

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.

ADJOURNMENT—SPECIAL.

The PREMIER (Hon. J. Scaddan—Brown Hill-Ivanhoe) [11.33]: I move—

That the House at its rising adjourn till 4.30 p.m. on Wednesday next.

Question passed.

House adjourned at 11.35 p.m.

Legislative Council,

Tuesday, 2nd March, 1915.

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

PAPERS PRESENTED.

By the Colonial Secretary: 1, Bunbury Harbour Board, fifth annual report with financial statement and Auditor General's report. 2, Moola Bulla Cattle Station, financial statement for year ended 30th June, 1914, and Auditor General's report.

QUESTION—LOAN MONEY AND INTEREST.

Hon. Sir E. H. WITTENOOM asked the Colonial Secretary: 1, What is the total amount of loan money borrowed by this State to the 31st December, 1914? 2, The interest paid in connection with loans for the year 1914?

The COLONIAL SECRETARY replied: 1, £33,927,231 7s. 3d. (excluding £1,566,000 borrowed from the Savings Bank on account of the Agricultural Bank). 2, £1,169,947 2s. 1d.

QUESTION—CONTROL OF TRADE COMMISSION.

Travelling Allowance.

Hon. Sir E. H. WITTENOOM asked the Colonial Secretary: What is the travelling allowance to the members of the Board appointed under the Control of Trade in War Time Act?

The COLONIAL SECRETARY replied: Civil Service scale.

LEAVE OF ABSENCE.

On motion by Hon. J. F. ALLEN, leave of absence for six consecutive sittings granted to the Hon. R. J. Lynn on the ground of urgent private business; and on motion by Hon. J. CORNELL, leave of absence for six consecutive sittings granted to the Hon. J. E. Dodd on the ground of ill-health.

MOTION—STATE TRADING CONCERNS.

To print Balance Sheets.

On motion by Hon. H. P. COLEBATCH (East), resolved: "That it be an instruction to the Printing Committee that all existing and future balance sheets of State trading concerns, with the reports of the Auditor General, if any, on same, should be printed as Parliamentary papers."

JOINT SELECT COMMITTEE, MONEY BILLS PROCEDURE.

Consideration of Report.

Hon. W. KINGSMILL (Metropolitan) [4.40]: In moving that the report of the Joint Select Committee be adopted, it is perhaps fortunate in one respect, though unfortunate in another, that the remarks I have to make are brief. They are brief because the Joint Select Committee appointed by the two Houses have failed to come to an agreement, but, at the same time we may claim that sufficient ground has been cleared to make it easy for an agreement to be arrived at early next session if the Houses think fit to re-appoint committees to go into this matter. Through discussion free and full and gentle, the points of difference have been narrowed down to limits which are small indeed. Although it was impossible to arrive at a decision and to make a report in agreement to our respective Houses before the close of the session, it will be easy early next session to do away with what has undoubtedly been the cause of great vexation to both Houses of Parliament. This House, at all events, should feel greatly indebted to the Hon. Mr. Gawler for the prominent part he played in bringing this question before the House and moving for the appointment of the select committee. The report is very short and simply states that while we have held several meetings and had several most interesting discussions, we have been unable to arrive at any agreement. I move—

That the report of the Joint Select Committee on Money Bills procedure be adopted.

Hon. D. G. GAWLER (Metropolitan-Suburban) [4.42]: I have pleasure in seconding the motion. As one who has taken considerable interest in the matter, I, with my fellow committeemen am pleased that the ground between the two Houses has been considerably narrowed. The spirit of compromise which has been displayed on both sides will lead, I hope, to the best results. We very much regret that the short space of time before us rendered it necessary to ask for an adjournment of our proceedings. We did

our best to reach a final decision, but found it impossible to do so. I hope the Council will see that the work is continued when Parliament again meets, because I am satisfied it will lead to good results.

Question—put and passed.

BILL—INCOME AND PUBLIC ENTERTAINMENTS TAXATION.

Second Reading.

Debate resumed from the 23rd February.

Hon. H. P. COLEBATCH (East) [4.44]: Before entering upon a discussion of the principles of the Bill, I should like to say a word consequent on a remark which fell from the Colonial Secretary on the adjournment of the debate on Thursday last, a remark not made in his usual happy, good-natured fashion. In moving the adjournment of the debate until to-day, I had no wish whatever to delay progress or to block discussion. In the past, when the Minister has wished to make progress with a measure beyond the moving of the second reading stage, it has been customary for him to intimate his desire to us. So far as I am aware, the Minister did not make any suggestion that we should proceed further on that day, and therefore it was quite a natural course on my part to move the adjournment of the debate. Had it been the wish of any hon. member to speak on Thursday afternoon, I would readily have asked permission to withdraw my motion so that the debate might proceed. Personally, I felt that hon. members were entitled to an adjournment of the debate. This matter has, to some extent, been sprung upon us. It was stated in the speech delivered by His Excellency the Governor at the opening of Parliament that the Government recognised that the present was no time for the introduction of controversial legislation. In that speech there was no mention of the Bill now before the House, and indeed the speech was delivered at a date so remote that most of us, including probably Ministers themselves, have forgotten what it contained. Only a fortnight ago

we were informed that the session would be brought to a close at a certain date, which date would not have been mentioned as a date for closing the session had it been that a Bill of this character was to be brought before the House. Many of us, judging from what we read in the newspapers, cannot help coming to the conclusion that the Bill has been forced upon the Government.

Hon. J. Cornell: Newspapers are often one-sided.

Hon. H. P. COLEBATCH: There are certainly papers which support the Government in this matter. We have come to the conclusion that this Bill has been forced upon the Government by its political supporters. From that point of view, if from no other, it was desirable that there be a short adjournment, so that people in the country generally might have an opportunity of expressing an opinion as to whether they approved or disapproved of the measure. For my part, I did not feel competent to discuss the Bill without first having had time to give it full consideration. I had no difficulty at all in making up my mind as to the general principles of the Bill, and have no hesitation in condemning those principles. If hon. members will glance at the Bill they will see, that for its complete understanding, it is necessary to compare it clause by clause with existing legislation. In Clause 5 we see a long list of sections and sub-sections under the Land and Income Tax Assessment Act of 1907, some portions of which are to be modified and some to be struck out altogether so far as this Bill is concerned. It was impossible, without diligent perusal of the Bill and of the parent Act to come to any conclusion as to what it meant. I think that some hon. members of another place voted for the Bill without a full understanding of Clause 5. Clause 5 indicates to a large extent the class nature of the Bill, because its provisions have the effect of taking away the exemptions which were enjoyed by a certain class of taxpayers, not enjoyed by them as an act of charity but as an act of right, so that their basis of taxation may be fair as compared with

the basis of taxation imposed upon other taxpayers. I am utterly opposed to the principle underlying the Bill.

Hon. J. Cornell: That means the end of the Bill.

Hon. H. P. COLEBATCH: I am sorry if that is so. At any rate, I regard the introduction of the Bill as an attempt to bolster up economic fallacies the pursuance of which has already driven this State almost to the verge of ruin, and persistence in which will inevitably drive us over the brink if continued, no matter if there is increased taxation or not. The Bill has been conceived purely in a party spirit, and I think I shall have no difficulty in showing that it is unjust in its incidence. What would be the effect of taxation of this kind? Its only effect will be to take money out of the channels in which it is at present being employed to the best advantage, in the giving of work for the development of our industries from one end of the country to the other, and forcing it into channels in which if we are to judge by the experiences of the past few years, a great deal of it will be flagrantly wasted. It has been said that we ought to drop party politics at a time like the present. But how can one side drop party politics if the other side continues them? There are in this Parliament, and in this country, two opposite sets of political opinions, two sets probably who hold entirely different views upon questions of political and domestic economy. I have not seen the slightest attempt yet, on the part of the Government or their supporters, to drop one of their socialistic ideals during this present crisis. What is the whole intention of the Bill? To pass this Bill is to recognise the principle that the Government can spend the people's money better than the people themselves can spend it. We all know that private people engaged in different industries in the country have no more money than they want for the development of those industries. If we are to say, "We will take some of the money away from your industries for the Government to spend," are we not at once supporting the theory that the Govern-

ment can get better value for the money from the point of view of the State, and from the point of view of the people, than private individuals? There is a distinct party bias about the Bill.

Member: You should do away with taxation.

Hon. H. P. COLEBATCH: We must have taxation because of the services which are rendered to the community in return, but in this instance the taxation is not to be imposed because of any services that are to be rendered. It is imposed, according to the Bill, to give employment. I say you cannot take money away from private people without, to a great extent, limiting their capacity to give employment. The passing of this Bill is to say that the Government can make money go further, in the matter of giving employment, than private people can make it go. If it were purely a matter of party politics, I should like to see the Bill go through. Why? What would be the position of the Government if the Bill was passed? I understand that the Government and the power behind the throne, namely the Trades Hall, have told the unemployed that if the Bill is passed there will be work for them. We know perfectly well that the Government cannot get any money under the Bill until the beginning of July. These ridiculous monthly payments referred to could not possibly bring in one-half, one-third, or one-tenth of the amount of the monthly deficit. Not until July, therefore, would any large portion of this revenue begin to come in. Even the revenue received to the end of July will be very small indeed. It will be long after July before we can hope for anything like a revival of prosperity in the State, though there may be such revival in the latter portion of the year, when we believe there will be a great awakening of the industries of the country and that at that time considerable profits will be shown. The Government have estimated that the sum of £200,000 will be the most that can be realised under the Bill. It will, however, be found that barely one-fourth of that amount will come in before the end of December. Three-

fourths at least will be indicated in the income tax returns for next January, when our industries will have had some chance of recovering from the effects of the recent drought. The Government, by the passage of this Bill, would not be one penny better off from the point of view of giving work to the unemployed. As a matter of fact, the first fruits of its passage would be to increase the army of unemployed, because private employers would be bound to retrench in order to make both ends meet. Many employers have told me that they do not care if the Bill is passed. They have said, "We at present are keeping all our hands employed and we are paying full wages, although we have really no need for their services." I am sure that in many cases private employers are straining their resources in order to keep their employees going. The passage of the Bill would inevitably afford them an excuse for dismissing some of their employees, and by the dismissal of one or two of their hands they could easily make up the tax. The ill effects of the position so far as private employment is concerned would be felt within a week of the passage of the Bill. From the point of view of giving the Government money with which to carry out works, I say there would be no result until the beginning of July, and a very considerable amount under the tax would not be received until after the end of the present year. Long before that a deluded army of unemployed, increased because of the decreased power of private individuals to give employment, would have renounced the Trades Hall and all its works, and would have burned in effigy every Minister of the Crown. What would be the position from the point of view of the difference of opinion between the Country party and the Liberal party? If this Bill is not passed the farmers in the State will never know what was intended for them. If it is passed, in January next, when the farmers have received, what we hope will be a very good return from their harvest, they will be called upon to pay their ordinary land tax, their income tax, and another income tax

in many instances double the present tax. Then when the farmers knew all about this Bill, and what they had to pay under it, it is not too much to say that the bare mention of the Country party will be sufficient to cause them to revolt. Suppose the Bill is passed, where is the money coming from, and where is it going? That is, I think, the question we ought to ask ourselves. We have been told that the Bill would tax accumulated capital and fertilise industry. Is it going to do anything of the kind? It is not a tax on capital, it is a tax on incomes. Perhaps the difference can best be illustrated by reference to a statement made by Sir Edward Wittenoom the other day. If we are to judge by that statement, and no doubt it is a true one, Millars' Timber Company, which I have no doubt has large accumulated capital, would pass through unscathed and pay nothing, because this is only a tax on their income. From what we hear from Sir Edward Wittenoom, neither this company nor similar companies, nor the State sawmilling enterprises of the Government, are likely to make any profits during the present year, and therefore they will pay no tax at all. I say the Bill is not going to touch accumulated capital at all; it is only going to touch incomes. Incomes are derived by those people who work, the people who are developing the resources of the country. We come back to the position that every penny extorted by this tax will come out of the pockets of the people who are making the best use they can of all the money they have, and all that they are legitimately able to borrow. There is no doubt that a private person will get better value out of a sovereign both for the worker and for the State than the Government could. The need for encouraging private interests to spend all the money they can in the actual production of wealth, is a position that is not sufficiently recognised. It is obvious that whatever money is taken by this Bill will have to be diverted from actual wealth production to relief work, which will lead nowhere. In this connection it is interesting to study the latest records of Aus-

tralian trade. We find that for many years prior to 1913 Australian trade showed a surplus of exports over imports. We were in fact paying our way. The year 1913 showed an excess of a million and a quarter of imports over exports. We had ceased to pay our way, and were beginning to drift back. Last year, namely 1914, the imports exceeded the exports by $6\frac{1}{2}$ millions, a very serious falling-off indeed. But that is not the worst feature of the position. In the first half of the year 1914 the exports exceeded by six and a half millions those for the corresponding period of the previous year, consequent upon the good harvest that was experienced in many of the States of Australia, and quite a fair harvest in this State of Western Australia, for the season which ended in February, 1914. But for the second half of 1914 our exports showed a decline as compared with the corresponding period of the previous year of no less than $17\frac{1}{2}$ millions—a decline of $17\frac{1}{2}$ millions in exports for the one half year; and that half year was not affected in any way by the drought. The drought touches our wheat export, and the wheat export comes into the first half of 1915. So that it will doubtless be found that for the twelve months following the war, that is to say, the latter half of 1914, and the earlier half of 1915, there will be a decrease in Australian exports of something like 25 to 30 millions sterling. These are appalling figures. They are figures that ought to bring home to everybody the necessity for doing all that we can to increase the production of wealth. They are figures which should make us hesitate when there is talk of withdrawing capital from our industries in order that the Government may have money to spend upon relief works. We were going to the bad prior to the war. If we could simply say that our products were locked up because we could not get them out, in consequence of the war, then the position would be different. But that is not the case. With the exception of perhaps timber and pearl shell, very little of the products of this State is locked up in consequence of the war. Nearly the whole

of our loss in exports has been caused by the drought and also, I am afraid, by the economic conditions, which had the tendency not to fertilise industry, as has been stated by the advocates of this Bill, but to sterilise industry, to cause industrial stagnation. Then, what is to be done with this money, when the Government have taken it out of the pockets of the people who are engaged in developing the industries of the State? What do the Government propose to do with it? Clause 13 of the Bill tells us—

The net proceeds of the taxes levied under this Act shall, subject to an appropriation by Parliament, be applied to the carrying out of special and necessary public works, whereon surplus labour within the State may be profitably employed, or to such other purpose as may be approved by resolutions of both Houses of Parliament.

That clause, on the face of it, means relief works. The Government say there are men out of work. We know there are. I am sure there is not a member of this House, not a member of the community, who does not sympathise with the lot of the man who is out of work. So far as I am concerned, if I thought the Bill would relieve the condition of the unemployed, I would vote for it at once. It is because I think the passing of this measure will make the position worse instead of better, that I oppose the Bill. The Government say to Parliament, "There are men out of work; you give us money, and when you have given us the money, we will find something to spend it on." That is the position the Government take up. "When you have given us the money we will find something to spend it on." If we look at the current year's Estimates of Revenue and Expenditure, we find that on the Loan Estimates it is proposed to spend during the year ending on the 30th June next, a sum of £2,853,000. Further, it is proposed to spend out of revenue £5,647,000. That is a total of eight and a half millions sterling. Of course, it would be necessary to enter into a very exhaustive analysis of these Estimates, Loan and Revenue, in order to show how much of those

8½ millions is to be spent in giving employment. But the point I want to make is that on the Loan Estimates there is a long schedule of works, and on the Revenue Estimates there is another long schedule of works, none of which is nearly completed, all of which will require the employment of a large number of men. The Government, however, say that this special taxation is not to be devoted to any of those purposes, and that it is not to be applied to squaring the public accounts, but that it is to be applied to some new works. What are those new works? Works, obviously, that were not considered of sufficient importance to be placed upon either the Loan Estimates or the Revenue Estimates—works which, on their own merits, would not be put in hand at the present time. I contend they are works which would not be put in hand in the absence of unemployment—works that are to be put in hand as relief works. The Colonial Secretary said something to the effect that portion of this money would be spent on feeder roads. We had not heard anything about feeder roads, so far as I am aware, prior to the speech of the Colonial Secretary. I do not think the Premier made any mention of feeder roads in introducing the Bill in the Assembly. But, in any case, was it because the Government had recognised the necessity for building these feeder roads, or for building roads generally in the country districts, that they cut down by one-half the roads board subsidies? For my part, I think that if these feeder roads are to be built on the Government day labour, preference to unionists system, the people in the country districts will not be slow to recognise that they are getting very poor value for the money spent. They would very speedily declare that they would much rather have a far smaller sum granted to the local authorities to spend in the same direction. Now, for whose benefit is this special tax intended? I should say, ostensibly intended; because I consider that really it will benefit no one. We are told that it is for the benefit of the unemployed. On Thursday last I submitted to the Colonial Secretary a series of ques-

tions in regard to the unemployed who are at present obtaining relief from the Government in the form of meals and beds. So far as I am aware, there was nothing very complicated about those questions. But, although the questions were asked on Thursday last, we are told to-day that the answers are not available. I have no hesitation in saying that when the Government brought down a Bill of this kind, asking us to pass special and onerous taxation for the benefit of the unemployed, they should have submitted to Parliament, without being asked, full details as to who it is that is to be benefited by this measure. I wanted to know from the Colonial Secretary, for instance, how many of the people obtaining relief were married men, and how many were single.

