. Hon. members being fully acquainted with the position, I need not go into the question at length. Twenty links are required from this reserve for the purpose of widening Hay-street. Owing to the dangerous grade adjoining the reserve, it is thought advisable that a commencement should be made here with the widening of Hay-street. Originally it was thought that a proclamation would suffice to hand over the necessary strip of land, but when it came to carrying the matter into effect the discovery was made that some question might arise with regard to the proclamation. The reserve being of Class A, it is thought to be necessary that Parliament should approve of the transfer by a special Act. The question of the transfer has been referred to the House Committee, and the Bill before members shows clearly what is proposed. The matter has been under consideration for many years, and has been approved by the Government and by the House Committee. In all probability the transfer would have been carried into effect ere this, if there had been no doubt about the proclamation.

Mr. George: Of what value is it to widen the street by that short strip?

The MINISTER FOR LANDS: The immediate object is to improve the grade. When the House Committee give their approval to the work, they should stipulate that the widening must be completed within a definite period. Hay-street is narrow throughout its length, and this measure proposes a commencement of the process of widening.

Mr. Taylor: The widening will remain at that.

The MINISTER FOR LANDS: I agree with the hon. member that we are not likely to see Hay-street widened throughout its length. However, a start must be made somewhere. The City Council, I understand, intend to buy some land further down towards the city.

Mr. Taylor: Only the school ground.

The MINISTER FOR LANDS: They may buy some other land lower down. Certainly, without the transfer proposed by this Bill, the other purchases would be useless. I move—

That the Bill be now read a second time.

Mr. GEORGE (Murray-Wellington) [5.40]: I am quite in accord with the desire to widen Hay-street. Undoubtedly that street is too narrow, especially having regard to the increased motor traffic. The history of Hay-street shows that the street was originally intended for a right-of-way to houses facing St. George's-terrace and Murray-street. I would have no objection to the Bill if it contained words to the effect that the transfer should not be made until the Perth City Council have acquired the other portions of land needed to make the widening of sufficient length to be valuable. Simply to widen the street for a distance of three or four chains would be to make an absolutely dangerous break in the street. People using the footpaths from either end would be inclined to continue in the same line, and so they would walk on the roadway. Everyone must agree that the narrowness of Hay-street constitutes a danger, but the widening by only the strip mentioned in this Bill would constitute a still greater danger. I have no objection to anything that will improve the city, but I want to ensure that we shall get what we need, namely, the widening of Hay-street over an appreciable length. The proposed transfer would be all right if the City Council had also a strip in the direction of the Town Hall, or else a strip towards Thomas-street. Tram cars going up the hill accelerate their speed, and that factor would make the widening of Hay-street merely along the length of this reserve especially dangerous.

The Minister for Lands: The speed of the tram cars is another reason why the widening should take place.

Mr. GEORGE: Yes, provided it is done over a sufficient length. To widen the street only along the length of Parliament House grounds will induce pedestrians to indulge in jay-walking, concerning which we already have many complaints.

Hon. Sir JAMES MITCHELL (Northam) [5.38]: I shall not oppose the Bill. I do not know how the reserve is vested, but I suppose it is under the control of the Government. If the Perth City Council are asking for this strip of land in order to widen Hay-street, they are doing what is right.

The Minister for Lands: If the proclamation had been in order, the transfer would have been collected long ago.

Hon. Sir JAMES MITCHELL: The widening should be continued a little lower down; otherwise, as the member for Murray-Wellington (Mr. George) has said, a dangerous corner would be created. To get a bit of the High School ground should not be difficult. The land should be secured—

The Premier: While it is not built on.

Hon. Sir JAMES MITCHELL: Yes.

The Premier: The City Council are about to resume a strip right along to those printing works.

Hon. Sir JAMES MITCHELL: I shall not object; and the owner of the land will not object, because he will see that a good price is paid him for the land. The only part of Parliament House grounds that members use at all is the part in front of this building, a strip wide enough to plant an orange tree upon. The rest of the grounds might as well be thrown open to the public. I have met people only occasionally crossing the grounds; not many appear to make use of them now. It does appear strange that this reserve should be so little availed of by members of Parliament. Therefore it ought to be possible to put it to better use.

Mr. TAYLOR (Mt. Margaret) [5.47]: I was a member of the House Committee when the request was previously made by the City Council for a strip of Parliament House grounds to permit of the widening of Hay-street at that locality. The House Committee pointed out that nothing could be done unless an Act of Parliament were passed, for the reason that the reserve was Class "A." Some time later the City Council, under the impression that they were entitled to take possession of the strip that they required, sent up an army of men to pull down the fence and remove the hedge. I was Speaker at the time and soon put a stop to the action then contemplated. I am not in favour of giving away this land in the manner suggested by the Minister. If I were sure that the City Council were in earnest with regard to the widening of Hay-street, I might be inclined to support the proposal. At the same time I would require an assurance from them that they would take steps to acquire a strip of similar width between George-street and Milligan-street, so as to carry the widening process a further distance. The City Council have more roads to look after now than they ever had before, and notwithstanding the fact that they are levying a considerably greater amount by way of taxation, they are unable to keep existing roads in decent order. If the 20 links in question is given to the City Council and Hay-street is widened from George-street to Harvest-terrace, pedestrians proceeding in a westerly direction will run into a dead-end in the shape of the wall of a two-storeyed house at the corner of Harvest-terrace and Hay-street, whilst the pedestrians going east will run into the fig tree at the corner of George and Hay-streets.

The Premier: The traffic going east will be on the other side of the road.

Mr. TAYLOR: I am referring to pedestrians, who walk on either side of the road. The position will then be similar to a bullock with one horn. The desire of the City Council is merely to grab a bit of land be-

cause it is owned by the Crown. Members of the City Council have been lobbying up here for the last 15 years in the hope of getting this strip of land, but the House Committee always refused to let them have it.

The Premier: We have a good House Committee now.

Mr. TAYLOR: They ceased firing when I told them to pull off their men. Lately they approached the new House Committee, who yielded to their demands. I am sure that the present House Committee did not read the correspondence that took place on this subject. If they had done so, they would never have recommended the granting of the strip.

The Premier: The City Council must have nobbled the House Committee.

Mr. TAYLOR: I do not say that, though they did try to nobble the former House Committee. In any case, we should impose a condition on the City Council by which they should reveal their bona fides in respect of widening Hay-street for a distance beyond that of Parliament House grounds. The High School land is now available for sale. Let us see what the council will do in that respect.

Question put and passed.

Bill read a second time.

In Committee.

Clause 1—agreed to.

Clause 2—Power to excise portion of reserve A1162:

Mr. GEORGE: I move an amendment—

That the following words be added to the clause:—"But shall not be handed over to the City Council until they have proved their bona fides by purchasing similar land between Milligan-street and Thomas-street."

If this amendment is not carried, I hope something of the kind will be agreed to.

The MINISTER FOR LANDS: I do not know what the hon. member's idea is. The explanation he made was ridiculous because in many streets in various parts of the world there are to be found thoroughfares that vary in width, in parts narrow, in parts wide, and especially around public buildings. What right has this House to dictate to the City Council in the way of purchasing land?

Mr. George: What right have they to dictate to us?

The Premier: They came to me in a very polite manner.

The MINISTER FOR LANDS: The City Council could not possibly acquire the land suggested in the amendment because the cost would be too heavy. The proposal contained in the Bill will enable a start to be made. The request of the council should be acceded to because just that part of Hay-street that will be widened is dangerous.

Mr. George: It will be even more dangerous when the alteration is made.

The MINISTER FOR LANDS: The City Council have power under the Municipal Corporations Act to resume whatever lands they may require for municipal purposes. We can afford to give them this narrow strip from Parliament House grounds. In my opinion we have too many reserves.

Mr. George: We cannot have too many.

The MINISTER FOR LANDS: The passing of the Bill will not affect the grounds around Parliament House in any way. The House Committee will see to it that the grounds are properly protected when the strip is acquired. This has the approval of the Government, and on the 15th August last the joint House Committee also gave its approval.

Mr. George: We ought to have the right to deal with it.

The MINISTER FOR LANDS: What is the object of insisting that the City Council shall buy land further up the street? Apparently it does not matter how dangerous the George-street corner is, the council are not to have this bit of land unless they buy up a lot of private property.

Mr. George: That was not my argument.

The MINISTER FOR LANDS: That is what the amendment indicates. Beyond Harvest-terrace the land is owned by private people, and may be resumed by the council on payment of compensation.

Mr. TAYLOR: I move an amendment on the amendment—

That the word "Thomas" street be struck out and "George" be inserted in lieu.

This will make the amendment more reasonable, and will restrict the area to that portion of Hay-street lying between Milligan-street and George-street. I understand the High School ground has been for sale for some weeks, and I would be satisfied if the City Council would show their bona fides by purchasing it.

Mr. DAVY: I am opposed to both amendments. It is improper to ask the City Council to prove their bona fides when there is no suspicion of mala fides.

The Premier: It is an insinuation against them.

Mr. DAVY: The Government desired that the City Council should have this piece of land many years ago.

Mr. Taylor: The Joint House Committee objected to the Order in Council that was passed at the time.

Mr. DAVY: The City Council have now made a firm offer for the High School land at the corner of George-street, and are only awaiting the passing of this Bill to have the offer accepted.

Mr. Taylor: I am satisfied.

Mr. DAVY: No proper machinery is possessed by the City Council for the widening of their streets. They should have the right to exercise the alignment plan, and

to be obliged to pay compensation only for land that is resumed on the building side of that line.

Mr. GEORGE: I am still of opinion that the acquisition by the City Council of portion of the Parliament House site will not obviate the dangers that exist at the corner of George-street, but if the High School ground is also purchased I daresay the danger will be obviated. I shall withdraw my amendment.

Mr. Taylor: So shall I.

Amendments by leave withdrawn.

Clause put and passed.

Schedule, Title—agreed to

Bill reported without amendment, and the report adopted.

Read a third time and transmitted to the Council.

BILL—INSPECTION OF MACHINERY ACT AMENDMENT.

Second Reading.

Mr. WILSON (Collie) [6.10] in moving the second reading said: The object of the Bill is to amend an Act that was passed last session for the purpose of restricting employment in lifts to maimed and incapacitated soldiers. There was, however, a mistake in that amending Act, and it has rendered the measure practically inoperative so far as any benefit to these men is concerned. Owing to an error, the word "or" was inserted in one of the sections instead of the word "and." This is really a one-word Bill.

The Premier: The smallest thing we have had yet.

Mr. WILSON: I hope it will be one of the most effective. The section this Bill proposes to amend reads as follows:—

No person under 21 years of age or between that age and 50 shall be employed in the control of a passenger lift unless he (a) has served the Empire in any war, or (b) is physically incapable of undertaking more exacting laborious work.

The Bill provides for the insertion of the word "and" instead of "or" so that the section may read, "and is physically incapable, etc."

Mr. George: That is emphasising preference to soldiers.

Mr. WILSON: Of course it is, and that is what was intended by the Act passed last year. I move—

That the Bill be now read a second time.

Mr. GEORGE (Murray-Wellington) [6.12]: There can be no possible exception to the Bill, which has my hearty support.

Mr. DAVY (West Perth) [6.13]: In theory Bills which confer preference upon any particular class of the community are wrong, but the proposition in this case is quite a different one. It is proposed to reserve to a small number of persons the one kind of job for which they are peculiarly fitted. The amendment to the principal Act that was passed last year failed to do this, I should think undoubtedly as the result of an oversight. The intention of this Bill is to rectify that error and to reserve this particular job of lift attendants to maimed and incapacitated soldiers. We might, therefore, waive our principles in order to pay this little tribute to these unfortunate men.

Mr. Sampson: It was the intention of the late Government to limit this particular work to maimed and incapacitated soldiers.

Question put and passed.

Bill read a second time.

Sitting suspended from 6.15 to 7.31 p.m.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment and the report adopted.

Read a third time and transmitted to the Council.

BILL—PEARLING ACT AMENDMENT.

Second Reading.

HON. S. W. MUNSIE (Honorary Minister—Hannans) [7.31] in moving the second reading said: The Bill deals with one principle and comprises six clauses. That one principle relates to the abolition of dummying in the pearling industry. The desire on the part of the department and of the people generally for the abolition of dummying arises from the fact that the pearling industry is gradually, but surely passing into the hands of Asiatics. It would perhaps be more correct to say that the results derived from the industry are going into their hands. It is the desire of everyone that that position should be altered. There are many methods adopted for the purpose of dummying and the clauses of the Bill are necessary to overcome the many obstacles in the way of that end being achieved. The Bill provides for the appointment of a special inspector who will be vested with considerable powers. If appointed, in accordance with the provisions of the Bill, the special inspector will have all the powers of a Royal Commissioner. He will be able to make inquiries even on suspicion that a man is concerned with dummying. After making application successfully to the police magistrate or resident magistrate, the special inspector will be armed with powers to execute a search warrant for the purpose

of discovering documents. I am informed by the officers of the department that they were positive last year that certain documents were locked up in a safe at Broome. Had it been possible to gain access to the safe for the purpose of procuring those documents, the officers are certain they could have proved up to the hilt many instances of dummying.

Mr. Teesdale: In one safe?

Hon. S. W. MUNSIE: Yes.

Mr. Sampson: Was that a syndicate?

Hon. S. W. MUNSIE: No, different people. Without the powers provided by the Bill, the officials were not able to do anything. Western Australia, up to the present, has supplied more than half of the world's supply of pearl shell. During last year, although there were only 190 boats operating, the value of pearl shell and pearls produced represented £237,000. An industry giving such results is one that we should endeavour to prevent falling into the sole control of Asiatics. The object in introducing the Bill is to secure that the returns from the pearling industry shall remain with the Britisher and not pass to the Asiatic. Almost exclusively at present the divers are Japanese. Quite recently an experiment was tried with the importation of Chinese divers. I do not know that that will mean any great improvement on the Japanese, for once the wily Chinese gets to know the business as well as do the Japanese now, it may be that they will prove a greater menace in connection with dummying.

Mr. Teesdale: The Chinese are a bit quicker.

Hon. S. W. MUNSIE: Yes, at grasping the situation. There is no need to discuss the Bill at length at this stage, but it may be mentioned that while the pearling industry at Broome is not declining, the white population concerned with the industry is declining, while the Asiatic population is increasing. It will be the desire of every hon. member to see that position altered and the British population increase and the Asiatic population decrease. I move—

That the Bill be now read a second time.

Mr. COVERLEY (Kimberley) [7.36]: I support the second reading of the Bill. It is not necessary to emphasise its importance. Hon. members must be well aware of the importance attaching to the measure because of the publicity given to the matter in the columns of the daily Press. The leading public bodies in Broome, such as the Pearlers' Association, the Returned Soldiers' Association and the local governing authorities have been pleading for something of this description to be done for years past. I am in possession of correspondence dating back to 1918. In that year the Pearlers' Association convened a public meeting at Broome to discuss ways and means of suppressing the dummying menace

to the pearling industry. As a result of the meeting a petition was sent to the Governor asking for an amendment of the Pearling Act. In April, 1919, a reply was received from His Excellency's private secretary to the effect that he had forwarded the request to Ministers for their consideration. Nothing else was heard of it and that is where the matter ended. In November, 1921, the Pearlers' Association made another attempt to have legislation passed and placed their requirements before the then Premier and a Parliamentary party who visited Broome in that year. The committee of the Pearlers' Association placed the whole matter before the visiting Parliamentarians with the result that the Chief Inspector of Fisheries was sent to Broome later on for the purpose of discussing the matter with the Pearlers' Association and framing amendments to the Pearling Act. This was done with the result that later some of the amendments were agreed to, but others were set aside. The net result has been no improvement in the industry and dummying still exists. Drastic defects require drastic remedies and that is what is required to stop the dummying that is going on. I do not think anyone will suggest that too much is requested under the provisions of the Bill. We have to keep in mind that this is special legislation for a special industry and it will not affect any other industry if agreed to. On the other hand, if the powers sought in the Bill are not agreed to, the results may affect the whole of Australia. I do not say that with a view to influencing hon. members who do not understand the position, but I have in mind the riots that occurred among the Asiatics themselves in Broome some time ago. Those riots were much more serious than most hon. members are probably aware. Had it not been for the sound judgment displayed by the police officers and the returned soldiers of Broome, we would have had bloodshed at that town. It is not palatable for me to relate these things, but the people of Australia are entitled to know where we stand regarding the Asiatic question in Broome. I would be lacking in my duty if I neglected to place before hon. members the truth regarding these matters. It was stated by the editor of the local paper at a public meeting on the 10th July, 1924, that those concerned in the dummying business at Broome had formed a company with a capital of approximately £16,000. That money had been collected from indentured labour, divers, and so on. The editor said that he was in possession of information showing that the leaders of that movement were responsible for the riots that occurred in Broome. He further stated that less than 12 months ago a well-known commercial traveller had come to Broome and had been met by a deputation representing Japanese storekeepers. The deputation informed him that they had formed a trade protection

society amongst themselves and had decided that he was not to deal with any of the smaller men. If he did so, they would transfer their custom.