The Colonial Secretary: Do you want the names?

Hon. H. P. COLEBATCH: Not at all; and there was not one word in those questions to suggest that I wanted to know the names or any details of that nature. I say, each of the questions was specific and could have been easily answered.

The Colonial Secretary: You wanted to know the age and the class of occupation.

Hon. H. P. COLEBATCH: Certainly; and why should not we have the age? Why should not we have the class of occupation? How are we to know whether this Bill is going to meet the necessities of the unemployed unless we know what classes of people are out of employment? The Colonial Secretary knew perfectly well the information that was wanted, such as the total number in receipt of relief. That, surely, is a simple question, to which we might have had the answer. Then, the number of married men and the number of single men. That equally is a simple question, and, moreover, a very pertinent question; for I have no hesitation in saying that single men, providing they are bodily fit, should not be receiving Government relief at the present time. I say emphatically they should not be receiving Government relief at the present time. A single man who is physi-

cally fit, ought to have too much spirit in him to take Government relief; because he can get work. I do not say he can get full pay, or fair pay; but he can get a living. And I maintain that any single man of spirit who has only himself to look after will get work, even at a small wage, at a living wage, rather than subsist upon public charity. So far as the married unemployed are concerned, I have every sympathy with them; and I say that the Government and private people must do what they can to relieve the married unemployed, so that the wives and families of those unfortunately circumstanced men shall not want. It was for that reason I wanted to know how many of the unemployed in receipt of Government relief were married, and how many were single. I repeat, I think it is wrong that the Government should give relief to single men, save under exceptional circumstances. Further, I asked the ages of the recipients of relief—surely not a very difficult question to answer, when four or five days were available to collect the information. Then, I asked their usual occupation. If these people out of work are city employees, clerks, and shop assistants, what use is a Bill of this kind going to be to them? Because, obviously, this measure, so far as its purpose has been disclosed to us, can afford relief to manual labourers alone. Surely we are entitled to information of this sort before we are asked to pass a Bill of which the purpose is to give relief to the unemployed. I asked also for the last place of employment. That question might have taken some little time to answer. Generally speaking, however, the questions were perfectly plain and should have been easily answered; and the fact of their not being answered, only confirms the opinion which I held before—that the Bill has been forced upon the Government, that it has been compiled after very little consideration, and that it has been thrown before this House with the least possible information that the Government could give us. When the Bill was in Committee in another place, the Premier was asked a plain, straightforward, and highly

pertinent question. He was asked whether the work to be provided under this Bill would be open to all unemployed citizens in this community, or would it be open only to unionists? Now, that was a fair question and a proper question. But did the Premier give a fair answer? He shuffled with the question. He said, "I do not know, but I think the unemployed have formed a union of their own, and therefore I suppose they will all be unionists." That was the answer given by the Premier, and from that answer we can only draw the conclusion that it is intended, if this Bill passes, to apply to its operation that plank in the policy of the party in power which says that there shall be absolute preference to unionists.

The PRESIDENT: I must draw the hon. member's attention to Standing Order 393, which provides that no member shall allude to any debate of the current session in the Assembly.

Hon. H. P. COLEBATCH: I apologise, Mr. President, for having trespassed. I suppose I am entitled to say that, from what I have read, there is no doubt in my mind, and I think there can be no doubt in the minds of other members of this Chamber, that the intention of the Government is, if this Bill is passed, to use the money obtained under it in providing employment for unionists, and for unionists alone. At all events, if the Bill were perfect from every other standpoint, and if I thought the time opportune for increased taxation, I would certainly refuse to pass this measure until I had a positive assurance that there would be no preference. Until I have a positive assurance that the money proposed to be drawn from taxpayers, who for the most part are, presumably, not trades unionists—though that is nothing to their credit, nor is the fact of men being trades unionists anything to their discredit—should be devoted to all the unemployed, whether they were trades unionists or whether they were not trades unionists, I would refuse to pass the Bill. I do not agree that we should at this stage have special taxation

imposed on people who, as I have said before, and as I cannot repeat too often, are using every penny they can get and borrow in developing the industries of this State, special taxation imposed on these people for the purpose of affording employment only to such persons as will agree that a portion of their wages or salaries shall go into the fighting fund of the Political Labour Party. I say it is a monstrous doctrine, a corrupt doctrine, as corrupt as it can be; and I am sorry to observe that it has been introduced even into the Defence Department of this Commonwealth—to the everlasting disgrace of the Minister in charge of that department. Preference to unionists, I say, means that only those who will allow a portion of their salaries or wages to go to the support of the Government in power, shall have Government employment; and that, I maintain, is an engine of political tyranny and corruption, of which Australia has had no previous example. Probably it will be years before we discover the monstrous effects which a doctrine of this sort has upon the political morality of the country; because it will inevitably mean that the man who is a unionist can do things that he ought not to do, and still keep his job, and that the man who is not a unionist will not be able to get a Government job at all. I am not speaking disparagingly of the unionist as a unionist. If we had purely industrial unionism, dissociated from political unionism, the matter would bear an entirely different aspect; but, as it stands at the present time, it means simply that no man shall get employment from the Government unless he provides money to swell the fighting fund of the party in power. I am unable to suggest anything more calculated than that doctrine is, to lead to corruption and to the destruction of every idea of political morality.

Hon. J. Cornell: When your turn comes, we will not object to your returning the compliment.

Hon. H. P. COLEBATCH: From time to time it has been found necessary, in other parts of Australia, to establish works in the nature of relief works;

but such relief works have always been established on a definite system and with a definite end in view. Hitherto it has always been recognised that relief works, when they become necessary, must be regarded as something most unfortunate, something to get away from as quickly as possible; and there are several reasons for taking that view of them. First of all, there is the character of the work that is done for the sake of affording relief to unemployed. It is not work which, in itself, clamours for the doing; because it does not appear on the Loan Estimates or on the Revenue Estimates. It is work which, if it were proposed in the absence of unemployment, would be met with the criticism, "The time is not suitable for doing this," or, "We cannot afford it." It is work which is done, not because we want it done, but because we want to find work for the unemployed. Therefore, it is work which does not represent full value for the expenditure. Further, there is this aspect of the matter, that every man employed on relief works should be encouraged to get off them as quickly as he can. The conditions prevailing on those works should be such that every man should be anxious to get another job on necessary and productive works. For that reason in every part of the Commonwealth when relief works have been established it has always been the practice to pay, not a fair wage, but to pay only what might be described as a living wage, so that the people engaged on those undertakings might say, "I am glad to have this opportunity of getting a livelihood; but I am going to get out of the job as soon as I can and get back to what are productive and necessary works." Unless we have that kind of thing we shall have two evils. We shall be building at full cost works which are not worth that full cost, and we shall also be draining labour from the other industries of the State, because unfortunately there is always a tendency, not only amongst working men, but amongst all classes of the community to come in to the large centres of population. If, therefore, we are to have relief

works, and, according to the statements which have been made, full union wages are to be paid and the principle of preference to unionists is to apply, we shall find a great many people will prefer those works rather than hunt around to secure employment on others in the country. I suppose I am right in assuming that all the intended works will be done on the day labour system. We can hardly get away from that because the party in power are pledged right up to the hilt to that system. Are we likely to get value for the money which will be spent on works under the day labour system? The late Minister for Works, Mr. Johnson, speaking at a labour conference in Fremantle some time ago—and he was speaking with authority and with the knowledge that he had as Minister for Works in actual control of the department—stated that sometimes the department got value for the money it spent on day labour and sometimes it did not. More recently than that another member of the party, Mr. Mullany, publicly stated that bricklayers employed on Government jobs laid 400 bricks a day when a fair day's work would be to lay between 800 and 1,000. That is a clear case of robbing the taxpayer of something like 7s. per day per man. In the same speech Mr. Mullany said that in other branches of industry there was a similar slackening down, and added that many other instances could be quoted. I can readily understand that that kind of thing was not desirable from his point of view, and that it was only a keen sense of duty that impelled him to make those remarks, and to say that the workmen to whom he had referred were not doing a fair thing by the Government.

Hon. H. Millington: Does it not apply to the contract system?

Hon. H. P. COLEBATCH: The contract system has had to stand up in competition with day labour. Before the present Government came into power, whenever there was a work of any importance to carry out, contracts were invited and the Public Works Department were also invited to submit a tender. If the contractor's price was above that of the

Works Department the work was done by day labour, but if the contractor's price was below that of the Works Department, then it was done by contract. The result was that we had then one system competing against another. There was no opportunity on the part of the contractors to rob the State and there was no opportunity on the part of the department to carry out works without a check. The same thing applies with regard to the mining industry. They do not there go in exclusively for contract work. We find in that industry contract work and day labour being carried on side by side and one acting as a check on the other. I do not wish to speak disparagingly of the unemployed, but we know that the competitive element enters into the labour market as it has done in everything else, and it is not the best workers who first become unemployed.

[Groans from persons in the gallery.]

The PRESIDENT: If I hear any further noise from the people in the gallery it will be my duty to have the gallery cleared. The occupants of the gallery must understand that they are merely an audience and perfect silence must prevail.

Hon. H. P. COLEBATCH: I was saying, without for a moment disparaging those men who are unfortunate enough to be out of employment, that in every walk of life we always find competition, with the result that, generally speaking, the best men keep their jobs the longest.

Hon. H. Millington: What happens when the work closes down?

Hon. H. P. COLEBATCH: I am not suggesting that there are not many of the best men amongst the unemployed, but taking them as a class we find, generally speaking, that the best men retain their employment the longest. The inference I intended to draw from that was—

Hon. H. Millington: Every man must live.

The PRESIDENT: I must ask that there shall be no interruption.

Hon. H. P. COLEBATCH: The only way by which we can hope to get value for money spent in doing work of this kind is to have some system by which the

worker will have to give full value for it, but if we are to adopt the day labour system with preference to unionists, it will mean that every man who is working will have to contribute something to the fighting fund of the party in power and, therefore, he will have the right to say that he is as good as his master. In that case we are not going to get full value for the money we spend. At the present time there is great difficulty in many parts of the country in securing labourers. I have a letter from a leading farmer in which he states—

It is extremely difficult to get ordinary farm workers in Perth to go into the country at 20s. a week and keep. In fact I know two farmers who could not get men in Perth last week for that wage. Further, I know of cases of men in the country who will not take less than 30s. and keep. The officials at the Labour Bureau will tell you if you inquire for men that the wages received are 25s. upwards per week and keep.

I am not suggesting for a moment that 30s. a week and keep is too high, and generally speaking the farmer is only too glad to pay it. But the position at the present time is that the farmer has not got it and therefore he cannot pay it. What we have to remember is that because he has not the 30s. that he can pay weekly, the work has to remain undone, and are the men to be brought down here and the farmer taxed to keep them at work drawing full union wages? Are we to get out of our troubles by doing that, or are we to say that the work in the country must be done, and the men employed in it shall draw a living wage, and that when the return is there, when there is added wealth in the country, every section of the community will derive the benefit. No one then will derive it quicker than the labourers themselves who, because of their organisations and because of existing legislation, can always get good wages if the wages are there to be distributed. The position at the present time is that the money is not there and therefore it cannot be paid to those people, and if they stand out

now for employment at 30s. a week and keep they will not get any employment, the work will not be done, the wealth will not accrue and there will remain nothing for any of us to get. I know many farmers who are leaving a large amount of their work undone simply because they cannot afford to pay the full union wage. I know many men who would gladly take less than the union rate, but the farmers say, "We dare not employ these people at less than the full union wage. If we were to do so we should be blackballed afterwards when we wanted men." That is what is happening now.

Hon. H. Millington: You are prejudiced sometimes.

Hon. H. P. COLEBATCH: Such cases are brought under my notice every day. If my friend knew anything of the position of the people in the country he would not for a moment dispute what I am saying. I intend to deal with the effect of the Bill upon the farmers and I do that for two reasons. In the first place the whole of my constituents are farmers, or people who directly or indirectly make their living out of that primary industry. Therefore, if I can reconcile my attitude with the best interests of the farmers I am satisfied that in the long run I am serving the interests of all. A little while ago the farmers thought fit to send to Parliament a special party to represent their interests, and if I find it necessary to run contrary to the opinions expressed by the leader of that party or by a majority of that party it seems to me that I shall have to justify my action if I say I am taking the course I am doing in the interests of the farmers I am satisfied they will look at this Bill and compare it with the Income Tax Act of 1907 they will find one or two curious things. First of all in Clause 5 we find the words, "and Subsection 2 of Section 16 shall not apply." Section 16 is the one which allows every person to deduct the sum of £200, that being the amount of the exemption from his income, before paying the tax. In this case that is not to apply, even to the amount of the exemption of £156. A little further along in paragraph (b) of

Clause 5 it is provided that Section 17 is not to apply. That is a special concession where land and income tax are assessed on the same land. The individual then is allowed to deduct his land tax from his income, but under the Bill we have before us that is not to apply. Then we find that Subsection 7 of Section 30, dealing generally with exemptions, shall not apply. Subsection 7 of Section 30 is the one under which a claim for deduction can be made in respect of business premises. If we get an income tax form we find that provision is made for a 4 per cent. deduction for premises owned and occupied by the person making out the return. These exemptions are not made as concessions to farmers, but as matters of equity. The farmer more than any other business man owns and occupies his premises and uses them in connection with his business. The deductions from the total income on that account are large indeed, amounting in many instances to over £200. It is the case in the farming industry more than in any other industry that the premises are owned by the man who is working in them, whereas the people engaged in other industries more frequently rent their premises. Therefore the Act of 1907 provides in cases of that kind that a man may deduct 4 per cent. as interest on his invested capital, but we are told that that particular section in the Act of 1907 shall not apply. If we take the position generally from the farmers' point of view we find that there are many classes of people in this community who expect small incomes this year. We hear many people say that if this tax had been on last year's income it might have hit them hard, but this year their income will be small and it would be easy to make the tax up twice over by using it as an excuse for reducing hands or hours. But the position of the farmers is quite different. They expect this year to get unusually good incomes. And if they do not succeed, I do not know what is going to become of the country. If we look at last month's re-

turns of the revenue and expenditure, we find that the Railways revenue, as compared with February of the previous year, has decreased by £50,000. It is an enormous difference to be shown in one month's returns, and of course it is simply because of the failure of the harvest. What, then, is going to be the position of the country if we do not have a successful harvest? And if we do, what is to be the position of the farmer? He expects a big profit with which to pay back some of the debts incurred during the last two or three unprofitable years. Is it, in such circumstances, fair to double his income tax?

Hon. J. Cornell: Mine is to be doubled.

Hon. H. P. COLEBATCH: My friend has not been in the position of drawing no income during the last three or four years. It would be much fairer if the assessment were spread over three or four years and an average taken. Instead of that it is proposed to say to the farmer, "You have gone to the bad and run into debt during the last three or four years, and now that you have a chance of reaping a fairly good income on the year's operations, we are going to get two income taxes out of you." With the assistance of a practical farmer and an accountant, I have prepared a typical farmer's income tax return. It is supposed to be the return, not of a large and prosperous farmer, but of one who occupies land of the unimproved value of £2,000 and who expects to put in 400 acres and to get a wheat crop of five bags to the acre off 350 acres and 30 cwt. of hay off the remainder. The return prepared shows an assessment of taxable income for the year of £972. Out of this the farmer will be entitled under the Income Tax Assessment Act of 1907 to deduct, for the purposes of sustenance, £200. His net income, therefore, would be £772, and with that he is to pay off as much as he can of the losses of the last three or four years. But what will be his position under this proposed tax? He will pay in land tax, £3 14s. 8d., and the present income tax on £972, less deductions allowed by the Act of

1907, which reduce the amount to £728, on which he will pay £13 1s. 8d., or a total under the existing tax of £16 16s. 4d.

The Colonial Secretary: On what amount?

Hon. H. P. COLEBATCH: On £972, or rather, it would be about £1,100 in respect to the proposed tax, because he would not be allowed his deduction for the premises.

The Colonial Secretary: You mean to say he would pay tax on £1,100?

Hon. H. P. COLEBATCH: Yes.

The Colonial Secretary: That is not correct.

Hon. H. P. COLEBATCH: I say it is correct. His taxable income under the Land and Income Tax Assessment Act would be £972, after making a deduction of £120 by way of 4 per cent. interest on the premises owned and occupied by him—a deduction he would not be allowed to make under the proposed taxation. Therefore his taxable income under the Bill would be approximately £1,100.

The Colonial Secretary: There is the cost of producing.

Hon. H. P. COLEBATCH: That I have already deducted. I am quoting his actual taxable income. Under the existing Land and Income Tax Act, he would have to pay on an income of £772, but that is after deducting the £200 general exemption and the £120 representing 4 per cent. interest on the premises owned and occupied by him. If we add these two amounts to the £772, we find the amount on which he would have to pay is approximately £1,100. Then, under the Bill the farmer will be called upon to pay a special tax of £24, so the total he will have to pay this year if the Bill becomes law will be £40 16s. 4d. That is a pretty heavy tax to impose upon a man who has had no income for the last three years, and who will wind up this year's operations in debt. It is a most unfair tax. And the worst feature of it is that it will be taken out of the pockets of people who are making the best use of it, and from whom not one penny can be taken without decreasing to that extent their ability to give employment. There is a

certain unfairness in this proposed taxation, even from the workers' point of view. At the present time there is nobody in the community so well able to bear taxation as the single man in constant employment receiving, say, £3 a week, and having no one dependent upon him. He is in no trouble at all, yet he is to be entirely exempt; while the married man with a wage of £3 10s. and faced with increased cost of living and the heavy responsibilities of a family, is to be taxed. Surely that is monstrously unfair. If there were any need for the tax it would have been much fairer to bring the exemption as low as possible for the single man—say £75 or £100—and then to make a liberal exemption for the householder. A married man in receipt of £3 10s. a week and having to provide against the increased cost of living, is not in as good a position to pay the tax as a single man earning £3 a week and having no dependents. So far as the tax on companies is concerned, I do not know that there is much to say. The tax on companies will hit small investors, for companies are merely aggregates of small investors. In this regard the graduation is unfair although I admit that in this respect the Bill is not nearly so unfair as the Bill we rejected last session. I am not in a position to speak of the ability of mining companies to pay this tax, but it is well known that until very recently there was a marked disinclination on the part of capitalists to invest in mines in Western Australia. Certainly we are not likely to encourage them by a tax of this sort. So far as the tax is to apply to business men, everyone will appreciate the unfairness of attempting to tax a business man on his book profits. If things are to be kept going, it is essential that the business man should be encouraged to give credit, particularly to the rural industries and industries whose returns come in only once a year. But if we are going to tax a man on his book profits, we will make it impossible for him to continue to give credit. A man may make £1,000 on his book profits, but he cannot afford to pay

a tax of £24 10s. per annum on profits which he may or may not collect some day. Thus, by this tax we will certainly decrease the ability of business men to give credit and to provide employment. In respect to the taxation of financial institutions, it must be remembered that there is nothing so fluid as capital. Everyone of our financial institutions is a branch of an institution operating elsewhere. They invest their money in places where it pays them best. Up to the present it has paid many of them to invest in Western Australia. The lands of Western Australia not being regarded as gilt-edged securities, those financial institutions have been able to get a little more interest for their money invested here than has been on offer elsewhere. But by this tax we will remove that balance which has operated in our favour, and the money will be invested in other States, where this special taxation is not in force. It is not in the interests of the financial institutions that I oppose the Bill; I oppose it in the interests of people carrying on business and who cannot carry on successfully without the assistance of those financial institutions. The general effect of legislation of this sort on enterprise and on capital, should be patent to everybody. It is not exaggerating the position to say that people at present are afraid to invest capital in any new enterprises in Western Australia. They are afraid both of taxation and of competition by the Government, to say nothing of the uncertainty of the industrial conditions. It has been often pointed out to me that there is a great opening here for cement works; but when I ask why that opening has not been seized, the reply is always the same, and after this manner, "Suppose we put in our capital and prove the enterprise to be a good thing; the Government will step in, start works against us and, if necessary, run them at a loss—paying losses with the money we have contributed as taxpayers—and ruin our enterprise by this unfair competition." Legislation of this kind and the fear of legislation of this kind, instead of fertilising industry, can only have the effect of strangling it.

Hon. J. Cornell: We do not want individual enterprise in Western Australia.

Hon. H. P. COLEBATCH: No, my friend is an out and out socialist and believes that if the State had full control of everything all things in the garden would be lovely. I am not of that opinion. On the contrary, I think it would be time for most of us to get out. Certainly from the point of view of the worker the position would be intolerable, because there would at once be a slackening down in the production of wealth, and consequently in the returns everybody gets. That was one of the things overlooked by that devoted band of people who went away from Australia to found a new settlement in South America over 20 years ago.

Hon. J. Cornell: It was not overlooked; they knew nothing about it.

Hon. H. P. COLEBATCH: There must be a solid basis of wealth production behind the whole scheme of wages and employment. If, as my friend suggests, all the money was in the hands of the Government, the production of wealth would decrease materially, and then, no matter what system of distribution we might have, there would not be very much for any of us. That is why I oppose this class of legislation, namely, because it all tends to decrease wealth production, and once we do that, we reduce the earnings of every section of the community. I do not intend to say much about the proposed taxation on amusements. If I am opposed to the principle of the Bill, it is of no use my passing it and striking out all the main features, while leaving tiddlywinking little things like this to remain. I have no partiality for picture shows or horseracing, but if those amusements were closed up, unemployment would increase, while it is to be remembered that people must have some distraction in their spare time. I do not think these shows are making much profit to-day. It has been said that the proprietors of the various entertainments will not pay the tax, and that the patrons will have to pay. One may with reason ask how is the tax to be collected. Shall every toddler going to a picture show be required to take

sixpence in one hand for the proprietor and a half penny in the other for Mr. Scaddan? Even if we attempt to collect the tax by a system of stamps, the special half-penny will have to change hands. Then again, why the taxation on agricultural shows? Is it a delicate attempt on the part of the Government to compensate the agricultural societies for the withdrawal of the customary subsidies? We must consider the practical side of the collection of this tax. Take the Royal Agricultural Society's big day, when from 40,000 to 50,000 people are gathered on the show grounds at Claremont. A tax of 1d. per head would represent £200, which the society, deprived of its subsidy, could not pay. It then becomes necessary that everyone attending the show should bring with him a penny to meet the tax. No system of stamps would help us, unless, indeed, it was insisted that before going to the show everyone bought a penny stamp and stuck it on his forehead. The thing would cause far more confusion than it would be worth. I should object in any case to the taxation of agricultural shows.

Hon. J. Cornell: That was proposed by a Liberal Government.

Hon. H. P. COLEBATCH: I should oppose it. My opposition is to the Bill as a whole, and I do not intend to vote for the measure simply with the object of putting into force this tax on amusements. Such a tax would not realise a great sum, it would be costly to collect, and probably it would do more harm than good. I do not intend to move any amendment to the motion for the second reading; I shall content myself with voting against the second reading. It will be said that upon those who oppose the Bill is cast the obligation of suggesting an alternative. It would be quite a fair proposition to reply that if I make a suggestion, can I be sure the Government will adopt it? It is of no use the Government asking for suggestions and refusing to give effect to them. What has been done in other States of the Commonwealth during the present time of stress? In New South Wales, where the admini-

stration is in the hands of a Labour Government, overwhelmed with a deficit as we are, they say this is not the time for increased taxation. They are resorting to all sorts of expedients, some of which are quite as objectionable as this, but there is no talk of imposing further taxation there. In Victoria, where they have been stricken by the drought to the same extent as we have been, the Government have decided to build up a deficit, and when the State returns to prosperous times, to wipe it out by an income tax spread over a period of two or three years. That is a statesmanlike proposition, and the people have not objected to it, because the impost will be levied when they are in a position to pay it, and not at the present time when they want every penny they can lay their hands on to carry on their ordinary business concerns. In South Australia, which also has been drought stricken, and where there are complaints at the invasion of the Commonwealth upon State sources of revenue, the Government have announced that they will not impose any further taxation. They say the time is inopportune, and they are going to expend surplus revenue and build up a deficit. It may be said that we cannot adopt a similar course because we already have a deficit, a deficit which we have built up in prosperous times when we should have had a surplus, a deficit which has now reached the alarming proportions of £1,100,000. We will be told that this course is closed to us.

Hon. J. Cornell: You have already said that there have been four lean years.

Hon. H. P. COLEBATCH: There have been four lean years for one section of the community, and one only. So far as the Government are concerned, the revenue has been increasing every year. How has the deficit been built up? It has been built up by waste, absolute waste, and two sources which I may mention are firstly, sticking exclusively to the day labour system in all Government works, whether constructed out of loan or revenue funds, and secondly trading concerns. When one urges the necessity to economise it is always thrown at him

that he desires to reduce the salary of the civil servant. That argument no doubt is used with the intention of raising an election cry. If the time comes when the salaries of the civil servants have to be reduced, the people whom those servants will have to thank for it will be those who have dissipated the resources of the country, and brought us to our present state when we cannot honestly finance the affairs of the State. There should be no need to reduce any one who is giving fair value for the money he is receiving. What we mean by economy is the elimination of waste. If the Government had followed this policy during the last three years, there would have been no need for the reduction which might possibly be necessary at the present time. How are the State trading enterprises being run at present? Take the saw-mills: we are told they are piling up a huge accumulation of sleepers; take the implement works: we are told they are making up a lot of machines. In the month of January alone these two concerns contributed £52,000 to the deficit of the State. We may get this money back at some future time, but the trouble is that we need the money now. It will be said that if the State does not employ men on these works, there will be an increase of unemployment. If we look at other Government works, including railway construction, we find them proceeding at such a slow pace that to look at them one would think there were neither men nor money available in the country to carry them on effectively. If there was money available to spend on these State enterprises and build up a deficit of £52,000 in one month, why was not the money used on necessary works which would have added to the wealth of the country and on which men could have been profitably employed. The reason is simply that the Government are committed to State trading enterprises. It is futile to ask if we would suggest stopping these enterprises. It would be necessary to go into every detail of their operations in order to find out the best course to adopt before giving an answer to such a question. If we consider the position

for a moment, we must realise that the State cannot continue in the way it is going. A little fiddling taxation Bill, which will bring in £200,000 a year—not the amount of three months deficit, and not sufficient to pay the Treasury losses on the two State enterprises I have mentioned for four months at the rate of the January losses—will be futile. Something will have to be done in regard to the State enterprises, but what it is I am not in a position to say. No one would be in a position to say without going into the details, and the Government are careful that the public shall not know more than they can possibly help revealing. In regard to the sawmills, we do not know their expenses for the month unless we ask special questions to elicit the information. The monthly expenditure on public works and buildings is shown as £59,000, to which there is a footnote “including State sawmills,” as if they were either a public work or a public building. For this there can be no good reason except to keep the public in the dark regarding the enormous amount of money expended month by month without any direct production from these undertakings. A question may be raised as to the rights of this Chamber to deal with a taxation measure of this kind. I would remind members that the last election was fought on an issue similar to that raised in this Bill, the issue of increased taxation, and with what results? With disastrous results to the Government who proposed it. The Government would have been utterly defeated had not it been for several pocket boroughs on the goldfields where the population is certainly not great enough at present to justify separate members, and but for the return of a couple of members by the North-West constituencies, elected by the votes of people who, at the first breath of trouble, cleared out to the other States. They just cast their votes and then cleared out. But for this the Government would have been hopelessly beaten on the question of extra taxation, and as a matter of fact the Government realised that they were beaten on the question. Hence the statement in

the Governor's Speech at the opening of Parliament, that it was not a suitable time to introduce controversial legislation, and hence the statement also that the session would be brought to a close early and before there was any idea of asking for increased taxation. The Government recognised that they were beaten, and surely it is our duty to obey what is so often referred to as the mandate of the people in a matter of this kind. If ever the people gave Parliament a mandate, the people at the last election gave a mandate against extra taxation.

Hon. J. W. Kirwan: What about the vote of three to one in the Legislative Assembly?

Hon. H. P. COLEBATCH: That vote was partly due to the absence of several members for a variety of reasons—I do not know the reasons; they may have been good or bad—and also to the vote of the Country party, a vote given, I think—and I take the responsibility for my own thoughts in the matter, recognising that my constituents are country people—in opposition to the wishes of the country people. I say deliberately the vote was opposed to the platform of the Country party, because it emphasises that there shall be economy in administration, and the Premier says in effect—“I shall not economise but will make the people pay more taxation so that I can carry on in my present fashion.” That vote was given contrary to the platform of the Country party, and I am satisfied contrary to the wishes of the country people. The Kellerberrin branch of the Farmers and Settlers' Association, the parent branch of the organisation, the branch chiefly responsible for the return of a member who voted in favour of the Bill, have unanimously carried a motion in opposition to this measure.

Hon. J. Cornell: They will withdraw their opposition.

Hon. H. P. COLEBATCH: The people in the country do not as a rule withdraw any protests they make. They have time to think these matters over and when they arrive at a conclusion they stick to it. If the hon. member knew them as well as I do, he would not be

afraid of the country people going back on their word. I am sure members of the Kellerberrin branch knew what they were doing when they passed that motion. Even their loyalty to their members would prevent them from carrying such a motion, unless they felt very strongly about it. I wonder if members have ever asked themselves the question—To what extent do the present Administration take, not only from this Chamber but from another place, their constitutional rights in regard to the expenditure of public money? When the Government decided to spend hundreds of thousands of pounds on State steamers and other ventures, did they ask either branch of the Legislature whether they should do it? Did they ask the representatives of the people whether they should do it? No; they spent the money first and never troubled about getting the consent of Parliament. They spent £100,000 in capital expenditure on the State steamers and have been paying out money on these steamers ever since. At present money is taken out of the Consolidated Revenue fund without the authority of Parliament in order to make up losses on the State sawmills and State Implementation Works. The Government do it simply as an administrative act and Parliament has no say whatever in it. In the Loan Estimates for the current year there is an amount of £100,000 to be expended on workers' homes, notwithstanding that in the first week of the war the Premier declared that such expenditure must make way for more productive expenditure. Can we protest against it? Can members in another place protest? If they did, what would be the good of their protest? The Estimates have been brought down after eight months of the year have elapsed and after two-thirds of the money has been spent, and if anyone raises a protest against such expenditure, he is told that the money has already been spent. The constitutional rights of the representatives of the people in regard to the control of public expenditure have been filched from them by the present Administration.

Hon. J. Cornell: By past Administrations, too.

Hon. H. P. COLEBATCH: I was not a member of this House during the regime of any past Administration. While the Government almost daily set at defiance the constitutional rights of the representatives of the people in the matter of expending money, are we to allow them to take whatever they like and spend it as though it were their own, and perhaps with a little, less, shall I say, "prudence"—if we are to take notice of the statements made as to Ministers' contributions to the unemployed distress fund? If they are going to spend the money under this Bill as though it were their own, surely it is time we exercised our right—the only power left to us—to say whether the Government should be allowed to extract more money from the pockets of the people. We can only stop extravagant expenditure at the fountain head; once the Government have got the money we cannot say how they shall expend it. It has been said that it is in the interests of the farming community to support the Bill because of the assistance given to farmers under the Industries Assistance Act. I am getting tired of hearing about assistance given to farmers. Why is it given? Ministers are not giving their own money. The taxpayers of the State know that unless the industry is allowed to produce to the top of its capacity, our troubles must become worse every day. The taxpayers of this State are lending—not giving—the money to the agricultural industry, because they know it is the only thing for them to do. If they did not lend the money and the farmers could not put in their crops this year, the troubles of the State must increase rapidly indeed. There is no analogy whatever between the taxpayers doing an absolutely necessary thing in their own interests, and this proposal to tax the people in the interests of one particular section. According to the Press, the Premier said he understood the Legislative Council would throw out this Bill in order to provoke a dissolution. I do not

know that there is any such idea in the minds of hon. members; certainly there is not in my mind. It is a matter of absolute indifference to me what course the Government choose to take in regard to this matter. My duty as it appears to me is merely to support those measures which, I think, are in the best interests of the country, and to oppose those which I believe will be to its detriment. It is for that reason I cheerfully take upon my shoulders my share of the responsibility of opposing the second reading of the Bill.

Hon. J. W. KIRWAN (South) [6.0]: Unlike the hon. member who has just sat down, I intend to vote for the Bill. Whatever doubts I may have had regarding the wisdom of voting for increased taxation at the present stage, the speech of the hon. Mr. Colebatch has completely removed. He is a gentleman who can always make out the best possible case for any cause that he espouses. All I can say is that if a better case cannot be made out against the Bill, than the case which has been presented by him, it seems strange to me how any member of this House or of another place, having due regard to his responsibilities, can do other than support it. Mr. Colebatch has brought forward certain objections to the Bill, objections which are largely matters of detail, and some of which—and I have no authority for saying this—the Government might be prepared to consider. He has talked, for instance, a good deal about preference to unionists. He says that the Premier, or someone else, on some occasion, somewhere or another, did or did not—I am not quite sure which—say or imply that if this Bill was passed the money would be spent in accordance with the principle of preference to unionists. Personally, I hope that principle will not be recognised in the expenditure of any money which will be gathered under this tax if the Bill becomes law. Furthermore, I may say that I should be very much surprised if the Government spent this money in accordance with that principle. I do not believe the Government would do so. I ask the hon. member, suppose

the Government were to give a pledge that the money obtained under this Bill would not be spent with regard to the principle of preference to unionists, would he then vote for the Bill? He is silent.