Mr. Thomson: That applies to some British traders too!

Hon. S. W. Munsie: While we may be prepared to tolerate that among Britishers, it is hard to take it from Asiatics.

Mr. COVERLEY: I mention these facts to give members some understanding of the position and to show that I am not placing before them inaccurate statements.

Member: You are in favour of a white Australia.

Mr. COVERLEY: Quite so. This is a bigger question than some people realise. This Asiatic trouble is menacing our White Australia policy. In my opinion the Bill does not go far enough. I should like to see in it a clause prescribing one white shell-opener to be employed on every boat. That would do away with dummying. But for the lateness of the session I should move to that effect when in Committee. It is appalling to a believer in the White Australia policy system when it is realised that out of 1,633 employees in the industry, only 109 are white men. Unless we get the Bill through in its entirety we shall presently find the industry in Broome in the same position as it is in Darwin and at Thursday Island, where no white men at all are employed in it. In Broome alone there are 198 luggers, 16 pearl dealers, 12 shell buyers, and five pearl cleaners. There are 109 white men employed in the industry altogether, with 20 aborigines, 34 Chinese, 727 Japanese, 181 Malays, 27 Manillamen, and 535 others. God knows what the others are! In 1922-23 the industry fished 1,267 tons of shell worth £182,135 and £44,698 worth of pearls. These figures serve to show the value of the industry, and to remind us that we should do all that we can to protect it, first of all with a view to keeping our race white, and secondly in order to do justice to those who are serving Australia well by settling in the tropics. Those people are only asking that to which they are justly entitled and for which for years past they have been pleading in vain.

Mr. TEESDALE (Rochbourne) [7.47]: During the debate on the Bill in another place statements were made that, in deference to the wishes of members here, I must reply to. Any member found guilty of charges made by a member of another place ought not to be sitting in this Chamber with honest men. As my name has been mentioned, the House must be good enough to hear me briefly in reply.

Mr. Marshall: We will give you five minutes.

Mr. TEESDALE: First of all I should like to ask the Speaker whether it is permissible for me to mention the name of a member of another place. On a recent

occasion names were freely bandied about in another place without any protest from the President. Perhaps the Speaker will tell me whether or not we have the same privilege here.

The SPEAKER: I gather from what the hon. member has said that he intends to traverse arguments used in another place, and to reply to them. I draw his attention to Standing Order 127, as follows:—

No member shall allude to any debate in the other House of Parliament or to any measure impending therein.

More specifically to the point is this passage from "May"—

Unless the discussion is based upon a substantive motion, drawn in proper terms, reflections must not be cast in debate upon the conduct of the Sovereign, the heir to the throne, or other members of the Royal Family, the Viceroy and Governor General of India, the Governor General of Canada, the Lord-Lieutenant of Ireland, the Speaker, the chairman of ways and means, members of either House of Parliament, or judges of the superior courts of the United Kingdom.

So the hon. member, if he contemplates reviewing a debate in another place and replying to the arguments there used, will not be in order.

Mr. TEESDALE: Well, what opportunity shall I have to defend myself against the scandalous charges made? There must be some refuge for me.

The Premier: You can go ahead.

The SPEAKER: The hon. member is in precisely the same position as an ordinary member of the public. No member of this Chamber can here review or answer debates held in another place. All that is open to an ordinary citizen to redress a wrong given under privilege is open to the hon. member—no more.

Hon. Sir James Mitchell: Is it that another place enjoys privileges not accorded to us?

The SPEAKER: I cannot go into that. The Standing Orders of another place provide for calling to order a member of another place, just as is done here.

Hon. Sir James Mitchell: Then they must be very elastically administered there.

The SPEAKER: Although it is no part of my duty to do so, I am willing to give the hon. member an idea as to how he may proceed, if he wishes, to deal with a specific motion. "May" says—

Unless the discussion is based upon a substantive motion drawn in proper terms, reflections must not be cast in debate, etc. If he wishes merely to reply here to anything of the character he indicates, he must move a substantive motion in proper form.

Mr. Holman: Who is the member in another place?

Mr. Taylor: Mr. "A."

Mr. TEESDALE: A certain gentleman—

Hon. Sir James Mitchell: Not a gentleman.

Mr. TEESDALE: — says it is surprising to what depths some white men will descend to make money, and that there are in Broome white men who would associate with coloured men in order to make money at the expense of the genuine pearler. This gentleman went on to say that not only are there men in Broome who will do this, but that there is one member of the Legislative Assembly—

The SPEAKER: I hope the hon. member is not trying to abuse the rules of the House. If, by suppression of names and by supposititious statements of fact, the hon. member is giving a quotation from what has been said in another place, he is reflecting on a debate in another place.

The Minister for Lands: That is not a reflection.

The SPEAKER: Not so far.

The Premier: A reference to a debate is not a reflection on a debate.

Mr. TEESDALE: In the "Daily News" it was reported that this gentleman said that Mr. Teesdale had made an application, with the whole force of his approval behind it, to the Fisheries Department for permission to allow an Asiatic to have a pearler's license. The gentleman the paper was reporting said—

I could show from these papers I have in my hand the extent to which a certain member has benefited at the hands of the present Government.

I am sure the present Government will take a little notice of this.

The Premier: I did not think they would find that out.

Mr. TEESDALE: Seemingly it is possible for a man to receive benefits at the hands of the Government without knowing anything at all about it. Certainly I do not know what benefits I have received at their hands, although I have received a lot of abuse at times.

The Premier: These things are bound to leak out.

Mr. TEESDALE: Again, this gentleman said that he could, if he chose, tell the House what Mr. Teesdale might have made had he succeeded in getting that pearling license for that Asiatic. On the first point, I tell the House I have never had a farthing from either the Premier or the ex-Premier in my life. If the allusion is to the trip I recently took, I can assure the House I was short of a few vouchers when I came back, and although I was told that I need not bother about it, that they would take my word that the money had been expended, yet, fearful of Royal Commissions, I paid \$4 6s., and so closed the account. Whether that gentleman reported in the newspapers was referring to that I do not know, but apparently he was. If so,

I am sure the department could give him all the details he might require in respect of that trip. That gentleman also said he could if he liked—mark that!—tell the public what I would have made had I succeeded in getting a license for that Asiatic.

Mr. George: Had he had a go at it and failed?

Mr. TEESDALE: We can imagine the awful strain it must have been on this man, with these spiey details up his sleeve, to keep them to himself instead of letting the public have them right out. That same gentleman was engaged in a little newspaper controversy with me, and his last reply made very apparent how hard put to it he was to get together a decent sort of letter. So, I can scarcely credit that he had this important evidence up his sleeve while he was putting together such a lot of piffle as he did at that time. I was advised by my friends not to reply to it; it was too ridiculous for words, and apparently my non-reply has incensed him to such an extent that he now almost accuses me of murder. I wish to explain the matter as it appertains directly to this Bill. I am sure I am keeping near the point when I am going to deal with the Bill before us. I did my very best to get this license, as the gentleman in the newspaper stated. I put the whole of my force behind it. Apparently I was not successful; I admit that I did my best. But it was not for an Asiatic. It was for an Australian boy, bred and born in Roebourne and educated at the Christian Brothers' College, Perth. I rang up the principal of the college the other day, Father Power, who told me this boy was one of the best he had ever educated at that college. It was for this boy I tried to get the license. Members might imagine from the description given in the newspaper article that the boy was an Asiatic, wearing a loin cloth and accustomed to carrying coal up the gangway of a steamer. Instead of that, he was a pupil whom the principal of the Christian Brothers' College is proud of having educated. There is that much to his credit; he has a good record at the school where he was educated. The first I heard of this application was from a petition from Broome, backed up by 21 signatories, eleven of whom were pearl-ers. They were good reputable pearl-ers, too, men that I know. I wish that to sink into the minds of people who may be a little prejudiced. I wish them to realise that it was not something got up in Perth. The first intimation I had was that petition, and I did everything in my power for the boy. It may be interesting to the gentleman in the newspaper to know that I succeeded in the first instance, but the returned soldiers, hearing of my success, very properly did their level best to upset the arrangement. They succeeded, and more power to them.

Mr. Panton: Why "very properly"?

Mr. TEESDALE: They were justified in trying to carry out their ideas, just as I was justified in doing the best I could to carry out my ideas, but I had nothing against them when they beat me. The other party had no more to do with it than did the fly that this moment I brushed from my forehead. The returned soldiers were responsible. I did do a little growling through the official correspondence, but no one outside heard of it, and I did not rush into the newspapers to ventilate my grievance. I simply put up with it. While this controversy was going on, and while these letters were being banded about from Broome to the Colonial Secretary's department, it was reported in Broome that a certain member of Parliament was doing his best to secure a pearling license for an Asiatic. As soon as I heard of it, I telegraphed to Broome as follows:—

It is reported here that a certain M.P. is supporting this application. I want it to be understood that it is Teesdale of Roebourne who is doing his best, and I want this telegram to be posted on the store door.

There is something deep and deadly about it when a man will wire in that strain for fear his friends should not know his hands were clean. I was not afraid of anyone in Broome thinking I had anything to be ashamed of. I had known this boy since he was a kiddie as high as the table, and I knew he was a respectable boy. I knew his father, who had a pearling license for 25 years, and I could not understand why the boy should not have the right to earn a living at pearling as his father had done. Can anyone tell me why that boy should not be allowed to continue in the avocation of his father? If so, I should be glad to hear it. I thought I was doing perfectly right in supporting his application, and, what is more, I still think I did right. I wish to know whether there is any conspiracy about this. A tremendous lot has been made of this so-called deep-laid plot. It has been said that I did everything sub rosa to get this pearling license, and that I was to receive a big bribe. I shall deal with that later. There are a lot of things I want to know, but I do not think you, Mr. Speaker, would permit me to ask about them.

The Premier: Apparently the offence consists not in your failure to get the license, but in what you were going to get out of it.

Mr. TEESDALE: That is so. I took the opportunity of introducing the Premier and the deputy Premier to this "scoundrel" of an applicant when they were in Broome, and I think they were rather favourably impressed with his style. They looked at him as if they were interested in him when they heard he was denied the right of engaging in the industry. They did not say it was a

shame, but I think they were impressed with the boy.

The Premier: A very refined youth.

Mr. TEESDALE: After having been accused of these scandalous proceedings, surely I am justified in calling attention to a few things I have done for the Pearlers' Association, which I am now accused of having tried to menace in this manner. I was a foundation member of the Pearlers' Association, and had a lot to do with its insurance fund. I was also selected to represent the Pearlers' Association in a very important extradition case. The member for Perth (Mr. Mann) went with me to the Dutch Indies, and very ably carried out the representation of his particular department. I may say we carried out our duties successfully.

The Premier: We heard last year that both of you are well-known throughout the islands.

Mr. TEESDALE: That was in connection with the piracy of a schooner and stores and the member for Perth successfully brought back his charges and got them suitable terms of imprisonment. I delivered the schooner back to Broome in good order. That, I think, was nothing prejudicial to the Pearlers' Association. Again, this notorious individual, who has been trying to attack the very foundations of the Pearlers' Association, was selected a few years ago to show the Federal Commissioners over the pearling fleet. It was on that occasion that Senator Henderson said he would not work under conditions I showed him for £10 a week. Members can imagine how delighted I was to retain that particular statement in my mind, and to be able to repeat it with great uncton at the banquet that night in Broome. A particularly hostile senator had come over here to clear that fleet of Asiatics, and to do all he could to back up the attitude taken in Melbourne, but he was satisfied it was no work for white men. When he said that he would not take on the work for £10 a week, it made things so much easier for us. I have done my best at all times to help the pearling industry. I have never had the remotest idea of doing it any injury. I put in four years with the fleet in Broome and at all times have been willing to help the industry along, because I take such an interest in it. This gentleman was explaining at great length how I came to make an attack on him through the Press. He said on one occasion that it was on account of a maternity case with which I was connected in Roebourne.

Mr. Pantou: A maternity case!

Mr. TEESDALE: The next time it was necessary for him to make an excuse, he said it was on account of his having beaten me in connection with this particular pearling license. It seems to me he is rather nonplussed as to what excuse he should make. At that time he had not sufficient influence to sway a row of pins, much less the Government, so that any kudos he may take to himself for having upset this application

is purely a figment of his own brain. He would not have been taken seriously for five minutes. I saw to that.

Mr. Mann: Who was the gentleman?

Mr. TEESDALE: I am not allowed to mention names. I do not take exception in any shape or form to what he says about me, so long as it is true. To ask a member to confine himself to the truth is not much. When I wrote a letter to the Press, I thought this man would do his utmost to get hold of me; but I never dreamt he would descend so low as to lie. He could have tracked up my record of 40 years in this State and found two or three things that I would not like to hear about.

Mr. Pantou: Only two or three?

Mr. TEESDALE: I would not do as this man has done, descend to the sewage of a septic tank to get home on somebody. It is one of the lowest things ever done in connection with Australian Parliaments.

Mr. SPEAKER: Order!

Mr. TEESDALE: Very well, Sir. I do not think anything so despicable as this has ever previously been mentioned in public. It is a very dirty bird that fouls its own nest. Certainly, the nest has never been very payable to me; but I have always done my utmost to uphold the tradition of centuries that requires us to be decent to each other, and not accuse each other through the Press of accepting bribes from Asiatics. On the North-West Estimates I made some remarks about certain individuals. Anything I said then I will repeat on the public platform outside any time the people concerned wish me to do so. I do sometimes say here, in anger, things that I afterwards regret having said. The Minister for Agriculture once dragged something out of me that I was sorry for afterwards.

The Minister for Agriculture: I don't want to be dragged into this controversy.

Mr. TEESDALE: If the man I refer to would only say outside what he said about me, I would have a little of his superfluous wealth. Every word I uttered was the truth, and I defy him to prove the contrary. I had been keeping this up my sleeve for years, and I got sick of this man's counterfeiting and could not stand it any longer, particularly when he was abusing certain friends of mine beyond all reason. Then I said to myself, "I will let the public know what a poseur this man is; how he has imposed on the people for years, putting himself forward as knowing all about the North-West." There is no man representing the people who knows less about the North-West than this man knows. He said he had travelled from one end of the State to the other and knew all about it from A to Z. If I knew as little about the North as that man does, I would not take the State's money for one day longer—and God knows I need it badly! There is a man holding an official position who has never done a day's manual work in the place that he talks about so much. He has never done a

mile on a pearling boat; he has never ridden a yard on a horse; and he has never been two miles from a port on the North-West coast with the exception of the port I represent. On that occasion he went racing through my township with a Governor, upsetting the whole programme of banquets and dances which had been fixed up for that day. The party went 44 miles out of the town, and did not return until 10 o'clock at night. That is the man's sole achievement in my electorate. He played the very deuce, and gave me about three months' work to square it. I did expose that man, and naturally he is very cross about it. He can remain cross so far as I am concerned. He said that he had visited all the North-West ports as far as Port Darwin. On the trip in question he remained in Broome for 10 hours. He was never known to stay so long in a port on the coast before, except on one occasion when he missed the boat. When the Press announced this man's movements the public naturally thought he was going on a dangerous trip into the romantic North, was going to do a bit of scrub-dashing.

The Premier: Pioneering.