Hon. H. P. Colebatch: I have not received a pledge yet.

Hon. J. W. KIRWAN: The hon. member will not say yes or no. I also ask him if, suppose the Government were to give a pledge that they would not spend this money in accordance with the day labour principle, would he then vote for the Bill? Of course he will not say yes or no. In addition, he talks about the necessity of putting an extra tax upon bachelors as compared with married men. I consider it would be very advisable to require bachelors to pay more, or at any rate advisable that men who have no persons dependent upon them should pay more than those who have individuals dependent upon them. I agree with the hon. member to that extent. Again, I ask him, suppose the Government were to agree to an alteration in the Bill to that effect, would he then vote for it. Once more he is silent.

Hon. H. P. Colebatch: You say suppose the Government brought in a different Bill, would I support it. How can I tell?

Hon. J. W. KIRWAN: These are matters of detail. Every one of the objections raised by the hon. member, the objection on the ground of preference to unionists, that on the ground that the money will be spent in accordance with the day labour principle, and that on the ground that it does not provide for taxation upon bachelors, or a greater tax upon those who have no persons dependent upon them, are objections that can be raised to every taxation measure and to some extent every Loan Bill that can be brought before the House; and yet we pass these other measures and these objections are not raised. They are objections which apply to every vote that we give in the passage of any money Bill whether in respect to loan or taxation in this House. They are examples of the paltry, and

almost absurd objections that are brought forward by the hon. member. I can only say that I know, and I think we all know and the country knows, that the real objections to the Bill have not yet been presented by the hon. member. He brings forward certain cases of hardship under this particular Bill. Have we not constantly heard of individual cases of hardship under the Dividend Duties Act, and under the Income Tax Act? I could mention half-a-dozen cases in connection with both of these Acts. The special cases of hardship quoted by the hon. member as being the result of taxation are in themselves no reason for opposition to the proposed new taxation. If we do not pass taxation measures until we make certain that no individual cases of hardship can arise, I say we would never pass through Parliament any measure of taxation. I should like to refer to the hon. member's attitude on the war emergency tax. The hon. member has, comparatively speaking, not been long in this House. Yet, for all that, his attitude on this question and on the war emergency tax, shows a strange reversal of form indeed. I will read some extracts from that hon. member's speech on the latter subject, and these should prove very interesting when taken in conjunction with the speech the hon. member has just delivered. He says that at the last election the Government were practically defeated on the question of increased taxation. I say that the last elections proved that the people are in favour of some system of increased taxation. That is shown clearly by the vote in another place on this very measure. How can we judge of another place, which comes fresh from the elections? How can we judge of it except by the actions of its members, who, we presume, are acting according to the instructions they receive from the country. It is all very well for Mr. Colebatch to say that the Country party or members of that party, do not represent the country. We have only his word for that.

Hon. H. P. Colebatch: It is an expression of opinion.

Hon. J. W. KIRWAN: They have come from the country with the mandate of the people. The hon. member puts forward an extraordinary contention the most extraordinary I think ever put forward in any Parliament, when he contends that the Legislative Assembly, coming fresh from the polls, returned only within the last few months, does not represent the people. The hon. member brings forward a resolution of some obscure branch of the Country party condemning some of its members. Surely the hon. member cannot be serious in quoting such a resolution as representing the whole of the people in the country. It is quite true that the Bill now before the House is different from the War Emergency Tax proposal inasmuch as it is very much lighter in its incidence of taxation. In the case of the war emergency tax, the taxation began at £100, with one per cent. tax, and went up to 15 per cent. for any man drawing £1,500 a year. Furthermore there was no entertainment tax, a tax which even the hon. member does not object to. This was suggested, I am not sure that it was not introduced, by the hon. member's party when they were in power a few years ago, the very party which are now so strong in their opposition to the Bill. The war emergency tax was a much heavier tax than that which we are now considering. What was the speech of the hon. member upon that proposal? I will read extracts from it, as follow:—

I urge the rejection of this measure, because we are on the eve of a general election, and because it is the fit and proper time for the Government to submit its policy to the people, and to ask them if they want a measure of this sort.

Mark the words "a measure of this sort." This is a much milder measure in comparison. Whilst the war emergency tax would bring something like £400,000 or half a million, this taxation, including a tax upon entertainments, will bring in less than half that amount. But the words of Mr. Colebatch were that we should look to the country and find out whether

or not the country approves of a measure of this sort. He goes on—

Then, if the people say they do want it, the Government can go back to Parliament and say the people have agreed to it and want it.

Hon. H. P. Colebatch: Why did not the Government introduce it?

Hon. J. W. KIRWAN: But the Government have introduced a measure which is a modification of that tax. The hon. member ought not to object to this tax, for the reason that it is a considerable reduction on the war emergency tax. When a measure comes forward which contains a much reduced form of taxation, embodying a tax on entertainments, of which the hon. member's party approves, and of which he himself does not disapprove, I say he should support it if he acts in accordance with his enunciation on a former occasion, and that in opposing the Bill he is acting most inconsistently. He says—

If the people say they do want it, the Government can go back to Parliament and say the people have agreed to it and want it. But I do think we should first of all see what the people have to say on this important question.

Hon. D. G. Gawler: What do they say?

Hon. J. W. KIRWAN: I shall tell the hon. member presently. Mr. Colebatch continues—

One of my reasons for urging the rejection of the measure at this stage is that the people are entitled to have a say in the matter.

What happened subsequent to that? The general elections were held. The Government went to the country, and made no apology for the war emergency tax. They were returned to office with a majority of two. I will give to my friends all the advantage they like to take of this reduced majority. But the Opposition, which fought so strongly against the war emergency tax did not come back with one extra seat. Their position was, in fact, exactly the same after the elections as it was before. But a new party came forward. What has the majority of this new party done? Six out of eight

of the representatives of the Country party have supported the proposal we are now considering.

Sitting suspended from 6.15 to 7.30 p.m.

Hon. J. W. KIRWAN: Before tea I was referring to the speech delivered by Mr. Colebatch on the occasion of the Income Tax War Emergency Bill in September of last year. I particularly pointed out that one of Mr. Colebatch's reasons for voting against that Bill was that Parliament was on the eve of a general election, and that he thought a measure of that kind ought to be submitted to the people. The exact words he used were—

Because it is fit and proper for the Government to submit its policy to the people and ask them if they want a measure of this sort.

I do not think there is any member of this House who would deny that the measure now before the House is a measure of the sort which was before us when we considered the Income Tax War Emergency Bill; and I claim that the result of the recent general election has been to show that the people recognise the necessity for some form of increased taxation. The only possible means of arriving at an opinion as to what really was the decision of the recent general election is to consider the votes given in another place. It is interesting to compare the votes given on the Income Tax War Emergency Bill in another place before the recent general election, with the votes cast a week ago in another place on the Bill we are now considering. When the Income Tax War Emergency Bill was before the Legislative Assembly the voting was 19 for and 11 against. Subsequently the general election took place, and the Government brought in this Bill—a measure of the same sort as the Income Tax War Emergency Bill, but considerably modified; and the voting was 28 for to nine against. That is to say, in a House of 50 members there were only nine who thought it worth their while to record their votes against the measure; and that

Chamber is the Chamber which is responsible to the people for the financial policy of the State. Mr. Colebatch has replied that the present Legislative Assembly does not represent the people. He gives that as his opinion. The only evidence he adduces in support of the opinion is some hole-and-corner meeting held in Kellerberrin by some branch of the Country Party Association. I do not think that the meeting in question represented the opinion even in that particular constituency. The Country party has no policy, I understand, upon a Bill of this sort; and the individual members of that party have on it a free hand. In order to ascertain the individual views of the members returned as representatives of the Country party at the last general election we have to go to the recent vote taken in another place on this particular Bill. I may say that the present is not the first occasion on which we have heard an explanation of the policy of the Country party from Mr. Colebatch. He is constantly standing up to tell us that the Country party do not favour some railway or do not favour this, that, or the other thing. I look upon the majority of the members of the Country party, and especially upon those members who were recently returned to another place, as being the true exponents of the policy of the Country party. But Mr. Colebatch, as all hon. members of this Chamber know, is in the habit of rising to tell us that the Country party members are not the real representatives of the Country party—thereby practically implying that it is he, Mr. Colebatch, who is voicing the views of the Country party, instead of those views being voiced by members actually returned pledged to support the Country party's policy. Mr. Colebatch is not the only member of this Chamber who expressed the views which he expressed when speaking on the Income Tax War Emergency Bill—as to how he would be influenced by the coming general election with regard to increased taxation. Mr. Sanderson is a gentleman whom I am sure we all highly respect, a gentleman who is always en-

deavouring to be logical, always striving to keep his election pledges, a gentleman who, I am certain, would not think of deviating from any of his election pledges. On the speech which Mr. Sanderson delivered on the Income Tax War Emergency Bill, I think we can claim that hon. member's vote. The references which I should like to quote from the speech are lengthy, but I shall select only two or three examples to show the position taken up by the hon. member. We shall see what will be his attitude when he comes to speak and vote upon the measure now before us. I can hardly believe that his attitude on this Bill will be inconsistent with the position he took up on the Income Tax War Emergency Bill. Speaking on that measure he said—

I would warn hon. members, though not so much them as the people of this country, that if the Government continue to place upon this Council the responsibility of throwing out these measures, the Parliamentary system will break down.

I am sure we must all agree with that utterance of the hon. member. We must all agree that if the Council continues to set its face against the financial policy of the country, serious consequences will ensue. I do not know whether the members of this House want to bring about financial chaos or to produce a financial débâcle; but the consequence of such action, if persisted in, of opposing their will to the will of the elected representatives of the people on financial questions and of blocking all the proposals of the Government and preventing their carrying on, the consequences, I say, may be the driving of the present Government to the country, the forcing on of another general election. I do not know whether that is the object of hon. members; but, if it be, I would ask hon. members to bear in mind the financial responsibilities which would devolve upon those who forced on another general election. The cost to the country would be more, I think, than any of us can regard with equanimity at a juncture such as this. But, if the present policy of obstruction and opposition be continued,

it is difficult to see what other result there can be. I think I may express my views as to what the result of another general election would be. I know other members of the House may hold a different view on that subject, but I really believe that the Government would come back with a larger majority and occupy a better position than they are in at present. The Government, when they last went to the country, were over-confident; but on the next occasion the contest would be of an entirely different character, and I think the result would be to bring back the Government with an increased majority. What, then, would be the position of this House? All the expense of a general election would have been incurred, and the position would be exactly the same as it is now. I do trust hon. member will realise the seriousness of the course they are taking in acting directly contrary to what is the will of the people expressed at the last general election, and in blocking the Government from carrying out their financial policy. Mr. Sanderson specially dwelt upon that position before the last general election, saying—

It is not a matter of whether the Legislative Council accepts or rejects the Bill. The responsibility is on the electors of this State. I say, and I believe I am right, that we are straining somewhat our position as a House in throwing out this measure, but I have not the slightest hesitation in doing so.

Are we not further straining our position as a House if we throw out the present taxation proposal of the Government, just when the other place comes fresh from a reference to the country? Mr. Sanderson goes on to say—

We are on the eve of a general election, and I am prepared to let the people decide, but I would warn those members of the Liberal party, the party to which I belong, who for 20 years in Parliament and throughout the country have advocated this socialistic legislation, this booming of the land, the Agricultural Bank, and a dozen other things which have brought this State into its present financial

condition, that unless they are prepared to return to another place members whose policy they wish to see put into operation, and thus turn out the present occupants of the Treasury bench, we shall be straining the situation beyond breaking point.

The position taken up by Mr. Sanderson was that, in connection with the financial proposal before the last Parliament, this House, by its action in rejecting the measure, was straining the situation beyond breaking point. What is his position now? What does he want to do? Does he want to bring about a crisis by rejecting this proposal? I believe the hon. member is fully alive to the responsibilities of his position. I cannot believe that he on this occasion will act contrary to the wishes of the people. Furthermore, Mr. Sanderson said—

I am not speaking to the House as much as to the people outside the House, and I hope they will realise the responsibility which rests on them, and will show by their verdict that the Council has done its part by throwing the Bill out.

After that speech was delivered at the subsequent general election the electors returned to another place a majority of members who desired some sort of increased taxation, a measure on the lines of the last taxation proposal. Personally, I consider this Bill most objectionable, inasmuch as all taxation measures are objectionable. Everyone objects to paying taxation. It is but natural, no matter whether a man pays £1 or 3, or whether he pays the £309 on an income of £5,000 a year, as proposed in this Bill, but as members of Parliament, it is not for us to consider the personal likes or dislikes of individuals in the community. The question we have to take into account is whether or not taxation of this sort is necessary. We know the position of the State financially and we know what it is in the matter of employment. We know how the deficit, which is now considerably over a million, goes on increasing, and we also know that our revenue is a diminishing quantity. At the same

time, there is a demand for increased expenditure, and I fail to see what other means can be adopted to provide work for those out of employment through no fault of their own, than the means suggested by the Government, and which are contained in the Bill before the House. Mr. Colebatch says that no money will be available under this proposal until July. The hon. member must know that at the present time we are receiving nearly a quarter of a million monthly from the Commonwealth by way of loan. The hon. member also must know that that loan money will come to an end by October, and when he says that no money will be available under this Bill before July, he overlooks the particular clause in the Bill which permits of a reduction of 5 per cent. for money that is paid in advance.

Hon. H. P. Colebatch: I made special reference to it.

Hon. J. W. KIRWAN: But when the hon. member stated that no money would be received under this measure before July, he evidently overlooked that particular provision. There is no doubt that persons with fixed incomes will be glad to take advantage of that provision and few people can doubt that a considerable sum will come to the Government long before July. In any case, the Government can always anticipate revenue of that sort. Therefore, to say that this Bill will render no money available before July is not correct. When we are faced with a crisis such as that we are experiencing at the present time, there are not many ways of meeting the difficulty. There are members in this House who constantly make it a habit of impressing on others the gravity of the position, and I have a great deal of sympathy with the view so expressed. The position is one that no one with the interests of the State at heart can view with satisfaction. Unquestionably something must be done to improve the position. The Government have chosen the policy of increased taxation. Personally I fail to see what else can be done in the matter and despite what Mr. Colebatch said, I think it is the duty of every member who votes against this Bill, and more

especially is it the duty of the Opposition as a party, if they throw out this measure, to lay down an alternative scheme for the Government and for the country to consider.

Hon. J. F. Cullen: There is no Opposition in this House.

Hon. J. W. KIRWAN: I have heard that said very often, but it always affords me a great deal of amusement. I do not know of any elections which have been held for this Chamber where the candidates have not been selected by the Liberal party and the Labour party, and also the Country party. We have in this House a gentleman recognised, and rightly so, as coming second in importance to the leader of the State Liberal party. During election time we find members of the Legislative Council constantly going on the platforms advocating the claims of party candidates, and yet when they come into this House they say they are not party men. Members who talk like that are acting like children; they are seeking to throw dust in the eyes of the public. It is absolute nonsense for members to say they are not party men. The bulk of the members in this House are unquestionably strong sympathisers with the Opposition party, and the unfortunate position has arisen that no matter what party the people of the State return to office, this House remains absolutely in power. The Labour party has been returned to office twice, but it might be said of it that it has never been in power. The only party in this country that can hope to get into power is the Liberal party, and yet the hon. member has the audacity to say that there are no parties in this House.

The PRESIDENT: I think it would be better for the hon. member to keep to the Bill.

Hon. J. W. KIRWAN: I was led away by the interjection of Mr. Cullen, and perhaps it is more that hon. member's fault than mine that I did depart from the purpose of the Bill. In other parts of the British Empire, party politics, the struggle of the ins and the outs, is practically a thing of the past. All parties

have united in face of a common purpose. The din of party politics is also hushed as regards the Commonwealth. When we in this State were first brought face to face with the war and drought, the announcement was also made here that party differences were at an end. I see no evidence whatever of that so far as the Opposition are concerned. There seems to be no desire to keep the party truce that was declared. I do, however, see a desire on the part of one party to maintain that truce. The Country party said that they would maintain it in the face of a common peril, and it is deplorable that the good example set by that party has not been followed by the Opposition.

Hon. D. G. Gawler: What about contentious legislation?