Mr. TEESDALE: Yes. But not he! He never did any pioneering in his life. On the last trip he made to the North he did not even land at Broome, the reason being that the sea was a bit choppy. A resident sent word for him to come ashore, but the man sent back word that he was not very well. That was on the trip to Port Darwin. He stayed at Port Darwin only 24 hours, and in that short space of time he succeeded in hunting up a bit of garbage. He discovered that there were 90 per cent. of coloured children in the local school. It happens that I have been to Port Darwin several times, and I knew that statement to be altogether erroneous. I telegraphed to the Administrator of the Northern Territory on the subject, and was not surprised to get a reply that the exact percentage of coloured children was 54, and not 90. There was another distribution of information detrimental to Australia! It was a wild exaggeration to say there were 90 per cent. of coloured children, when in fact there were only 50. To smirch Port Darwin worse than it deserves is altogether unnecessary. Certainly, coloured men do predominate there; but we need not exaggerate the position. This man gains great comfort from the fact that the North-West members are a very united and loyal party. That is indeed pleasant to read. However, I am not in the charmed circle. At the same time it is interesting to inquire how the individual in question can be loyal in the face of his attitude towards the Closer Settlement Bill. I have on two or three occasions heard my North-Western friends speak about cutting up the pastoral areas of the North. Let me ask, did not that put a little strain on the loyal united party? However, one is not

supposed to notice that sort of thing. The individual stated that I was an outcast and a pariah, one who accepted bribes from Asiatics. Still, I am safe in saying that my relations with other North-West members are just as friendly as their relations with this other individual. I want it to be thoroughly understood that I do not complain one bit about the publicity this individual has given me in the newspapers. I take exception only to his scandalous and lying insinuations. I cannot catch up with them all. Through the Press they have travelled thousands of miles, and it is quite possible that my explanations of to-night will never catch up with them. Therefore the individual has effected his purpose to some extent. No doubt he took all that into consideration. No doubt he reflected that if he got home his dirty, low insinuations through the Press, some of them would stick somewhere, that people in the remoter parts would be under misapprehension regarding me. I have now been in this State for 40 years, and I am prepared to pit my record against the record of any individual at any time and for any amount. Finally as to this particular matter, I do not think there are many members of this Chamber who would believe the statements of the individual in question; at any rate, I hope there are not.

Mr. E. B. Johnston: You have not yet told us who he is.

Mr. TEESDALE: The Bill does call for much discussion. The Broome people know what they want and they are asking us to give it to them. I am a good deal impressed by the fact that those conversant with the industry have had a good deal to do with the framing of the Bill. When I was in Broome lately several of the principal pearlers there asked me to meet them and we went through the minutes of the previous meeting. The subject-matter of the Bill was also discussed at some length. For many years dummying has been going on. I can speak with regard to it for a period of 25 years. I am afraid, however that the Bill is not likely to altogether stop it. It is proposed to vest the powers of a Royal Commissioner in the chief inspector up there. Of course it is palpable to everybody that this measure is directed against Asiatics, and especially the Japanese. I have no great love for any of the coloured races, and particularly bearing in mind that some of them knocked me overboard on a dark night and that I was senseless too, before I was knocked overboard. I had a very narrow squeak. There was a swishing tide going out and I very nearly lost my number. Still, I do not wish to see any international trouble arise over anything that may be contained in the Bill. It is the easiest thing in the world to create one. The member for Kimberley referred to something that occurred up there a few years ago. I have no wish that the measure should be aimed at any particular race; I would like

to see the precautions generalised as much as possible.

The Minister for Lands: There is nothing in the Bill about any particular race.

Hon. Sir James Mitchell: The Minister made that clear.

Hon. S. W. Munsie: I said that divers were now wholly and solely Japanese.

Mr. TEESDALE: A massacre could occur in Broome in the space of a few hours, and before we could send any help our people would have had a bad time. I have been there on two occasions when serious disturbances have taken place. I have always been fearful of something serious happening there and considerable harm occurring before any assistance could be sent. The greatest care must be exercised in the appointment of an official to the position referred to in the Bill. If I had my way, I would not dream of making an appointment from Broome. A new man entirely should be sent there, one who knows neither Broome nor its complications, and I assure the House they are many. We want in that position a strong-minded and determined official, one who would not have the slightest business interests, commercially or in connection with the industry. He should be a man, too, wholly indifferent to public opinion there and indifferent as well to the social obligations of the place. He should have absolute and direct authority and there should be no occasion for him to refer to the magistrate. It will defeat the object of the measure if the inspector, vested with the powers of a Royal Commissioner, has to apply to a magistrate before he can do anything at all. In that case the proceedings would be a farce. I would have this officer protected against actions at law and make him free from interference on the part of members of Parliament. I would place him beyond the possibility of any action that may be taken by a member of Parliament with the object of nullifying what had been done. Of course the officer would have to take action at Broome and, whatever he might be compelled to do, would cause a considerable outcry at first. When Sir James Mitchell was at Broome, I arranged for a number of pearl-livers to meet him there to discuss the position. It was a splendid opportunity for him to become conversant with the actual state of affairs. The inspector was asked to attend that meeting and naturally we expected that the whole question would be gone into, that the pearl-livers would prove their case, and that Sir James Mitchell would subsequently introduce the necessary legislation to put matters on a proper footing. The inspector sat there the whole time and never spoke a single word. The meeting lasted an hour and a half.

Hon. S. W. Munsie: He showed good judgment.

Mr. TEESDALE: To put him at his ease, we tried to induce him to tell us what

he knew about the dummyming business, if he really did know anything at all about it. The point is, did he know anything about it? If he did, why did he remain silent as a stuffed being?

The Minister for Lands: It is not an official's place to take part in a deputation.

Mr. TEESDALE: The official was asked to attend there to meet the Premier, and the Premier was present at the invitation of the local people.

The Minister for Lands: He could communicate privately what he wanted to say to the Premier.

Mr. TEESDALE: He was invited to attend the deputation to give information, but he never even gave a reason for not speaking.

The Minister for Lands: If I had been there in the capacity of a Minister, I would not have permitted him to speak.

Mr. TEESDALE: Why did he accept the invitation to be present and then remain there like a stuffed thing?

Mr. Holman: He did not want to cast his pearls about at that period.

Mr. TEESDALE: I want to know what he was afraid of on that day. It had been given out that he knew the position from start to finish. Then why did he not say a word? Was it because there was someone at the deputation that he was afraid of?

Hon. Sir James Mitchell: Oh, no!

Mr. Coverley: The Broome people knew why he did not speak on that day. That is enough.

Hon. S. W. Munsie: Some of them did perhaps.

Mr. TEESDALE: Perhaps one can stay too long in those places. If I had my way, I would not permit a Government official to remain there for any period longer than two years.

The MINISTER FOR LANDS: Don't forget that you were complaining a few minutes ago respecting what someone else said about you.

Mr. TEESDALE: If Government officials remain there too long, they become too popular altogether. Of course I consider the present inspector is a very worthy official. I am sure he is.

Mr. Coverley: You could not accuse him of being too popular.

Mr. TEESDALE: I could accuse him of having been there a little bit too long. No one could take exception to that. Sir James Mitchell came away from that deputation with only a hazy idea of what was expected of him. It was a great opportunity lost. Had the inspector given us some information about the position, I have no doubt legislation would have been introduced 12 months ago. The Broome people have been considered in connection with the framing of this Bill. They have big interests at stake, and I am prepared to support the Bill because it is a step in the right direction, although I am not by any

means convinced that it is going to clear up the position as we would wish to have it cleared up. I know what a serious canker dummying is. We must have a first-class official there, a strong man who will not care whether he offends the people and one who must be free from interference of every description, even at the hands of members of Parliament and the resident magistrate. He must have sole control, and if we can appoint a satisfactory official, his efforts in 12 months should go a long way towards clearing up dummying.

Mr. Marshall: Do you suggest that the Bill will not accomplish that?

Mr. TEESDALE: If the officer to be appointed interprets the Act firmly and justly, he will be successful.

Hon. S. W. Munsie: That, too, will meet with immense opposition.

Mr. TEESDALE: One of the most important things in connection with the industry is the matter that I mentioned earlier, the gradual displacement of good divers and tenders. This is a serious matter, though it has nothing to do with slave dealers or pearl thieving. The owners of dummed boats are able to make a bigger bid for the services of first-class divers and tenders whose record is from eight to ten tons of shell in a season. The pearler who runs his boat on legitimate lines is thus out and the result will be that these people will have to rely upon indifferent divers. The newspaper article said that white men should not be allowed to dive in deep water. I would point out that white divers from the British Navy first taught our men in the North how to stage and dive to 30 fathoms. There is no occasion to fear that white men would not be capable of going to the same depths as coloured men. They go to greater depths than coloured men in the navy today.

Mr. Davy: Could white divers replace the coloured men?

Mr. TEESDALE: Not altogether. We are told by one gentleman that sunshine is the cause of our pearls and pearl-shell being of such a good colour. As a rule the pearls are embedded in the flesh of the fish and are in darkness most of the time. We are also told that our coast has been inundated by slave traders. That is all guess-work. No one has ever been envious enough of our native population to take any of them away. A friend of mine told me his boat ran across two Malay dhows which were loaded up with trepang and beche-de-mer. If people would pay a little more attention to preventing the stealing of our trepang and trochus shell instead of worrying about an imaginary slave traffic, it would be very much better. Statements like this create a lot of confusion. They detract from the utterances of a man and show that he has no experience of the things he is talking about. No man knows less of the North than the party who recently gave such a wonderful explanation

of the pearling industry. It is amusing to hear such a man dealing with so intricate a subject. Men who have been connected with the industry for years do not profess to know all about it yet. The person I refer to is a neophyte and by virtue of his avoirdupois and aggressive wealth always seems to hold the idea that all that he says must go. I support the Bill.

Mr. MARSHALL (Murchison) [9.48]: I support the Bill. The North-West is far removed from the seat of Government, and it is well that there should be unanimity amongst those members who represent it in Parliament. If those who represent it fail to agree, the negligence shown by past Governments towards the North-West may continue for an indefinite period. That part of the State demands immediate attention. I am not thoroughly conversant with the pearling industry, but from my travels inland around Broome and up and down the coast I am aware that there are some important factors with which this Bill deals. One important phase is the growth of the Asiatic population along our coast. This has become noticeable to every visitor, for increasing numbers of Asiatics are found wherever the pearling industry is carried on. To a large extent this is due to those who started the industry in the early days. They employed indentured labour, and it ultimately became possible for those who were engaged to acquire their own boats. Dummying is caused by some white men who indulge in this practice in order to defraud the revenue of the State, and obtain some remuneration for themselves. It would be very hard to obtain statistics showing how much wealth the State lost through this practice. Dummying as a system has not been fully explained.

Mr. Sampson: Mr. Underwood explained it.

Mr. MARSHALL: Not altogether. I understand that Asiatics procure an interest in a pearling lugger and induce a white man to take out a license for them, and that the Asiatics get the profit.

Hon. S. W. Munsie: White men have sold their names to Asiatics for a couple of hundred pounds.

Mr. MARSHALL: In that way they are selling the wealth of the State.

Hon. S. W. Munsie: That is so.

Mr. MARSHALL: There is no fear of any international trouble. Most of the Asiatics employed in the industry are British-born, such as those who come from the Malay Peninsula and Koepang. The Manilamen are Americans and are expert divers. The Hong Kong Chinaman is also British-born. This leaves the Japanese as the only people we have to fear. As the Bill does not mention nationality when dealing with Asiatics, I have no fear of international complications. The Bill should have a considerable effect in preventing dummying, but to endeavour to stop it altogether is like trying

to abolish gambling—it will be utterly impossible to get rid of either. When white men are prepared to sacrifice their names and the welfare of the State for Asiatics, it must be very difficult to wipe out this evil. The Bill is a drastic one.

Hon. S. W. Munsie: Yes. It provides for a heavy fine or three years' imprisonment.

Mr. MARSHALL: A big fine or imprisonment will be the only means by which we shall get rid of dumming. The powers to be given to the inspector might have been made even greater. There appears to be nothing in the Bill affording protection to that official.

Hon. S. W. Munsie: The parent Act provides that.

Mr. MARSHALL: He should be given as much protection as possible. It would not be fair to appoint a person with all this power unless he were accorded proper protection. Although the Bill may not accomplish all that is desired, I believe it will have the effect of reducing the number of Asiatics employed in the industry. When they find it is impossible to get hold of a pearling lugger they will rapidly diminish in number.

Hon. Sir JAMES MITCHELL (Northam) [8.58]: The member for Roebourne (Mr. Teesdale) referred to a deputation to an officer of the department. It was the duty of that officer to listen to what was said, and not to make any observations of his own. The deputation presented a great deal of useful information. This was an excellent officer, who was brought down to advise the department on the question. He took up a perfectly correct attitude.

Hon. S. W. Munsie: Yes. I was going to have a word to say in his defence.

Hon. Sir JAMES MITCHELL: He did his duty.

Hon. S. W. Munsie: Yes.

Hon. Sir JAMES MITCHELL: He is a capable man. Dumming has become so serious a question that a Bill such as this is warranted. The inspector it is proposed to appoint will have practically the powers of a Royal Commissioner. It will be like having a permanent Royal Commission sitting in Broome to inquire into cases presumably with the idea of cancelling licenses if the evidence points to that necessity. Dumming can be prevented by licensing the right people, and refusing to license those who are believed to be doing wrong. I do not think any form of inquiry will get over this difficulty.

Hon. S. W. Munsie: I do.

Hon. Sir JAMES MITCHELL: The proper thing to do is to license those who are known to go straight. It is a special industry operated, presumably, by white people who own the boats.

Hon. S. W. Munsie: The white men have the licenses now!

Hon. Sir JAMES MITCHELL: The whole question is one of profit either to the white man or to the coloured man. Whatever is done, it seems to me that the coloured men will get an undue share of the returns.

Hon. S. W. Munsie: The Bill will minimize that position to some extent.

Hon. Sir JAMES MITCHELL: The Minister has a profound respect for Acts of Parliament. When he has lived a bit longer he will have a different impression. I think the powers already provided in the Act are sufficient to enable the authorities to refuse to license an individual if the circumstances warrant it. Surely we should know the man who is not entitled to get a license because he is regarded as unsuitable.

Hon. S. W. Munsie: If he complies with the conditions of the Act, you cannot help licensing him.

Hon. Sir JAMES MITCHELL: There will be very little written, although a great many arrangements will be made. If the Minister thinks that written documents will be in evidence, he will find himself much mistaken. Put the thing down if we can, say that the coloured men employed shall receive fair pay and reasonable conditions, but beyond that they should not be able to take the whole of the profits, or the greater portion of the profits of the industry.

Hon. S. W. Munsie: Are you aware that the Bill will regulate the amount they can get?

Hon. Sir JAMES MITCHELL: Yes, but I am not so simple as the Minister appears to be.

Mr. Mann: The Minister is not so simple as he suggests.

Hon. Sir JAMES MITCHELL: If there are 2,000 foreigners and only 120 white men engaged, the latter will see that the coloured men get what is their due. I do not oppose the Bill. I hope good results will follow its introduction. I merely rose to explain that the member for Roebourne (Mr. Teesdale) was not justified in reflecting on an officer who, in my opinion, has done excellent service.

Mr. MANN (Perth) [9.3]: I support the second reading of the Bill.

The Premier: You all want the Bill but if you are not careful you will talk it out.

Hon. Sir James Mitchell: We have had to sit here all night while others have talked about Bills.

Mr. MANN: If there are any weaknesses in a measure, surely it is no evil to point them out!

Mr. Panton: There are none.

Mr. MANN: I have had some 20 years' experience in connection with matters concerning the pearling industry. I have had occasion to investigate pearling matters and I know the intricacies surrounding the industry. Whilst the pearlers cater for the Japanese as expert divers, relying upon

them wholly and solely, and discarding other nationalities, then the pearlers are in the hands of the Japanese. The pearlers have discarded the Manilamen and the Malays.

Mr. Coverley: They have done nothing of the sort!

Mr. MANN: At present they rely almost wholly and solely upon the Japanese, of whom there are 10 to one of any other nationality. At one time a much larger number of Manilamen and other nationalities were employed as divers. Then came the time when the Japanese dictated as to who should act as his tender. He would have no other tender than one of his own countrymen to look after him while he was below. Later the Japanese mail was made up in the Japanese club and was taken down to the boat without passing through the hands of the postal officials. Thus, the correspondence carried on between the Japanese at Broome and their agents in Japan was not touched by the officers of the Commonwealth Postal Department. After a time the Japanese flew the Japanese flag on the luggers until they came into the creek, and they hoisted it again once they left the creek. They defied the owners and everyone else connected with the industry.