Hon. J. W. KIRWAN: The Government are blamed for the present position of affairs. They are accused of having brought about the existing state of things. Personally I do not think that is so. I believe that no matter what party might have been in power, in view of the drought and the trouble we are faced with the country would have been in much the same position. However, whether the Government be blamed or not, whether it be guilty or innocent, it is the duty of every patriotic individual, and particularly every public man to do what he can to assist the State out of its present financial position. What proposal has the Opposition ever made to assist the Government? Have they submitted any alternative scheme? Criticism at a time like the present should be based on an alternative scheme. What proposal did Mr. Colebatch make to-day? He seemed to think it was not his duty to offer any. It is the duty of the Opposition if they do not support the proposal of the Government, to submit another. I heard the Premier ask what would the Opposition have done if they had been in power. It is the patriotic duty of the Opposition to lay their cards upon the table and disclose their plans. That would be only fair and reasonable, and it is what ought to be expected of every public spirited man who has any suggestion to

make. Does Mr. Colebatch, in the face of the present position advocate a reduction of wages? Now and again, we hear talk of economy and retrenchment. What would retrenchment and economy mean? They would mean either a reduction of hands or wages or a combination of the two. Does Mr. Colebatch mean a reduction of hands? Does he mean to further swell the numbers of the unemployed? Does he mean a reduction of wages? In another place the leader of the Opposition was called upon to say whether or not he desired as an alternative to the scheme of the Government that there should be a reduction of hands and wages, but the hon. gentleman was as silent as the sphinx and he had not the courage to say he would reduce hands or wages. Did the Opposition at the last election say that if they were returned to power they would reduce hands and wages? They did not. They criticised the Government policy and they did everything in the way of destructive criticism. They were peculiarly fertile as regards destructive criticism, but singularly barren as regards constructive criticism. I know of no alternative proposals which they have put forward to help the Government out of the difficulty it finds itself in. The attitude of the Opposition in failing to put forward any solution of the present difficulties is due either to lack of patriotism or lack of ability. If the Opposition were in power to-day they would have to bring in a taxation proposal similar to this. The need for increased taxation was not nearly as great when they were in power as it is to-day, yet at that time they suggested an amusement tax. I claim that they are lacking patriotism or else they have no scheme to suggest to improve the position of the State, better than that which has been presented by the Government. I am going to vote for the second reading. I believe the Bill to be necessary in the interests of the country. It is not merely the unemployed difficulty of to-day which we have to face, but what I fear will be a still larger unemployed difficulty in the future. The proposed entertainment tax is fair and reasonable. What more reasonable subjects for taxation can there be

than the people who go to race meetings, picture shows, and other forms of entertainment? They have some surplus cash, and they ought not to begrudge a penny in the shilling to carry on the affairs of the country at a time like this.

Hon. J. F. Cullen: Why tax agricultural shows?

Hon J. W. KIRWAN: That is the sort of criticism to which measures of this sort are subjected. It is like my friend to quibble. He is always condemning the Government for not bringing in some system of economy, but when an unnecessary train to Katanning is cut off, he is the first, at the bidding of a few of his constituents, to denounce the Government for having knocked off the train. Members of Parliament who realise the position of affairs ought to be prepared to tell their constituents that they must make such sacrifices as the occasion demands. Those hon. members who will vote against the Bill show a sad lack of a true appreciation of the position, and of that patriotic spirit which should inspire them at a time like this. I believe the proposed tax to be fair in its incidence. It will fall only on those who have incomes. It is said that people ought not to be taxed at a time like this; but it must be remembered that it is only those who have the money who will be taxed. Any man who has lost everything in consequence of the existing state of affairs will not be asked to pay, while those required to pay will pay only in accordance with the incomes they derive during the current year. Surely that is fair and reasonable. Why should members think merely of the interests of a few grumblers and growlers, rather than of the welfare of the whole State? The result of the voting at the last general elections shows clearly that the people are not averse to increased taxation. Naturally people dislike increased taxation, but the necessities of the case demand it and demand further, that a Bill of this sort should be supported. I hope it will be carried.

Hon. Sir E. H. WITTENOOM (North) [8.4]: It is with some diffidence

that I rise after the eloquent and impassioned appeal of the hon. member who has just sat down. I listened with interest to the leader of the House when introducing the Bill, and I am sorry to say I was surprised and disappointed at his speech. Like many others I have expected further taxation. We expected to have to pay something more to get the finances of the country into some semblance of order, and we were willing to support a Bill of this sort, provided the proceeds were to be used to put the finances of the State in order. The speech made by Mr Colebatch was in every sense worthy of him and of the occasion, while Mr. Kirwan has done full justice to the situation from his particular point of view. It is often contended that there are parties in this House, and when, in succeeding divisions, we see six or seven of the same members always on the one side, we are constrained to admit that there may be some ground for the contention. However, I do not think any one would accuse me of being a keen party man. I have no fanatical ideas in regard to politics, and I would not mind what Government were in power, provided they carried on the business of the country in a proper manner. But in circumstances like the present one cannot refrain from criticising the Administration, and the legislation submitted to this House. Before coming to the Bill itself I would like to refer to several statements made by Mr. Kirwan. He denied the claim of Mr. Colebatch that the Government are not representative of the people. Whether Mr. Colebatch be right or wrong, it is the impression I myself have received. I am convinced that the Government are not representative of the people of the State. At the election of 1911 less than 50 per cent. of the voters supported the Government, and I agree with Mr. Colebatch that, had it not been for the 12 pocket boroughs held by the Government on the goldfields, Ministers would have had no hope of returning to power, even with their present small majority.

The PRESIDENT: I must ask the hon. member to direct his attention to the Bill.

Hon. Sir E. H. WITTEOOM: I was simply answering the comments you kindly permitted my friend to get in. The hon. member persisted in comparing this measure with the last of its kind which came before us. There is no analogy between the two. Although it was framed on extreme lines, the last one had for its object the procuring of funds for the good of the State and the assistance of the revenue, while the Bill before us is for a special purpose. Its object is a special class tax, and it is set out clearly and unmistakeably in the Bill. Therefore, there is no possible comparison between the two measures. Mr. Kirwan, in an endeavour to show that Mr. Colebatch had altered his mind, quoted previous speeches delivered by that hon. member. Suppose Mr. Colebatch has altered his mind and come here with entirely new views; surely it is of advantage for a man to change his mind. People who maintain the same opinions year in and year out are often twitted with being conservative, and behind the times. I like to see a man progress, and if Mr. Colebatch has altered his mind it is probably for the good of the State. At all events we can pin him down to what he said to-night, for if anybody desires anything more clearly stated, or admirably explained, than were Mr. Colebatch's facts and opinions, he is extremely hard to please. I will not refer to those magnificent heroics by Mr. Kirwan, which although interesting were altogether beside the question. The hon. member accused the House of rejecting all financial measures coming from the Government. We have rejected only one such measure, and undoubtedly that rejection met with the approval of the whole of the community. Yet Mr. Kirwan accuses the House of rejecting all the taxation Bills of the Government, whereas every member is anxious to assist the Government to carry on the country by legitimate taxation and reasonable expenditure. I am opposed to the Bill on several grounds. In the first place it is unnecessary, and in the second place, without saying it offensively, I object to the Government having control of any more

funds, in view of the results we have before us. My third objection is that the Bill represents class legislation. I am convinced that the Bill is unnecessary, because I understand we are to have submitted to us a comprehensive Loan Bill, involving something like £2,800,000. Surely that money will provide sufficient work to employ three or four thousand men. There are several works which could with advantage be put in hand at once. There is, for instance, the Fremantle-road, quite close to the City, and that other great work suggested by the Colonial Secretary, which would provide a great deal of employment, namely, the building of feeder roads. But the greatest and best work of all which could be taken in hand is the clearing of Government land ready for the plough. There we have three separate works calculated to employ far more than the total number of our unemployed, and surely between the Consolidated Revenue and the proceeds from the proposed enormous loan, sufficient money can be found without taxing the whole of the country for the benefit of one particular class. I have said that I object to the Government having the control of the expenditure of any more money. It is for this reason: the loan indebtedness of the State to-day is over £33,000,000, in regard to which we pay an annual interest bill of £1,169,000. Fancy that enormous indebtedness spread over, say, 133,000 people, and representing £100 per head for every man, woman, and child in the State! It means that every child born is born with a millstone of £100 round its neck.

Hon. J. W. Kirwan: The hon. member has not made allowance for sinking fund.

Hon. Sir E. H. WITTEOOM: We can knock off £3,000,000 for sinking fund and still have an indebtedness of £30,000,000 left. It is a regrettable state of affairs—and I am using the calmest words possible in the circumstances—that any Government, after having expended 24 million pounds in three years, should have to ask for a small sum of £200,000 for the relief of the unemployed. But what has been the result? This huge

sum has been expended in three years, there is a deficit of over a million pounds, and there is not a contented person or a paying industry in the State, not one. That is the result of the administration of the present Government for three years, and yet they ask us to entrust them with a further amount to expend on unemployed labour on terms that we know nothing about, but simply with a reservation that the money will not be spent without the approval of both Houses of Parliament. We will shortly be going into recess, and there will be little time in which to bring down a schedule, and the experience will be similar to what it has been under many other measures. The schedule will be issued when Parliament is in recess, and at the beginning of next session, we shall be informed that so much money has been expended, and that we are required to authorise the expenditure. I am not inclined to be prophetic, but I have an instinctive idea that the Government never intended this Bill to be passed. I do not believe the Government, composed of astute men, ever thought for a moment that a Bill of this nature would pass the Council. In the circumstances, I feel inclined to regard it as almost their last resort. Those members who have travelled have probably attended the opera "Lohengrin," and they will probably remember one of the most interesting parts on the death of one character, what is known as the Swan song. I regard this Bill as the Swan song of the Government.

Hon. J. Cornell: Not the Lost Chord.

Hon. Sir E. H. WITTENOOM: I am led to that view because I find that excellent precautions have been taken by the Government in the event of them having to appeal to the country. Something like £750,000 has been placed on the Estimates for the farmers. That placates the farmers. It has been solemnly declared by the Premier that no salaries in the public service will be reduced. That makes the public servants all right. I understand that although the hours of railway men have been reduced, it is a thoroughly well understood matter. Therefore, their votes are safe. Now, we

have this Bill for the unemployed. Whether it goes through or not their vote is made safe. Then we find that every precaution has been taken to look after strong supporters in places like Bunbury and Albany. Poor Geraldton is never thought of, although at present it is represented by a supporter of the Government. In the circumstances, I cannot help thinking that the Government regard this Bill as presenting a hope of going to the country for a dissolution and coming back stronger than ever. If the Government do so and are returned, I wish them luck. It is almost like reiteration to say very much on this Bill, because Mr. Colebatch, to use a vulgarity, has stolen all my powder and shot. He said so many things with which I am in accord that it would be needless repetition to again refer to them. This Bill, like so many other measures which have been introduced during the regime of the present Government, is entirely class legislation. The people are to be taxed in the interests of one class. Mr. Kirwan said although we object to this Bill, we have offered no alternative proposal. I have done so. The Government could find from Consolidated Revenue and Loan Funds enough money to keep the unemployed going, and those men who cannot be employed would be very glad to enlist because I believe the pay for enlisting is almost better than for working, that the food and everything else are all right, and the sight-seeing. I am told, is unsurpassed. Ever since the Government took office we have had nothing but class legislation. Almost their first act was to raise the wages of the railway employees. I do not say that they were not deserving of it, but the question was—could the railways afford it? We know the railways could not afford it; the profits have been reduced from about £250,000 to vanishing point, and this year the railways are likely to show a loss of £40,000 to £50,000. The State cannot pay something out of nothing. For the benefit of Mr. Sanderson, I might repeat *ex nihilo, nihil fit*. It is all very well to pay high wages, but if the wages cannot produce a commensurate return, how can the bus-

iness be carried on? Loan money has been spent all over the State, and nearly always in the interests of the workers. The exemption under the Income Tax Act is £200, which excludes a very large proportion of the workers from the operations of the measure. The Customs tariff—a Federal matter, I admit—is not a protectionist's tariff, but a worker's tariff. It is more excessive than is necessary to be of use to a manufacturer, but the manufacturer is distinctly given to understand that in return for a high tariff, wages must be kept up accordingly. Then we have old age pensions and the maternity bonus, all in the interests of one particular class. I hold that no more mischievous piece of legislation was ever instituted in any country than the indiscriminate granting of old age pensions. I am a believer in old age pensions, but I believe in paying them with discrimination. No man is encouraged to be thrifty, because he is sure of 10s. a week pension on reaching a certain age. Therefore, he will now spend all he can. Previously, a man tried to save to provide for old age, but the granting of pensions indiscriminately has led people to become less thrifty. I mention this in order to show what the worker is worth to the State after all these millions have been expended for his benefit. I believe in a worker receiving the highest possible wages which any industry can afford to pay. I have always carried out that policy in every possible way, but it is impossible to pay 20s. to a man who earns only 15s. If a man earns 15s. I can understand him receiving 14s., but any company who pays 20s. for 15s. worth of work must end in failure.

Hon. H. Millington: They do not often make that mistake.

Hon. Sir E. H. WITTENOOM: When the hon. member makes a good interjection, I will answer him. I have always believed in paying the best wages possible.

Hon. J. Cornell: Under pressure, sometimes.

Hon. Sir E. H. WITTENOOM: Never. It is impossible to pay 20s. to a man who earns only 15s., but this is exactly what

the Government have been doing. They have been trying to maintain high wages without getting an adequate return for it, and the result is that we have got into our present terrible state with a deficit of something over a million. In regard to State sawmills, the Colonial Secretary told us the Government were keeping all their hands on, were paying the same wages, and were making no reductions whatever, and he added—"Look what we are doing? Look at our stock of timber." From another source I find that the Government have 500,000 sleepers in stock, and there is no market for them. It is impossible at present to sell a jarrah sleeper. What right have the Government to do this, and whence do they find the money? I set out to explain what a worker is worth to the State after all the money I have indicated has been spent upon him. A man receiving less than £4 a week pays no income tax, no land tax, and no other taxation excepting customs duties on his clothing, tobacco, and drinks. The whole of the proceeds of that taxation goes to the Federal Government, who return to the State 25s. per head per annum. This is what the State obtains from the worker who receives £4 per week and under. The whole of the customs duties should go to the States, and we should never have joined the Federation, but that is a matter of the past. A very small proportion of the people of the State are really taxpayers. If the workers are excluded and if Government employees and those who are receiving small salaries are also allowed for, it will be found that about one-tenth of the people pay the direct taxes in Western Australia.

Hon. H. Millington: They get it out of the rest of the people.

Hon. Sir E. H. WITTENOOM: They do not. The railways are not paying education is costing nearly £1 per head of the population—

Hon. J. Cornell: Would you do away with that?

Hon. Sir E. H. WITTENOOM: The expenditure is excessive, but I am not suggesting that we should do away with it. I am trying to show the hon. member that the revenue of the State is derived

from a very small number of the people. There are the police—there is no profit out of them. There is the administration of justice—there is no profit out of that. I do not think anything comes back from the Fremantle harbour works, although something used to come back from that source. I pass over the State enterprises. We find in the anticipated Loan Bill that thousands and thousands of pounds of loan money are to be spent on State enterprises, although these are losing money every day. I cannot understand how the Government can keep it up. The taxation upon the people of the State is imposed by statute, and they are bound by statute to pay it. The expenditure of this taxation has to be by authorisation of Parliament, but we find that in numerous cases, as pointed out by the hon. Mr. Colebatch, these authorisations are either overlooked or stretched to a large extent, and that money is spent in directions which have never had the approval of Parliament as a whole. It is said that this House has nothing to do with the expenditure, but this House is a part of the Constitution. Until this House is removed from the Constitution members of it have to do their duty. The Government are the trustees of the State. Their duty is to administer the loans raised by the State and the moneys voted in accordance with the statutes and Acts which are passed by both Houses of Parliament, and not according to the whim of this or that particular Ministry. Speaking from the commercial point of view I should say that the business of the country should be carried on like the business of any company or any merchant. That is to say, the Government should make both ends meet. They try to do so by burning the candle at both ends. With regard to the Country party, I am exceedingly sorry to see the way in which members of it voted in another place. I understood they came into Parliament to try and stop any unreasonable taxation.

The PRESIDENT: I would remind the hon. member that debates in another place are not to be alluded to.

Hon. Sir E. H. WITTENOOM: I will not allude to the subject again. I am ex-

tremely sorry I cannot support the Bill under present conditions. If it had been brought in, as I anticipated it would be, for the rearrangement of the revenue, the reduction of the deficit, and in order that an attempt might be made to put the State in a better financial position, not only I, but other representatives in Parliament, and other people in the State would have been perfectly willing to bear any reasonable taxation. With regard to the object of the Bill I hope the Government will see their way to find employment for those men who are out of it. There is no doubt there is a lot of suffering, and there is no reason why these men should not have work. In my opinion there is plenty of scope under the Consolidated Revenue Fund and other funds of the Government to give them this work. Men might be taken into the country where there is ample work required to be done in the way of clearing and road making, and if such steps as these could be taken much of this trouble would probably be done away with, and matters would be smoothed out. I regret that I find it my duty to oppose the second reading of the Bill.