Mr. Taylor: That is pretty serious!

Mr. MANN: I do not know about it being pretty serious, but these are facts. Drastic as the Bill may be, it will not stop dummyming.

Hon. S. W. Munsie: Will it assist?

Mr. MANN: It may assist in that direction, but if the white pearlers are not honourable to themselves, neither this Bill nor any other Act will put a stop to dummyming.

Mr. Coverley: If it does not, we should close up the industry quickly.

Mr. MANN: Under existing conditions the Japanese diver, before he starts on the season's work, makes his demand as to what his advance shall be. The Minister suggests that the Bill will stop that sort of thing. I do not know how it will be done. An agreement may show that the diver is to receive only £50 or £100 as his advance, but that will not prevent him from getting another £200 outside that agreement. Until other divers are taught the business, and other nationalities are entered for in the industry, the key to the industry will be in the hands of the Japanese, for without them neither pearls nor pearlshell can be obtained. Until the pearlers employ men of other nationalities as divers, they will never get over that difficulty. It is no use wasting words; that is the position. The Japanese have really got control of the industry to-day, and until the pearlers employ men of other nationalities in the key positions of diver, and tender to diver, all the statutes in the world will not stop dummyming. White men have been tried as divers and it is said they were not successful. They were not accustomed to the under-sea cur-

rents and the great depths to which the Japanese will go. The only diver to successfully compete with the Japanese is the Manilaman. In the course of years the Criminal Investigation Department have had to overcome many difficulties in connection with the pearling industry. Illicit pearl dealing is more difficult to deal with than illicit gold dealing. Until the pearlers are honest with themselves and employ others than Japanese, there will be little opportunity to do away with dummyming.

Question put and passed.

Bill read a second time.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

Read a third time and passed.

BILL—TREASURY BONDS DEFICIENCY.

Message.

Message from the Governor received and read recommending appropriation in connection with the Bill.

Second Reading.

The PREMIER (Hon. P. Collier—Boulder) [9.14] in moving the second reading said: The Bill is required in order to fund the deficits for the past four years. Authority was obtained to fund the deficits from 1912 to 1920, and so we have the deficits for four years, amounting to £2,050,000, which it is necessary to fund. The total deficit at the end of June last was £6,140,840, and inscribed stock and Treasury bonds to the amount of £3,945,342 have been initialed, which leaves a balance of deficit unfunded, £2,194,745, less a balance available under previous funding Acts of £227,255, with a cost of raising estimated at £82,510, making the amount set out in the Bill, namely £2,050,000. It is necessary that this amount should be funded to enable the Government to take advantage of any money that might be offering on reasonable terms, and to place the deficiency account on a proper basis. Moreover, it will release money for public works and other requirements for which it was borrowed. It has been the practice to fund the deficit each year since the original Act was first passed, but no provision has been made for it during the past four years. It is necessary that we should now provide for the balance of the unfunded accumulated deficit in the manner set out in the Act of 1916. I move—

That the Bill be now read a second time.

Question put and passed.

Bill read a second time.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment and the report adopted.

Read a third time and transmitted to the Council.

BILL—LAND TAX AND INCOME TAX *Second Reading.*

Debate resumed from 11th December.

Hon. Sir JAMES MITCHELL (Northam) [9.20]: For the most part this Bill can be dealt with in Committee, but I desire to make one or two observations before that stage is reached, since I will not be allowed to make them then. The only suggested increase in the taxation is an increase in land tax. After all, the other day we passed a Main Roads Bill, under which we agreed to provide certain money.

Mr. Thomson: No, we did not, we were defeated on it.

Hon. Sir JAMES MITCHELL: But the House agreed that the Premier and Treasurer should include in his taxation measures something that would give the main roads a half-penny in the pound on all land values. So the Premier has increased his land tax.

The Premier: I would rather not, but I have been instructed by the House to find the money.

Hon. Sir JAMES MITCHELL: The party sitting with the Government believe in land taxation. However, to obtain an extra half-penny it has been necessary to double the tax, which will bring in considerably more than was represented by the Minister for Works when moving the second reading of the Main Roads Bill. He said he would require £60,000, and that it would be obtained by the imposition of an extra half-penny on the value of all lands, without exemption. My friends opposite believe in taxing land without exemption, although it is a new principle in our legislation. Still the House has agreed to it. Probably we shall know all about it when landowners get their notices to pay 2d. in the pound. Still, the Treasurer has done this to meet the wishes of a majority of the House. He said that if there be anything over after providing him with the amount that is rightly his under the rate of one penny in the pound, and after providing the Minister for Works with the amount required for the main roads, the difference will be used for the reduction of railway freights. We have for long discussed the proposition to tax the land in order to permit of a reduction in railway freights. A committee appointed by the Primary Producers' Association considered this question last year. Their report appeared in the "West Australian" of the 10th October, 1923. No definite agreement was reached. It was pointed out that if land could be taxed up to 4½d., railway freights might be con-

siderably reduced. I should think they could be! The Commissioner of Taxation has said that the value of the various lands in the States is estimated at 40 million pounds, being metropolitan lands 15 millions; agricultural lands 19 millions; goldfields and country town lands two millions; Crown leaseholds £2,500,000. The committee said a revaluation of the lands could be completed in five years. The Commissioner said it could be done in three years, which I think would be about correct. The Premier expects this year to tax on a value of 30 millions. Personally, I think it will be nearer 40 millions. I want to point out what it means to the man on the land. In 1923 I worked out the position, and found that the farmers' bulk stuff, produce and fertilisers and the like, totalled 50 per cent. of the ton mileage hauled on the railways. His tonnage charges were 34.80 per cent., and the earning charges, 36 per cent., or £637,000 of £1,768,000 paid in freights. It was estimated that the town lots represented 20 millions, including all goldfields and country towns and the metropolitan area. The total value of the agricultural and pastoral lands was about 20 millions. It was suggested that a 4½d. tax would raise £708,000. So it is quite evident that £384,000 would come from farmers and pastoralists. If that £384,000 had been paid and if railway freights had been reduced, remembering that the farmers' freights now are fairly low on fertilisers and wheat, the advantage to the farmer would have been very much less than his contributions. If he had benefited by one-fourth of the £637,000, he would have had returned to him by way of reduced freights £159,000; and that would have been a saving of freights to landholders, the men who paid £384,000. So we, as representatives of the farmers, cannot accept the Treasurer's offer to return this money in railway freights. There is no certainty of a general reduction in freights, and if there were a general reduction it would be so infinitesimal as to be of no value to anybody. The point is that the land owner pays any tax anybody else pays, and in addition pays land tax. It is always said that land is every day improving in value, and therefore the Government should get some of the increased value. Land pays death duties; it is included in a man's estate, and the Government take a percentage at his death. That is probably a fair thing, but I do not know that it is a fair thing to take death duties as against land and to tax the land all the time as well. Land is the farmer's means of making money by which he pays taxation, and the income on which he pays taxation. Then, too, land does not always increase in value. We have on the statute book a law empowering the Government to accept the surrender of land, and a good deal of land is surrendered by owners in order that they may

escape taxation. The land is not worth the taxation, not worth the road board rates, not worth the town and municipal rates in some cases, and so it has been returned to the Government.

The Premier: In that case it would not pay tax.

Hon. Sir JAMES MITCHELL: But the man, in order to escape further taxation, is surrendering land on which he has paid the Government a good deal of taxation. He practically says to the Government, "Take it back and let me off in respect of future taxes." It is often wrongly contended that population gives all the added value to the land. Nothing could be further from the fact. In a country like England, where production is not sufficient to feed the people, there is no land tax. The authorities there realise that it would not be wise to saddle the land with the additional burden of a land tax. There, the population may well be said to give added value to the land. But in this State, where we shall this year produce ten times as much wheat as we shall require for our own people, obviously we have to look overseas for a market for nine-tenths of the wheat we produce. I do not know just how the population of this country can affect that wheat; it has no influence over it at all. We put the wheat on the ships at Fremantle and send it overseas, and take what the world's market will give us for it. If our population were sufficient to consume the whole of the locally-grown wheat, it would be quite a different matter. Dealing with fruit and potatoes, it is very difficult to market them because of our small population, and so to some extent this year they will go to waste. It is wrong to suppose that an exporting country depends entirely upon its own people for the land's value, when the value is really given to the land by reason of its productiveness. This year wheat is 6s. a bushel, and we have a good crop. If we took the price of wheat as a standard for fixing the value of the land, we would get an enormous value. Next year the price of wheat may be much lower and the return not so good, and the value of the land fixed on those figures would be very different. It is the productiveness of land which gives land its value, and in every other country that exports most of its land products, that is so. I know that the Treasurer is obliged to fix the land tax as he has done to meet the wishes of members of this House in regard to the Main Roads Bill. There is one thing we must remember in dealing with this Bill—that quite recently we amended the Land and Income Tax Assessment Act, wiping out all exemptions. Until we amended the Act, everyone in a town or city owning a block worth up to £50, held it free of taxation. Farmers who held land were exempt up to £250 value of their land. All such land is now to be taxed under the

assessment Act, and that will bring in a considerable sum. The Premier, in his Budget, said he expected to receive £3,600 more than he received last year, but by doing away with the exemptions and by the provision under which farmers will pay both income tax and land tax, he will receive a considerable sum this year. I do not know just what it will be. If it can be calculated, I think we should have been told. No doubt it could be calculated by the Taxation Department.

The Premier: It would be very difficult to calculate it.

Hon. Sir JAMES MITCHELL: Let us assume that the Treasurer will get another £40,000 from these sources. He will get quite that and probably more. He has estimated that he will receive only £4,000, so he will be £36,000 better off. If we deduct that from his estimated deficit, it will bring the deficit down to £150,000 without taking into account the additional taxation now proposed. We are piling on taxation one way and another when there is really little justification for so doing. I do not think there is any justification for it. The Premier budgeted for a deficit of £188,000. I think the ledger must balance this year.

The Premier: Oh, oh!

Hon. Sir JAMES MITCHELL: On several occasions during the session I have endeavoured to prove to the Premier that the ledger will balance this year.

The Premier: I am behind on the portion of the year already expired.

Hon. Sir JAMES MITCHELL: No, you are not.

The Premier: But I am. The next seven months will need to be much better than the seven corresponding months of last year if I am to realise my estimate.

Hon. Sir JAMES MITCHELL: It is true that at this time last year the deficit amounted to £559,000, and for the five months of this year the deficit is £576,000, but it is also true that there is additional interest to be collected on money loaned to individuals. The amount lent last year that paid six months' interest will this year pay 12 months' interest, and the loans made this year will pay six months' interest, and the amount will be £138,000 more than the interest collected by the Treasurer last year.

The Premier: We have to pay more, too.

Hon. Sir JAMES MITCHELL: But the Premier is paying it month by month. I am obliged for that interjection. Under our system we debit up each month one-twelfth of the year's interest, but we collect from the people to whom we have lent money—the Agricultural Bank, the I.A.B., and the Workers' Homes Board, to whom some 12 million pounds has been lent—only periodically. In theory we collect every six months.

The Premier: But that was so last year. I am comparing the five months of last

year with the five months of this year, and it is a fair comparison.

Hon. Sir JAMES MITCHELL: So am I. As we collect our interest at the end of the six months period, it will be the end of December and the end of June when the Premier will get the additional interest.

The Premier: That does not affect a comparison of the five months of the two years.

Hon. Sir JAMES MITCHELL: It does.

The Premier: Oh, no.

Hon. Sir JAMES MITCHELL: It does. There is £138,000 additional interest to be collected, if the Premier's estimate this year is correct. Presumably £69,000 of this will be collected on the 31st December and the second £69,000 on the 30th June. If we take five months' proportion of the £39,000, it totals about £57,500. If we deduct that from the deficit on the 30th November, we find the Premier is £40,000 better off than he was last year. The Premier cannot get away from those figures.

The Premier: I wish you were right.

Hon. Sir JAMES MITCHELL: I know I am right. The figures are perfectly plain for anyone to see. When we lend, as we did last year, £2,300,000 spread over the whole year, we can expect to average six months interest on the full amount, and everyone knows that this year we shall collect the interest for the full year on the full amount, which must give us more than was collected last year. Besides, the figures for past years were worked in the same way. In my opinion the Premier is £40,000 better off now than was the case at this time last year.

The Premier: I am £56,000 worse off than last year.

Hon. Sir JAMES MITCHELL: The Premier is £16,000 worse off than last year. His deficit is £576,000 as against £559,000 last year, but he still has £57,000 to come; so he is £40,000 better off.

The Premier: But I budgeted for £40,000 better than last year, and that £16,000 makes us £56,000 worse off than last year.

Hon. Sir JAMES MITCHELL: I have been at pains to show that the Premier's land taxation proposals will give him at least £40,000 as against the £4,000 he estimated.

The Premier: Where do you get the £40,000?

Hon. Sir JAMES MITCHELL: You have wiped out all the exemptions.

The Premier: You have only guessed that amount.

Hon. Sir JAMES MITCHELL: But the Premier will not even guess it.

The Premier: I would guess a long way below that.

Mr. E. B. Johnston: It might be more.

Hon. Sir JAMES MITCHELL: I can work it out. If the Premier's value of £30,000,000 is correct, at a halfpenny in the pound he would collect a very considerable sum. At 2d. in the pound he will collect £50,000. There will be no exemptions.

If the exemptions represent £100,000, he will get £150,000 at any rate. Those are the figures the Premier himself gave. If he takes the value as £40,000,000, as the Commissioner of Taxation evidently will do—

The Premier: No; Mr. Black emphatically says £30,000,000 is the outside figure this year.

Hon. Sir JAMES MITCHELL: The Commissioner estimated the value at £40,000,000, but he said at the time it would not reach that total this year.

The Premier: I discussed that with him.

Hon. Sir JAMES MITCHELL: It is easy to see that the Premier will get a great deal more money from the taxation of land. All land will be taxed. The exemptions enjoyed to-day will be wiped out. In the circumstances the amount cannot be less than £40,000. The trade advantage is much greater than the taxation advantage, and this year is going to be the greatest year we have had for trade.

The Premier: I have allowed a maximum for that in my Estimates.

Hon. Sir JAMES MITCHELL: I do not think so.

The Premier: I have budgeted for £100,000 more from the railways, and they are behind yet.

Hon. Sir JAMES MITCHELL: That is due to the season being somewhat later by reason of the blockade at Fremantle, which put the Premier out of his stride. The deficit on the 30th June, 1922, was £730,000; it was reduced to £405,000 on the 30th June, 1923; and—

Mr. Hughes: But you took £100,000 from the State Trading Concerns.

Hon. Sir JAMES MITCHELL: I took nothing from the State Trading Concerns beyond the legitimate profits.

Mr. Hughes: You made the losses up from loan; you must add that before you talk of reduced deficits.

Hon. Sir JAMES MITCHELL: This legal friend of mine should stick to law, and become proficient in law, and then turn to finance when he is a little older.

Mr. Hughes: Of course that has turned the point, but it does not alter the fact that you took that money from the State Trading Concerns.

Mr. SPEAKER: Order!

Hon. Sir JAMES MITCHELL: The hon. member becomes ridiculous when he turns to finance. If the State trading concerns produce a profit this year, the Premier will get it. God knows he ought not to get it, because he is responsible for the State Trading Concerns. On some State Trading Concerns, however, there will be a loss. On the Wyndham Meat Works we lose about £80,000 a year, which is taken from revenue.

Mr. Hughes: From loan.

Hon. Sir JAMES MITCHELL: From revenue.

Mr. Hughes: From loan. What are you talking about?

Mr. SPEAKER: Order!

Hon. Sir JAMES MITCHELL: It is taken from revenue.

Mr. Hughes: What are all those entries in the loan accounts, then?

Hon. Sir JAMES MITCHELL: I have pointed out to the Premier that all the interest from the Agricultural Bank and boards and so forth was not transferred when the deficit was reduced to £229,000. Had those transfers of interest been made, the deficit would have been down to £150,000 or £160,000. The reduction is due to trade contributions to the Treasury, due to better earnings by the public utilities; and that improvement is going on all the time. No doubt there are some additional costs which the Premier has to meet; but as against them he is going to take the sandalwood revenue, and rightly, as I think. That will come to a considerable sum.

The Premier: About £45,000; but that of course is only an increase of £25,000, because I was getting £20,000 anyhow.

Hon. Sir JAMES MITCHELL: Yes; the benefit is £25,000. Then there will be increased taxation, due to the removal of the exemptions. Coming down from a deficit of £735,000 to one of £229,000 in two years, means an improvement of over half a million. Surely we can expect to come down a little further this year, and wipe out the deficit, with trade still increasing, and taxation improving too. The rate of taxation is one thing; the contribution is another, due to the incomes. There will be a better return from increased incomes than probably the House anticipates. It is true that we had a struggle to get our deficit within anything like a reasonable amount, but we did get it within a reasonable amount last year, and we have got it within a reasonable amount this year. It will be further reduced, thanks to the work already done in the State. When dealing with this question we ought to remember that whilst we had a deficit of £229,000 last year, we contributed £225,000 cash to our sinking fund. Last year our sinking fund improvement was £592,000. Whilst since 1911 we have accumulated a deficit of £6,153,000 we have also accumulated an increase in our sinking fund of £7,130,000. If the Premier has a deficit of £180,000 per year and pays £230,000 a year into the sinking fund, as he expects to do, there will be no loss on the annual transactions, but a gain—in fact, a clear gain.

Mr. Hughes: But you have provided no sinking fund for the money you borrowed during the last five years.

Hon. Sir JAMES MITCHELL: That wisecrack again! Of course we did not provide sinking fund, because the law is that sinking fund shall not begin until four years after a loan has been raised.

Mr. Hughes: Did you provide any sinking fund for the money you borrowed during the last five years? You were five years free from provision of sinking fund.

Hon. Sir JAMES MITCHELL: No. That simply is not true.

Mr. Hughes: It is true.

Mr. SPEAKER: Order!

Mr. Hughes: You are an expert, and that is why we have such a big deficit.

Hon. Sir JAMES MITCHELL: We have a big deficit because we had a Labour Government and because we had a war.

Mr. Hughes: No; because you are an expert.

Hon. Sir JAMES MITCHELL: I do not know why I should be subjected to this running fire of interjections from the hon. member.

Mr. SPEAKER: Will the member for East Perth cease his interjections? Every hon. member here is entitled to be heard, while he is in order, without interruptions.

Mr. Hughes: On a point of order—

Mr. SPEAKER: There is no point of order. The hon. member must resume his seat.

Hon. Sir JAMES MITCHELL: As a matter of fact, we paid into the sinking fund £389,000 in 1920, £342,000 in 1921, £321,000 in 1922, and £225,000 last year. The same, roughly, will be paid into sinking fund this year.

Mr. Hughes: Notwithstanding all your increased borrowings, you did not pay any sinking fund.

Hon. Sir JAMES MITCHELL: The hon. member has helped to pass Loan Bills in this House, and should know that sinking fund starts four years after the loan has been raised.

Mr. Hughes: Still, the fact remains that—

Member Suspended.

Mr. SPEAKER: These interjections must cease; otherwise, I warn the hon. member. I shall take other steps.

Mr. Hughes: I don't care what steps you take. I'm sick of it.

Mr. SPEAKER: The hon. member must apologise for his disrespect to the Chair, or I shall suspend him for the remainder of the sitting. I ask the hon. member to apologise for disrespect to the Chair.

Members. Apologise!

Mr. Hughes: I would sooner be suspended. He has consistently pulled me up.

Mr. SPEAKER: I suspend the hon. member for the remainder of the sitting and order him to leave the Chamber.

[Mr. Hughes left the Chamber.]

Debate Resumed.

Hon. Sir JAMES MITCHELL: I think I have shown that the deficit, which has been considerably reduced last year, must be further reduced this year. I hope the

Premier realises that what I have said leads up to the objection I shall take to the continuation of the supertax. Last year we discussed the matter at considerable length, and then we had a deficit for the previous 12 months of £405,000. The position is very different to-day. Then we contributed not nearly £405,000 to the sinking fund. I think we ought to get much nearer squaring the ledger. Last year I budgeted for a deficit of £298,000. According to the published figures, we finished up with a deficit of £229,000, just £180,000 better than the previous financial year's deficit. So the position has become entirely changed. We are now contributing more to the sinking fund than the amount of our deficit. The Premier knows that the second six months of the year are always better than the first six months.

The Premier: I can take the second six months and compare it with the second six months of last year, and I say I am £140,000 to the bad.

Hon. Sir JAMES MITCHELL: No. The Premier's actual figures show £16,000.

The Premier: I know.

Hon. Sir JAMES MITCHELL: The Premier has stated that in the Press, the Press is the only place where I can get it.

The Premier: There are other figures.

Hon. Sir JAMES MITCHELL: At any rate, the position is changed. The Premier thought that I ought not to have the supertax when the deficit was £405,000.

The Premier: Last year?

Hon. Sir JAMES MITCHELL: Yes.

The Premier: I did not move to strike out the super tax. There was no division. You got the super tax without a division.

Hon. Sir JAMES MITCHELL: The Premier has a very short memory.

The Premier: I have not. Having just looked the matter up, I find that I did not divide the House. So you got your super tax without a division.

Hon. Sir JAMES MITCHELL: But another place did not treat me quite so well.

The Premier: Surely you don't hold me responsible for that?

Hon. Sir JAMES MITCHELL: Members of another place sent the super tax back and told me they would not have anything to do with it. Then we had a division in this House, which meant that those who favoured a super tax voted for me, while those who opposed the super tax voted against me. Strange to say, three of the present Ministers voted against the supertax when the deficit was £405,000. They said to me, "You don't want the super tax; you can do without it; we are going to help you to do without it." The three hon. gentlemen who voted to knock out the super tax last year were the Premier, the Minister for Works, and the Honorary Minister administering the Heath Department. The Minister for Railways and the Minister for Lands voted to retain it. There were 11

votes for the striking out of the super tax and eight of them came from members who are now sitting opposite. I do not know why the Premier included the super tax in this year's Bill; at any rate I intend to do my best to have it removed. I said last year that if we could balance as I had budgeted, I would remove the super tax.

The Premier: You were not so definite as that.

Hon. Sir JAMES MITCHELL: I do not know why the super tax need remain for any further period. I have shown the Premier how much more he will get from land tax this year, and under his latest proposal he will get something in addition. I do not know that he intends to reduce freights this year, because half of the year has already gone. The revenue, therefore, will not suffer from that source. Altogether the Premier is on a good wicket and can do without the super tax.

The Premier: When you take away the super tax, I shall increase railway freights.

Hon. Sir JAMES MITCHELL: The Premier would not do so even though he is powerful. Would he increase the freights to Murchison, or to Bunbury Collie or Albany? He would not dare.

Mr. THOMSON (Katanning) [10.5]: I recognise it is necessary that we should pass the Bill to impose a land tax and an income tax. I regret, of course, that the Premier has seen fit to increase the land tax. I am going to oppose that increase, because I do not think it is desirable that taxation should be increased at the present juncture. There are one or two reasons why I am opposed to the Government's proposal. We find that land values are being increased all round. They have been augmented very much in my district, and 2d. in the pound on the average values at Broomehill and Katanning—increased values put upon properties by the Lands Department in those two areas—will mean an additional £14,400.

The Minister for Railways: The Treasurer will not get all that.

The Minister for Lands: Did you say the Lands Department have put up the values?

Mr. THOMSON: The Taxation Department has increased the valuation of the land. We find, according to the return laid on the Table of the House, that the metropolitan area accounts for 15½ millions of the 40 millions in the State, so that an approximate total of 10 millions is accepted for in the country districts, and the additional tax will be paid on that. Ever since I have been in this House we have been faced with increased railway freights. Every little measure that has been brought in has meant increased taxation in this and that direction.

Mr. Marshall: You get out of the House and we will reduce the freights.

Mr. THOMSON: If the mere fact of my getting out would mean a reduction of tax-

ation, I should not hesitate to get out, and by doing so I should be doing a service to the State, and incidentally I should be reaping the benefit myself. When the super tax was first submitted, it was a war measure and was to be temporary. Last year I voted against it, and this year I shall do the same. I have read the Premier's speech carefully. He adduced no argument to convince me that it is necessary we should increase our land tax, except, of course, by the half-penny in the pound to be earmarked for main roads.

The Minister for Railways: And railways.

Mr. THOMSON: That is where the Minister for Railways and I differ. I remember when Mr. Justice Burnside increased the wages of the railway staff, the railway freights were put up. I remember also that I endeavoured to effect certain economies and we were told by Ministers in charge of departments that the departments had been cut to the very bone. Yet when the next report of the Railway Commissioner came before us he told us that, as the result of the report of the Royal Commissioner, Mr. Stead, considerable economies had been effected. When the present Administration assumed office they gave a section of the community the 44-hours week. This meant increased cost. Then we find that in the arrangement that has been made as the result of the Fremantle shipping trouble, that 44 hours has been allotted there.

The Minister for Railways: Those items come out of loan.

Mr. THOMSON: But they mean increased expenditure and increased taxation if the ledger is to be balanced. Wages, however, are paid out of ordinary revenue, and the taxes that are levied are for the purpose of government. I am prepared to admit that the Premier was a little more moderate than we anticipated. He has increased the tax by 100 per cent.

The Premier: One hundred per cent. less the 15 per cent. super tax.

Mr. THOMSON: You are putting the super tax on the increased land tax.

The Premier: It is not on the land tax; it is on the income tax.

Mr. THOMSON: The proviso in the Assessment Act, permitting the landowner to deduct the amount of his land tax, has been struck out. In a speech the Premier made here he stated—

It would be a good thing for the people of the country districts since they will be more than compensated for any increased taxation that they may have to pay under this Bill, by a reduction in the charges that are made upon the railways. I think the farmers will get back more than they will be called upon to pay under this Bill. I am not in favour of the method being adopted by the Federal Government towards the primary producer. The Federal Government impose a high tariff and are placing

a great burden upon those who are producing the primary wealth of the State and the Commonwealth. Speaking from memory, 95 per cent. of the wealth created and sent overseas is made up of primary products. Now what are the Commonwealth Government doing? They are imposing a heavy tariff through the medium of the Customs, anything up to 40 and 50 per cent. upon machinery and tools of trade, and when we find that the man who has produced the commodity is up against it so far as getting his perishable products away, legislation is brought in to take a pound out of his pocket and 2s. 6d. is put back with the consoling remark, "Be a good fellow, and see what we are doing for you." I do not say that is the motive of the Premier, but it savours somewhat of saying "We admit we are imposing fresh taxation upon you, but we are giving you something back by way of reduced railway freights." Will the impost that will be placed upon my constituents be made up by any reduction in railway freights? Most of the electors in my district are using their land to its fullest extent.

The Minister for Railways: They will be compensated.

Mr. THOMSON: That is a bald statement, and cannot be supported by figures. The Government will have great difficulty in convincing many hon. members, and the community, that people will be better off than they are under present conditions, when they pay for all services rendered. If a farmer has a good crop or a pastoralist a good wool clip, he can afford to pay the railway freights. If, however, he has a bad season and still has to pay this land tax, he will have no money with which to do it.

The Minister for Railways: What about the reduced freights on stores, etc.

Mr. THOMSON: A reduction of 5s. or 10s. a ton on stores would not make much difference to the average man in a year. This land tax is not just or equitable when placed upon those who derive their incomes from the soil. I intend in Committee to move an amendment to provide that wherever any person is assessed for income tax or profits derived directly from the cultivation of the land, such person shall be liable for the payment of income tax only.

The Minister for Lands: That is in the Assessment Act.

Mr. THOMSON: No. It is cut out.

The Minister for Lands: You cannot put it into another Bill.

Mr. THOMSON: I think so. If a man puts a thousand pounds into an ordinary business he is taxed only on the profits that money produces. If he puts £1,000 into Government securities at 6 per cent., he can be taxed only on the £60 he derives from the investment.

The Minister for Lands: A man is taxed for his residence.

Mr. THOMSON: That will not be so serious an item as a tax on a farm that

on its unimproved value is estimated to be worth £1,000. The farmer has to make his living in conflict with the elements and bad seasons. He will be asked to pay 2,000 pence annually on his thousand pound property plus a tax on his income. He will thus be taxed both ways. The Government propose to tax his capital.

The Minister for Lands: His land.

Mr. THOMSON: Potato growers in the South-West find it has not paid them to dig the crop. They will have no income this year, and will still be asked to pay a land tax. I hope the Premier will agree to the amendment I propose to move in Committee.

Mr. E. B. JOHNSTON (William-Narrogin) [10.22]: The Government have removed all the exemptions the farmers enjoyed from time to time when the land tax was first imposed. I refer particularly to the striking out of the £250 exemption granted to agriculturists. The measure now before us proposes to double the land tax by increasing it from 1d. to 2d. in the pound. The Premier was quite frank about his intentions. I recall his policy speech at the Trades Hall, where he announced that if returned to power he would impose, a "good solid land tax." I take it this is the first instalment of that pre-election pledge. I would not have been surprised if the amount had been greater, but would remind the Government of the heavy land taxation already imposed by local governing authorities. Most of the road boards impose a tax on the unimproved value of land ranging between 2d. and 2½d. in the pound.

The Minister for Railways: On absurdly low values.

Mr. E. B. JOHNSTON: If they impose a tax of less than 2d. the Public Works Department threaten to withdraw the subsidy. In most country towns a tax of 6d. in the pound is imposed with the approval of the Minister. Most of these taxes are levied on the unimproved value basis. We might well leave this sphere of taxation to the local authorities, particularly when we see how greatly the unimproved land values have been increased by the Taxation Department.

The Minister for Lands: They have been increased by the private owners.

The Premier: This shows that in the past you have not been paying on proper values.

Mr. E. B. JOHNSTON: The report of the Taxation Department shows that nine road board districts were revalued. The old valuation for Bruce Rock was £279,000, and this has been increased to £318,000. The increase covering the nine road boards has been from £1,856,000 to £3,313,811. The taxation has been heavily increased in the rural areas by the constant raising of

valuations. This increase in value is due to the hard work, energy and privations of the settlers themselves. If the real unimproved valuation of the land were taken as the basis of calculation I would not protest so greatly. Twenty years ago a considerable proportion of the Great Southern district was empty. We were calling for people to take it up. Would-be settlers were driven out by the Government conveyances and urged to take up land, the unimproved value of which ranged from 1s. to 10s. per acre.

The Minister for Railways: Try to buy it now without the value of the improvements.

Mr. E. B. JOHNSTON: Much of the land was waterless and infested with poison. The settlers, after spending years of their lives upon it, have improved it out of all knowledge.

The Minister for Lands: A lot of land in your district cost 1s. 6d. an acre.

Mr. E. B. JOHNSTON: The settlers have had to work exceedingly hard in order to remove the poison, and by their efforts have brought it into a state of high productivity. If the land had been worth more than it was originally sold at, the Minister would have asked more for it.

The Minister for Railways: I wish we had 2,000,000 acres of it now.

Mr. E. B. JOHNSTON: The improved values imposed by the Taxation Department are not based on the unimproved value of the land—in some of the districts no new railways have been built—but on a value that has been given to it by the work of the settlers. The agriculturists are now having good seasons and good prices are being paid for their products, but it is due solely to the industry and energy of the settlers that so great an improvement has taken place.

The Minister for Railways: Subtract the value of the improvements and try to buy it now.

Mr. E. B. JOHNSTON: That is the very point upon which the taxation officials have fallen in. If a property is worth £5 an acre they estimate the unimproved value at £3 10s., because in the district it costs 30s. an acre to clear. In addition to the initial clearing, the settlers have had to do root picking and stone picking, and a tremendous lot of other work in order to bring their properties up to their present state of efficiency. This does not justify the department in practically doubling the unimproved value of nine road board districts I have referred to, which is really penalising improvement and industry.

The Minister for Lands: I am not dealing with cleared land, but with land not cleared.

Mr. E. B. JOHNSTON: If the Minister introduces a Bill that penalises the owners of unimproved land only, it will be different,

but I will not support a measure increasing taxation on all well-improved properties on which the people are living.

The Minister for Railways: They are not penalised because owners of unimproved land will not get any rebate on account of railway freights.