Hon D. G. GAWLER (Metropolitan-Suburban) [8.33]: I think there is little doubt with a measure of this sort that any one who assists in its rejection may be said to be out of sympathy with the unemployed. I do not, however, think that this can fairly be said, both for the reasons which have been given, and for those other reasons which will probably be stated during the remainder of the debate. I, for one, absolutely repudiate any suggestion that I am not in sympathy with genuine employment. I am, however, out of sympathy with the man who is known as unemployable, and I think that every sensible man in the ranks of the unemployed probably shares the same view. There are two aspects of this Bill I should like to bring before the House. One is the peculiar situation which this House appears to be in with regard to the unemployed movement. The House has been asked to give sympathetic consideration to the cause of the unemployed. An appeal has been made to it for its assist-

ance. A resolution was passed at a recent meeting of the Trades and Labour Council that an appeal should be made to the Legislative Council to assist the Government to pass taxation to provide work for the unemployed. Up to that point everything was all right. A sympathetic appeal was made to the Council. We find, however, that the chairman of the meeting in seconding the resolution, expressed the hope that if the appeal was not fallen in with the Council would be abolished. Then we have the meeting of the Australian Labour Federation at which the following resolution was passed—

That the metropolitan council of the Australian Labour Federation protest against the action of the metropolitan members of the Council in refusing to meet that Council to discuss the unemployment question, and regret that they have allowed their party prejudices to blind them to their duty to the workers.

I do not attach too much importance to a statement of that sort. I do think, however, that this savours rather of putting forward an appeal with one hand and pointing a revolver with the other.

Hon. H. Millington: You are not nervous I hope?

Hon. D. G. GAWLER: So far, I have seen nothing to be nervous about. Another point that struck me in connection with the matter is that it is not a question altogether of relieving genuine distress arising out of unemployment, but rather that of a claim as of right for relief by an organised body. If a claim as of right is made—and I see no real objection to such a claim being made—I think it is perfectly right for this House, that it is the duty of the House, to inquire into the circumstances under which such an organised movement is fostered, into the teachings which are inculcated by it, and the conditions under which they are brought about. I would like to refer to one or two matters which cropped up not long ago in connection with the unemployed movement, and I would ask the House to say what its opinions are on what took place. Mr. Cameron, who has taken a leading

part in the movement, has given his views upon economic principles, and to say the least of it they are somewhat novel and startling. His theory, amongst other things, is that labour is practically the only factor in production. He goes on to give at all events one remedy for unemployment, which he states to be reduction of working hours to counteract the increased productivity of machinery, thus spreading employment over a large number of workers. That to my mind is a principle which requires very careful consideration before anyone can give adhesion to it. Under such a theory capital, brains, and enterprise count for nothing. They are a mere trifle so long as the wages of the workers are maintained. Preference to unionists is sought under this movement. I believe a resolution was solemnly passed by the General Workers' Union, to which I understand this movement is practically affiliated, with regard to the East Perth re-grading works, which hon. members will recollect were hung up because the workers refused to take less than a certain amount of wages. The resolution is as follows:—

That the embargo placed by the union in connection with the East Perth regrading be lifted under strong protest and on the distinct understanding that the action of the union is not to be taken as establishing a precedent, as the union in making this sacrifice is being guided by the abnormal position of the labour market. What do proceedings like that lead to? Do they not point to this, that the unemployed can stop the works of the Government or allow them to go on with them as they please? Surely that is not the right attitude to adopt in the interests of the State. Then, again, we have the fact that no man of the unemployed, however destitute, so far as we can see, is allowed to work under the ruling wage without permission from his union, and that in one instance a man made such an application but was positively refused. There is another incident in connection with the doctrines espoused in the unemployed movement of which I myself was a witness. Not

long ago I was passing along the Esplanade and was attracted by a meeting being held there, and was enabled to hear the following remarks from the man who was speaking at the time:—

He had been to see the chairman of the Turf Club and the chairman of the Turf Club had told him that they had certain funds to be spent and that these would be spent as soon as a meeting was held to decide where the money should be spent and how much was to be spent. "Why should we wait until that meeting is held. I think we have a right to every penny of the money at once, because that money is your money; it is contributed by you by your patronage of the races."

The PRESIDENT: I think it would be better if the hon. member were to return to the Bill. I suggest that he should do so.

Hon. D. G. GAWLER: Might I put myself in order by suggesting that I set out to make this point in order to show that the movement was a movement whose condition ought to be looked into, so that the House might make up its mind in regard to the Bill. I have almost finished in regard to that particular subject. The idea conveyed to my mind in that sentence of the speaker at the meeting was this. He suggested, I think, that the money squandered by them at the races should be ear-marked as money to which the squanderers could resort after their money had been spent and they had reduced themselves to destitution. That is an extraordinary doctrine to teach anybody. If unemployment is fostered under these conditions, and if these are the teachings of the leaders of the movement, it is the duty of the House to say whether a measure such as this should be passed, a measure which really is one which proposes to give relief to a certain body of men, amongst whom these principles are to be found. Is it not the duty of the House to prevent special taxation being placed upon a special body of men for such a purpose. The pitiable part of it all is this, that amongst the unemployed there

are undoubtedly deserving cases, and the problem is to separate the deserving cases from the undeserving. Unfortunately, there is a tendency to make this movement a political one.

Hon. J. W. Kirwan: How would the hon. member deal with unemployment?

Hon. D. G. GAWLER: Several proposals have already been put forward. Perhaps I will make a suggestion myself, but I do not think it will appeal to the hon. member. I again submit that the proposed tax violates one of the principles of taxation, namely, that no one section of the people should be taxed for another section.

Hon. J. Cornell: Does that not apply to the present income tax?

Hon. D. G. GAWLER: That is for revenue purposes, whereas the principle laid down in this Bill is that the tax is to be appropriated to one section of the people—the unemployed.

Hon. J. Cornell: Why not eliminate that if that is your only objection?

The PRESIDENT: This conversation is entirely disorderly.

Hon. D. G. GAWLER: Another principle has been laid down really by the leader of the Country party, and early in his career as leader. This was that it was wrong to spend money to give unemployment. If any claim is to be made for relief for the unemployed to my mind it should not be made by way of a special tax, but should be by way of a call upon the national funds, and then only if the State's debts are first paid. The question of relief to the farmers has been quoted in connection with the present taxation proposal. The relief given to the farmers is, however, given under an entirely different principle. This was given from national funds. If there is going to be a loss it will be a national loss. Further than that, the farmer repays that money with interest, and any other relief which is given to him under the Industries Assistance Act is only, I believe, for bare sustenance and repaid in monthly instalments.

Hon. W. Patrick: But he has also to repay that.

Hon. D. G. GAWLER: Yes; I believe he has also to repay that. Thus that measure is on an entirely different principle from the principle underlying the Bill now under consideration. Again, if we look at the matter from another aspect, the farmer is to a much larger extent than the average worker, really a producer. The farmer produces from his own property, which he has improved, and which is a valuable asset to the State. Again, under this measure there is a further objection, namely that relief is to be given, so far as we are told, at the ruling rate of wages, and, further, so far as we are told, it is to be restricted to members of unions. As far as we can learn, the Premier is unable to say whether the principle of preference to unionists is or is not to be resorted to under this measure. I think we may take it that the Premier has no objection to the insertion in this Bill of a clause making the point clear—that is, assuming the measure gets into Committee. It has been stated by Mr. Colebatch and Sir Edward Wittenoom—and I thoroughly agree with them—that the expenditure involved in the Estimates, both of revenue and loan, is ample to meet any unemployed difficulty. In this connection I point to the reply given by the Premier to the men themselves on the 20th November last. Hon. members can look up the report for themselves if they like, and see that a large portion of the speech is devoted to setting out work after work that the Government were going to place in hand for the benefit of the unemployed. Not once throughout that speech, which occupied columns and columns, did the Premier refer to the question of extra taxation. Further, the Bill, as has been well said, represents an attempt by an indirect method to place on the shoulders of a certain section of the taxpayers the obligation of paying the debts of the Treasurer. That is what the proposal amounts to really. Having dealt with that aspect generally of the Bill, I should like to make a few remarks on several serious objections in detail to the Bill itself. The farmer's position, which has already been referred to by Mr. Cole-

batch, seems to be a very unsatisfactory one under this measure. The farmer undoubtedly seems to be in for a particularly bad time if this Bill is passed. At the end of the next season, out of his profit he will have to pay back to the Government all he owes them, and he will have to pay his debts, and any little balance remaining after all that is done will, if this measure passes, go to pay the super-tax; and he will have to pay that tax not only on what amount of profit remains to him after paying his debts, but on the whole amount of his profits, without allowing for his previous losses. Again, there is the case of the insurance companies. Hon. members will recollect that under the Dividend Duties Act insurance companies are taxed at the rate of one per cent. on their gross premium income—not on their income after allowing for management, outgoings, losses, commissions, and so forth, but on their gross income. Other companies pay 1s. in the pound on their profits, which represent a rate of five per cent. If hon. members will compare the figures, they will see that insurance companies are really paying 10 per cent. on their profits, as against 5 per cent. paid by other companies. That the case stands thus is borne out by the present measure, which provides that insurance companies' profits shall be taken to be 20 per cent. of the gross incomes. On that amount, therefore, they will have to pay this super-tax; not only the ordinary income tax, which, as I have pointed out, equals 10 per cent., but also a super-tax equivalent to a further 10 per cent. Again, estate agents have already made known through the public Press that the Bill contains an anomaly which will entail grave injustice on them. Their profits from sales of land are frequently spread over a considerable number of years, but under this Bill estate agents will have to pay on the whole of their profits immediately, though during the current year they may get in only a small portion in cash of the price at which land is sold. There is another instance of anomaly in the Bill, and that is the case of the wages man. So far as I can gather, the

wages man in the Railway Department has already had his hours reduced, which means that he has had his wages reduced. The salaried staff, however, have not had their pay reduced. Now, both the wages men and the salaried staff are to be taxed under this Bill; and it seems to me the result will be to impose double taxation on the wages men and single taxation on the salaried staff. I am not saying that the salaried staff are not at present making voluntary contributions to the relief fund. They are making such contributions, which I consider a generous mistake. Perhaps in that way matters are equalised so far as the wages men and the salaried staff in the Railway Department are concerned. But, on the face of it, the burden seems to be distributed disproportionately. Another provision to which exception must be taken is the discount allowed for payment of the tax in advance. It is perfectly easy for a salaried man or a wages man to know what he will have to pay at the end of a month, and so he can pay it and secure the 5 per cent. discount. But it is impossible for a man making an income from profits to know what his profits will be for a month, and so he will be unable to obtain the benefit of the discount. This means that the man making an income from profit will pay 100 per cent. of his taxation under this measure, whilst the wages man or the salaried man will pay only 95 per cent. With regard to the tax on amusements, I feel a considerable amount of sympathy for that, because it clearly represents taxation on surplus cash. I fail to see that the proprietors of shows need complain if they have to pay the tax, because they can pass it on; and I think the person who shares in the amusements can easily afford to pay the tax. Undoubtedly, this measure bears a large number of the same objections as applied to the Income Tax War Emergency Bill. Unquestionably, it is not sound policy to tax people when their incomes are falling. When peoples' incomes are rising, is the time to tax them. Further, as Mr. Colebatch has shown, the principle of taxation of this nature has been repudiated by the whole

of the Australian States and practically by the Commonwealth as well. Of course, as regards the Commonwealth, there is a different situation, inasmuch as the Federal Government have to find extremely large amounts of money for the war. The present Bill, as I have already said, is equivalent to a proposal to tax one section of the community for the benefit of another section; and I certainly say it is a misuse of public funds to pay the proceeds derivable from this measure to men who openly refuse to work with any man not belonging to the unions. I propose to vote against the second reading of the Bill for the reasons that I have given, and generally because I think the principle of assisting the unemployed is wrong. In any case, the unemployed will, in my opinion, get little benefit out of this measure. They will, I think, derive ample benefit from the expenditure of public funds already available to the Government. We have already been told—it has been published in the newspapers—that some of the representatives of the unemployed consider this tax not large enough, consider it ought to be doubled. There is a continual drain from the State's revenue at the present time into unpayable State enterprises; and that drain ought to be stopped to my mind. We ought to pay our debts before we call on people to bear special taxation. As I have said, I intend to vote against the second reading of the Bill; but, before closing I may be allowed to read a telegram which I have just received from the Chamber of Mines of Western Australia—

Executive Council of the Chamber of Mines at meeting to-day unanimously passed resolution to the effect that they view with alarm the possibility of the Income and Public Entertainment Taxation Bill becoming law. Insofar as it affects the mining industry, the result would be to seriously injure this, the one primary industry in the State at present able to give employment to a large number of workmen at a high rate of pay. The Chamber would especially point out that shareholders of mining companies, and more particu-

larly the shareholders with small interests, would have their incomes seriously and unfairly diminished by the proposed tax, and that generally the mining industry of the State could not recover from such a blow for many years to come.

Hon. J. F. CULLEN (South-East) [8.56]: The immediate questions for this House are, whether necessity exists for increased taxation, and, if so, whether this Bill is a wise instrument for increasing taxation or even by amendment can be made a wise measure. As regards the necessity for the Bill, it does not appear that Ministers were strongly impressed with that necessity until a few days ago. Ten days ago, after the date on which Ministers had hoped to close the session, they had no thought of proposing increased taxation. The genesis of the Bill has been explained by a gentleman who has constituted himself the dry nurse of the Government. He says that but for the innate wickedness of a certain newspaper and of a certain legislator, the Government would never have thought of putting on increased taxation; that they held entirely different views for meeting the needs of the unemployed. For my part, I believe that gentleman is quite correct. I am reminded of a position illustrative of this Bill. There was a certain employer who had plenty of money at his command, and plenty of work to do with it; and a group of men went to him and asked for work. He said, "I have plenty of money and I have plenty of work, but I have other ideas regarding you. I am not going to throw you into the organisation of industry and labour. I am going to keep you apart. I am expecting to be placed in command of a special fund later, and then I will have work for you." What would be thought of an employer who adopted such an attitude? He would be accused of whimsicalness, at best; and probably he would be accused of shuffling with men seeking work. But that is exactly the position of the Government. The Government have £2,800,000 of Loan money placed at their disposal, thanks to the kindness of the Imperial Government,

through the channel of the Commonwealth Government for the express purpose of saving increased taxation and ordinary borrowing. This loan money is intended for public works, for the employment of the people during the present stress. Now Ministers say, "We have £2,800,000 of loan money," and they have asked Parliament to authorise reproductive public works on which the £2,800,000 may be expended.

The Colonial Secretary: When did the Government say that?

Hon. J. F. CULLEN: In the other House, but I am not allowed to quote it.

The Colonial Secretary: The money is not raised.

Hon. J. F. CULLEN: The money is coming in month by month; it has not to be raised. The Minister is under a wrong impression.

The Colonial Secretary: The money has to be raised and I have the Bill here to introduce to-morrow.

Hon. J. F. CULLEN: Just so. That Bill is the sequence of all Bills that this House has passed authorising the works. The Loan Bill which the Minister is going to introduce to-morrow is merely a completion of the authorisation. The money has not to be raised here; it comes in month by month from the Imperial Government through the Commonwealth Government. It is coming in in monthly instalments and as rapidly as the Government can spend it. How in the name of reason do Ministers say to this Legislature, with all that money, and all these works, that they have no room for a little group of unemployed? How irrational and how preposterous is the position of the Government. They will not do the proper thing and let the unemployed take their place side by side with the organisations of labour. Do they want an unemployed cult in this State? Do they want a group of men to be branded as outside the ordinary ranks of labour? What is their object? Why should these men be kept outside the organisations of labour? Surely the Gov-

ernment should be glad to absorb these men in the labour that is waiting for them and over which the Government are dilly dallying in the most inexplicable way. Six months ago the Government knew this money would be available and it is now some time since the first works were authorised by Parliament. Why have the Government waited? Why have they not put those works in hand and found employment for those now seeking for it? I hope the Minister will explain, when he replies. There is just a risk that some people might misunderstand some of the references by Mr. Colebatch. I am sure that he, with every member of this House, has the deepest sympathy for the unemployed. I have had to do with a great many unemployed movements and I know that there are times when, through failure of works, men are thrown on the labour market, and through other causes men may find themselves out of employment, when it may be an exceedingly difficult matter to get work. I have the deepest sympathy for the man who is hunting for work, the man who is anxious for it, but who is unable to get it. I know there are certain men who, under such circumstances, by dint of their exceptional energy and tact, will make work for themselves much more speedily than other men. But we have to deal with the average man, and as we have the unemployed it is the duty of the Government to open up, where possible, all avenues of labour. I ask the Government, why has not this been done? The money was available and the works were available and authorised. But the Government said "No, we have set our minds during last week on a special fund for the unemployed, and we will have an unemployed group." That is not state-manship; it is bad management. The gentleman who suggested the genesis of this Bill opened up rather a serious view of Government action. In this House to believe that Ministers, because of the action of a newspaper and a legislator in challenging them to keep a promise, they made four years ago, and promptly forgot all about, a promise to sacrifice £300

of their own emoluments, and which they said very shortly afterwards they could not keep because Parliament had dared to ask for amendments in the Bill—because this newspaper and the legislator challenged Ministers with having come down on railway men for retrenchment and not on themselves, Ministers, in a virtuous fit of self-abnegation, said, "We will not take the kudos of making big sacrifices ourselves, we will let the railway men bear the chief loss, and we will bring in a little tax which will touch the people which that newspaper and that legislator specially represent." I, for one, feel ashamed to have such a view of Ministerial action forced upon me, and yet I can see no other explanation. Ten days ago Ministers had no intention of bringing in a tax and now they suddenly introduce it. In answer to my first question to-night, that there is no necessity at this juncture for increased taxation, I repeat there is ample money available for works to absorb all the labour in this State and before that money is exhausted, towards the end of the year, Parliament will have resumed its sittings next July, and if the conditions have not so altered that the fear of industrial troubles will be ended, it will be quite enough time for the Government to bring down special taxation. I will not delay the House by discussing the second question, because I hold it is the duty of members to throw out this Bill, and if it is thrown out there will be no need to discuss the details of it. If, by any chance, the Bill goes into Committee I shall have several amendments to propose, but as I believe the House will reject the measure, I will not detain members any longer. All I want to say is, in common with every right thinking man in the Legislature, I have deep sympathy with the unemployed, but there is ample money and ample work waiting for them, and all the Government have to do is to bring the men and the work together.