Mr. E. B. JOHNSTON: I give the Government credit for a desire to reduce railway freights, but I regret there is nothing in the Bill making it obligatory. While this tax is to be imposed immediately on land held to the 30th June last—the Commissioner of Taxation is only waiting for the passage of the Bill—no rebate for railway freights will be granted in the circumstances for 12 months or at any rate six months, if, indeed, at all. Then we are told that the new land tax of a halfpenny in the pound is to be devoted to main road purposes. I am assured by a member of the Upper House that this evening the Colonial Secretary announced that the Government intended to drop the Main Roads Bill. If that be so, the necessity for the tax of a halfpenny in the pound for main road purposes has disappeared. I am pleased that the Government have decided to drop that Bill, particularly in respect of the extra tax of a halfpenny in the pound that land owners would have to pay. I agree that the man on the land will do more with the money to improve the position of the State than the Government would accomplish under their proposal. I hope members will agree with the amendment to be proposed by the Leader of the Country Party to restore the position of the land owners to that in which they were situated under earlier legislation when they had to pay the land tax or the income tax, whichever was the greater, but to be relieved of one tax. The Federal and State Governments are inconsistent in that they make it their slogan to secure land development and immigration. When the settler arrives, the Federal Government impose a heavy tariff on everything that the producer has to use to gain his living. Then the State Government propose to remove the existing exemption from cottages and farms and to impose double land taxation. That policy is in direct opposition to the national desire for an active policy of land settlement and immigration. I congratulate the Leader of the Opposition on his desire to remove this year the imposition of the super tax. It seems somewhat like "Alice in Wonderland" for all things are turned around. This time last year the member for Northam, as Premier, was maintaining that the super tax was necessary, whereas the then Leader of the Opposition, the present Premier, was stressing the contrary.

Hon. Sir James Mitchell: You know our deficit was £405,000.

Mr. E. B. JOHNSTON: Yes, and we tried to get rid of it. I do not know what is wrong with the chairs in which those hon. members sit, or whether it be the environment, but the fact remains that they have adopted the reverse attitude this year. We are disappointed to find the Premier maintaining that the super tax is necessary for much the same reasons as those advanced by the present Leader of the Opposition when he was Premier last year.

The Premier: I shall be tempted to remind you that you gave valued assistance on former occasions.

Mr. E. B. JOHNSTON: The circumstances then were wholly different. Let us confine our attention to the last twelve months. I have always opposed the super taxes.

The Premier: We had your assistance for an even heavier land tax.

Mr. E. B. JOHNSTON: No, that is not so.

The Premier: Yes, without exemptions. You made eloquent speeches in favour of it.

Mr. E. B. JOHNSTON: If that is so, it shows how much I was under your influence.

The Premier: You remember that we won advocating a higher tax and cutting out all exemptions and we won a seat in a farming constituency.

Mr. E. B. JOHNSTON: War conditions and the Premier's eloquence secured that result. To-day the Premier is using the same arguments as those used by Sir James Mitchell 12 months ago, which he then opposed.

Hon. Sir James Mitchell: You know the position is totally different now.

The Premier: It always is.

Hon. Sir James Mitchell: The deficit is down now. Cannot the member for Williams-Narrogin be fair? He knows the position is different.

Mr. E. B. JOHNSTON: I trust the Premier will agree to abolish the super tax and thus bring taxation down to the point where it will be only slightly heavier than in Queensland. That would be something to go on with.

Mr. C. P. WANSBROUGH (Beverley) [10.37]: The incidence of the taxation is not equitable. Quite a number of the agricultural districts have been revalued recently and some of the valuations have been increased by 50 per cent. In my opinion the valuations are not satisfactory, and until the whole State has been revalued, the incidence of taxation must be unfair in its application. Any increased rate will impose a heavy burden on the cost of industry. Members have had promises that city and town valuations generally will be heavier. I hope that in this instance city values will be taken into consideration at the same time as country values. A pro-

mise has also been held out that we shall have decreased railway freights. Until I have been shown what those reductions in freight will be, I shall not support any proposal for an unimproved land values tax. In a young State like ours, where every effort is being made to settle people on the land, the application of this tax is not warranted. Land is the capital of the farmer, more particularly in his pioneering stages. While there are many wealthy land-owners in the State, yet under an equitable form of income taxation they are contributing their fair share towards the taxation of the State. I am opposed to land taxation in any form, because I believe the income tax, if properly applied, should be sufficient for all purposes. These vague promises held out to us do not improve the position.

The Premier: What are the vague promises?

Mr. C. P. WANSBROUGH: Railway freights reduction for one.

The Premier: There is nothing vague about it. It is definite and emphatic.

Mr. C. P. WANSBROUGH: I still say it is vague, because we are given no idea as to when it is to be brought in.

The Premier: It is not possible to put it in the Bill.

Mr. C. P. WANSBROUGH: It is a doubtful move on the part of the Government at this stage, because nothing else will do more to awaken the country to the necessity for maintaining a good country association, such as the one to which I belong. I believe the chief advocates of this measure come from the ranks of the primary producers.

The Premier: Yes, you are out of step with most of them on this matter.

Mr. C. P. WANSBROUGH: But it was not an unanimous vote, and the recommendation of the committee was put up by a very small section. However, this will awaken the men on the land to the fact that they need a good strong association of their own, backed up by good representation in this House. I do not think anything will go further towards shifting the present Government at the next election than will this increased taxation.

The Minister for Railways: Then you ought to welcome it.

Mr. C. P. WANSBROUGH: Of course any opposition I can voice will be useless, for the numbers are against us; but I do hope the Premier will be fair in respect of these exemptions and extend to those who produce income from the land the concessions to which they are entitled. Alternatively I hope he will agree to the proposal of the member for Katanning (Mr. Thomson) and abolish the super tax. Almost every measure introduced this session has had in it the germ of increased taxation.

The Premier: Name some of them.

Mr. C. P. WANSBROUGH: The Main Roads Bill.

The Minister for Lands: You cannot build roads without money.

Mr. C. P. WANSBROUGH: Under that Bill £78,000 is to be taken from one section of the community. The Government have been explaining that one-half of the amount collected would be applied to main roads, but since the Main Roads Bill has been dropped they have lost that argument. I will not support increased taxation until the thing is put on a fair basis. During this session we have had quite a lot of unkind references to the man on the land. Without the man on the land a lot of us would be looking for jobs.

Mr. Marshall: That applies all round.

Mr. C. P. WANSBROUGH: The sooner those on the Government side realise that, the better shall I be pleased. Without the man on the land where would Western Australia be?

Mr. Marshall: And where would she be without the railway men and all the other workers?

Mr. C. P. WANSBROUGH: Those unkind references are galling to those who are trying to represent the farmers.

Hon. S. W. Munsie: You should tell us where these unkind references come from. I have not heard them.

Mr. C. P. WANSBROUGH: I have not heard many from the hon. member.

Hon. S. W. Munsie: You have heard none.

Mr. C. P. WANSBROUGH: I do not think it fair that we should be faced with this land values taxation. It has proved a rank failure wherever tried.

The Premier: What nonsense!

Mr. C. P. WANSBROUGH: There is only one authority for land values taxation, and that is Henry George.

The Premier: He has many followers.

Mr. C. P. WANSBROUGH: All the people on the land will be sufferers if it be brought into effect. I will strongly oppose the passage of the Bill.

The MINISTER FOR LANDS (Hon. W. C. Angwin — North-East Fremantle) [10.47]: The one cry to-night is that land values have been increased by the Taxation Department. That is not so. The values have been increased by the private owners of the land. I have had submitted to me land that has not yet been cleared. A year or two ago we could have got it for 30s. an acre, but to-day the owners are asking £6 10s. for it. What is the use of trying to imbue members with the belief that the Taxation Department is raising these values?

Hon. Sir James Mitchell: No one has said that.

The MINISTER FOR LANDS: Yes, it has been said to-night several times. It is

the owners who have increased the value of their land.

Mr. Sampson: But the department has recently increased their assessments.

The MINISTER FOR LANDS: Is it not reasonable? If I had a piece of land worth £5,000, and raised its value to £7,000, is it not reasonable that the Taxation Department should accept my own valuation of the land? This is unimproved land I am dealing with.

Mr. C. P. Wansbrough: The operations of the Bill are not to be restricted to unimproved land.

Mr. Thomson: The Taxation Department has increased the values.

The MINISTER FOR LANDS: Only following the values put upon the land by the owners. Anyone who knows anything about local Government, particularly in the country districts, is aware that the land has never been valued by the local boards to its full value, because the local boards themselves have valued their own land.

Mr. C. P. Wansbrough: It has been sufficient for the purpose.

The MINISTER FOR LANDS: No, it has not. The reason they have not put an adequate value on the land is that they have been milking the State cow. Let us be honest about it. No one knows better than does the member for Beverley that that is so.

Mr. C. P. Wansbrough: I know my district has constructed roads as good as those of any other district.

The MINISTER FOR LANDS: The road board members have been making their own valuations, and have adopted a policy of keeping the values down and putting the rate up, in order to get additional revenue from the Government by way of subsidy. It is a fact that cannot be denied.

Hon. Sir James Mitchell: What about the municipalities?

The MINISTER FOR LANDS: They have not been receiving subsidies, and therefore have not had occasion to do it, but it has been done by road boards with the object of bleeding the State. What is the position to-day? The Premier has said, "I do not want any extra revenue from this land tax. I agree to the proposition placed before me by the farmers."

Mr. Thomson: Not all of them.

The MINISTER FOR LANDS: By a very large majority of them.

Hon. Sir James Mitchell: No.

The MINISTER FOR LANDS: And the Premier goes on to say, "Any increase in revenue I get from land tax will be applied to reduce railway rates accordingly."

Hon. Sir James Mitchell: Whose railway rates?

The MINISTER FOR LANDS: That is the promise given by the Premier, and the member for Beverley doubts it. The

hon. member was honest in the last few words he uttered when he said, "I am against any land tax at all."

Mr. C. P. Wansbrough: So I am.

The MINISTER FOR LANDS: And he inferred that other members, and particularly the Premier, were dishonest, that is, until he uttered his last few words. He might as well have said, "What dependence can we put upon the Premier's words?"

Mr. Sampson: Not at all.

The MINISTER FOR LANDS: The increased values of land have been brought about entirely by owners increasing their own values, and the Taxation Department, knowing of this, have increased the values for taxation purposes accordingly.

Hon. Sir James Mitchell: Of course. Land is more valuable, too.

Hon. S. Munsie: As a matter of fact the land in Western Australia has been valued too low for years. The State is better than you say it is.

The MINISTER FOR LANDS: If the land is more valuable, is it not fair and just that the Taxation Department should increase the values?

Hon. Sir James Mitchell: They do, too. I have not said anything against that.

The MINISTER FOR LANDS: But members on the cross benches have, and not only to-night but at other times during the session. On various occasions they have said that taxation officials have been around increasing the value of land.

Mr. Thomson: That is quite correct.

The MINISTER FOR LANDS: As if they were doing it for the purpose of increasing the taxation that has to be paid!

Hon. Sir James Mitchell: That is the only reason.

The MINISTER FOR LANDS: No, it is not; it is done to secure equitable taxation, which is the just due of the State and of the road boards. In the past land owners have not been paying the taxation they should have paid according to the value of the land.

Hon. Sir James Mitchell: During the war they paid more.

The MINISTER FOR LANDS: We should recognise the position. I object to the statement that insinuations have been made against the men on the land. The man who claims to be a representative of the farmers and who makes such a base statement is not worthy to represent the farmers. Farmers themselves would not say that. The farming community is one of which the State is proud. The farmers give the Government credit for what they have done in the direction of land settlement, but those who claim to be representatives of the farmers do not give the Government that credit.

Mr. Sampson interjected.

The MINISTER FOR LANDS: The member for Swan had better shut up; he does

not represent a farming community. He represents a suburb of Perth, just as I do. The only difference is that he goes up to Kalamunda and I go up the Canning River. It is as well for us to be straight about this question. The values placed on the land have been placed by land owners themselves and the officials are taking a line of action to secure for the State its just dues.

Mr. BROWN (Pingelly) [10.55]: I realise that the Government, in imposing a land tax, are up against it for money. They have to raise money, and probably they find they have to fall back on the man on the land. This has been my argument all along—the man on the land is absolutely the backbone of the country, and the Government evidently realise that the only man they can fall back upon is the man who owns land.

The Premier: There is city land, too.

Mr. BROWN: Comparatively speaking, Western Australia is a young country. We have millions of acres of land that could be selected. We have hundreds of farmers who are just making a start. Is it advisable to impose a heavy land tax for a start? We have the local Government tax of 2d. in the pound, and the Government are going to impose ½d. in the pound under the Main Roads Bill. Now we are to have another 2d. in the pound imposed upon us.

The Premier: No; you must not multiply it in that way.

Mr. BROWN: Then where does the ½d. drop out? The fact remains that the Government intend to impose a fairly heavy tax on the man on the land. Revenue has to be produced, and something must be taxed to produce it. We have a deficit every year, and no one would be more pleased than I would be to see the ledger squared. We want a great deal more population in this State, but is it advisable to impose a heavy land tax on the struggling settlers in the initial stages of making a living? The Minister for Lands has said that many of our blocks of land are worth £6 10s. per acre. It is quite possible that in old settled districts we have land worth £6 to £8 an acre, but we have thousands of acres where the settlers are still struggling and are depending upon the Industries Assistance Board for sustenance. Is it advisable to impose a land tax on that man who only recently has selected land? I maintain it is wrong. The Minister also mentioned that many road boards had no other idea than to keep down the value of their land as low as possible. Many road boards have adopted the system of employing a qualified valuer to give a true valuation of their land. For one board I valued every block, and I found that the Government valuations were absolutely wrong. I found that a block, the unimproved value of which the Government set down at 10s., was not worth 5s., and very often I found valued as second-class land

what was really first-class land. But after a practical man had gone over the blocks and appraised them, their commercial value was arrived at. A striking feature of the Bill is that the Government intend to pay only a half-penny of the tax into Consolidated Revenue, the rest being intended for refund, possibly to the various road boards.

Hon. S. W. Munsie: It will go in reduction of railway rates.

Mr. BROWN: The next thing we are told is that to compensate for what the farmers will have to pay under this Bill, railway freights will be decreased. I confess I am very dubious as to that. My personal view is that the tax will go on to the land, and that the farmers will not see much in the shape of reduction of railway charges. I do not see how the thing is going to work. The Government can hardly reduce fares in the country districts. I like to be reasonable, and, therefore, I will not say that I oppose the Bill. I had not the pleasure of listening to the speech of the Leader of the Country Party, but I am told that he recommended a reduction of the tax. If the Government can see their way to reduce it, I honestly believe that this taxation will meet with the approval of most people, there being no alternative. At the same time I must warn the Government that in a young country like this, where we have to offer inducements to people to settle on the land, it is not advisable that intending settlers should be faced with the knowledge that immediately they take up land a heavy land tax will be imposed on them. I am given to understand that under this Bill there will be no exemptions whatever. It has been the law that if a man took up a piece of ground in Western Australia, he was exempted from taxation on it for a fixed term. The majority of those who go into the back areas of Western Australia have to apply to the Industries Assistance Board for help. With an immediate imposition of the land tax, such settlers would have to depend on the I.A.B. to pay that tax. Such a position is unjust and highly undesirable. I appeal to the Government to proceed cautiously, and to refrain from imposing a very heavy land tax.

Mr. SAMPSON (Swan) [11.3]: I realise, of course, that it is a principle of government that all land must be taxed. Additional land taxation has been anticipated this session. Nevertheless, it was hoped that the tax would not be doubled on the first occasion. That, really, is what this Bill amounts to. Previous speakers have stated that the increase is, in effect, more than double, because the Taxation Department have recently sent inspectors through the various districts, and revaluations have been the order of the day.

Hon. S. W. Munsie: The Taxation Department have done nothing of the kind.

Mr. SAMPSON: I am sorry the Honorary Minister does not know what he is talking about.

Hon. S. W. Munsie: I know more about it than you do, and I say they have not.

Mr. SAMPSON: If you say they have not, you are not saying the truth.

Hon. S. W. Munsie: I ask for a withdrawal of the remark. The hon. member says I am not telling the truth. I say I am.

Mr. SAMPSON: I withdraw the remark, Mr. Speaker. I would be sorry to reflect on the Honorary Minister's integrity, but he must not make statements that are not borne out by facts. I know that the inspectors have been through the districts, and that revaluations have been made.

Hon. S. W. Munsie: So do I know that, but it was not done by the Commissioner of Taxation.

Mr. SAMPSON: I have always supported the imposition of taxation on land which is unimproved and unutilised. I realise that consideration is still to be given to land which is improved. The provision to that effect in the Land and Income Tax Assessment Act Amendment Bill will still apply, and thus there will be a reduction of 50 per cent. in taxation on land which is worked. It is gratifying to know that consideration is to be given to the question of reducing railway freights and fares. Everyone will welcome such reductions because they will have the effect of bringing the country districts in closer touch with the main centres, and that will be helpful to all concerned. I understand that this tax will be imposed in the cities. It should be imposed there, because if any part of the State can afford to pay, it is the cities. The cities are in a unique position in that they are able to pass on the tax. It is not so with those who are engaged in production from the land. They are faced with a very different problem, inasmuch as their returns must, in the long run, come from overseas. The measure of welcome which has been accorded to this Bill may be gauged from the fact that the exemptions hitherto allowed are now eliminated. The holder of a small block of land on which his home is built will no longer be exempt. I regret, too, that the small exemption for the primary producer disappears. The deficit should be reduced, because of this new tax. Although the yield from it will not actually go into Consolidated Revenue, it certainly must have a beneficial effect on the finances.

The Premier: How?

Mr. SAMPSON: There is the tax of $\frac{1}{2}$ d. in the £ for the main roads fund and if we improve our roads, we must reduce our cost of production. That is one way in which there will be an improvement in the position. The fact that railway freights are to be reduced must also affect the cost of produc-

tion and of living. There will be an advantage gained there as well.

The Premier: According to your arguments, you must support my proposal. It will mean benefitting the revenue and decreasing the cost of production.

Mr. SAMPSON: Expenditure of money will benefit the roads and I voted for using the tax of $\frac{1}{2}$ d. in the £ in that direction.

The Premier: And this tax will increase the revenue, provide better roads, increase production and do everything desirable!

Mr. SAMPSON: It must affect the revenue, because it will mean reducing the cost of production.

The Premier: Then it is certain you must vote for the Bill.

Mr. SAMPSON: It has that advantage at any rate. The trouble is, however, that it will mean that those who are least able to bear the burden will have to shoulder it. I am afraid, however, taking all the circumstances into consideration, the Premier's proposal merely widens the vicious circle and I do not agree that increasing taxation in a State that depends upon primary production is justified.

Mr. GRIFFITHS (Avon) [11.12]: A member of the Ministry in speaking just now made a rather remarkable statement. He is always very positive. In his customary manner he said that the land was not being re-valued.

The Minister for Lands: I did not say anything of the kind!

Mr. GRIFFITHS: I was not referring to the Minister for Lands. If hon. members turn to the report of the Commissioner of Taxation they will find on page 4 the following references to valuations:—

The area for which classifications have been obtained during the year under review, other than by inspections by departmental valuers, has been 4,560,000 acres. These classifications were obtained by search from the Agricultural Bank and the Lands Department. The departmental valuers inspected 191,139 acres contained in sold properties and, in addition, classified 782,488 acres for which no classification was available in this office. Special valuations outside the revalued areas accounted for 24,726 acres, making a total area of 998,353 acres actually inspected.

[I quote that extract to show that some hon. members who can be so very dogmatic should realise that sometimes their remarks fall flat. So far as land taxation is concerned, if it will mean, as the Premier has stated, a reduction in railway freights, it will be all very well, but it also means that the tax will hit the struggling man pretty hard. I accept the Premier's assurance that railway freights will be reduced, for I have no reason to doubt his words. I have had letters from people in the Yorkrakin district in which they complain about the difficulty they have in shouldering the burdens imposed up-

on them. A railway was promised to the people in that district years ago and they consider that the Government should not impose taxation on them, reduce it, or limit its operations. The same position arises in the Newdegate area where people have had to struggle against adverse conditions for years. There is something in the contention of those people. I am not concerned about the men who are well established because they can look after themselves. I am sorry that the member for Toodyay (Mr. Lindsay) is not present. He has had to leave the House owing to ill health.

The Premier: But he supported a land values tax.

Mr. GRIFFITHS: I am aware of that, but he maintained that we should make the tax fair and equitable. We know that land has gone up in value of late. For instance, the value of land at Bruce Rock was estimated at £279,020, but under the new method of ascertaining the valuation it has gone up to £318,433. Many of the other districts do not show so much difference. The member for Toodyay was prepared to give figures relating to his own district to show that the method of valuing was not on a scientific basis. It is in that direction that he would have raised his voice against the proposal had he been present this evening.

The PREMIER (Hon. P. Collier—Boulder—in reply) [11.16]: Many of the arguments advanced in opposition to the Bill I can best deal with in Committee. There are some aspects of the discussion, however, to which I desire to refer. There has never been a taxation Bill introduced in this Chamber that has ever had behind it so much weight of public opinion as this one. That opinion is in favour of an increase in land taxation. As a matter of fact, more than half the members comprising the Opposition and of the candidates who submitted themselves to the electors at the last elections, pledged themselves to support some effective land taxation.

Mr. Thomson: Not our party.

The PREMIER: I am speaking of the Opposition side of the House generally.

Mr. Thomson: I opposed it.

The PREMIER: The member for Toodyay supported it. He supported the proposal which I outlined of increasing land taxation, while reducing railway charges.

Mr. Griffiths: He will support it on a proper basis of valuation.

The PREMIER: Every section of the community has favoured increased land taxation and even the "West Australian" has been for many years past advocating some more effective form of land taxation. The association of which the member for Katanning (Mr. Thomson) is a member, pronounced for one year at any rate in favour of a policy of land values taxation.

Mr. Thomson: But the association knocked it out next year.

The PREMIER: It serves to show that the question has been a live one even in the ranks of agriculturists who are supposed to be the strongest opponents of this Bill. And for one brief year members of that association saw the light.

Mr. E. B. Johnston: It was a resolution.

The PREMIER: And it expressed the opinion of a majority of those in conference. So I say again that I am amazed at my own moderation as expressed in the Bill. The member for Beverley (Mr. C. P. Wansbrough) says that in all the world only one person, namely, Henry George, has advocated this form of taxation; and the hon. member said it had been a rank failure wherever tried. So far from its having been a rank failure, it has been adopted by practically every country in the world, certainly by all the other Australian States, and with a tax much heavier than I am asking the House to agree to. In New Zealand they have a rate of nearly 8d. in the pound, and in Queensland the rate is actually up to 8d. Even in conservative little Tasmania there is a rate of 2½d. And while it is only one half-penny in Victoria, the valuations there are very much higher than they are here. Members have complained that our valuations have been increased in recent years. If I were to deal fairly with the position, I should make the tax retrospective for at least three years. That the unimproved values have been increased by the department only serves to indicate that in many cases the owners have been paying on values only 25 per cent. of the real values. Earlier this session the member for Toodyay (Mr. Lindsay) intimated that the value placed on his own land, something like 7s. per acre, was altogether too low. The fact is that the re-valuation now going on is so much belated that the land owners have been enjoying the benefits of low taxation because of low valuation for many years past.

Mr. Thomson: You are getting increased revenue by virtue of the values having been increased.

The PREMIER: But that was included in the 30 millions. While in South Australia and Victoria the taxing rate is low, the valuation of wheat lands in South Australia goes up to £10 per acre. So, too, in Victoria, whereas the average value of wheat lands in this State, even on the increased valuations, ranges from £1 to 25s. per acre. I have that from the Commissioner. So it will be seen that our wheat growers enjoy a very great advantage over those in South Australia. The price of wheat is a world's price, and the grower in Western Australia, on land with an unimproved valuation of about £1 per acre, obtains the same price for his wheat as does the South Australian grower who pays £10 per acre for his land.

The wheat lands of South Australia and Victoria are carrying valuations six, seven and eight times greater than those of the wheat lands of Western Australia. So even if in South Australia the tax be only one half-penny yet, making allowance for the higher valuations, the growers there are paying 4d. or 5d. in the pound as against our 2d. Wheat lands in the mallee districts of Victoria, are worth from £14 to £15 per acre improved valuations, and from £6 to £8 per acre unimproved valuations. So, all things considered, the farmers in Western Australia, even if the tax of 2d. in the £ be imposed, will still be enjoying the lightest land tax in the Commonwealth.

Hon. Sir James Mitchell : Of course you cannot get sale values for taxation.

The PREMIER: Improved wheat farms in the Eastern States, that will not produce any more than farms here, are bringing £14 and £15 per acre; and the unimproved values are correspondingly high, and tax is paid on that basis. Remembering that they are paying 7d. and 8d. in the pound in some of the Eastern States, it is seen that the proposed tax here is very light indeed. I would remind members that the present tax is 1d. plus 15 per cent. super tax. The proposed tax is 2d. without any super tax. So, the taxation has not been doubled as has been suggested; it is 15 per cent. below double. The rate is 2d., but there will be no 15 per cent. super tax to be added. So it will be seen that the increase is scarcely worth speaking about.

Mr. Samson: It has been suggested that the Main Roads Bill is to be dropped.

The PREMIER: Apart from what may happen to that Bill, I repeat that I do not desire to take into Consolidated Revenue any additional amount that will be received as the result of this increased taxation. There is infinite scope for a reduction in railway freights. Three or four years ago the rates were increased to bring in an additional revenue of £250,000. I should like to be in a position to remit charges on railway fares and freights to the extent of a quarter of a million. They have been increased more than that during the past four or five years, notwithstanding that they were regarded as sufficiently high before any increase was made.

Hon. Sir James Mitchell: Railway wages and the railway coal bill were increased at the same time.

The PREMIER: But the rates went up. Possibly nothing else could have been done at the time, but it is bad for the State to have railway charges so high. When in Committee we come to deal with the matter raised by the Leader of the Opposition, I shall be able to show he is altogether astray in his estimate. In reply to the members for Pingelly and Avon, who were concerned about the poor struggling man, I point out

that the exemption for the first five years after taking up conditional purchase land was not interfered with in our assessment Bill. That still obtains and has not been wiped out. That will meet the case of the struggling man in the initial years of his work on the land.

Question put and passed.

Bill read a second time.

In Committee.

Mr. Panton in the Chair; the Premier in charge of the Bill.

Clause 1—agreed to.

Clause 2—Grant of land tax and income tax for year ending 30th June, 1925:

Mr. E. B. JOHNSTON : I move an amendment—

That in line 1 of Subclause 1 the words "two pence" be struck out and "one penny" inserted in lieu.

That would leave the tax exactly as it has been in the past, with this difference that the exemptions would be eliminated, so that the Government would collect considerably more revenue than previously.

Hon. Sir JAMES MITCHELL: Is it a fact that the Government do not propose to deal with the Main Roads Bill in another place this session? It has been said that the Minister announced he was not going on with it. The Premier is increasing the land tax to provide money for main roads. At present the rate of one penny is reduced to one-half penny on all improved land. If the main roads tax is to be one half-penny on all land, the Premier will be getting it and a little more by reason of making the old tax 2d. under this Bill. If the Premier is not going on with the Main Roads Bill, we ought not to agree to increased taxation.

The PREMIER: Apart altogether from the Main Roads Bill, the money that will be obtained from this tax is required for the reduction of railway freights and charges. If I should have to devote one half-penny in the pound to main road purposes, the amount available for the remission of charges on the railways would not be very large, but even with the whole of the tax devoted to that purpose, I shall not be able to reduce the railway charges as much as I should like to.

Hon. Sir James Mitchell: I should like you to reduce them by 50 per cent., but of course you cannot do it.

The PREMIER: To make a reduction that will be in any way effective or of benefit to those who use the railways, we should be in a position to remit well over £100,000.

Hon. Sir James Mitchell: What are you going to get from this tax?

The PREMIER: I suppose the hon. member will make half a million of it.

Hon. Sir James Mitchell: Pretty well. It is only the residue that you will give to railway freights.

The PREMIER: If the half-penny went to main roads the reductions in railway freights would not be very much, certainly not so much as I should like them to be. Apart from what may happen to the Main Roads Bill, this amount is required if we are to make any substantial reductions in railway charges.

Hon. Sir JAMES MITCHELL: The question of taxation as against railway freights has been investigated, and clearly shows that while the farmers will pay one-half of the tax, their reductions will be about one-quarter of the amount of freight they pay to-day.

The Premier: Who compiled those figures?

Hon. Sir JAMES MITCHELL: They are absolutely accurate.

The Premier: I should like to have them audited.

Hon. Sir JAMES MITCHELL: If the Premier will agree to adjourn the discussion, I am willing. It is of no use telling the farmers that if they pay land tax, they will have it remitted in the form of reduced freights. The farmers will pay one-half the tax while their freights represent £637,000 out of a total of £1,768,000.

Hon. S. W. Munsie: If the farmer has paid that much in freights will not he get the greater proportion of the benefit?

Hon. Sir JAMES MITCHELL: On the Premier's showing he has paid one-half the tax and he will get only one-quarter of the advantage in respect of freights.

Hon. S. W. Munsie: What benefit will the city man get?

Hon. Sir JAMES MITCHELL: Perhaps you can tell us.

The Premier: Who will get the other three-fourths of the benefit?

Hon. Sir JAMES MITCHELL: I do not know.

The Premier: That is where your figures are astray.

Hon. Sir JAMES MITCHELL: They are not astray. The figures I have quoted are apart altogether from fares, and the Premier has spoken of reducing fares as well as freights. Some reduction, I suppose, would be given to the goldfields, but the metropolitan area will pay about one-half of the tax and so fares to the people of Perth would have to be reduced. The people of Perth, however, will pay far more in land tax than the reduction in fares will amount to. There is tremendous traffic on the railways apart from the farmers' produce.

The PREMIER: I do not question the Opposition Leader's figures, but I think they are somewhat astray. He endeavours to show that the farmer will pay half this tax.

Hon. Sir James Mitchell: You say that.

The PREMIER: Yes. The Opposition Leader further endeavours to show that the farmer will get only a quarter of the advantage in reduced railway rates. In that case, I am puzzled as to who will get the other three-quarters. Who uses the railways so much as the farmer uses them?

Hon. Sir James Mitchell: I was dealing with freights, not with fares.

The PREMIER: I too am dealing with freights. The farmer will get the benefit of reduction in fares also.

Hon. Sir James Mitchell: No. The farmer does not travel to and from his work.

The PREMIER: Who is going to get the other three-quarters of the advantage then? The goldfields people use the railways very little, and the same remark applies to the metropolitan people. The great bulk of our railway traffic is occasioned by the farming community. The only other freight of considerable magnitude is timber. For these reasons I am puzzled to know where the other three-quarters of the benefit will go if only one-quarter is going to the farmer. I should say the position would be the other way about, that the farmer would pay one-quarter of the tax and get three-quarters of the benefit in reduction of railway rates.

Hon. Sir James Mitchell: Was not 34 per cent. of the total tonnage carried by the Railway Department last year timber freight? And then, of course, there are enormous firewood freights.

The Minister for Railways: Timber represents only 20 per cent. of the earnings, although it represents 34 per cent. of the tonnage.

Hon. Sir James Mitchell: The Premier must have seen trains loaded with all sorts of stuff.

Hon. S. W. Munsie: But the principal stuff carried on the railways is the farmers' stuff.

Hon. Sir James Mitchell: The Honorary Minister doesn't know much about it.

The PREMIER: Reduction in railway freights to the country storekeeper must eventually accrue to the benefit of the farmer.

Hon. Sir JAMES MITCHELL: The figures I have submitted are absolutely correct. They are not my figures, but were got out by a committee of the Primary Producers' Association. Indeed, I once had a deputation from that association requesting me to impose a land tax which would cover the cost of interest on railway construction. My reply was that I would be delighted to impose such a tax, because it would get me out of all my difficulties. However, that is not the way to manage the finances, taxing land to pay interest on the railways. Still, the Railway Department are now doing better by half-a-million per annum than they were

doing two or three years ago. If railway earnings continue to increase in the same ratio as they have been doing latterly, it will be possible to reduce freights. I fail to see how the farmer can afford to pay this taxation in order to get a fractional reduction in his railway freights.

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

Ayes	...	...	16
Noes	...	...	19
Majority against	...		3

AYES.