Hon. A. G. JENKINS (Metropolitan)
[9.10]: I would not have risen to speak at all on this question after the various

speeches which have been made, because practically everything in favour and against the Bill has already been said. But when we are told by Mr. Kirwan that the Government have obeyed a mandate in bringing in the Bill, one has to join issue with that gentleman when he gives us, as the ground work for his argument, the fact that the Country party voted for the measure in another place. The hon. member founded his argument on the supposition that though the Government came back with a decreased majority, the members of the Country party voted for the Bill. I will show the House how the hon. member's statement may, to a certain extent, have been founded on fact, but I will also endeavour to show that a week previously this celebrated party voted in an exactly opposite direction. I want to know from Mr. Kirwan which vote he thinks is the correct one for the purpose of his argument. About a fortnight ago a motion was introduced in another place by a member to the effect that there should be an amendment of the Parliamentary Allowances Act of 1911, to provide for a reduction of all members' allowances, including the President, Speaker, Chairman of Committees, and leader of the Opposition by at least £100 a year, and also that a similar provision to Section 4 of the Payment of Members Act, 1900, be inserted, namely that Ministers, while in receipt of Ministerial salaries, should not be entitled to draw their member's allowances. That was discussed for a short time. Presently a gentleman on the Government side of the House moved an amendment to the motion to the effect that a Bill to provide a further graduated temporary tax on incomes be introduced.

The PRESIDENT: I must remind the hon. member that Standing Order 390 provides that no member shall allude to any debate of the same session upon a question or Bill.

Hon. A. G. JENKINS: My desire is only to allude to a vote which was taken in another place. I have already read the amendment which was to the effect that a Bill to provide a graduated tem-

porary tax on incomes should be introduced. A division took place and every member of the Country party voted against the motion. That was only on the 10th February. This destroys the ground work of Mr. Kirwan's contention that the Country party voted in favour of increased taxation, because less than 10 days previously they voted in an exactly opposite direction. The only reason I can suggest why the vote was reversed was that a certain gentleman, not present on the first occasion, must have hypnotised them on the second. And now we are asked to say that on account of that second vote this House must vote for the tax, because the majority of the representatives of the people in another place deem it necessary. As I have pointed out, some of the representatives in another place do not know their own minds for two minutes. How, then, can this House be guided by their vote? I am strongly opposed to this taxation measure. There is no necessity for the tax, seeing that we have two millions of loan money.

Hon. W. Kingsmill: Three millions.

Hon. A. G. JENKINS: No, I understand some of it has been spent, but that two millions of it is still available, according to the Loan Estimates. As Sir Edward Wittenoom pointed out, most beautiful pre-election Loan Estimates have been presented to the House, giving immense sums of money to practically every industry in the State, the great bulk of which is to be expended in providing labour. Why, then, should the Government now say "We cannot get along unless you give us another £150,000, which is going to take us 12 months to collect." This loan money should be available for public works to-day. As a rule when the works estimates are brought down, the money is already there for those works. Why have they not been put in hand? Reference has been made to the reply given by the Premier to an unemployed deputation which waited on him on the 20th November. The Premier's remarks on that occasion are worthy of consideration at the present time, as showing how little attention the

Government have been paying to the problem which has been before them for so many months. The Premier said—

So long as the work at East Perth was hung up they could not go ahead with the whole project. A wage of 9s. a day was a fair rate, and when the work was continued at that rate they would be able to employ 100 men at full time, or if part time were worked they would be able to put on from 150 to 200 men. Nothing could be done until the East Perth end was put in hand and carried out. As soon as they completed the subway at West Perth they would be able to go ahead with the re-grading at West Perth and Leederville, where the work would entail an expenditure on labour only, and the men would get the full benefit of the money expended. They had been spending about £3,000 per month in connection with the workers' homes scheme. In that connection they would be able to absorb a great number of men in the building trades, for they were going to spend for the future £7,000 or so per month. Then again it was felt that they were not acting . . . economically in paying high rents for the housing of some of the departments, and that when they provided accommodation for them the rent saved would more than pay the interest on the capital expenditure. A conference had been held with representatives of departments as to which would first be attended to in that connection, and it was decided to remove the old police court buildings in Barrack-street, then the Savings Bank, and, with a view to getting the town hall corner in due course, to proceed to erect suitable offices. The Agricultural Bank trustees had been asked to consider whether they could advance money to farmers to assist them to engage labour under conditions which would assure the farmer continuing his operations and improvements in the interests of the State as a whole. These works would not absorb all the unemployed, but they were the immediate steps they had taken.

What steps has the Premier taken at all? That was on the 20th November, and we know that none of these buildings has yet been started. The greater number of the genuine unemployed are the artisans, the men in the building trade. Unfortunately, there is only one answer to the question "Why are they unemployed?" namely, that wages in the building trade have been forced up so high that no man can afford to pay them and secure a fair interest on his investment. On the 20th November the Premier said he was going to do all these things, yet so far he has not attempted any of them. I am against the board principle of taxing the whole of the community to provide work for a certain section. I expressed that opinion to the members of the executive of the Trades and Labour Council when, a few days ago, they wrote asking me to attend a meeting; I have not altered that opinion, and I never shall. The proposed tax is unique in the history of the world. The circumstances may be almost unique, but the Government cannot point to any part of the British Dominions where a similar tax has been imposed under any circumstances. Is it a time for taxation? Everybody, and particularly the business man, will readily answer "no." In reply to a request for similar taxation the Premier of South Australia said—

Despite these difficulties and the deficit, it was not the intention of the Government to raise money by increased taxation during the next financial year, as the Government knew that the people were never so distressed and unable to bear the extra burden.

If that holds good in South Australia, how much more applicable is it to Western Australia, whose people have passed through a severer time than have the people of South Australia? To the question whether the people of Western Australia are in as good a financial condition as those of South Australia, there can be only one answer. South Australia has always been a wealthy State individually and collectively, whereas in Western Australia, unfortunately, the reverse has been the case. We have very few rich men, and for many years past the State

collectively, has been anything but wealthy. How, then, can a taxation Bill deemed unnecessary in South Australia, and there calculated to entail much hardship, be regarded as a good measure in Western Australia? The time when the Government may legitimately claim that they cannot provide work for the unemployed is when loan moneys have been exhausted. If, then, they find it impossible to borrow money for public works there might be some justification for taxation, but certainly not at the present time, before our loan moneys are exhausted. Consider the different policies the Government have pursued in regard to the farmers and the unemployed respectively. When the Government desired to assist the farmers they did not propose to do it by taxation, but proposed to let the farmers have loan money. So too, when the Government required the farmers to pay their rents,—on which by the way, interest is being charged—they did not ask the House to vote increased taxation; they adopted the proper course, and said "We will let them have loan money." In each of these instances the House readily agreed. Undoubtedly there is a good deal of distress, and the Government should bring in some system, not of relief works in the ordinary acceptance of the term, but of a public works policy, such as that in the Loan Estimates, calculated to absorb the unemployed. I hold that work should be and must be found for the married men among the unemployed, but there is no obligation on the State to provide work for any single man. Every single man medically fit and sound has a duty which he owes to the State, namely, to go to another part of the world and do his best to protect the wives and families of the married men.

Hon. H. Millington: Why not the sons of station-owners?

Hon. A. G. JENKINS: Let the hon. member refer to the enlistments, and he will find it is the sons of wealthy men who have gone in their scores. Let him refer to the percentages of each class of those who have gone, and see which will come out best. I know many sons of

wealthy station owners who have gone, and who have in addition provided mounts for the light horse. To go to the front is a duty the single man owes to the State. Rather than loaf around Perth and look for Government employment he should go and fight for his country. The Government are under no obligation whatever to provide relief works for single men. There is a certain obligation on the Government in regard to providing work for married men, but the Government have the money with which to provide it. It is rumoured that if the House rejects the Bill the Government intend to withdraw the money allocated for the relief of the farmers, in order to provide work for the unemployed. I hope the Colonial Secretary, when replying to the debate, will let us have a direct assurance as to the truth of that rumour. I can hardly credit the statement, and I sincerely hope it is not true, for it would constitute a most serious blot on the Government's administration. I rose principally to reply to the remarks of Mr. Kirwan in respect to the attitude of the Country party. Before one sets up an idol, it is well to determine that that idol has not feet of clay. In this case the idol is thus handicapped. Personally it is a matter of indifference what the Country party's ideas may be in regard to the Bill. They have already cast a vote each way, and how their third vote will go I do not know.

Hon. W. Kingsmill: It will split up the party.

Hon. A. G. JENKINS: The party in this House cannot be split, because it has only three members. Let us hope that sound arguments will prevail with two of them, and induce them to vote on the right side, namely, against the Bill.

Hon. J. CORNELL (South) [9.29]: It is obvious that, like wet days in summer, the supporters of the Bill are few and far between. In normal times, I would not advocate a tax on amusements, for I consider amusements the third essential to the daily life and well being of the people, the other two being food and raiment. However, the circumstances warrant the course taken. I would like

the Government, as has been done in New South Wales, to impose a stiff tax on motor-cars and other luxurious appurtenances enjoyed by the rich.

Member: That would be bad luck for the Premier.

Hon. J. CORNELL: The Crown is not taxable. However, that is a field for future exploitation. The graduated income tax in normal times is a fair one, for taxpayers are charged in accordance with their means and ability to pay. If in normal times it is fair, it is doubly so in times like the present. Do the present circumstances warrant the introduction of this taxation? Undoubtedly they do. There is no gainsaying the fact that money is now tighter all over the world than probably at any time during the last century. The State is faced with a falling revenue due to the drought and the war, and it is no argument that because other States have not introduced a tax on these lines we should not do so. Are the present conditions likely to continue? I say reluctantly they are. The settlement of the war is a good way distant and though there is every indication of a favourable season, three or four good harvests will be necessary to put this State on a good footing again. Is the object of the Bill in keeping with the times? The object to provide work for the unemployed is in keeping with the times under normal conditions and much more so at present. Throughout Australia, unemployment has not been so prevalent since the early nineties as it is now. It is greater in Western Australia to-day than it has been since the foundation of the State. The Bill proposes to deal with unemployment; it is necessary to do so and as early as possible. Have the mouthpiece of the people, the Press, given the Government or this Bill a fair deal? The answer must be "No." The section of the Press which has done so is like a voice crying in the wilderness. The Press, under large headlines, have stated that by feat of arms and policy the Allies have prevented the German and Austrian Governments from feeding non-combatants, and the Press go to the length of saying the Allies have been

assisted by the dispensation of Providence. But immediately the Government of this State endeavour to honestly and genuinely do what no other Government in Australia have so far attempted, to meet the position confronting us by a direct tax on the people so that the unemployed may be provided with work and enabled to procure bread, this mouthpiece of the people characterises the proposal as iniquitous. The opinion of the Press does not trouble me one iota, but the Government do trouble the Press, and the latter are out to damn and down the Government on every conceivable occasion without any compunction with regard to fairplay and honesty. The question confronting this House is whether we can assist the Government. Undoubtedly we can assist by passing this Bill and thus helping those in whose interests the measure is framed. If we pass the Bill unemployment will be partially relieved. But it is obvious after the remarks of Mr. Colebatch and other hon. members what the fate of the Bill will be. Sir Edward Wittenoom, by way of illustration, likened the Government's action in introducing this Bill to the Swan song in a German opera. When Mr. Colebatch has delivered a speech in this House the extraordinary anxiety of a big section to follow him is remarkable. The actions of those members remind me of the ancients who went to consult the oracle regarding the past, present, and future, and having heard the oracle they were prepared to blindly follow and do as they were told.

Hon. Sir E. H. Wittenoom: You have not applied your illustration.

Hon. J. CORNELL: There is another section of members who follow Mr. Colebatch when measures for the alteration of the incidence of taxation or for the improvement of social conditions come before this Chamber. These members realise the justice of such proposals, but, led by Mr. Colebatch, will not accord them their support. There is another section of members who follow Mr. Colebatch, and who sometimes have a very faint idea of the proposals, but they persist in giving antiquated advice to the

Government. If a messenger came from Mars and asked my friend Mr. Millington if he knew this section I feel sure he would answer, "Better than they know themselves." This section is well and ably led by Mr. Cullen. If by a wave of a wand I could be translated back to consult with the cave men of 150,000 years ago, their views would be strikingly analagous to those of another section of the House well and ably led by Sir Edward Wittenoom. There is another section of members who, if I could be charitable, I would include under one of the other sections, but strict adherence to truth prevents me from doing so and the rules of the House will not permit me to adequately express myself with regard to them. When Mr. Colebatch makes a speech other members follow him in a manner which forcibly reminds one of the hymn, "Lead Kindly Light." I wish to extend to Mr. Colebatch my congratulations on having once more, as on the Income Tax (War Emergency) Bill, welded into a solid force the sections of members who can see but who will not see, who offer antiquated advice and who are reminiscent of prehistoric ages. When the Income Tax (War Emergency) Bill was before the House, Mr. Colebatch made a speech in opposition to the measure, and whether through anxiety to close the session or to hide their faces in view of an impending general election, no other member spoke.

Hon. Sir E. H. Wittenoom: What particular age do you acknowledge?

Hon. J. CORNELL: Even though they did not speak the Bill was defeated. On this occasion, however, I believe every member who supports Mr. Colebatch intends to speak and prolong the agony. Mr. Colebatch has said that the Government will not give up one socialistic scheme. I commend the Government for not doing so. Their policy is to develop all forms of public utility and to carry out for the benefit of the people certain enterprises which are now in the hands of private persons. The policy of the Liberal party laid down in this House by Mr. Colebatch is that these enterprises should be taken from the

Government and given over to private individuals. I feel confident that no remarks of Mr. Colebatch will induce the Government to depart from the attitude they have taken up, an attitude which it would not have been possible for the Government to have adopted had the proposal in connection with them first come before the Legislative Council. That is where the shoe pinches. This Council objects to the Government taking from Consolidated Revenue moneys for the purpose of starting State trading concerns. The Government as an administrative body have time and again been absolutely forced into doing by administrative acts what this House has prevented them from doing by Act of Parliament. So long as they remain in office, I hope they will continue to do by administrative acts everything possible that this House will not agree to. What are the chief reasons given by Mr. Gawler and Mr. Colebatch why this tax should be reduced so that no portion of it shall be devoted to the reduction of the deficit? One of the chief reasons was that it was to be ear-marked for the purpose of providing work for the unemployed. I do not intend to quote from *Hansard* from the speech delivered by Mr. Colebatch on the War Emergency tax, but one of the chief reasons advanced by him for the rejection of that Bill was that it provided that the Government should take the receipts from the tax for any purpose whatever, even for the reduction of the deficit. He said he was not going to be a party to assisting the Government in raising a tax and helping them to get the State out of the financial hole into which they had involved it. When the measure came down to this House he endeavoured to follow the policy laid down by this House on a similar Bill, but we find that he has reversed his arguments and that he has been supplemented in this by Mr. Gawler. I ask both these hon. members, though I know it is futile, would they be prepared to support the Bill in its entirety if this provision was eliminated from it? I feel satisfied that the Government are in no way wedded to placing the amount raised by the tax to

a special fund, and that it could go into consolidated revenue and be used as they might direct. Mr. Colebatch and Mr. Jenkins referred to single men. The former said that no single man ought to accept Government relief, that he should be above it, and that single men could get work, though perhaps not at as high a rate as usual, but could still earn sufficient to live upon. I have heard Mr. Colebatch say that he was not in favour of a reduction of wages. If that is not an advocacy of the reduction of wages, I do not know what is. He has said that the single man in abnormal times should take less than he would get in normal times, and should thereby fertilise and stimulate industry. In the fertilisation and stimulation of industries, the worker is forgotten and will receive no *quid pro quo* for what he has done to assist the employer in abnormal times. Mr. Jenkins has said that all single men should go to the war.