Mr. Barnard	Mr. North
Mr. Brown	Mr. Sampson
Mr. Davy	Mr. J. H. Smith
Mr. Denton	Mr. Taylor
Mr. Griffiths	Mr. Teesdale
Mr. E. B. Johnston	Mr. Thomson
Mr. Mann	Mr. C. P. Wansbrough
Sir James Mitchell	Mr. Richardson

(Teller.)

NOES.

Mr. Angwin	Mr. Marshall
Mr. Chesson	Mr. McCallum
Mr. Clydesdale	Mr. Millington
Mr. Collier	Mr. Munie
Mr. Corboy	Mr. Panton
Mr. Coverley	Mr. Troy
Mr. Heron	Mr. A. Wansbrough
Mr. Holman	Mr. Willcock
Mr. Kennedy	Mr. Wilson
Mr. Lamond	

(Teller.)

PAIRS.

AYES.	NOES.
Mr. Angelo	Mr. Lambert
Mr. Latham	Mr. W. D. Johnson
Mr. Lindsay	Mr. Sleeman

Amendment thus negatived.

Mr. THOMSON: I move an amendment—

That a proviso be added to the subclause as follows:—“Provided that whenever any person is assessed for income tax on profits derived directly from the use or cultivation of any parcel of land, such person shall be liable for payment of income tax only.”

When the individual is deriving his income purely from the soil the amendment will mean that he will pay one tax only. Such a man is not in a position to pass on taxation. It would be grossly unfair to require such a man to pay both land and income taxation on his capital. The report of the Commissioner of Railways shows that the farmers pay directly 38 per cent. of the railway charges on freight. Indirectly they pay much more, because they have to pay on all their requirements for the farm.

Mr. Holman: What about the men who are growing wool?

Mr. THOMSON: They have to pay a high rate of income tax and I do not object to that. The point I am stressing is that where men derive their income directly from the

land, they should be exempt from land tax. The Premier will be able to collect a considerable amount from the people in the metropolitan area, and of course they can pass it on.

The PREMIER: The proviso bears somewhat upon the amendment made in the Assessment Bill when it was before us. There is the distinction, however, that this amendment goes infinitely further than the clause in the Assessment Bill. The latter provided that the land owner might deduct the amount of land tax from income tax or vice versa, whichever was the greater. The amendment now before the House, however, proposes to exempt from land tax the owner whose income is derived from the use of land. As the amendment stands, all land will be exempt, because practically all land is used. No doubt the member for Kataning intended to exempt only men who were cultivating their land.

Hon. Sir JAMES MITCHELL: Would the Premier accept the amendment if it were altered to make it apply to land that was cultivated?

The Premier: No, I cannot accept the amendment, however worded. It will mean loss of revenue.

Hon. Sir JAMES MITCHELL: The member for Kataning desired agricultural land to be exempt only when it was properly worked.

Mr. Thomson: Yes, where the man derived his income from land under cultivation.

Hon. Sir JAMES MITCHELL: The hon. member wishes to restore the old conditions, and I am inclined to be with him in that.

The Premier: Can we undo in this Bill something we have done in an earlier Bill?

12 o'clock midnight.

The CHAIRMAN: No, we cannot. Standing Order 176 reads:—

No question shall be proposed which is the same in substance as any question which during the same session, has been resolved in the affirmative or negative.

Section 6 of the Land and Income Tax Assessment Act Amendment Bill repeals Section 17 of the parent Act, the section under which has been allowed an abatement of income tax to the extent of the land tax paid. So we have virtually dealt with that question.

Mr. THOMSON: No, this is quite different. I am going a little further than what was in Section 17 of the parent Act.

The Premier: A long way further.

Mr. THOMSON: It is wrong to tax a man on his capital, and undoubtedly the farmer's capital is his land. In no other department of business is a tax imposed on a man's capital.

The Minister for Lands: How can his capital be the unimproved value of the land?

Mr. THOMSON: But you are not taxing on that basis. Much unimproved land to-day is valued at 1s. per acre. But by energy and money—

The Minister for Lands: And increased population.

Mr. THOMSON: No, that does not affect the value of unimproved land. The value of our wheat lands to-day is based, not on population, but on the productivity of those lands.

If this were to be taxation on unimproved values, I would have no objection to it. But with the increased values, a man paying 2d. in the pound has to pay £8 6s. on a 1,000 acres, whereas under existing conditions he pays £2 1s. 3d.

Hon. Sir James Mitchell: Values have increased all round.

Mr. THOMSON: I admit it. But the great bulk of this land tax will come, not from the metropolitan area, but from the country districts. We have had no satisfactory figures as to what amount will be saved to the farmer by reduced railway freights. I cannot see why we should go to the expense of collecting from the people through the Taxation Department money that we propose to hand back to them through another department. Some of it will stick in the Taxation Department and some will stick in the Railway Department. When a man is deriving his living from cultivating his land, that land should be exempt from land tax.

Hon. Sir JAMES MITCHELL: The greatest blessing that has come to us during the last few years is the increase in land values. If we have a land tax, it must be based on land values. We cannot object to that. But with the member for Katanning (Mr. Thomson) I agree that when a man is deriving his living from the cultivation of his land, he should be given some consideration.

The Premier: You have had an annual tax like this for years and that is a point you have not made before.

Hon. Sir JAMES MITCHELL: You are increasing the tax.

The Premier: But you are opposing the tax.

Hon. Sir JAMES MITCHELL: That has been the law for years.

The Premier: This House has never been asked to go so far in remitting taxation as is asked under this amendment.

Hon. Sir JAMES MITCHELL: If the Premier had not wiped out the clause in the assessment Act, this would not have been moved. Of course, the amendment goes too far.

The Premier: A man might get only £100 of income a year from £10,000 worth of land.

Mr. Thomson: If so it would be very foolish of him. It would not pay interest.

Hon. Sir JAMES MITCHELL: Most of the land of value in Perth is being used. The hon. member wants the man who uses his capital in the purchase of land to be relieved of the need to pay both land tax and income tax.

Mr. Thomson: That is so.

Hon. Sir JAMES MITCHELL: If he can word his amendment to meet that situation I am with him, but I cannot agree to exempting all land that is used. It would mean that the whole of the metropolitan area as well as other land would be exempt.

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

Ayes	...	...	16
Noes	...	...	20
			—
Majority against	...		4
			—

AYES.

Mr. Barnard	Mr. North
Mr. Brown	Mr. Sampson
Mr. Davy	Mr. J. H. Smith
Mr. Denton	Mr. Taylor
Mr. Griffiths	Mr. Teendale
Mr. E. B. Johnston	Mr. Thomson
Mr. Mann	Mr. C. P. Wansbrough
Sir James Mitchell	Mr. Richardson
	(Teller.)

NOES.

Mr. Angwin	Mr. McCallum
Mr. Chesson	Mr. Millington
Mr. Clydesdale	Mr. Munzie
Mr. Collier	Mr. Pantou
Mr. Coverley	Mr. Sleeman
Mr. Heron	Mr. Troy
Mr. Holfman	Mr. A. Wansbrough
Mr. Kennedy	Mr. Willcock
Mr. Lamond	Mr. Wilson
Mr. Marshall	Mr. Corbooy

(Teller.)

PAIRS.

AYES.	NOES.
Mr. Angelo	Mr. Lambert
Mr. Latham	Mr. W. D. Johnson

Amendment thus negatived.

Clause put and passed.

Clauses 3, 4, 5—agreed to.

Clause 6—Super-tax of 15 per cent.:

Mr. E. B. JOHNSTON: We are all acquainted with the effect of the super-tax. I know quite a number of people who are sending their money to Victoria for investment.

Hon. Sir James Mitchell: I do not think there are many such people.

Mr. E. B. JOHNSTON: I know several. We should discontinue the imposition of this heavy taxation. If the Government brought down a tax similar to that obtaining in the highest of the other States, Queensland, it would be sufficient. I ask members to vote against the clause.

Hon. Sir JAMES MITCHELL: I have already discussed the question of the need for the continuance of the super-tax. That tax was imposed when we had a deficit of about £700,000. The position to-day is very different, with an anticipated deficit of £188,000. I resent the unfairness of the member for Williams-Narrogin, who has not justified his opposition to the tax by referring to the improvement in the finances. If he were serious, he would advance that ground. We impose taxation in order that the Treasurer may finance the work of government. However, in that respect the need is no longer pressing. The time has come to take off the super tax. Our income tax is very high, and operates against the best interests of the State. The incomes of our people are so much less than the incomes of the people in the East that we have to impose very high rates of taxation in order to get any substantial revenue. That is one of the arguments which the Premier

will put up to the Federal Royal Commission on the financial relationship. I hope that those hon. members opposite who voted against the super-tax last year will vote against it this year.

The PREMIER: I must express a hope similar to that expressed by the present Opposition Leader last session, namely, that the majority of the Committee will not vote against the super-tax. If on that score I am charged with inconsistency, I shall reply that the Opposition Leader and I exhibit the same degree of inconsistency. He voted for the super-tax last year: I shall vote for it this year. If I am deprived of it, I shall lose £100,000; and that is an amount I cannot possibly make up. The Opposition Leader knows that I am £18,000 down on the five months of the year which have expired. In addition, I have budgeted for £40,000 better than last year, which puts me £58,000 to the bad. Of course I may receive from some items more than I have forecasted, but on the other hand the expenditure on some heads may prove larger than I have anticipated. If I am to realise my estimated receipts, I must get £154,000 more for the last seven months of this financial year than was obtained in the corresponding months of the previous financial year; and even if I live within my estimated expenditure, I shall have to expend £98,000 more during those months than was expended during the closing seven months of 1923-24.

Mr. Taylor: This year you will get from sandalwood £45,000 that you did not get last year.

The PREMIER: I shall receive only a proportionate increase because we have always received two-fifths of the revenue from sandalwood. Now I will receive the lot, less 10 per cent.

Hon. Sir James Mitchell: You will get a lot from land taxation.

The PREMIER: The Leader of the Opposition's figures are all astray; I wish they were true. I would remind hon. members that I have agreed to a considerable concession regarding taxation on mining. I am not altogether sure as to how the Assessment Bill will fare in the Council, because some members have intimated that they will move to increase the amount of relief proposed for the mining industry. The Commonwealth Parliament decided to exempt mining dividends and profits from taxation altogether, and it is proposed to move an amendment in the Council to bring our Bill into line with the Commonwealth legislation.

Hon. Sir James Mitchell: The Council cannot amend that Bill!

The PREMIER: Unfortunately members there have a way of pressing requested amendments and I have been unable to distinguish much difference between the actual power to amend and that of determination to press amendments. As to the super-tax, I did not impose it and I have not enjoyed it for one year. Surely the Committee will not deprive me of the advantage of that tax for one year. I will make a promise similar to that of the

Leader of the Opposition when he was in office.

Mr. Taylor: You will keep it as well.

Hon. Sir James Mitchell: Show me in "Hansard" where I made that promise.

The PREMIER: If the results of the financial year should prove as anticipated by the Leader of the Opposition, there will be no doubt about the remission of the tax. Should we balance the ledger, perhaps we will make a further reduction in taxation, but I am not in a position to do so this year.

Mr. THOMSON: I support the deletion of the clause. I voted to strike it out during the progress of the last Parliament. One argument at that time was that the amount of the exemption proposed would cut off £30,000 of revenue. It was pointed out at the time that the increase in the rate of tax from .008d. to .007d. would give a return of £37,000. The statement was made last year that it had returned approximately £90,000.

The Minister for Lands: Who made that statement?

Mr. THOMSON: It was made in the Council and it was not refuted. The statement was also made in this Chamber. Another reason for supporting the amendment is that I believe the Premier will receive more revenue than he anticipates.

The Premier: Where from?

Mr. THOMSON: Reports to hand indicate that the farming community are in a most fortunate position in that they have to buy more bags in order to deal with their harvest. One member sitting on the Government side of the House has had to buy two more bales of bags and anticipates he will have to purchase still more to handle his crop. Some members sitting on the Opposition side of the House are in the same position. This will mean increased revenue to the Premier and more revenue for the railways. It has been stated that the yield will exceed the estimate by over two million bushels.

The Premier: Is this the same crowd that cannot pay taxation?

Mr. THOMSON: Yes, but they have to pay 15 per cent. on top of their other taxation. If the sheep men get a good price for their wool it will be reflected in the returns to the Treasurer.

The Premier: But wool is down in quantity.

Mr. THOMSON: And that is made up by the increase in price.

The Premier: But those returns will come into next year's taxation returns. Last year's prices for wool are being shown in the returns for this year.

Mr. THOMSON: In view of these facts, however, there will be an increase in the income earned right through. Wages, too, are higher.

The Premier: I estimate receiving £50,000 less from income tax this year than was received last year.

Mr. TAYLOR: The super-tax was imposed for war purposes, and we were told it would be maintained only so long as it was necessary. We have now reached the stage where the Treasurer feels confident that he will almost square the ledger.

The Premier: I am satisfied I will not even get down to my estimate.

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

Ayes ...	...	...	20
Noes ...	...	...	16

Majority for ... 4

AYES.

Mr. Angwin
Mr. Cherrson
Mr. Clydesdale
Mr. Collier
Mr. Corboy
Mr. Coverley
Mr. Heron
Mr. Holman
Mr. Kennedy
Mr. Lamond

Mr. Marshall
Mr. McCallum
Mr. Millington
Mr. Munie
Mr. Pantou
Mr. Sleeman
Mr. Troy
Mr. A. Wan-brough
Mr. Willcock
Mr. Wilson

(Teller.)

NOES.

Mr. Barnard
Mr. Brown
Mr. Davy
Mr. Denton
Mr. Griffiths
Mr. E. B. Johnston
Mr. Mann
Sir James Mitchell

Mr. North
Mr. Sampson
Mr. J. H. Smith
Mr. Taylor
Mr. Teesdale
Mr. Thomson
Mr. C. P. Wansbrough
Mr. Richardson

(Teller.)

PAIRS.

AYES.

Mr. Lambert
Mr. W. D. Johnson

NOES.

Mr. Angelo
Mr. Latham

Clause thus passed.

Clause 7—Section 56 of 1907, No. 15 not to apply:

Mr. DAVY: This is the clause that from year to year has been suspending the right of a taxpayer to pay his income tax assessment in two instalments. It seems to me a paltry expedient for keeping up the revenue. I hope the Treasurer will disregard that departmental expedient and let this clause go. There is no regularity in one's liability to pay income tax. One never knows when his assessment will arrive. I once had three within two years. Sometimes this imposes hardship on private persons. The right to pay in two moieties was but a small concession. Still it has been taken away from us, despite the fact that Parliament originally conceded it.

Mr. SAMPSON: Even the municipal councils give this concession. If in a small matter like municipal ratings the principle is acknowledged, it certainly ought to be acknowledged in respect of the payment of income tax. It is provided for in the original Act, but taxpayers are deprived of it by this provision in the annual Bill. Many taxpayers find great difficulty in meeting their income tax obligations and frequently an overdraft is necessary. I repeat that the House recognised such a provision was necessary and wisdom prompted its inclusion in the Act.

The Premier: It cannot be done.

Clause put and passed.

Clause 8—Deductions:

Mr. THOMSON: This clause provides for a deduction of £10 for each child under the age of 16.

The Premier: That is in addition to the £40 set out in the assessment Bill.

Clause put and passed.

Preamble, Title—agreed to.

Bill reported without amendment, and the report adopted.

Third Reading.

Bill read a third time and transmitted to the Council.

House adjourned at 12.54 a.m., (Wednesday).

Legislative Council.

Wednesday, 17th December, 1924.

	Page
Illness of President	2398
Question: Denmark district publican's House	2399
Motion: Standing Orders Suspension	2399
Personal explanation: Recording of pairs	2404
Bills: Industrial Arbitration Act Amendment, report, 3s.	2404
Workers' Compensation Act Amendment, Recomm., further recomm.	2404
Land Tax and Income Tax, received	2417
Appropriation, 2s.	2417
Loan, £8,645,000, 2s., Com., etc.	2420

ILLNESS OF PRESIDENT.

The Clerk announced that the President would be absent from the sitting of the Council owing to indisposition, and that it would therefore be necessary for members to appoint one of their number to take the place of the President during his absence.

The COLONIAL SECRETARY (Hon. J. M. Drew) [3.1]: I move—

That the Chairman of Committees (Hon. J. W. Kirwan) be appointed to take the President's Chair.

Question put and passed.

Hon. J. W. KIRWAN accordingly took the Chair at 3.2 p.m.