Hon. A. G. Jenkins: If they cannot get work.

Hon. J. CORNELL: I think it would be more charitable for the State to decree that people who were starving and ready for work should be shot. If we have a horse who is starving we do the trick, and end his days. I do not see that the fact of a man being out of work should be any incentive to him to go to the war.

Hon. A. G. Jenkins: Would you have him loaf about Perth then?

Hon. J. CORNELL: There are as many well-dressed, well-fed, and well-cared for persons who loaf about Perth and follow occupations which are of no benefit to the State, as there are men out of work and willing to work. If men choose to go to the war, why should they not go, but why should they be made to go if they are unemployed? For an hon. member of the House, however, to get up and say that because a man is out of work and cannot get work he should go to the war is, to say the least of it, extraordinary. Mr. Colebatch has said that a man should work for less wages than he would get in normal times. To a certain extent Mr. Jenkins is more

generous than Mr. Colebatch. He says that men should go to the war, for the Commonwealth Government have laid it down that if a man does so he will get a decent wage, decent feed, and decent clothing. There is much to commend that argument as against that of Mr. Colebatch. The latter hon. member has said that probably the money will only provide work for manual labour. While I have every sympathy with the artisan who is out of work, and I think that in bad times an artisan should be prepared to take whatever work is offering so long as he can get a reasonable recompense for what he does, I have no sympathy for the artisan who will walk about the streets and only desire to follow his own particular occupation. I am not a tradesman myself, but I have been in the grand army of the unemployed and feel a good deal of sympathy for them, but I have always taken any work that I could get and have followed many callings. I feel confident that if the Government are given the necessary money, even to partially assist unemployment, the artisan will do what he did in the early nineties, turn his hand to manual labour when there is no work offering in his particular trade. What may be summed up as the only piece of spleen or absolute bitterness that has been introduced into the debate was in reference to the question of preference to unionists raised by Mr. Colebatch, and in a small degree by Mr. Gawler. Ever since I became a member of this House I have had hurled at me, and at the party with which I am identified, the question of preference to unionists and spoils to the victors. I am a believer in preference to unionists. The unionist is a factor, and has been and will be a factor, in bettering social conditions, and he has made wages boards, arbitration courts, statutes, and even the Parliamentary Labour party possible. Because he has gone into the open and taken a leading part in social positions and the affairs of this country, some recognition should be given to him as against the individual who endeavours to dodge his responsibilities. I venture to say that deep down

in the heart of Mr. Colebatch he has a warm corner for the trades unionist who has brought about the banding together of trades and callings, and stood up and fought for better conditions, and that he has a greater feeling for him than he has for the loafer who will hang on as long as he can to others who are more industrious and thrifty than he is. Mr. Colebatch has said that the Premier inferred that in the disposal of the funds raised by this Bill for unemployment preference would be given to unionists. The Premier made no such remark. The actions of the Government on this proposal can only be judged by their actions since unemployment became rampant in the metropolitan area. No hon. member of this House can point the finger of reproach at the Government and say, "You refused so and so assistance in his time of need by virtue of his not being a unionist." To say that the Government abused the present abnormal circumstances and the straits to which men are now reduced to further our party machinery is not becoming in, or worthy of, the hon. Mr. Colebatch. It has been said during the debate that every man employed on relief work should be encouraged to get off them as soon as possible. What does that mean? Let us analyse it. Relief works as referred to by Mr. Colebatch were known in the early nineties as relief works for the purpose of dealing with unemployment. There was no basis of organisation and no basis of general construction where a great proportion of these works would be reproductive. Men actually employed on these works would go to some other place and fresh men come along and fill up their places. I think the Government have no intention of starting relief works of that description. There are scores of ways in which the unemployed of the State could be occupied so that their work would return some benefit to the State. There is the question of road making even about Perth which may not be reproductive to-day, but will undoubtedly be so in the future. Further, the work will have to be done in the near future. As for encouraging men to get off relief works as soon as possible,

there are only two ways in which I think they could be encouraged to do so; either by not giving them sufficient pay for the work they are doing, or by working them too long or too hard. I wonder does Mr. Colebatch mean that the Government, when employing men on relief work, should not pay those men a fair wage? I say, the Government should. Or, does he mean that the Government should work those men longer than the hours now recognised? I say, the Government should not. Mr. Colebatch, in the course of his remarks, stated that it was not always the best man who was out of employment. For my part I do not know exactly what constitutes the best man. The man whom many members of this House might regard as the best man in this Legislature, even Mr. Colebatch, might possibly go out at the next election. My experience as a worker is that the best men are not always kept on. My definition of the best man employed on a job would be one who was the best workman and also the best man in point of manhood. When working for private enterprise, I found invariably that the best workman with the least manhood would be given the preference over the best workman with the most manhood. Take the case of industries which have closed down: what becomes of the best man in such a case? The best man has to take his chance with the worst man. And, after all, is this a question of the best man? Are we going to cater for, to turn our thoughts towards, only those who are physically best fitted to face such circumstances as the present; or are we going to consider the community as a whole? I maintain that every man desirous of earning his daily bread, be he the strongest or the weakest, should have afforded to him by the people an opportunity of earning his bread. I have little further to say, because I recognise that there must be a limit even to the making of speeches when hon. members generally have already made up their minds. I should, however, like to warn those hon. members of this Chamber who make a practice of throwing out legislation which has passed the people's Chamber by large

majorities—in this case by a three to one majority—that a day of reckoning will come. A day of reckoning must come. If this Legislative Council is prepared to continue to use its prerogative against the best interests of the State and against the will of the people as voiced in the Legislative Assembly, then the people must wake up and deal with this Chamber. They can deal with it through the ballot box. They can remove the incubus upon justice, equity, and social progress. If, however, the people continue calmly to view this institution in the future as they have done in the past, then I would advise them to try force; because this Council is not returned by, and does not represent, the manhood and the womanhood of this State. It does not represent the taxpayers of this State. The people of this State in the aggregate render the existence of the taxpayer of the State possible. To say that this House represents the taxpayers of the State is monstrous in the last extreme. I say this House does not represent the taxpayers of this State, and does not represent the manhood and womanhood of this State. The function which this House does faithfully perform is to bar the encroachment of the people's House on the fat men of this State. What are those fat men asked to contribute under this Bill? The man in receipt of £1,000 per annum is asked to contribute, even in these abnormal times, a mere bagatelle; and I contend that the man who will refuse to assist the finances of the State, and to relieve the depression existing in such times as these, is an asset that the State can very well do without. I personally would persist in singing "He's a jolly good fellow" if he got out of Western Australia. From the remarks of several of the speakers who preceded me, it might be thought that the sacrifices which this Bill asks the people affected to make, will continue for ever; but, in point of fact, all the Bill proposes to do is to tax specially the people of this State, for a definite object, for the short period of 12 months. It is futile for me to ask the Legislative Council to rise to the occasion. The moment Mr. Colebatch opened his mouth, the

doom of the Bill could be foretold. Lastly, all I can say—though I do not wish to say it—is that a time may come in Western Australia when certain hon. members who are about to take a certain course may be driven by dire necessity—though I do not wish to see it—to regret that action.

Hon. A. SANDERSON (Metropolitan-Suburban) [10.10]: I can assure hon. members that 15 minutes having been sufficient to deal with the Taxation Bill of six months ago, 15 minutes will be sufficient for me to deal with this measure to-night. The question I have been asking myself, after having listened to the debate as far as it has gone, is whether we are dealing with a little, fiddling, taxation Bill as it was described by Mr. Colebatch, or whether we are dealing with a momentous matter, as Sir Edward Wittenoom told us we were doing. In the course of the 15 minutes which I propose to give to the Bill, I intend to devote a small portion of that time to the comments of the last speaker. His comments and criticism of older and more experienced members in this Chamber were painful to listen to, but I do not wish to be dragged into personal wrangling, although I am not one who is of opinion that no personal comments should be made in a debate. I think such comments add a little spice to a debate, but personal comment wants practice so that a little polish might be added to it, in which case we would not be listening to crude outbursts such as we have heard to-night. I would remind the hon. member when he indulges in references to Sir Edward Wittenoom, Mr. Colebatch, and Mr. Cullen, of what was said by a leader in the mother of Parliaments—insolence is not invective.

Hon. J. Cornell: What did Lloyd George say about the Duke of Devonshire?

Hon. A. SANDERSON: I blush to think that the hon. member should presume to mention the name of Lloyd George, but I am not going to be led away from the question before the House. What is the position of affairs at the present moment? This Bill has come before us in the

usual way, with a three to one majority from the Lower House, and we are asked by members here to reject it. We have been told to reject it because it does not represent the opinion of the other Chamber or the opinion of the country. We shall be taking a great deal on our shoulders. We have the key of the situation, so far as the Bill is concerned. I had no hesitation in rejecting the taxation measure of six months ago, for one reason only, and I accept the challenge of Mr. Kirwan in regard to that. I accepted the responsibility of throwing it out because a general election was approaching and the people would have the opportunity of deciding the question for themselves. The people certainly did not send back the Liberals to office, and now we have an enormous majority in the Lower House sending up this Bill, and we are asked to take upon ourselves the responsibility of throwing it out on the second reading. Is that the constitutional way of dealing with the opinion of another place? Is it a common sense way of dealing with it, and is it ordinary courtesy that we should, as was said, bang and bar and bolt the door against any further discussion on this question of finance? It is interesting to listen to the mutually destructive statements made here this evening by Mr. Cullen, Sir Edward Wittenoom and Mr. Jenkins. There is no necessity to increase taxation is the dictum of Mr. Cullen.

Hon. J. F. Cullen: At this stage.

Hon. A. SANDERSON: Mr. Jenkins was equally emphatic on that point. Sir Edward Wittenoom said that he expected increased taxation, and he was agreeable to accept it provided so-and-so and so-and-so.

Hon. J. F. Cullen: No; providing there was a necessity

Hon. A. SANDERSON: He admitted there was a necessity for taxation and he expected it, and he was quite agreeable to it on certain conditions. So far as finance is concerned, I am not going to touch on it. To launch forth criticism of the public finances of the State at the present moment is too painful a topic, and I cannot wish for anything worse

for the Government than the words of the last speaker that the day of reckoning will come. I say it has come with a vengeance. We had it from the leader of the House the other day that the deficit is a bogus one. I cannot wish for more severe punishment for the frenzied finance of the Government during the past three or four years than the present position. I am dealing now with what we are going to do on the second reading of this Bill. Who is responsible for the Government of the country? Is it suggested, without going into a long dissertation on constitutional procedure that anyone here would seriously urge that this Chamber should have the controlling voice in regard to the finances of the State? It will be painful, if there is a division, for me to find myself supporting in any degree the finances of the Government.

Hon. Sir E. H. Wittenoom: Why not go away?

Hon. A. SANDERSON: I seriously thought of doing that, but having made up my mind in regard to the position of affairs, I thought it would not be a very brave action to walk out of the Chamber and leave the matter to those gentlemen who are responsible for the administration of the country.

Hon. Sir E. H. Wittenoom: What would you call them, derelicts?

Hon. A. SANDERSON: I am not going to indulge in vituperation or even criticism of the Government at this juncture. Rightly or wrongly, common courtesy demands that we should give some consideration to the proposals of the Government. By the rejection of the Bill we will absolutely bar the way to any further discussion of the finances of the country.

Hon. Sir E. H. Wittenoom: You are wrong.

Hon. A. SANDERSON: If we reject the second reading, how can we possibly open up any negotiation either with the Government, who are primarily responsible for the affairs of the country, or with the Country party to which members have referred? Sir Edward Wittenoom objects to the Government having

control of more money. I object also, but I make a stand in regard to the constitutional point that the Government are running the country. In any case the amount involved is, on Sir Edward Wittenoom's own showing, a mere bagatelle. If he will object to the Loan Bills which are coming down, and to the Loan Estimates, there will be some logic in his attitude.

Hon. Sir E. H. Wittenoom: Do not you think I would be very foolish to vote against the Loan Estimates?

Hon. A. SANDERSON: It would be most unconstitutional, for it would be impossible for the Government to carry on if the Council insisted on rejecting their financial proposals. I associate myself to a large extent with the criticism of the Government, but it must be remembered that the people have sent them back and, therefore, must bear the responsibility. I am not prepared to vote against the second reading, for I do not wish to slam the door in the faces of the Government. Very little reference has been made during the debate to either the Imperial or the Federal aspect of the question. A very heavy responsibility is thrown on the leader of the House. At the commencement of the gigantic conflict, to which very little reference has been made, I promised to put aside party feeling. We should do nothing to increase the responsibility thrown on the leader of the House, and it would have come well from Mr. Colebatch if he had made passing reference to the burden on the Government. Since war broke out we have seen in practically every country under the British flag some attempt to meet the political enemy half-way. There has been no such attempt in this debate. As for our Australian responsibilities, when Mr. Kirwan insists that we should show some alternative scheme, I reply that I am prepared to explain my alternative. It would be unreasonable to ask those who have already spoken to alter their minds.

Hon. Sir E. H. Wittenoom: We are open to conviction.

Hon. A. SANDERSON: If I had the tongue of an archangel I would still find it difficult to bring Sir Edward Wittenoom over to my side. However, I am appealing only to those members who have not definitely made up their minds, to put themselves in the position of the Premier.

Hon. Sir E. H. Wittenoom: We would rather not.

Hon. A. SANDERSON: The greater reason why some consideration should be extended to the Premier and his colleagues in their present difficulty, rather than try to work narrow, pettifogging, party points on them by references to preference to unionists and other political shibboleths. Suppose hon. members were in the position of the Government with a majority of three to one in the Lower House on financial proposals, and this Chamber refused to pass the second reading of an important financial Bill—what would hon. members say? I picture Sir Edward Wittenoom, Mr. Colebatch, and Mr. Cullen calling earth and heaven to witness the outrage of this Chamber rejecting the Bill.

Hon. J. F. Cullen: The hon. member voted against the last Bill.

Hon. A. SANDERSON: With the greatest hesitation I voted for the rejection of the Bill six months ago for the one reason that the electors within a week or a month would have an opportunity of giving their opinion on the measure. I do not think there is any necessity for going into the financial position and criticising the Government for the condition into which they have got the community. I would like to have touched at greater length on the Imperial factor, which has been scarcely referred to, and on the Federal factor. I have repeatedly said that without consideration of the Federal factor we cannot begin to deal with the finances of Western Australia.

Hon. J. W. Kirwan: What is your alternative scheme?

Hon. A. SANDERSON: I am coming to that. If hon. members reject the second reading they will slam the door in the faces of the Government and of two-thirds of the representatives of the people, who have just come back from the

electors. Is that reasonable or constitutional; is it commonsense or common courtesy? For what might happen in Committee I will not be responsible. The point is the second reading, and members will not allow the Bill to be taken into Committee.

Hon. Sir E. H. Wittenoom: Who said so?

Hon. A. SANDERSON: The hon. member and others. If I have made any impression on the minds of members I will continue.

Hon. J. F. Cullen: I am afraid not.

Hon. A. SANDERSON: Sir Edward Wittenoom is one of the oldest and most experienced men in this Chamber. He has held high offices locally and in the centre of the Empire and knows something of his Imperial, Federal, and local responsibilities, but he is such a jester—he would even jest at the cannon mouth or go down in an earthquake with a jest on his lips. The hon. member called this a momentous question; Mr. Colebatch called it a little, fiddling taxation Bill. If I could snatch one vote from the hon. member, I would not care whether the Bill was called momentous or petty.

Hon. Sir E. H. Wittenoom: You are making a lot of inroads into my determination.

Hon. A. SANDERSON: I wonder if that is a jest. The finances of the country constitute a serious matter, and I cannot understand how any member, knowing all the circumstances, would shut the door to any further negotiation as regards this Bill. Let the measure go into Committee and then everyone can fight to get what he wants. I do not know that the Government are tied to any portion of the Bill. If it is re-casted in Committee that may be welcomed by the Government, and they will be given an opportunity to reconsider their position. By the rejection of the second reading, they will be deprived of that opportunity. We have all the power in our hands to find out how far the Government are prepared to go and what the Country party are doing and apparently, we are to be refused the opportunity to learn what this

is. I am not responsible for the Government of the country. I have studied the politics of Western Australia closely for the last 20 years, and am more than ever convinced that the day we entered Federation we were, financially speaking, lost. Apart from the Labour Government, the drought and the war, when Western Australia entered Federation we were financially doomed, and what has occurred since has only hastened the day which must inevitably have come. Western Australia will have to go in for unification as the only possible solution of its present state of affairs. This is my answer to the hon. member who asked for my alternative. If we look ahead we must realise that unification is the only solution for our troubles, but so far as this Bill is concerned, constitutional Government, commonsense, and common courtesy to the Government demand that the second reading at any rate should be passed.

On motion by Hon. C. F. Baxter, debate adjourned.

House adjourned at 10.36 p.m.

Legislative Council,

Wednesday, 3rd March, 1915.

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